

# KBC DEALING CODE



## **KBC Dealing Code**

The Dealing Code applies to Key Employees and Managers, as defined in in Chapter II - Definitions.

The Dealing Code of 06 January 2025 replaces the Dealing Code of 05 August 2020.

## **I. INTRODUCTION**

As a Key Employee or Manager, you fulfil a sensitive role, as you can have access to Inside Information concerning Financial Instruments (issued by KBC issuers). Key Employees and Managers are therefore not permitted to perform Personal Transactions or exhibit conduct that is prohibited by law in connection with market abuse (Insider Trading, Unlawful Disclosure of Inside Information, and Market Manipulation). With the Dealing Code, KBC Group NV and KBC Bank NV want to prevent Key Employees and Managers from knowingly or unknowingly performing transactions that are viewed as constituting market abuse.

Insider Dealing, Unlawful Disclosure of Inside Information, and Market Manipulation or attempted exhibition thereof are serious offences. In the case of infringements (attempted or otherwise), both the Key Employee or Manager and KBC Group NV and/or KBC Bank NV can be held civilly liable, as well as criminally liable, and/or incur administrative penalties. Furthermore, they run the risk of incurring serious reputational damage.

The Dealing Code transposes external regulations with which Key Employees and Managers should comply. Compliance with the Dealing Code allows to avoid even the slightest semblance of illegal conduct. The Dealing Code is aimed at safeguarding the irreproachable reputation and integrity of KBC Group NV and KBC Bank NV.

The Dealing Code includes an addendum on Persons Closely Associated with Managers. The addendum contains the duty to report of these Persons Closely Associated and the corresponding attestation.

## **II. DEFINITIONS**

For the application of the Dealing Code (including the addendum on Persons Closely Associated with Managers), the following terms are used. These definitions apply in full as described below whenever a term with capital letter is used in the body of the Dealing Code or the addendum.

### **Asset Manager**

Recognised person with whom a Key Employee, Manager or Person Closely Associated has concluded an agreement for the discretionary management of their investment portfolio and whereby the Key Employee, Manager or Person Closely Associated cannot influence in any way the individual Dealings that the Asset Manager carries out for them. As such, the Key Employee, Manager or Person Closely Associated may not give instructions to the Asset Manager to carry out Dealings, nor may the Asset Manager consult the Key Employee, Manager or Person Closely Associated in this regard.

### **Benchmark**

A Benchmark is a published rate, index or figure by reference to which the value or the amount payable under a Financial instrument is determined. A Benchmark is periodically or regularly determined on the basis of the value of one or more underlying assets, prices, interest rates, other values or surveys.

Examples are: Euribor, Libor/SFOR, Pribor, Bubor, etc.

### **Compliance Officer**

The person mentioned in the appendix to this Dealing Code.

### **Dealing or Deal**

- Every means of acquiring or disposing of Financial Instruments;
- Every placement of, amendment to or cancellation of an order of Financial Instruments;
- Every agreement to acquire or dispose of Financial Instruments;
- Every means of attempting to acquire or dispose of Financial Instruments;
- Every agreement aimed at safeguarding gains or avoiding a loss relative to fluctuations in the price of Financial Instruments;
- Every allocation, acceptance, acquisition, disposal, exercise or cancellation of a call or put option, of a warrant or of any other right or any other obligation, now or in the future, conditional or unconditional, to acquire or dispose of Financial Instruments or an interest therein.

## **Employee Incentive Scheme**

Any employee incentive scheme, as a result of which Financial Instruments are allocated to all or some of its directors, senior managers and/or employees of the KBC group. Examples of this are: a capital increase by KBC Group NV reserved for KBC employees or a KBC Stock Option Plan.

## **Event**

A situation which (possibly) contains Inside information and therefore requires the drafting of a separate list of Key Employees and Managers and a separate blocking period. An event can be recurrent, such as the (quarterly) publication of financial results. An event can also be non-recurrent (e.g. an ad hoc project which (possibly) involves Inside information).

## **Financial Instrument**

A Financial Instrument is an instrument which fulfils the three cumulative criteria a), b) and c).

a) The instrument belongs to one of the following categories:

- securities such as shares and other securities equivalent to shares and depositary receipts in respect of shares;
- securities such as bonds and other debt instruments, certificates relating to these instruments; all other securities giving the right to acquire or sell any such securities;
- securities such as all other securities giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures;
- money market instruments;
- credit default swaps (CDS);
- derivative instruments for the transfer of credit risk;
- contracts for differences (CFD) or financial contracts for netting differences.

b) The instrument is issued by a KBC issuer.

c) The instrument is listed on a Trading Venue.

Notwithstanding the above, for Key Employees the following instruments are excluded from the definition of Financial Instrument:

- real estate certificates;
- Units in Undertakings for Collective Investment (UCIs);
- all the bonds issued by KBC IFIMA;
- plain vanilla bonds issued by KBC Bank and KBC Group NV.<sup>1</sup>

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<sup>1</sup> Capital instruments, such as 'cocos' and 'Tier-2 capital', are not plain vanilla bonds and are therefore not excluded.

Notwithstanding the above, for Managers the following instruments are excluded from the definition of Financial Instrument:

- real estate certificates;
- Units in Undertakings for Collective Investment (UCIs);
- all the bonds issued by KBC IFIMA.

d) Additionally, related instruments are to be regarded as Financial Instrument for the application of the Dealing Code. Related instruments are those instruments whose price or value depends on, or affects the price of a Financial Instrument as defined in a), b) and c). A related instrument can be issued or offered by any issuer or third party. Neither does it matter whether the related instrument is listed on a Trading Venue or not. When the related instrument is not listed on a Trading Venue, it is traded Over The Counter (OTC). The following instruments are related instruments:

- securities or derivative instruments that can be converted into one of the Financial Instruments as defined under a), b) and c) or are exchangeable against it;

E.g.: convertible bonds, 'reverse convertible' bonds or 'reverse exchangeable' bonds, if they can be redeemed in the aforesaid securities or if they can be redeemed at a price equal to the countervalue in cash of the aforesaid securities.

- securities or derivative instruments that give the right to the owner to deal in one of the Financial Instruments as defined under a), b) and c);

E.g.: options and warrants on Financial Instruments such as listed options on the shares of KBC Group NV, warrants on the shares of KBC Group NV issued by other issuers, futures, swaps, etc.

- securities or derivative instruments that produce a return that by virtue of the issuing conditions is specifically linked to the price movements of one of the Financial Instruments as defined under a), b) and c);

- derivative instruments such as futures, swaps, interest-rate futures agreements, and other derivative contracts which are related to one of the Financial Instruments as defined under a), b) and c).

### **Inside Information**

All information which:

- a) has not been made public;
- b) is precise in nature;
- c) relates directly or indirectly to:

- a. a KBC issuer, or
- b. one or more Financial Instruments;
- d) and which, if it were made public, would be likely to have a significant impact on the price of those Financial Instruments.

The information is deemed to be precise if it relates to a situation that exists, or an event that has taken place, or a situation or event which may reasonably be assumed to exist or take place in the future, or to any event that has taken place or which may reasonably be assumed to take place in the future, and if the information is specific enough to enable a conclusion to be drawn from it concerning the potential influence of the aforementioned situation or event on the price of Financial Instruments.

It is in any event accepted that information could have a significant impact on the price or value of the Financial Instruments if a reasonable investor is likely to base his investment decisions partly on that information.

Where the information relates to an intermediate step in a protracted process, each intermediate step can be deemed Inside Information. Such intermediate step is deemed Inside Information if it meets the Inside Information criteria on its own.

The information is no longer considered to be Inside Information half an hour after it has officially been published.

### **Insider Dealing**

Insider Dealing arises where a person possesses Inside Information and uses that information for acquiring or disposing of, for their own account or for the account of a third party, directly or indirectly, Financial Instruments to which that information relates.

Also the use of inside information by cancelling or amending an order concerning a Financial Instrument to which the information relates where the order was placed before the person concerned possessed the Inside Information, is considered to be Insider Dealing.

Inducing another person to engage in Insider Dealing is also deemed to constitute Insider Dealing. This may include a recommendation to act or not act. Inducing another person to (not) engage in Dealing may also constitute an Unlawful Disclosure of Inside Information.

Any attempt to Insider Dealing is deemed to be Insider Dealing.

### **KBC Bank NV**

The limited liability company (naamloze vennootschap) KBC Bank NV, with registered office at 2 Havenlaan, 1080 Brussels, Belgium, entered in the Register of Legal Persons under company number 0462 920 226.

## **KBC Group NV**

The limited liability company (naamloze vennootschap) KBC Group NV, with registered office at 2 Havenlaan, 1080 Brussels, Belgium, entered in the Register of Legal Persons under company number 0403 227 515.

## **KBC group**

KBC Group NV and its Subsidiaries.

## **KBC IFIMA**

The société anonyme (company with limited liability) KBC IFIMA, with registered office at Rue du Fort Wallis 4, L-2714 Luxembourg, Grand Duchy of Luxembourg, entered in the Register of Legal Persons under company number B 193.577.

## **KBC issuer**

The following issuers are KBC issuers:

- KBC Group NV,
- KBC Bank NV,
- and another KBC group company or
- KBC Ancora NV.

## **Key Employee**

Every employee who, as a result of their position in or employment by KBC Group NV, KBC Bank NV or another company of the KBC group – ‘regularly’ or ‘occasionally’ has access to Inside Information.

Regular access to Inside information refers to the recurrent Event of the (quarterly) publication of financial results. The categories of employees who might ‘regularly’ have access to Inside Information, are listed in the appendix to the Dealing Code.

‘Occasional’ access to Inside Information refers to non-recurrent Events. Occasional access means that access is on a sporadic or ad hoc basis and is limited in time (e.g., when collaborating on a specific project).

## **Limit Order**

A revocable instruction to a financial intermediary to trade Financial Instruments at a predetermined price – a maximum price for purchase transactions and a minimum price for sales transactions.



## **Manager (= Person Discharging Managerial Responsibilities)**

Managers are employees who perform the following functions:

- The members of the Board of Directors and/or the Executive Committee of KBC Group NV, KBC Bank NV and KBC Insurance NV;
- The senior general managers of KBC Group NV, KBC Bank NV and KBC Insurance NV and other members of the 'Top 40' of KBC group;
- The members of the management committees of the following divisions of the KBC group: Business Unit Belgium, CFO Services, Innovation and Digital Transformation, International Markets and International Product Factories.

## **Market Manipulation**

Market Manipulation comprises all Personal Transactions or any other behaviour that reasonably might mislead other market participants and can take the form of:

- entering into a transaction, placing, amending or cancelling an order or any other behaviour which
  - might give false or misleading signals as to the supply of, demand for, or price of a Financial Instrument;
  - secures the price of one or several Financial Instruments at an artificial level;
- entering into a transaction, placing an order to trade or any other activity or behaviour which affects or is likely to affect the price of one or several Financial Instruments, which employs a fictitious device;
- disseminating (false) information through the media which gives or is likely to give false or misleading signals as to the supply of, demand for, or price of a Financial Instrument, which is likely to secure the price thereof at an artificial or abnormal level;
- disseminating (false) information or providing false or misleading inputs in relation to a Benchmark.

The participation in any cooperation or coordination to engage in any of the aforementioned activities is deemed Market Manipulation.

Every attempt at committing Market Manipulation is deemed Market Manipulation.

No intentional element is required in order to qualify the aforementioned activities as Market Manipulation. In other words, a Key Employee or Manager can commit Market Manipulation as a result of inattention or any other form of negligence.

## **Personal Transaction**

Any Deal effected in a Financial Instrument by or on behalf of a Key Employee or a Manager, if at least one of the following criteria is met:

- the Key Employee or Manager acts outside the scope of his normal duties or professional activities, or
- the Deal is carried out on an account held or jointly held by the Key Employee or Manager regardless of the person who executed the Deal, or
- effected by the Key Employee or Manager for the account of a third party (e.g., holding a power of attorney or as legal representative).

### **Person Closely Associated**

- The spouse of a Key Employee or Manager or the partner of that person who is regarded by law as equivalent to a spouse, i.e. the person who has filed a declaration of cohabitation (*verklaring van wettelijke samenwoning/déclaration de cohabitation légale*) with a Key Employee or Manager;
- The children who fall under the legal responsibility of a Key Employee or Manager, i.e. minor children under the parental authority or guardianship of the Key Employee or Manager, including adults still classed as minors, because of extended minority;
- Other family members (blood relatives and relatives by marriage) of a Key Employee or Manager and who – on the date of the Deal in question – have shared the same place of residence for at least one year;
- A legal person, trust or partnership of persons for which management responsibility rests with a Key Employee, Manager or Person Closely Associated, as listed above, which is under the direct or indirect control of such person, which was founded for the benefit of such person, or of which the economic interests are essentially the same as those of such person, e.g., a real estate holding company or management company.

### **Short Selling**

Every Personal Transaction in a Financial Instrument through which a Key Employee or Manager benefits from the downward price evolution of a Financial Instrument. Examples are, among other things, buying put options, writing call options, or buying turbo short, without holding and keeping the underlying Financial Instruments.

### **Stop-Loss Order**

An order placed to sell a Financial Instrument when it reaches a certain price. A Stop-Loss-Order can also refer to an order according to which the Financial Instrument should be bought when it trades above a defined price.

### **Subsidiary**

Subsidiaries are all companies that KBC Group NV directly or indirectly controls.

## **Trading Venue**

Trading Venues are facilities in which multiple third-party Dealing interests interact in the system. Trading venues are therefore every 'regulated market' (RM), 'multilateral trading facility' (MTF) and organised trading facility' (OTF)<sup>2</sup>.

## **Unlawful Disclosure of Inside Information**

Unlawful Disclosure of Inside Information arises when a Key Employee or Manager possesses Inside Information and discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties.

In addition, the onward disclosure of recommendations which are based on Inside Information are deemed Unlawful Disclosure of Inside Information.

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<sup>2</sup> This concerns a Trading Venue that was introduced under MiFID II as of 3 January 2018.

### **III. RULES OF CONDUCT FOR KEY EMPLOYEES**

The prohibitions and requirements set out below apply to Key Employees. Managers must solely follow the rules of conduct in Chapter IV – Rules of Conduct for Managers.

#### **A. Prohibited conduct and corresponding requirements**

The conduct specified below is strictly prohibited. For each prohibition, attempted or intended exhibition of the prohibited conduct will be met with disciplinary action. This also applies to unintentional infringements of the prohibitions, for instance due to negligence.

##### **A.1 Insider Dealing**

Insider Dealing is strictly prohibited.<sup>3</sup>

##### **A.2 Unlawful Disclosure of Inside Information**

###### **A.2.1. Duty of confidentiality**

Disclosing Inside Information to anyone is strictly prohibited. Accordingly, Key Employees are bound by a duty of confidentiality. Key Employees who are in possession of Inside Information, irrespective of the format or carrier, must take the measures necessary to preserve its confidentiality for as long as the information has not been made public. They must ensure that the Inside Information and any documents they receive in connection therewith cannot be accessed by anyone.

###### **A.2.2 Exception for the normal exercise of an employment, a profession or duties**

The Key Employee may share the Inside Information with another employee by exception if this is necessary for the normal exercise of his/her employment, profession or duties.

However, if the Key Employee needs to share Inside Information with another employee who has not signed the Dealing Code, he/she must notify the Compliance Officer immediately afterwards. Additionally, if the Inside Information concerns a non-recurrent Event, the Compliance Officer must be notified in case the employee to whom the Inside Information is disclosed is not on the relevant list of Key Employees and Managers with occasional access to Inside Information (see *infra* V.A). This applies even if the employee concerned has already signed the Dealing Code. This notification is done by the responsible Key Employee or Manager (see *infra* IV. D) immediately after the information is disclosed.

The Key Employee may only share the Inside Information to a third party (a person without an employment contract at a KBC group company) after he made sure that the third party is also

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<sup>3</sup> The prohibition of Personal Transactions with Inside Information does not apply when the Personal Transactions are performed by an Asset Manager for the account of a Key Employee, on condition that the Inside Information is not disclosed.

bound by a duty of confidentiality, irrespective of whether this is based on legislation or an agreement. In any event, he/she must notify the Compliance Officer in advance, so the Compliance Officer can, if necessary, have the third party sign a confidentiality statement and add him/her to the relevant ad hoc insider list.

Even after the Inside Information has become public, the Key Employee must at all times observe the rules governing general professional discretion.

#### A.2.3 Duty to provide information

If the Key Employee has passed on the Inside Information and related documents in the normal exercise of his/her duties or employment to a third party and discovers subsequently that the third party has not respected the duty to observe secrecy, he/she must inform the Compliance Officer of this immediately.

### **A.3 Market Manipulation**

Market Manipulation is prohibited.

#### **A.4 Short Selling**

Short Selling is prohibited so as to avoid any semblance of speculation.

### **A.5 Holding period**

#### A.5.1 Principle

Purchases and Sales of Financial Instruments may only become the object of a reversed Personal Transaction after thirty calendar days. If the last of these thirty calendar days is not an exchange business day, the holding period will be extended until the next exchange business day. It is assumed when calculating the holding period that the most recently purchased or sold financial instrument is also the first to be resold or repurchased ('LIFO' method).

#### A.5.2 Exception for Asset Managers

The holding period does not apply to Personal Transactions executed by Asset Managers for the account of a Key Employee.

#### A.5.3 Exception for certain Stop-Loss Orders

The holding period does not apply to Stop-Loss Orders intended to limit the potential risk, on condition that the Stop-Loss orders are registered immediately after the execution of a purchase.

#### A.5.4 Exception for Employee Incentive Schemes

The holding period does not apply to the exercise of options on Financial Instruments (granted under the terms of an Employee Incentive Scheme) immediately preceded by the sale of Financial Instruments or followed by the sale of the acquired Financial Instruments.

### B. Duty to report Personal Transactions to the Compliance Officer

#### B.1 Principle

All Personal Transactions must be reported to the Compliance Officer in accordance with the following procedure.

If the Personal Transaction is executed via an account held with:

- KBC Bank NV including Bolero: no further action is required.
- CBC Banque NV: the Key Employee must authorise the Compliance Officer to request the necessary details;
  - ❖ Use authorisation form AA0478
- another financial institution located abroad that is a member of the KBC group or a financial institution that is not a member of the KBC group: the Key Employee must report the Personal Transaction to the Compliance Officer. This must be done in writing by no later than the first working day following the Personal Transaction;
  - ❖ Use Notification form AA0582
  - ❖ The report must include the following information:
    - Date of the Personal Transaction;
    - Type of Financial Instrument;
    - Type of Personal Transaction (e.g., acquisition or disposal);
    - Volume of the Personal Transaction;
    - Price at which the Personal Transaction took place.

#### B.2 Exceptions

The duty to report does not apply to the following:

- The Personal Transactions performed by Asset Managers for the account of a Key Employee;

- The 'acceptance of or subscription to' Financial Instruments in connection with Employee Incentive Schemes<sup>4</sup>;
- Personal Transactions in connection with a gift or inheritance, provided the gift is not of an abusive nature and the gifts policy is complied with.

## **C. Blocking periods**

### **C.1 Principle**

Personal Transactions may not be executed during periods considered sensitive, i.e., 'blocking periods'. A recurrent blocking period commences 30 calendar days before the publication of the quarterly or annual results<sup>5</sup> of KBC Group NV and ends a half hour after the publication.

For Key Employees with occasional access to Inside Information, additional non-recurrent blocking periods can be imposed by the Compliance Officer for the duration of the non-recurrent Event (e.g. an ad-hoc project (possibly) involving Inside Information).

Limit Orders – which are placed outside of a blocking period – may not be changed or cancelled during a blocking period.

Furthermore, Key Employees are required to do their utmost to prevent their Persons Closely Associated from Dealing during the blocking period. To this end, Key Employees can make their Closely Associated Persons aware of the fact that Dealings by Persons Closely Associated with a Key Employee during a blocking period might appear to be Insider Dealing.<sup>6</sup>

### **C.2 Exceptions**

During a blocking period, a number of exceptions to the prohibition of Personal Transactions apply.

#### **C.2.1 Asset Managers**

The prohibition of Personal Transactions during a blocking period does not apply to Personal Transactions executed by Asset Managers for the account of a Key Employee, on condition that the Inside Information is not disclosed to the Asset Manager concerned.

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<sup>4</sup> N.B.: the duty to report does apply to the 'exercise or disposal' thereof.

<sup>5</sup> Here, the term 'annual results' refers to the annual communiqué. When an annual communiqué is not issued, the term 'annual results' refers to the annual financial results.

<sup>6</sup> N.B. This does not mean that Inside Information can be disclosed. The communication must be limited to the fact that a blocking period will take place.

### C.2.2 Exceptional circumstances

A Personal Transaction may be performed in a blocking period if highly exceptional circumstances apply. To this end, the Key Employee must in each case submit a reasoned request for the advance express written permission of the Compliance Officer.<sup>7</sup>

### C.2.3 Exercise of derivative instruments by third parties

If, in connection with a Personal Transaction in derivative instruments subscribed to outside of a blocking period by a third party, a Key Employee is required, within a blocking period, to supply or receive these Financial Instruments, he/she may fulfil this requirement without advance approval.

### C.2.4 Limited Exceptions for Employee Incentive Schemes

The Key Employee may execute the below Personal Transactions under the terms of an Employee Incentive Scheme in a blocking period without requesting the advance permission of the Compliance Officer.

- **Acceptance of** Financial Instruments (e.g., acceptance in connection with a KBC stock option plan);
- **Subscription to** Financial Instruments (e.g., subscription to a capital increase reserved for KBC staff).

The rules on reporting to the Compliance Officer do not apply here, see supra B.2 Exceptions.

In order to execute the below Personal Transactions in connection with Employee Incentive Schemes in a blocking period, the Key Employee must request the advance permission of the Compliance Officer in accordance with C.2.2 Exceptional circumstances (see supra).

- **Exercise** of Financial Instruments (e.g., the exercise options, accepted or otherwise, allocated under a KBC stock option plan);
- **Disposal** of Financial Instruments acquired as a result of the above-mentioned exercise or acquired at the occasion of a subscription to a capital increase reserved for KBC personnel.

The rules on reporting to the Compliance Officer apply here, see supra B.1 Principle.

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<sup>7</sup> N.B. This also applies to the 'exercise or disposal' of Financial Instruments in connection with an Employee Incentive Scheme, see infra C.2.4 Limited Exceptions for Employee Incentive Schemes.



### C.2.5 Personal Transactions in which the ultimate beneficiary of the Financial Instruments does not change

Personal Transactions in which a transfer is performed between two accounts of a Key Employee are exempted from the prohibition on Personal Transactions during a blocking period. However, it is not permitted to perform a transaction between an account of a Key Employee and an account of another person or legal entity during a blocking period. An additional condition is that this transfer must not result in a change in price of the Financial Instruments concerned.

#### **D. Duty to report non-recurrent Events to the Compliance Officer**

For each non-recurrent Event, a Key Employee or Manager must be assigned to report the non-recurrent Event without delay to the Compliance Officer. He/she shall also notify the Compliance Officer of all Key Employees and Managers with occasional access to Inside information relating to the non-recurrent Event and inform the Compliance Officer of any relevant change in the circumstances of the non-recurrent Event (e.g. the project has been terminated or the Inside Information has been made public) or any change in regards to the relevant list of Key Employees and Managers with occasional access to Inside Information.

## **IV. RULES OF CONDUCT FOR MANAGERS**

The prohibitions and requirements set out below apply to Managers.

### **A. Prohibited conduct and corresponding requirements**

The conduct specified below is strictly prohibited. For each prohibition, attempted or intended exhibition of the prohibited conduct will be met with disciplinary action. This also applies to unintentional infringements of the prohibitions, for instance due to negligence.

#### **A.1 Insider Dealing**

Insider Dealing is strictly prohibited.<sup>8</sup>

#### **A.2 Unlawful Disclosure of Inside Information**

##### **A.2.1. Duty of confidentiality**

Disclosing Inside Information to anyone is strictly prohibited. Accordingly, Managers are bound by a duty of confidentiality. Managers who are in possession of Inside Information, irrespective of the format or carrier, must take the measures necessary to preserve its confidentiality for as long as the information has not been made public. They must ensure that the Inside Information and any documents they receive in connection therewith cannot be accessed by anyone.

##### **A.2.2 Exception for the normal exercise of an employment, a profession or duties**

The Manager may share the Inside Information with another employee by exception if this is necessary for the normal exercise of his/her employment, profession or duties.

However, if the Manager needs to share Inside Information with another employee who has not signed the Dealing Code, he/she must notify the Compliance Officer immediately afterwards. Additionally, if the Inside Information concerns a non-recurrent Event, the Compliance Officer must be notified in case the employee to whom the Inside Information is disclosed is not on the relevant list of Key Employees and Managers with occasional access to Inside Information (see *infra* V.A). This applies even if the employee concerned has already signed the Dealing Code. This notification is done by the responsible Key Employee or Manager (see *infra* V. D) immediately after the information is disclosed.

The Manager may only share the Inside Information to a third party (a person without an employment contract at a KBC group company) after he made sure that the third party is also bound by a duty of confidentiality, irrespective of whether this is based on legislation or an

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<sup>8</sup> The prohibition of Personal Transactions with Inside Information does not apply when the Personal Transactions are performed by an Asset Manager for the account of a Manager, on condition that the Inside Information is not disclosed. The duty to report to the FSMA still applies, see *infra* B. Duty to Report to the FSMA.

agreement. In any event, he/she must notify the Compliance Officer in advance, so the Compliance Officer can, if necessary, have the third party sign a confidentiality statement and add him/her to the relevant ad hoc insider list.

Even after the Inside Information has become public, the Manager must at all times observe the rules governing general professional discretion.

#### A.2.3 Duty to provide information

If the Manager has passed on the Inside Information and related documents in the normal exercise of his/her duties or employment to a third party and discovers subsequently that the third party has not respected the duty to observe secrecy, he/she must inform the Compliance Officer of this immediately.

### **A.3 Market Manipulation**

Market Manipulation is prohibited.

#### **A.4 Short Selling**

Short Selling is prohibited so as to avoid any semblance of speculation.

### **A.5 Holding period**

#### A.5.1 Principle

Purchases and Sales of Financial Instruments may only become the object of a reversed Personal Transaction after thirty calendar days. If the last of these thirty calendar days is not an exchange business day, the holding period will be extended until the next exchange business day. It is assumed when calculating the holding period that the most recently purchased or sold Financial Instrument is also the first to be resold or repurchased ('LIFO' method).

#### A.5.2 Exception for Asset Managers

The holding period does not apply to Personal Transactions executed by Asset Managers for the account of a Manager.

#### A.5.3 Exception for certain Stop-Loss Orders

The holding period does not apply to Stop-Loss Orders intended to limit the potential risk, on condition that the Stop-Loss orders are registered immediately after the execution of a purchase.

#### A.5.4 Exception for Employee Incentive Schemes

The holding period does not apply to the exercise of options on Financial Instruments (granted under the terms of an Employee Incentive Scheme) immediately preceded by the sale of Financial Instruments or followed by the sale of the acquired Financial Instruments.

### B. Duty to Report to the FSMA

#### B.1 Duty to report and validation

Managers are required by law to report every Personal Transaction to the Financial Services and Markets Authority (FSMA). Reports are submitted via 'eMT', i.e., the FSMA application for the online reporting of Dealings.

The Compliance Officer is informed of each report to the FSMA via 'eMT'. The Compliance Officer must check the reports for origin. Where appropriate, the Compliance Officer must also check the agent's authorisation. Subsequently, the Compliance Officer decides whether or not the report will be validated in 'eMT'. Following the validation, the report is published on the FSMA website.

#### B.2 Duty to report procedure

The Manager is personally responsible for the reporting via 'eMT'. The Manager may mandate another person to report their Personal Transactions, but will remain personally responsible for compliance with their duty to report and the report's content.

The Manager must submit the report via ['eMT'](#) by no later than the first working day following the date of the Personal Transactions. [A quick user guide can be consulted on the FSMA website](#). The Compliance Officer consequently validates or rejects the report by no later than three working days following the date of the Personal Transaction.

All Personal Transactions of i) the same type<sup>9</sup>, ii) concerning the same Financial Instrument, iii) executed on the same date and iv) on the same Trading Venue should be reported on an aggregated basis. The volume weighted average price should be used for the field 'unit price'. The fields 'quantity of traded instruments' and 'amount' contain the total volume traded and the total amount paid. In addition, all the individual Personal Transactions need to be reported on an individual basis via the field 'detail of aggregated transaction'.

In all other cases the Personal Transactions need to be reported via 'eMT' on an individual basis only.

If the Trading Venue on which the Dealing has been executed does not appear in the dropdown menu in 'eMT', the Manager should select the option 'other'. In the frame below 'Comment by the declarer' the correct Trading Venue should be given.

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<sup>9</sup> Transactions of the same type are, e.g., multiple purchase orders. It is not allowed to execute a netting between these purchase and sell orders.

### **B.3 Deferral of duty to report**

The duty to report applies as soon as the total amount of the consecutive Personal Transactions within the same calendar year is equal to or more than the threshold of 20 000 euros. If this threshold is exceeded, the Manager should report all his or her Personal Transactions executed up to that point by no later than the first working day following the date of the execution of the Personal Transaction with which the threshold was exceeded. From that moment onwards, all Personal Transactions should be reported.

For the calculation of the threshold, opposite Dealings cannot be taken into account.<sup>10</sup>

### **B.4 No exceptions to the duty to report**

There are no exceptions to the duty to report of the Manager. All Personal Transactions as specified in the Dealing Code must be reported, which, consequently, also concerns the following Personal Transactions:

- Dealings performed by Asset Managers (for the account of a Manager);
- Acceptance of or subscription to Financial Instruments in the context of Employee Incentive Schemes;
- Acceptance of Financial Instruments in the context of a gift or an inheritance;
- Provision of Financial Instruments as security;
- Lending of Financial Instruments;
- Hedging of price fluctuations of Financial Instruments.

### **B.5 Notification of Persons Closely Associated with Managers and filing of such notifications**

The Manager must notify his/her Persons Closely Associated in writing of the Persons Closely Associated own duty to report to the FSMA. To this end, the Manager hands out the “addendum on Persons Closely Associated with Managers” to each Person Closely Associated for signing.<sup>11</sup> Each Person Closely Associated should subsequently sign the enclosed attestation. For minor children or adults still classed as minors, because of extended minority, the attestation should be signed by one of their parents or their guardian.

The Manager must file the signed attestation for a period of five years. The Compliance Officer receives a copy of the signed attestation and files it for a period of five years. The Compliance Officer draws up a comprehensive list of the Manager and the Persons Closely Associated to them.

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<sup>10</sup> There can be no netting of, for example, purchases and sales.

<sup>11</sup> In addition to Managers, also Persons Closely Associated are under a duty to report.

## B.6 Additional Information to the Compliance Officer

In order to allow for the validation in 'eMT' and controls of compliance with the Dealing Code, the Compliance Officer should stay informed in accordance with the following procedure.

The Personal Transaction has been performed via an account held with:

- KBC Bank NV (including Bolero): no further action is required.
- CBC Banque NV: the Manager must authorise the Compliance Officer to request the necessary details.
  - ❖ use authorisation form AA0478
- another financial institution located abroad that is a member of the KBC group or a financial institution that is not a member of the KBC group: the transaction statements should be sent to the Compliance Officer by no later than the first working day following the date of the execution of the Dealing.
  - ❖ use [cplmarkets@kbc](mailto:cplmarkets@kbc)

## C. Blocking periods

### C.1 Principle

Personal Transactions may not be executed during periods considered sensitive, i.e., 'blocking periods'. A blocking period commences 30 calendar days before the publication of the quarterly or annual results<sup>12</sup> of KBC Group NV and ends a half hour after the publication. For Managers with incidental access to Inside Information, additional blocking periods can be imposed by the Compliance Officer.

Limit Orders – which are placed outside of a blocking period – may not be changed or cancelled during a blocking period.

Furthermore, Managers are required to do their utmost to prevent their Persons Closely Associated from Dealing during the blocking period. To this end, the Managers can make their Closely Associated Persons aware of the fact that Dealings during a blocking period by Persons Closely Associated with a Manager might appear to be Insider Dealing.<sup>13</sup>

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<sup>12</sup> Here, the term 'annual results' refers to the annual communiqué. When an annual communiqué is not issued, the term 'annual results' refers to the annual financial results.

<sup>13</sup> N.B. This does not mean that Inside Information can be disclosed. The communication must be limited to the fact that a blocking period will take place.

## C.2 Exceptions

During a blocking period, a limited number of exceptions to the prohibition of Personal Transactions apply.<sup>14</sup>

### C.2.1 Asset Managers

The prohibition of Personal Transactions during a blocking period does not apply to Personal Transactions executed by Asset Managers for the account of a Manager.<sup>15</sup>

### C.2.2 Exceptional circumstances

An immediate sale of shares during a blocking period can be permitted by the Compliance Officer under exceptional circumstances. This refers to extremely urgent, unforeseen and compelling circumstances, the cause of which is external to the Manager and over which he or she has no control.

The Manager who wishes to have recourse to this exception must submit a detailed and reasoned request to the Compliance Officer. The Manager can only proceed with the sale of shares after having obtained the written permission of the Compliance Officer.

### C.2.3 Exercise of derivative instruments by third parties

If, in connection with a Personal Transaction in derivative instruments subscribed to outside of a blocking period by a third party, a Manager is required, within a blocking period, to supply or receive these Financial Instruments, he/she may fulfil this requirement.

### C.2.4 Limited Exceptions for Employee Incentive Schemes and Saving Schemes

The following strictly defined exceptions apply to Employee Incentive Schemes and saving schemes for Managers:

- The awarding or allocation of Financial Instruments during a blocking period must be executed according to previously approved terms. The terms should specify the timing of the award or grant and the amount of Financial Instruments awarded or granted. The manager must not have any discretion as to the acceptance of the Financial Instruments awarded or granted.
- For the exercise of options, warrants or the exchange of convertible bonds which expire during a blocking period, the Manager must notify the Compliance Officer of his or her irrevocable decision to exercise or convert at least four months before the expiration

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<sup>14</sup> N.B. An exception during a blocking period does not imply in any sense an exception under the Duty to Report to the FSMA, see supra B. Duty to Report to the FSMA.

<sup>15</sup> See the foregoing footnote.

date. The Manager must receive prior authorisation from the Compliance Officer before proceeding with the said exercise or exchange.

- Under a savings scheme (e.g., pension savings scheme, under which investments are made in Financial Instruments), the Manager may purchase Financial Instruments during a blocking period on condition that the Manager joined the savings scheme before the blocking period, that the he/she does not amend or cancel the conditions of his/her membership, and the purchase activities are clearly organised under the scheme terms which cannot be altered during a blocking period.

#### C.2.5 Personal Transactions in which the ultimate beneficiary of the Financial Instruments does not change

Personal Transactions in which a transfer is executed between two accounts of a Manager are exempted from the prohibition on Personal Transactions during a blocking period. However, it is not permitted to execute a transaction between an account of a Manager and an account of another person or legal entity during a blocking period (e.g., a management company). An additional condition is that this transfer must not result in a change in price of the Financial Instruments concerned.

#### **D. Duty to report non-recurrent Events to the Compliance Officer**

For each non-recurrent Event, a Key Employee or Manager must be assigned to report that non-recurrent Event without delay to the Compliance Officer. He/she shall also notify the Compliance Officer of all Key Employees and Managers with occasional access to Inside information relating to the non-recurrent Event and inform the Compliance Officer of any relevant change in the circumstances of the non-recurrent Event (e.g. the project has been terminated or the Inside Information has been made public) or any change in regards to the relevant list of Key Employees and Managers with occasional access to Inside Information.



## **V. THE COMPLIANCE OFFICER**

### **A. Duty of the Compliance Officer**

The Compliance Officer notifies the Key Employees of the existence and content of the Dealing Code.

KBC is required to list and maintain certain personal details of Key Employees and Managers. Lists are drawn up both for Key Employees and Managers with regular access to Inside Information and Key Employees and Managers with occasional access to Inside Information. Within the lists related to Key Employees and Managers with occasional access to Inside Information it is explicitly mentioned that these persons have only occasional access to Inside Information. These lists can be requested by the Financial Services and Markets Authority (FSMA).

As soon as the reason for including a Key Employee or Manager on a certain list has ceased to exist (e.g., because the project has been terminated and the Inside Information has been made public or because the Key Employee or Manager has changed to a new function in which he or she can no longer be considered Key Employee or Manager), the Key Employee or Manager concerned will be removed from the aforementioned list(s).

Every person whose name is added to or removed from a list will be personally notified of this without delay.

The aforementioned processing of personal details will be performed by the Compliance Officer. Each list will be compiled using a compulsory FSMA template, and will contain the following details for each Key Employee: 'first name', 'surname', 'work telephone numbers (fixed and mobile)', 'entity code or centre number', 'group number', 'personnel number', 'position and reason why the Key Employee or Manager has or may have access to Inside Information', 'listing date', 'date of attestation and date of removal', 'date of birth', 'national identification number', 'private telephone numbers' and 'home address'. In order to ensure the accuracy of the personal details, the Compliance Officer compiles these lists in consultation with KBC's HR department. The lists are based on the personal details the employee provides when they enter the employment of KBC. These personal details can be viewed via the personal HR Desk (HR4U). Each year, HR sends out a request for these personal details to be updated. If the Manager requires more information on the statutory personal details listed by the Compliance Officer and submitted to the FSMA, they should contact the Compliance Officer.

At the end of each financial year, the Compliance Officer notifies the Key Employees and Managers of the recurrent blocking periods for the next financial year. Any changes to those periods (due to, for example, changes in the course of the financial year) will be communicated immediately during the financial year. In addition the Compliance officer notifies the Key Employees and Managers with occasional access to Inside Information of the start and end date of the non-recurrent blocking period which is applicable to the specific case ( in case of a non-recurrent Event, such as a project).

The Compliance Officer retains the following documents:

- All signed attestations attached to the Dealing Code;
- All copies of the signed attestation attached to the addendum on Persons Closely Associated with Managers;
- All report forms;
- All transaction statements;
- All authorisation forms;
- All requests for permission to execute a Personal Transaction in a blocking period, accompanied by all of the granted permissions and rejections.

The Compliance Officer retains all of the information for a period of five years.

The Compliance Officer performs regular checks to ensure that the rules imposed are being complied with and takes measures where necessary.

The information provided by the Key Employee or the Manager pursuant to the Dealing Code will be processed by the Compliance Officer in accordance with the General Data Protection Regulation, which applies from 25 May 2018, and the Belgian Law of 30 July 2018, which applies from 5 September 2018. By virtue of these regulations, every Key Employee and Manager has a right to access his/her personal details and to have any errors corrected.

## **B. Personal transactions performed by the Compliance Officer**

### 1. Reporting of Personal Transactions

The Compliance Officer will personally notify the Chair of the Board of Directors of KBC Group NV of his/her own Personal Transactions.

### 2. During the blocking periods

If the Compliance Officer wants to perform a Personal Transaction during a blocking period, he/she must obtain the advance permission of the Chair of the Board of Directors of KBC Group NV.

## **VI. FINAL PROVISIONS**

### **A. Confirmation by the Key Employee or the Manager**

The Key Employee or Manager must confirm that he/she understands the Dealing Code and undertakes to comply with it by signing the attestation attached to the Dealing Code and returning it to the Compliance Officer.

### **B. Infringement and penalties**

Without prejudice to the possible criminal and/or civil penalties provided for by the law, an infringement of the provisions of the legislation on market abuse and the provisions of the Dealing Code can constitute grounds for the imposition of penalties provided for in the work rules.

### **C. Changes to the Dealing Code**

Material changes to the Dealing Code and/or the addendum on Persons Closely Associated with Managers require the explicit consent of those concerned. Non-material changes will be communicated to those concerned by simple notification.

### **D. Change of position, retirement, redundancy or termination of employment**

If the employee ceases to be a Key Employee or Manager as a result of a change of position, retirement, redundancy, termination of employment, etc.:

- and he/she changed positions, left the employment of KBC, was made redundant, etc., during a blocking period, he/she will remain bound by the provisions of the Dealing Code for the remainder of the blocking period;
- and he/she changed positions, left the employment of KBC, was made redundant, etc., outside of a blocking period, he/she will cease to be bound by the provisions of the Dealing Code, but will remain bound by the general rules on market abuse and the general rules on duty of confidentiality and banking secrecy.

## **Additional information on the KBC Dealing Code Group NV and KBC Bank NV**

### **Compliance Officer:**

- The Compliance Officer is the General Manager of Group Compliance *for the senior managers and staff members of KBC Group NV, KBC Bank NV, KBC Insurance NV and the other entities of the KBC Group.*

This position is currently held by: Ms Marie-France De Pover

BRUhav2

tel.: +32 2 429 9950

fax: +32 2 429 8112

e-mail: [marie-france.depover@kbc.be](mailto:marie-france.depover@kbc.be)

The group secretary is the direct contact person for the members of the Board of Directors and the Executive Committee of KBC Group NV, KBC Bank NV and KBC Insurance NV.

This position is currently held by: Mr Wilfried Kupers

BRUhav2

tel.: +32 2 429 3180

fax: +32 2 429 4508

e-mail: [wilfried.kupers@kbc.be](mailto:wilfried.kupers@kbc.be)

### **Managers:**

Managers are employees who perform the following positions:

- The members of the Board of Directors and/or the Executive Committee of KBC Group NV, KBC Bank NV and KBC Insurance NV;
- The senior general managers of KBC Group NV, KBC Bank NV and KBC Insurance NV and other members of the 'Top 40' of KBC group;
- The members of the management committees of the following divisions of the KBC group: Business Unit Belgium, CFO Services, Innovation and Digital Transformation, International Markets and International Product Factories.

### **Key employees:**

- having regular access to Inside Information:
  - The secretaries of the Board of Directors and/or the Executive Committee of KBC Group NV, KBC Bank NV and KBC Insurance NV;
  - The secretaries of the management committees of the various divisions of the KBC group;
  - The secretarial staff of the above-mentioned persons;
  - The members of the Executive Committees of CBC Banque NV, KBC Securities NV, KBC Asset Management NV, ČSOB Bank a.s. CZ, ČSOB Bank a.s. SK, K&H Bank Zrt, KBC Bank Ireland plc and United Bulgarian Bank AD;
  - All Corporate Audit employees (with the exception of Inspection);
  - All Corporate Communication employees;
  - All Corporate Mergers & Acquisition employees;
  - All Corporate Public Affairs employees;
  - All Corporate Sustainability employees;
  - All Green Integration employees;
  - All Group Center Applied Data Analytical employees;
  - All Group Economics and Markets employees;
  - CRO Belgium and all employees;
  - All Financial Reporting & Controlling Belgium employees;
  - All Strategy & Organisation Belgium employees;
  - All IM Transformation (BE@T) and Governance employees;
  - All Group Risk employees;
  - All Group Compliance employees;
  - All International & European Public Policy & Regulatory Affairs employees;
  - All Group Legal employees;
  - All Group Finance employees;
  - All Group Treasury employees;
  - All Data Quality Management employees;
  - All Investor Relations Office employees;
  - All Corporate Strategy & Innovation employees;
  - All Group Communities & Insurance employees;
  - All other positions, departments or employees to be defined by Group Compliance.
  
- with occasional access to Inside Information: to be determined on an ad hoc basis.

### **Third parties**

Third parties who have occasional access to Inside Information and are not bound by professional confidentiality (e.g., translation agencies, communication agencies, private secretariats of directors, etc.), are not required to sign the Dealing Code, but must sign a confidentiality statement.

**ATTESTATION**

The undersigned hereby confirms that he/she has read, understands and undertakes to comply with the 'KBC Dealing Code'.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Personnel number: \_\_\_\_\_ / \_\_\_\_\_

Position: \_\_\_\_\_

Company \_\_\_\_\_

Directorate/division: \_\_\_\_\_

Department: \_\_\_\_\_

Signature: \_\_\_\_\_

To be returned to: Bruhav 2 CPL Attn Marie-France De Pover
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