

KBC Group in a nutshell

Disclaimer

This document should be read together with the press release of 17 February 2023 "KBC confirms that ČSOB (Czech Republic) was delivered an arbitral award in the arbitration proceedings against ICEC- Holding" , in order for the reader to have a complete view on the 2022 financial results of KBC Group.

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more information: www.kbc.com

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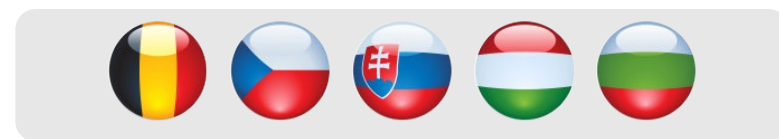
✓ **We want to be among Europe's best performing financial institutions! By achieving this, KBC wants to be the reference in bank-insurance in its core markets**

- We are a leading European financial group with a focus on providing bank-insurance products and services to retail, SME and mid-cap clients, in our core countries: Belgium, Czech Republic, Slovakia, Hungary and Bulgaria
- As a result of the withdrawal from Ireland, arising M&A opportunities beyond our core markets may be assessed (for approval of the Board of Directors) taking into account very strict strategic, financial, operational & risk criteria

✓ **Diversified and strong business performance**

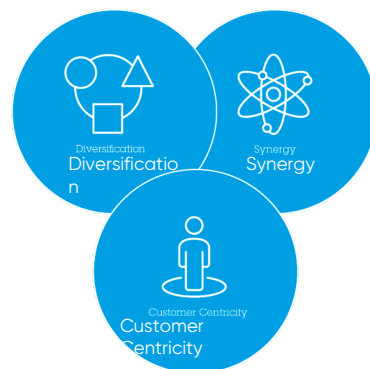
... **geographically**

- Mature markets (BE, CZ) versus developing markets (SK, HU, BG)
- Robust market position in all key markets & strong trends in loan and deposit growth



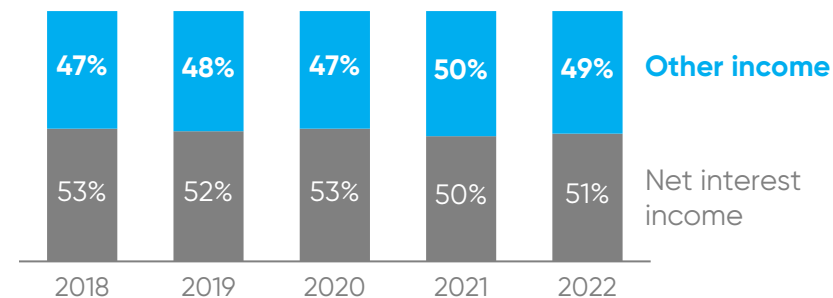
... **and from a business point of view**

- An integrated bank-insurer
- Strongly developed & tailored AM business
- Strong value creator with good operational results through the cycle
- Unique selling proposition: in-depth knowledge of local markets and profound relationships with clients
- Integrated model creates cost synergies and results in a complementary & optimised product offering
- Broadening 'one-stop shop' offering to our clients



KBC GROUP TOPLINE DIVERSIFICATION

in %



high profitability

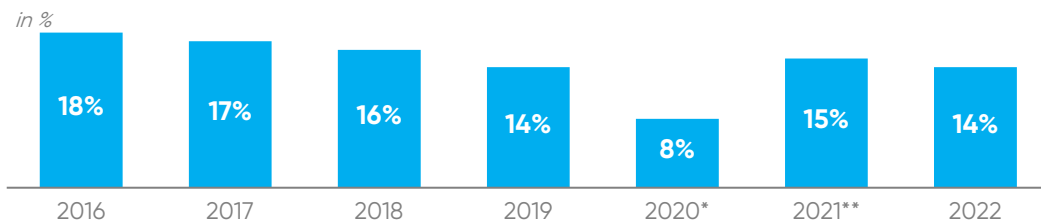
C/I ratio*
54% | FY22
55% | FY21

* Adjusted for specific items

Combined ratio
89% | FY22
89% | FY21

Net result
2,864m | FY22
2,614m | FY21

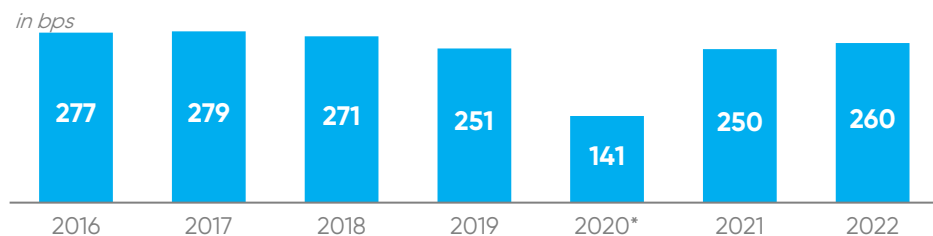
RETURN ON EQUITY



* 11% when adjusted for the collective covid impairments

** when excluding the one-off items due to the pending sales transactions in Ireland

CET1 GENERATION BEFORE ANY DEPLOYMENT

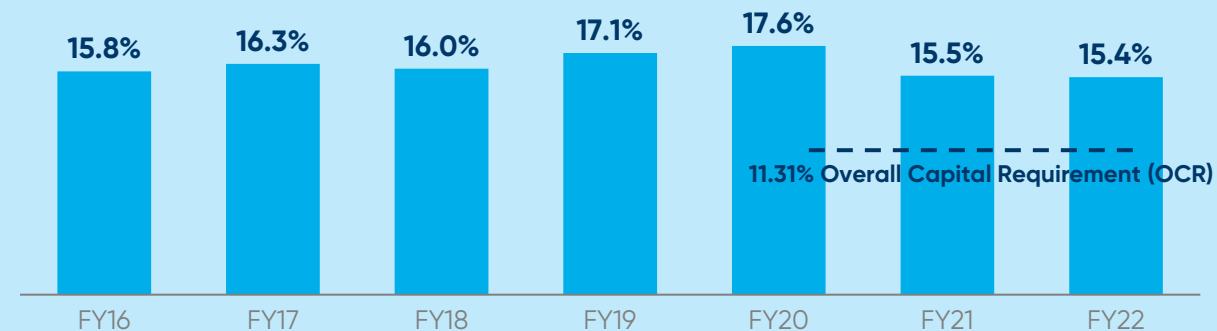


* 202bps when adjusted for the collective covid-19 impairments

solid capital position

CET1 RATIO (FULLY LOADED, DANISH COMPROMISE)

in %



robust liquidity

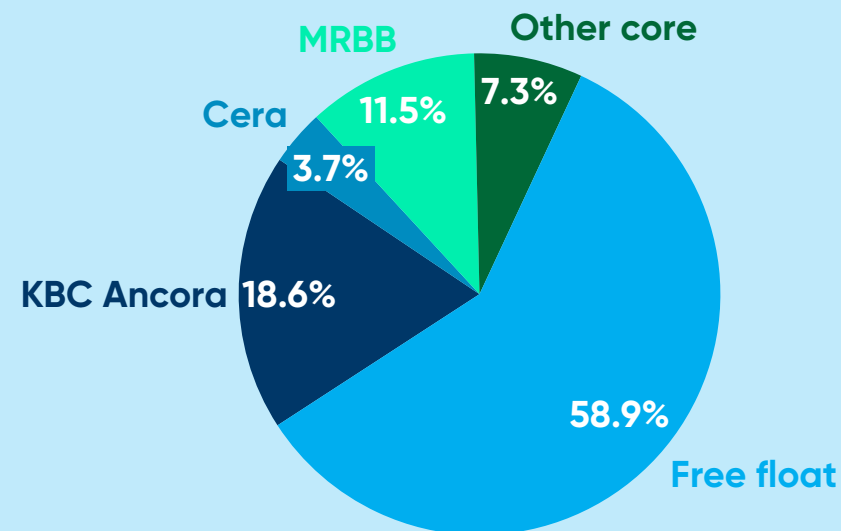
NSFR
136% | FY22
148% | FY21

LCR
152% | FY22
167% | FY21

Dividend policy & capital distribution (as of 2022)

- We aim to be **amongst the better capitalised** financial institutions in Europe. As a consequence, the dividend policy of KBC Group is tailored to that purpose. Each year, the Board of Directors will decide, at its discretion, on the total dividend based on the assessment of risks, forward looking profitability and strategic opportunities
- **Payout ratio policy** (i.e. dividend + AT1 coupon) **of at least 50% of consolidated profit** of the accounting year
- **Interim dividend of 1 EUR per share** in November of each accounting year as an advance on the total dividend
- On top of the payout ratio of at least 50% of consolidated profit, **each year** (when announcing the full year results), the Board of Directors will take a **decision, at its discretion**, on the distribution of the **capital above 15.0% fully loaded CET1 ratio, so-called surplus capital**. The distribution of this surplus capital can be **in the form of a cash dividend, a share buy-back or a combination of both**
- From the moment Basel IV will apply (as from 1 January 2025 at the earliest), the capital deployment plan will be updated

Shareholder structure (as at end FY22)



- Roughly **41% of KBC shares are owned by a syndicate of core shareholders, providing continuity to pursue long-term strategic goals**. Committed shareholders include the Cera/KBC Ancora Group (co-operative investment company), the Belgian farmers' association (MRBB) and a group of Belgian industrialist families
- The **free float** is held mainly by a large variety of international institutional investors

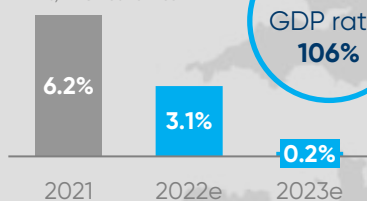


BELGIUM BU

61% of assets
3.8m clients
420 branches

GDP GROWTH

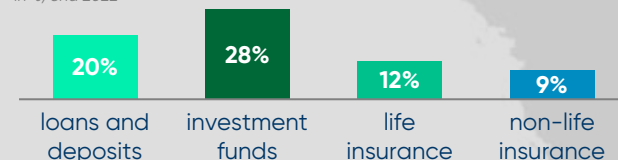
in %, KBC Economics



debt to GDP ratio
106%

MARKET SHARE

in %, end 2022



117bn EUR loans | 145bn EUR deposits

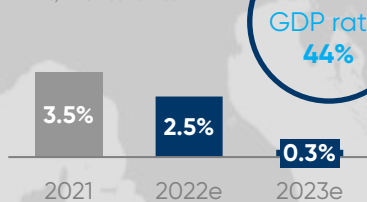


CZECH REPUBLIC BU

20% of assets
4.3m clients
201 branches

GDP GROWTH

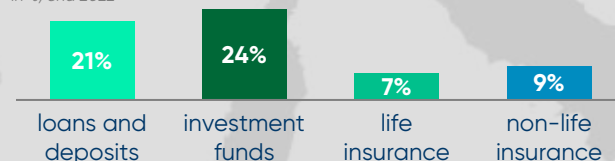
in %, KBC Economics



debt to GDP ratio
44%

MARKET SHARE

in %, end 2022



35bn EUR loans | 49bn EUR deposits

INTERNATIONAL MARKETS BU



SK

4% of assets
0.8m clients
110 branches

11bn EUR loans
8bn EUR deposits



HU

4% of assets
1.6m clients
195 branches

6bn EUR loans
9bn EUR deposits



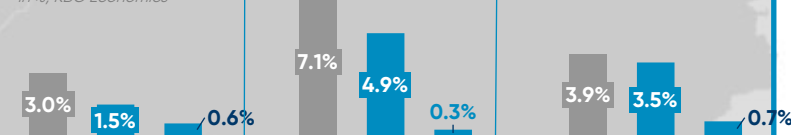
BG

3% of assets
2.4m clients
266 branches

9bn EUR loans
12bn EUR deposits

GDP GROWTH 2021-2022e-2023e

in %, KBC Economics



SK

debt/GDP **62%**

HU

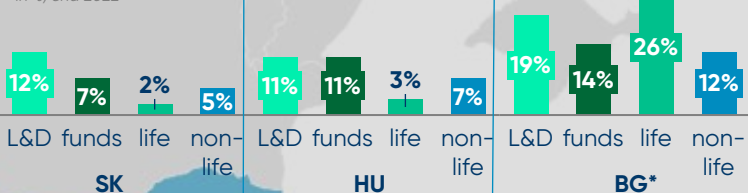
debt/GDP **74%**

BG

debt/GDP **23%**

MARKET SHARE

in %, end 2022



* Pro forma incl. acquisition of Raiffeisenbank Bulgaria