KBC Group
Company presentation
3Q 2024

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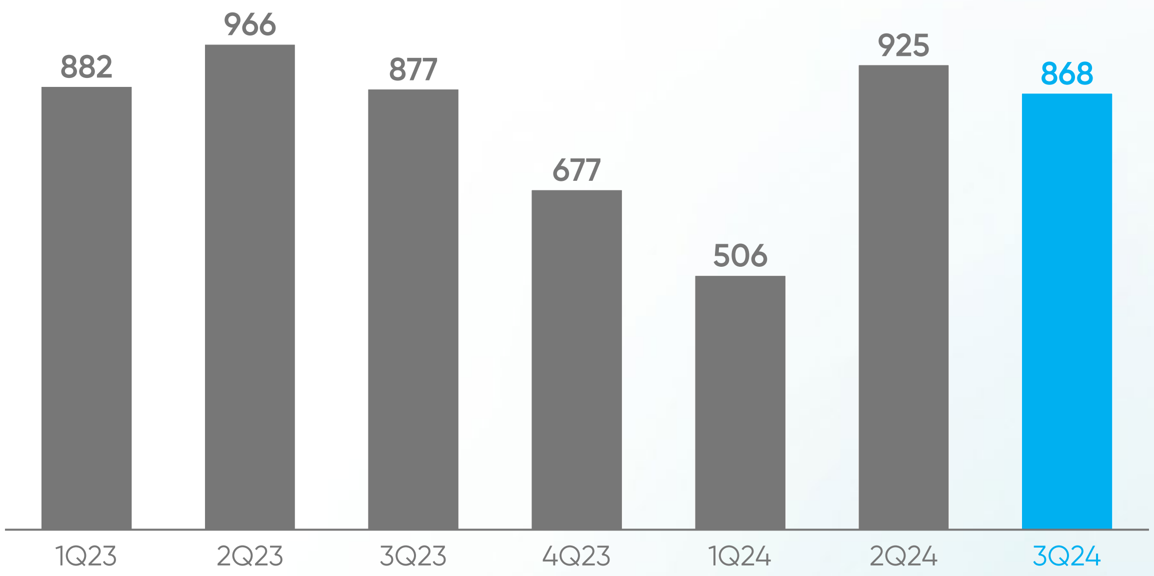
Highlights

- Commercial bank-insurance franchises performed **excellently**
- Thanks to **KBC's proactive, multi-phased and multi-product customer offer,** we acquired **6.5bn EUR core customer money** from the maturing State Note in Belgium **(or 0.8bn EUR of surplus** beyond the 5.7bn EUR outflows to the State Note in September 2023)
- As policy rates are on their way down, KBC Group is **well-positioned** being an integrated bank-insurer with tailored AM business
- **Customer loans** and **customer deposits** increased q-o-q in almost all our core countries (on a comparable basis)
- Higher **net interest income q-o-q**
- Higher **net fee and commission income** q-o-q
- Q-o-q lower **net result from financial instruments at fair value & IFIE** and **net other income** slightly below the normal run rate
- Higher sales of **non-life insurance** y-o-y, excellent sales of **life insurance** (both q-o-q and y-o-y)
- **Costs excl. bank & insurance taxes** up q-o-q, perfectly within guidance
- Lower **net loan loss impairment charges**
- Solid **solvency** and **liquidity position**
- **Interim dividend** of 1 EUR per share (as advance payment on the total 2024 dividend) will be paid on 14 November 2024

Net result of 868m EUR over 3Q24

Net result
in m EUR



YTD ratios

Return on Equity 14%*
Cost-income ratio 47%**
Combined ratio 89%
Credit cost ratio 0.10%
CET1 ratio 15.2% (B3, DC, fully loaded)
Leverage ratio 5.7% (fully loaded)
NSFR 142% & LCR 159%

* When bank & insurance taxes are evenly spread throughout the year and excluding one-offs
** When excluding certain non-operating items. See glossary for the exact definition

Strategic focus | Sia Partners ranked KBC Mobile the N°1 mobile banking app worldwide

Unique integrated bank-insurance+ model

- We offer an **integrated response** to our clients' banking and insurance needs. Our **organisation** is similarly integrated, operating as a single business and a **digital-first, data-driven and AI-led bank-insurer**.
- Our integrated model offers our clients the **benefit of a comprehensive, one-stop, relevant and personalised financial service** that allows them to choose from a wider, complementary and optimised range of products and services, which go beyond pure bank-insurance.
- For ourselves, it offers benefits in terms of income and risk diversification, additional sales potential through intensive co-operation between the bank and insurance distribution channels, significant cost-savings and synergies, and heightened interaction opportunities with and a **more complete understanding of our clients**.

* Difference between the net result of KBC Group and the sum of the banking and insurance contributions is accounted for by the holding-company/group items

Successful digital-first approach through KATE

- Our **digital interaction with clients** forms the basis of our business model in our strategy, not only in terms of sales and advice, but also in E2E digital process and product development.
- **Artificial intelligence** and data analysis play an important part in digital sales and advice. Kate, our personal digital assistant, is featured prominently in this regard.
- **The independent international consulting firm Sia Partners ranked KBC Mobile the N°1 mobile banking app worldwide in 2024**: a clear recognition of a decade of innovation, development and listening closely to our clients.

5.0 million users in contact with Kate

KATE autonomy

67% BE
69% CZ

Firmly embedded sustainability strategy

- As a company that aims to support the transition to a more sustainable and climate-proof society, **we have made sustainability integral to our overall business strategy** and integrated it into our day-to-day business operations and the products and services we provide.
- Our sustainability strategy consists of three cornerstones: **encouraging responsible behaviour on the part of all our employees, increasing our positive impact on society and limiting any adverse impact we might have**

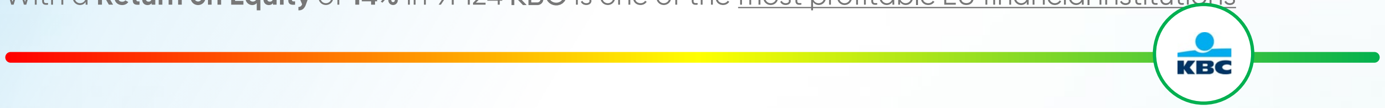
see climate targets on Slide 55

Strategic focus | The reference

At KBC it is our ambition to **be the reference** for bank-insurance **in all our core markets**

Profitability

With a **Return on Equity** of **14%** in 9M24 **KBC** is one of the most profitable EU financial institutions



Solvency

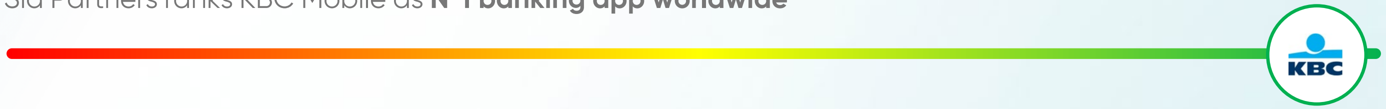
With a **fully loaded CET1 ratio** of **15.2%** at end 9M24 KBC is amongst the better capitalised EU banks

Sustainability

Sustainalytics ranks KBC in the **1st percentile of 287** diversified global banks assessed
(Full annual review pending)

Digitalisation

Sia Partners ranks KBC Mobile as **N°1 banking app worldwide**



"KBC Mobile is a **high-performance** and **efficient banking app** for everyday needs and one of the **most innovative** with some interesting extras. The app surprises clients with its wide range of functionalities and the **virtual assistance by Kate**."

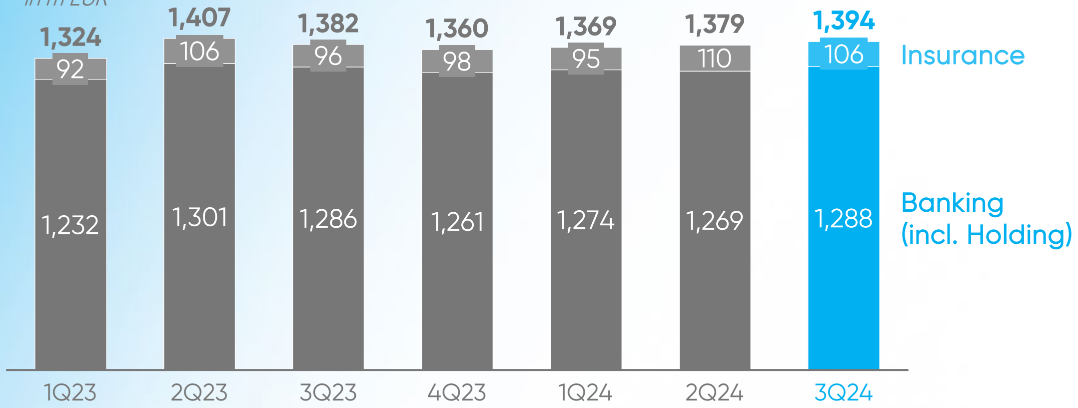
Main exceptional items

		3Q24	2Q24	3Q23
BE BU	F&C – Issuance of State Note			+11m EUR
	Share in results of associated companies & joint ventures – one-off gain	+79m EUR		
	Total Exceptional items BE BU	***+79m EUR***		***+11m EUR***
IM BU	HU – Impairments – Modification losses		-5m EUR	
	BG – Opex – Integration costs Raiffeisenbank Bulgaria	-3m EUR	-3m EUR	-4m EUR
	BG – Opex – EUR adoption costs	-3m EUR	-1m EUR	-6m EUR
	Total Exceptional items IM BU	***-6m EUR***	***-9m EUR***	***-10m EUR***
GC BU	IRL – Sales transaction(s)			+7m EUR
	Total Exceptional items GC BU			***+7m EUR***
	Total Exceptional items	***+74m EUR***	***-9m EUR***	***+8m EUR***
	Total Exceptional items (post-tax)	*+74m EUR*	*-8m EUR*	*+6m EUR*

Higher net interest income, despite significant lower NII on inflation-linked bonds

Net interest income

in m EUR

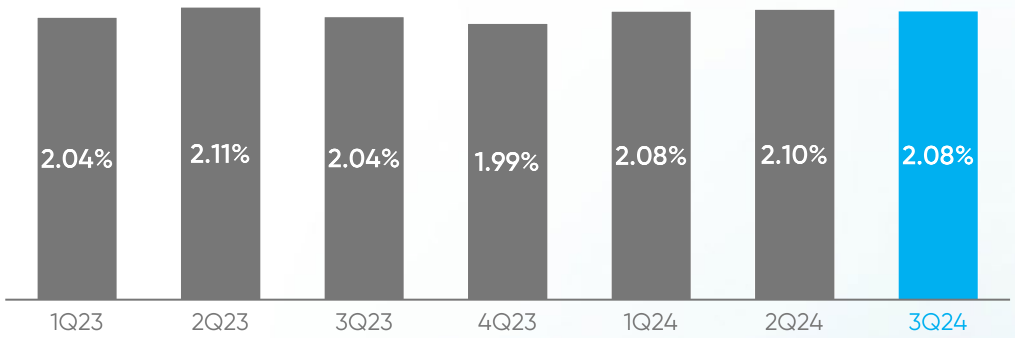


- **NII increased by 1% both q-o-q and y-o-y (+1% q-o-q and +2% y-o-y excluding FX effect)**
- Q-o-q increase was driven primarily by:
  - Higher commercial transformation result (thanks mainly to continued increasing reinvestment yields)
  - Higher lending income (loan volume growth more than offset lower loan margins in some core markets)
  - Lower costs on the minimum required reserves held with the central banks
  - Slightly lower subordinated and wholesale funding costs

  partly offset by:
  - Lower NII on inflation-linked bonds (-23m EUR q-o-q, from +27m EUR in 2Q24 to +4m EUR in 3Q24)
  - Lower NII on term deposits
  - Lower short-term cash management
- Y-o-y increase was driven primarily by increasing commercial transformation result, slightly higher lending income, higher ALM result and lower funding cost of participations, partly offset by negative FX effect, lower NII in Ireland, higher costs on the minimum required reserves held with central banks, lower NII on term deposits, higher wholesale funding costs, lower short-term cash management and dealing room NII

Net interest margin*

in %, calculated excluding dealing room, ALM FX swaps & repos



- Fell by 1 bp q-o-q and rose by 4 bps y-o-y for the reasons mentioned on net interest income and an increase in the interest-bearing assets (denominator), both q-o-q and y-o-y

Organic volume trend

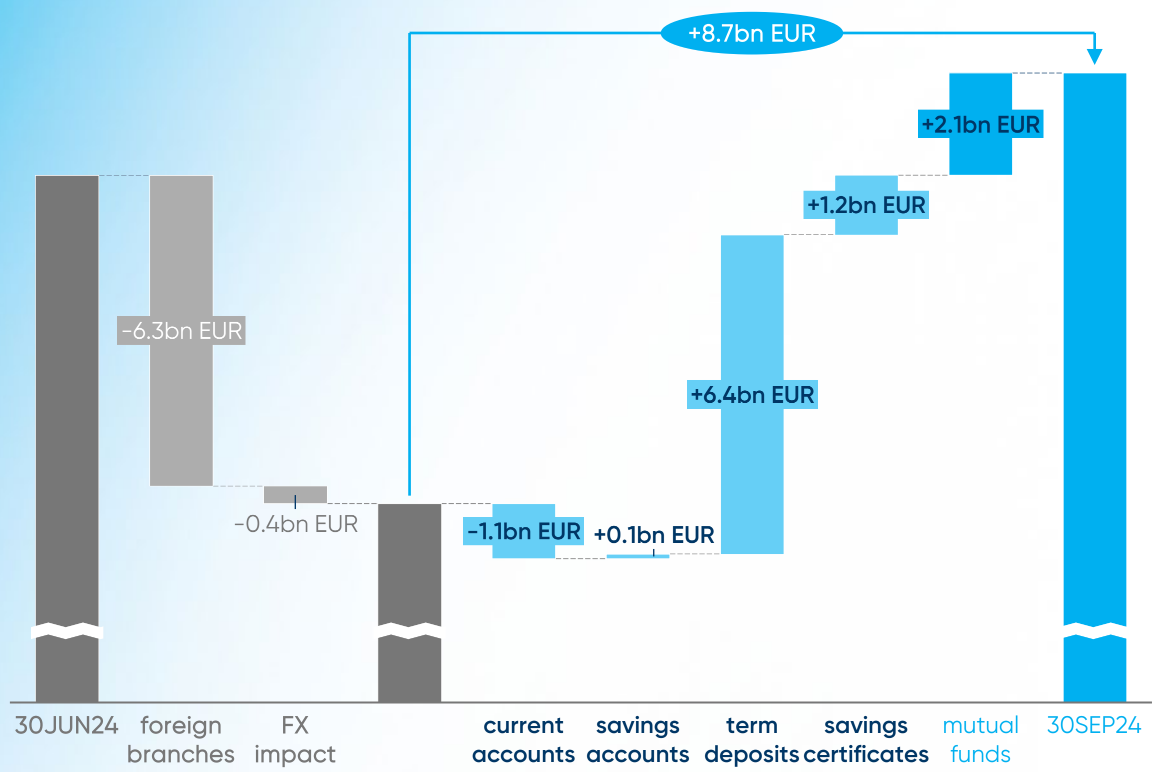
	Total loans**	o/w retail mortgages	Customer deposits***
Volume	189bn	77bn	222bn
Growth q-o-q*	+1%	+1%	0%
Growth y-o-y	+5%	+3%	+4%

* Non-annualised ** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos, but including customer savings certificates.
Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), core customer deposits rose by 3% q-o-q and by 5% y-o-y
Growth figures are excluding FX, consolidation adjustments and reclassifications.

Inflow of core customer money

Customer money dynamic over 3Q24

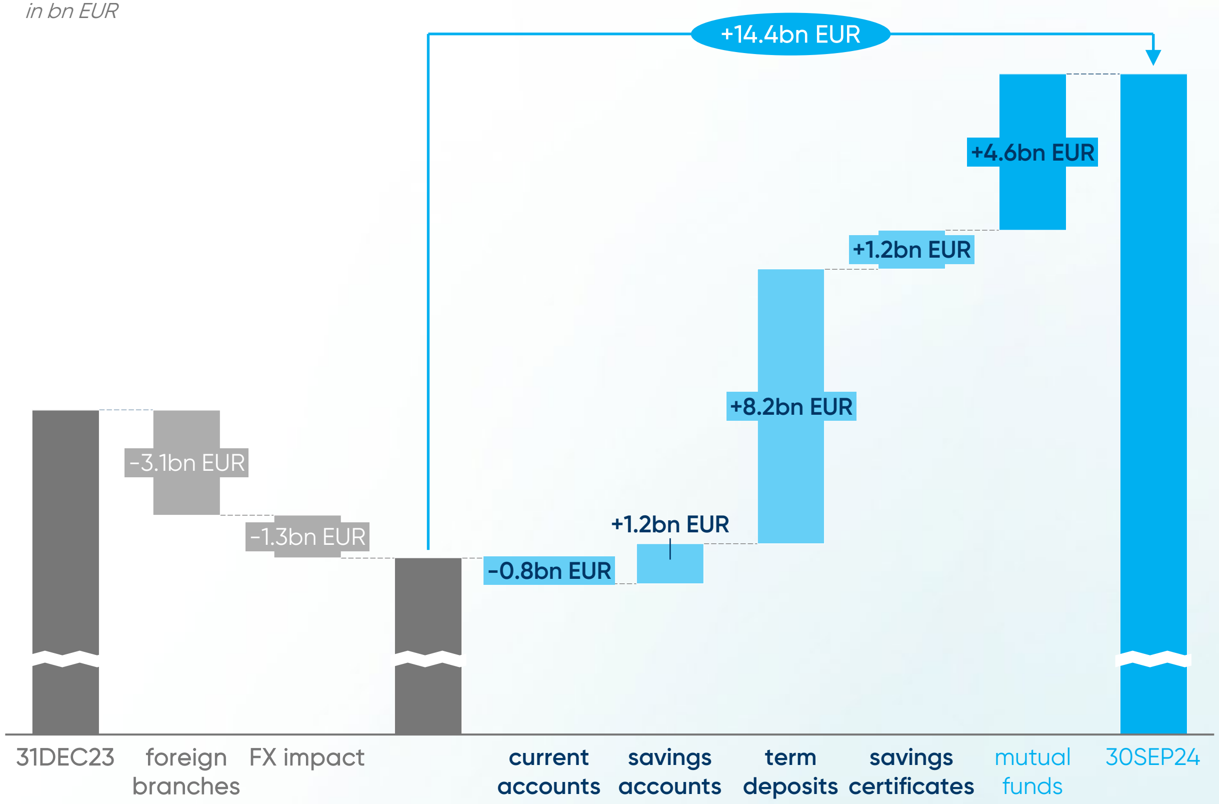
in bn EUR



- **3Q24** saw an inflow of core customer money of **+8.7bn EUR** (+8.3bn EUR incl. FX impact)

Customer money dynamic over 9M24

in bn EUR

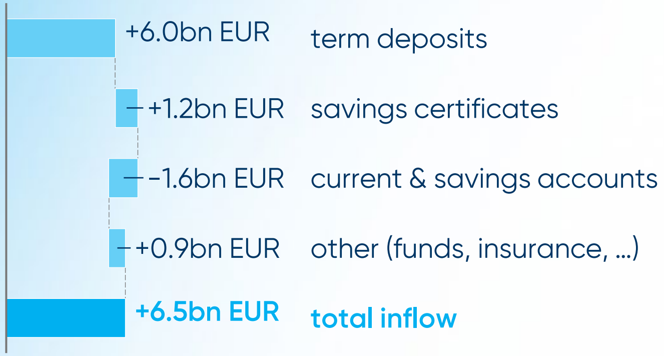


- Disregarding volatile items, **9M24** saw an inflow of core customer money of **+14.4bn EUR** (+13.1bn EUR incl. FX impact)

Impacts from the fierce competition for the recuperation of the maturing 22bn EUR State Note in September in Belgium

Total inflow of core customer money of +6.5bn EUR...

This net inflow breaks down as follows:



...benefitting from unique bank-insurance+ model...

KBC realised this commercial success thanks to a **proactive, multi-phased and multi-product customer offer**:

- **acquiring 0.8bn EUR of surplus core customer money beyond the 5.7bn EUR outflows** to the State Note in September 2023
- well-positioned to achieving this thanks to KBC's **unique proposition as a one-stop-shop** being an integrated bank-insurer with tailor-made asset management solutions

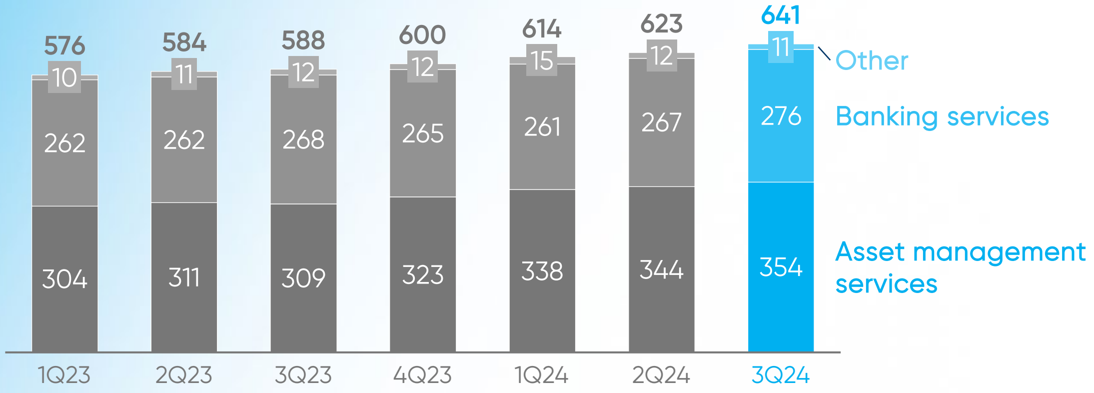
...with a direct negative NII impact of roughly -87m EUR

- The temporary fight has a **direct negative NII impact of roughly -87m EUR (-26m EUR in FY24 and -61m EUR in FY25)**
- This direct negative impact is **partly offset by various indirect positives (roughly +20m EUR)**:
  - lower funding needs in 2025 due to the large inflow of core customer money
  - additional net F&C income thanks to extra net sales of mutual funds
  - additional insurance revenues thanks to extra net sales of life insurance
  - slightly lower costs on savings accounts (less fidelity premium)

Higher net fee and commission income

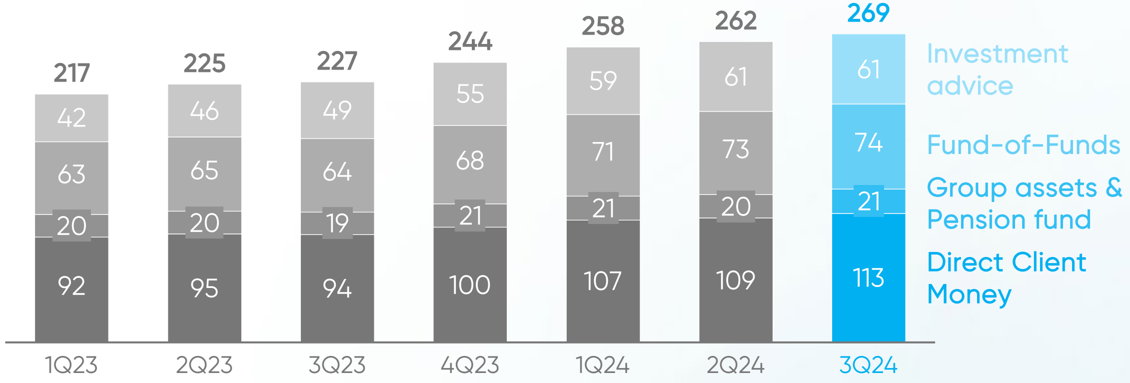
Net fee & commission income

in m EUR



Assets under management

in bn EUR



- **Up by 3% q-o-q and by 9% y-o-y (+3% q-o-q and +10% y-o-y excluding FX)**
- Q-o-q increase was mainly the result of:
  - Net F&C income from Asset Management Services increased by 3% q-o-q due mainly to higher management fees
  - Net F&C income from banking services rose by 4% q-o-q. Higher fees from payment services (partly seasonal), seasonally higher network income, higher securities-related fees and lower distribution commissions paid for banking products were partly offset by lower fees from credit files & bank guarantees
  - Lower distribution fees linked to insurance

- Y-o-y increase was mainly the result of:
  - Net F&C income from Asset Management Services rose by 15% y-o-y due mainly to higher management & entry fees
  - Net F&C income from banking services increased by 3% y-o-y due mainly to higher fees from payment services, higher network income and higher fees from credit files & bank guarantees, partly offset by lower securities-related fees

- **Increased by 3% q-o-q** due to **net inflows (+1%)** and positive market performance (+2%)

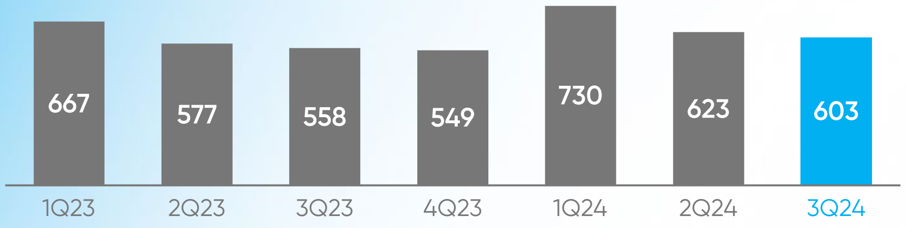
- **Increased by 18% y-o-y** due to net inflows (+5%) and positive market performance (+14%)

- The mutual fund business has seen good net inflows this quarter in higher-margin direct client money (2.1bn EUR in 3Q24 versus 0.7bn EUR in 2Q24 and 1.1bn EUR in 3Q23)

Non-life sales up y-o-y, excellent life sales (up q-o-q and y-o-y)

Non-life sales

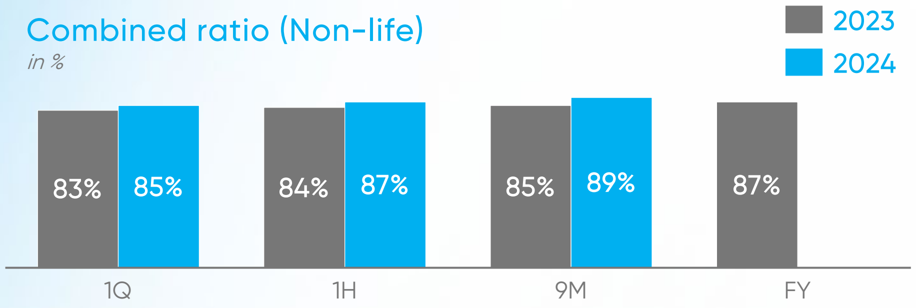
in m EUR



- **Up by 8% y-o-y**, with growth in all countries and all classes, due to a combination of volume and tariff increases

Combined ratio (Non-life)

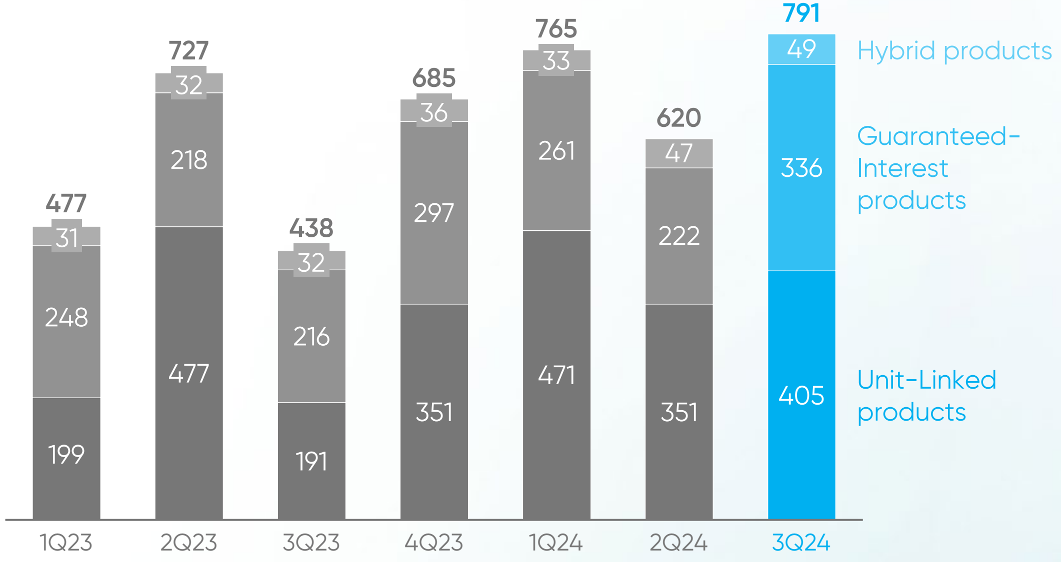
in %



- **Non-life combined ratio for 9M24 amounted to an excellent 89%** (85% in 9M23). This is mainly the result of:
  - 9% y-o-y higher insurance revenues before reinsurance
  - 19% y-o-y higher insurance service expenses before reinsurance due mainly to the very low level of claims in 9M23 and the impact of storm Boris in CEE (mainly in the Czech Republic) in 3Q24
  - Higher net result from reinsurance contracts held (up by 62m EUR y-o-y)
- **Note that the impact of floods caused by storm Boris (after reinsurance) amounted to -33m EUR pre-tax in 3Q24**

Life sales

in m EUR



- Increased by 28% q-o-q due to higher sales of guaranteed-interest products (inflows from maturing State Note in Belgium, supported by commercial actions), higher sales of unit-linked products (as the result of a successful launch of structured emissions in Belgium), and slightly higher sales of hybrid products
- Increased by 80% y-o-y due to sharply higher sales of unit-linked products, higher sales of guaranteed-interest products as well as higher sales of hybrid products
- Sales of guaranteed-interest products and unit-linked products accounted for 42% and 51% of total life insurance sales in 3Q24 respectively, with hybrid products (mainly in the Czech Republic) accounting for the remainder
- Life sales in 9M24 rose by 32% y-o-y

FIFV & IFIE result down and net other income slightly below the normal run rate

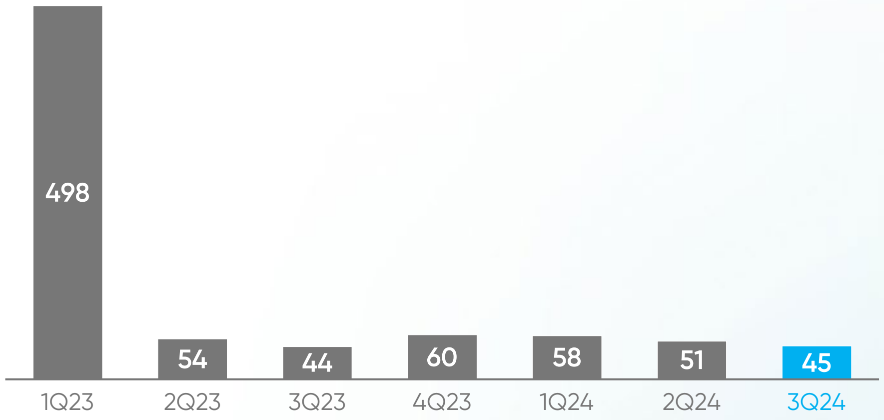
FIFV & IFIE

in m EUR

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
Dealing room	94	69	47	78	102	61	62
MVA/CVA/FVA	4	5	17	-41	5	1	-24
IFIE – mainly interest accretion	-50	-53	-56	-59	-60	-60	-63
M2M ALM derivatives and other	-24	13	-17	-18	-102	1	-18
FIFV & IFIE	**24**	**33**	**-8**	**-40**	**-55**	**3**	**-42**

Net other income

in m EUR



- **FIFV & IFIE result down q-o-q**, attributable mainly to:
  - Negative credit, funding and market value adjustments, mainly the result of a decrease in EUR and CZK yield curves, partly offset by the slightly increased KBC funding spreads
  - Negative change in 'ALM derivatives and other'
  - Slightly more negative IFIE

  partly offset by:

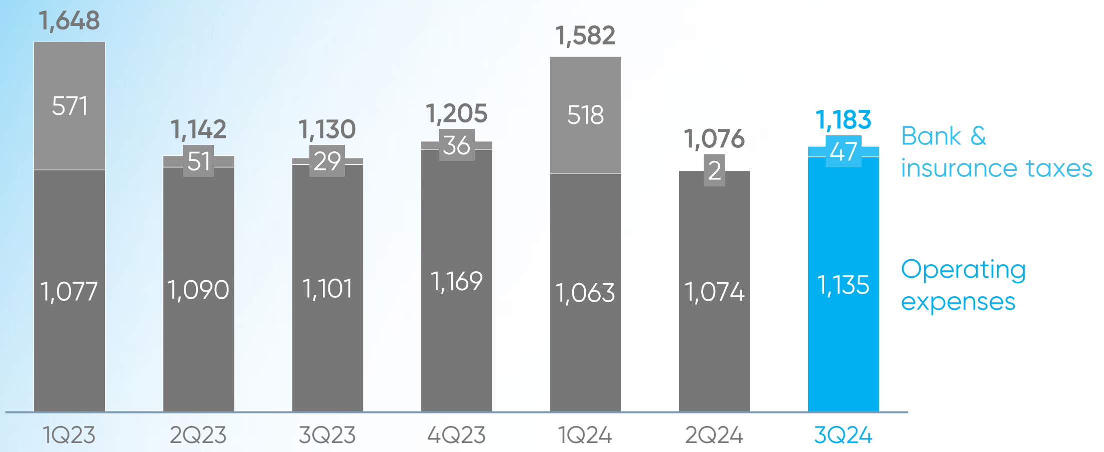
  - Slightly higher dealing room result

- **Slightly lower than the normal run rate of 50m EUR per quarter in 3Q24**

Costs excluding bank & insurance taxes increased q-o-q, perfectly within guidance

Operating expenses (including costs directly attributable to insurance)

in m EUR



Bank and insurance tax spread 2024 (preliminary)

in m EUR

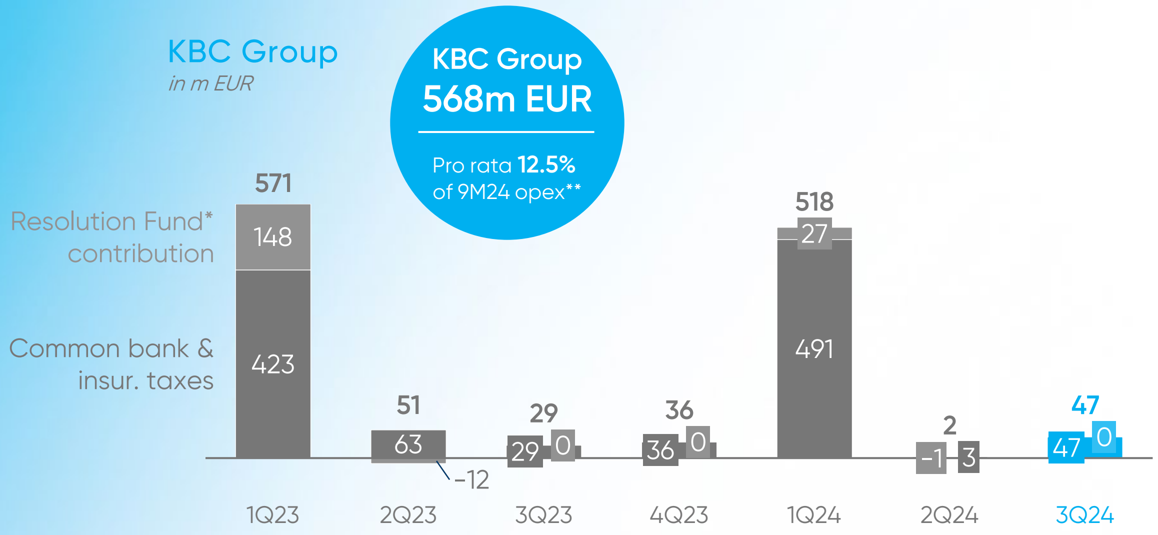
	Total	Upfront			Spread out over the year			
	3Q24	1Q24	2Q24	3Q24	1Q24	2Q24	3Q24	4Q24
BE BU	0	317	-32	0	0	0	0	0
CZ BU	1	35	3	1	0	0	0	0
Hungary	37	107	0	0	30	24	37	47
Slovakia	9	1	0	0	8	8	9	8
Bulgaria	0	21	0	0	0	0	0	0
Group Centre	0	-1	0	0	0	0	0	0
Total	47	480	-30	1	38	32	46	56

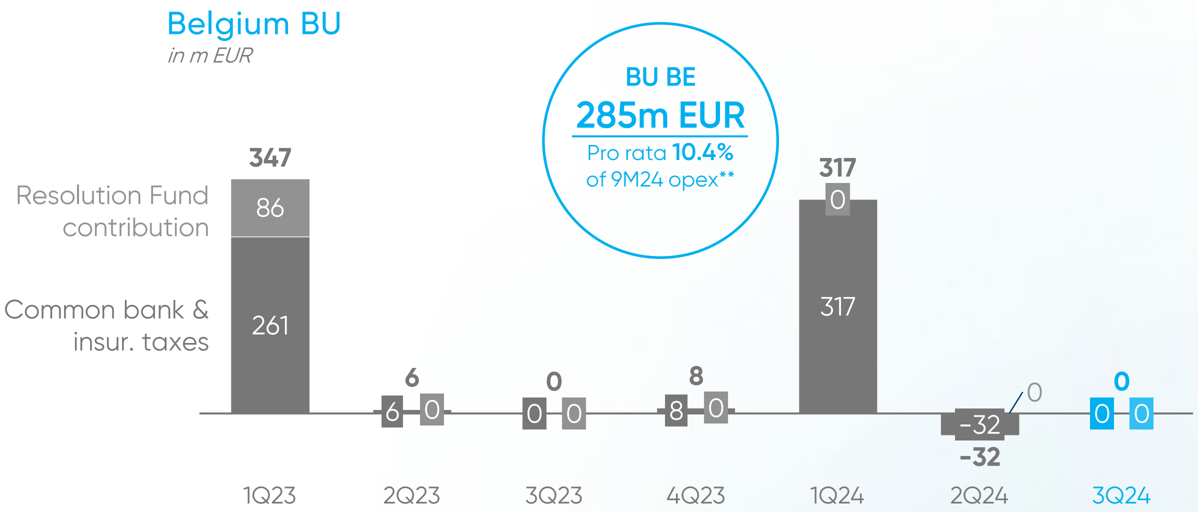
- **Operating expenses excluding bank & insurance taxes rose by 6% q-o-q and by 3% y-o-y (+6% q-o-q and +4% y-o-y excluding FX effect)**
  - The q-o-q increase excluding FX effect was due mainly to higher ICT costs, higher staff costs (mainly wage drift, partly offset by lower FTEs), higher facility expenses and higher depreciations
  - The y-o-y increase excluding FX effect was due to, among other things, higher ICT costs, higher staff costs (mainly the impact of inflation/wage indexation, partly offset by lower FTEs), higher professional fee expenses and higher depreciation, partly offset by lower costs in Ireland (related to the sale transaction) and to a lesser extent lower facility expenses
- **9M24 cost/income ratio**
  - 47% when excluding certain non-operating items* (49% in FY23)
  - 43% excluding all bank & insurance taxes (43% in FY23)

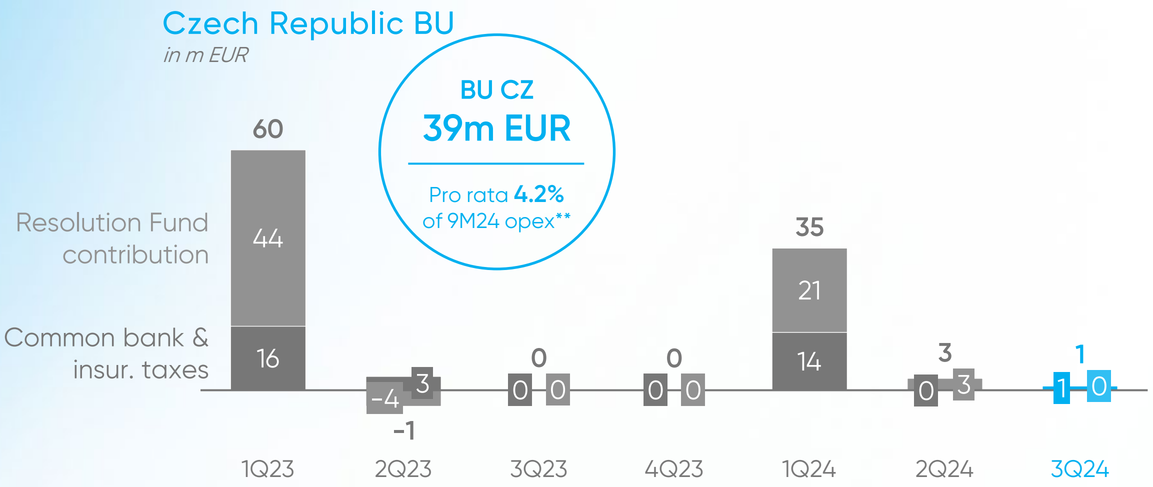
- **Regarding bank & insurance taxes in 3Q24,** note that:
  - 37m EUR additional bank taxes in Hungary (lower than expected due to increasing the Hungarian government bond portfolio as mitigating action)
  - 9m EUR additional national bank taxes in Slovakia
  - 1m EUR additional bank taxes in the Czech Republic
- Total bank & insurance taxes (including ESRF contribution) are expected to decrease by 9% y-o-y to roughly 625m EUR in 2024 (687m EUR in 2023)

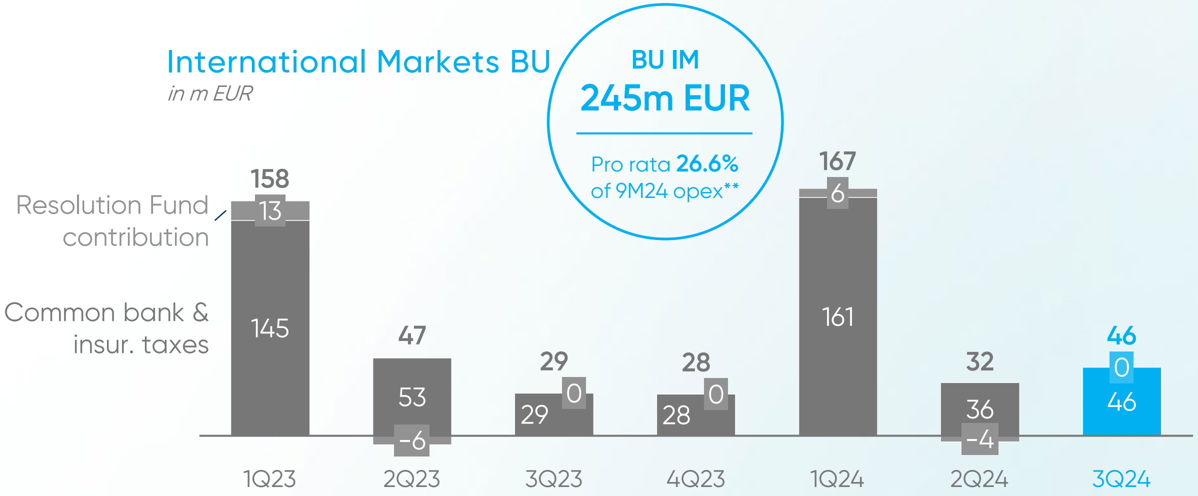
* See glossary for the exact definition

Overview of bank & insurance taxes*





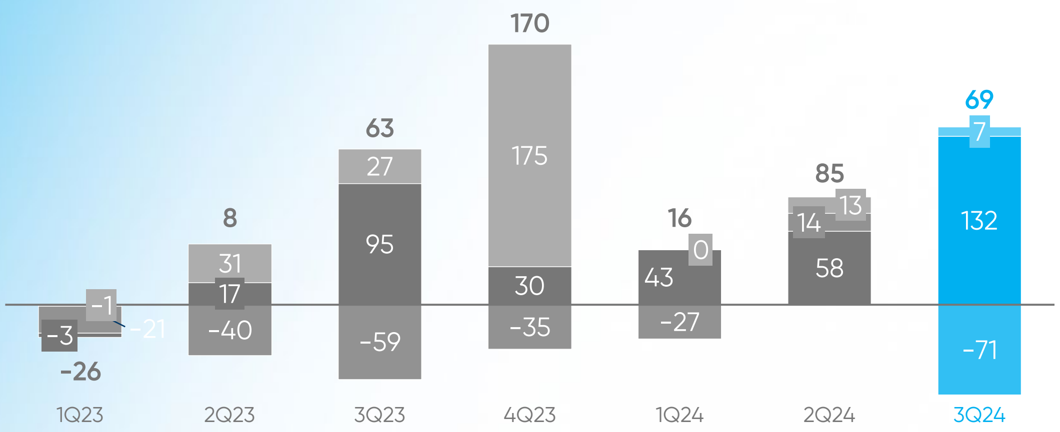




* This refers solely to the bank & insurance taxes recognised in opex, and as such it does not take account of income tax expenses, non-recoverable VAT, etc.
** Including directly attributable costs to insurance

Lower net loan loss impairment charges & excellent credit cost ratio

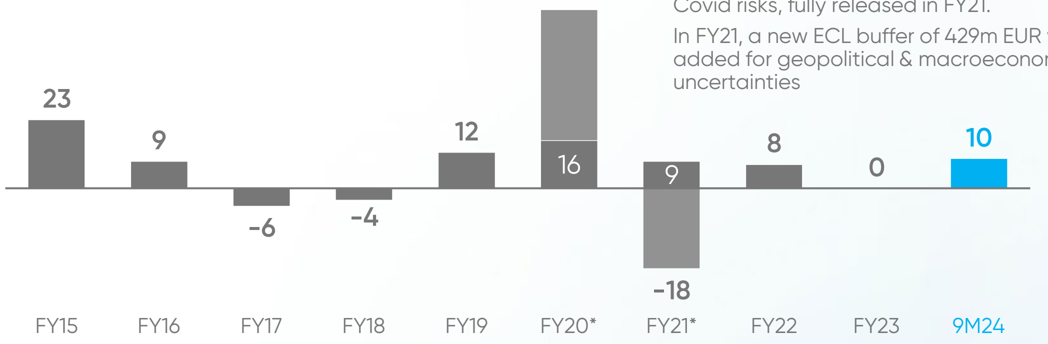
Asset impairment
in m EUR; negative sign is a release



- **Net loan loss impairment charges of 61m EUR in 3Q24** (compared with net loan loss impairment charges of 72m EUR in 2Q24) due to:
  - 132m EUR net loan loss impairment charges on lending book (of which 54m EUR lowering the backstop shortfall for old NPLs in Belgium)
  - A decrease of 71m EUR of the ECL buffer, driven mainly by micro- and macroeconomic indicators
  - Total outstanding ECL for geopolitical & macroeconomic uncertainties now stands at 168m EUR
- **7m EUR impairment on 'other'** (mainly software)

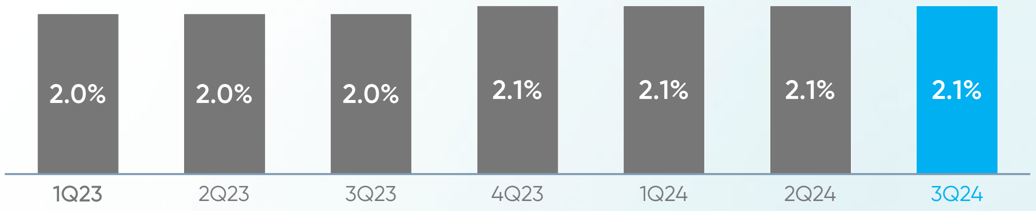
Credit cost ratio
in bps

*In FY20, an ECL buffer of 44 bps was added re Covid risks, fully released in FY21.
In FY21, a new ECL buffer of 429m EUR was added for geopolitical & macroeconomic uncertainties



- The credit cost ratio in 9M24 amounted to:
  - 16 bps (7 bps in FY23) without ECL for geopolitical & macroeconomic uncertainties
  - 10 bps (0 bps in FY23) with ECL for geopolitical & macroeconomic uncertainties

Impaired loans ratio
in %

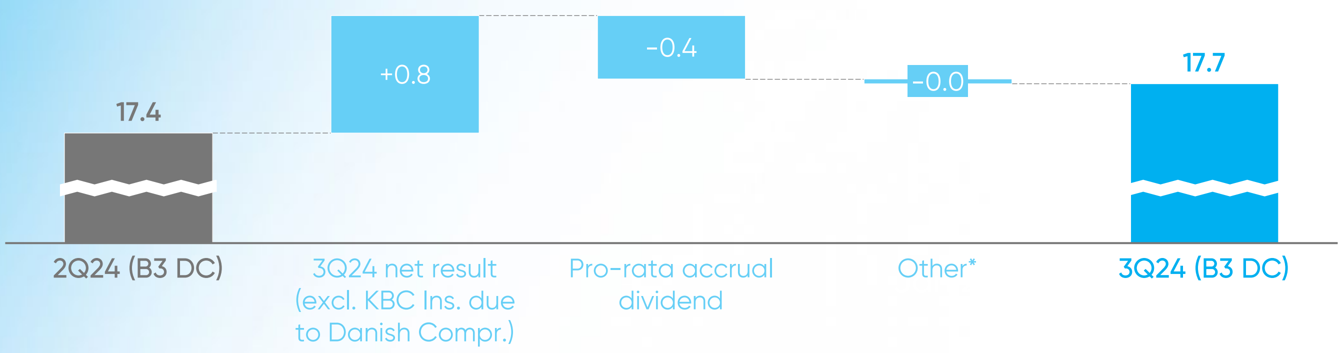


- **The impaired loans ratio amounted to 2.1%** (1.1% of which over 90 days past due)

Fully loaded Basel III CET1 from 2Q24 to 3Q24

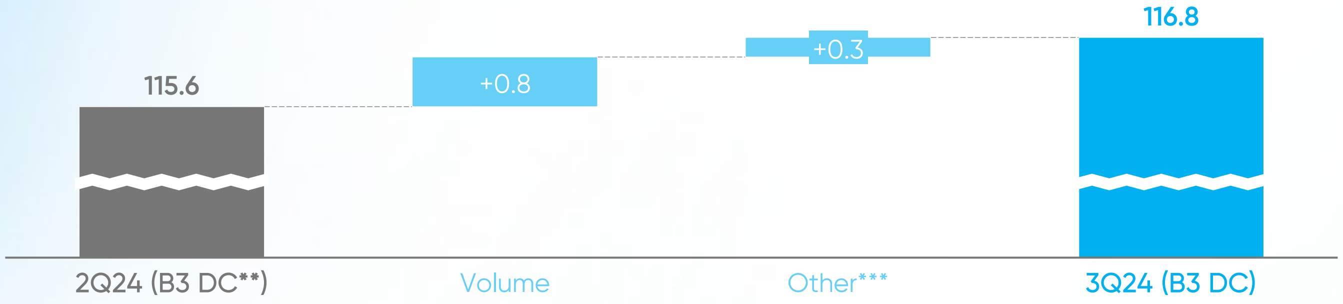
Q-o-q variance of CET1 capital

in bn EUR



Q-o-q variance of RWA

in bn EUR



Fully loaded B3 common equity ratio amounted to 15.2% at the end of 9M24 based on the Danish Compromise

* Includes the q-o-q delta in translation differences, deferred tax assets on losses carried forward, intangible fixed assets, AT1 coupon, remeasurement of defined benefit obligations, deduction pension plan assets, NPL shortfall etc.

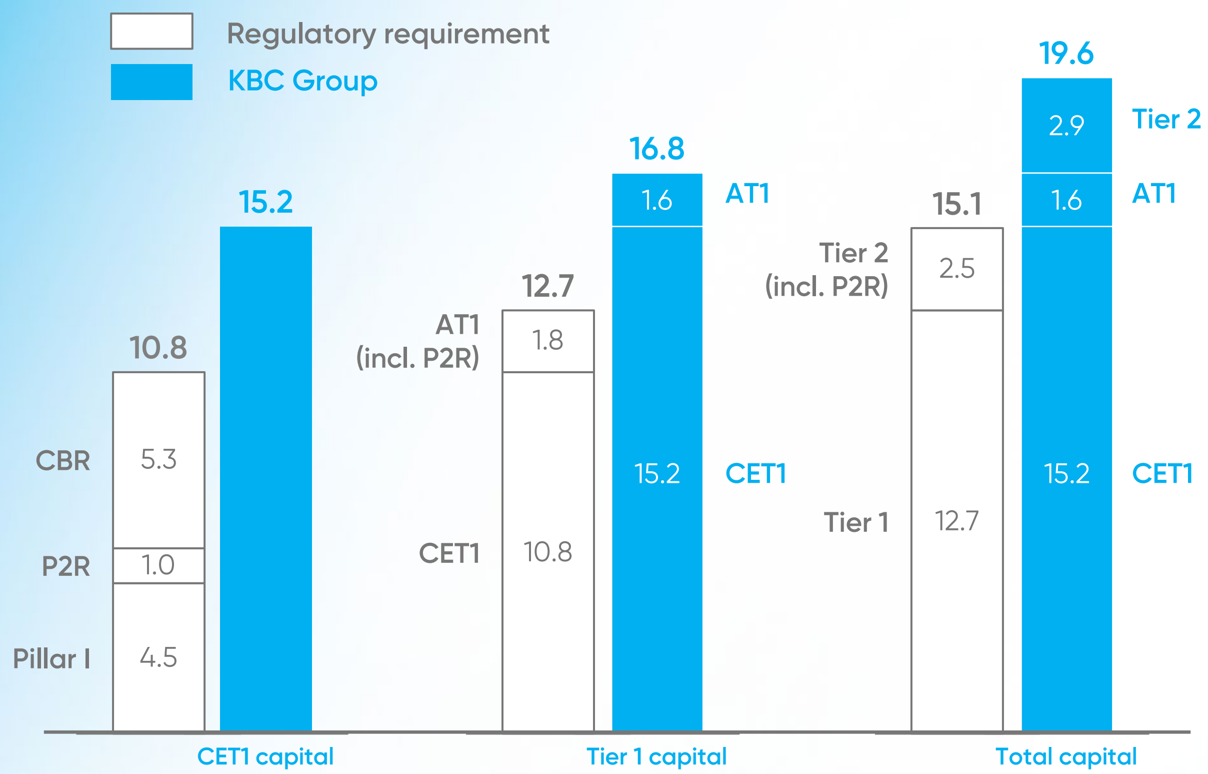
** Includes the RWA equivalent for KBC Insurance based on DC, calculated as the historical book value of KBC Insurance multiplied by 370%

*** Includes FX, market risk, model changes, …

Strong capital position with substantial buffer to MDA

Capital requirements and distance to Maximum Distributable Amount (MDA) restrictions as at 30 September 2024 (fully loaded, B3)

in %



- **P2R 1.86% (= Pillar II requirement)**
  1.05% to be met with CET1, 35bps eligible for AT1 and 47bps for Tier 2
- **CBR 5.28% (= Combined buffer requirement)**
  2.50% Capital conservation buffer
  1.50% O-SII buffer
  1.14% Countercyclical buffer
  0.14% Systemic risk buffer
- **OCR (10.8%) buffer 4.4%**
- **MDA buffer 4.1%**
  lowest of the buffers between available and required (i) CET1 capital, (ii) Tier 1 capital and (iii) Total capital
- **MDA 11.1%**
  i.e. the net of the CET1 ratio (15.2%) and the MDA buffer (4.1%)

Distance to MDA restrictions

CET1 capital	Tier 1 capital	Total capital
4.4%	**4,1%**	**4.5%**
5,097m EUR	**4,802m EUR**	**5,264m EUR**

Leverage ratio, Solvency II ratio and liquidity ratios

Leverage ratio | KBC Group

fully loaded, Basel 3

Leverage ratio
5.7% 9M24

5.7% FY23

Q-o-q higher leverage ratio (from 5.5% to 5.7%) due mainly to lower leverage ratio exposure (due chiefly to lower cash and cash balances with central banks)

Note that as of 1Q22, interim profit is recognised (based on 50% profit accrual)

Liquidity ratios | KBC Group

in %

LCR
159% 9M24

159% FY23

NSFR
142% 9M24

136% FY23

Both LCR* and NSFR** were well above the regulatory requirement of 100%

Solvency II ratio | KBC Group

in %

Solvency II ratio
197% 9M24

206% FY23

Q-o-q lower Solvency II ratio due mainly to higher bond spreads, partly offset by a decrease in the EUR interest rate curve

* Net Stable Funding Ratio (NSFR) is based on KBC Bank's interpretation of the proposal of CRR amendment.
** Liquidity Coverage ratio (LCR) is based on the Delegated Act requirements. From EOY2017 onwards, KBC Bank discloses 12 months average LCR in accordance with EBA guidelines on LCR disclosure.

Looking forward I Economic outlook

- Euro area growth in the third quarter amounted to 0.4%, after 0.2% in the second quarter. The manufacturing sector exhibited persistent weakness, while the expected services sector recovery has not (yet) materialised

- Growth is expected to continue at about the current pace, picking up in the second half of 2025 on the back of recovering domestic consumption

Our bank-insurance+ model is firing on all cylinders

Note: all growth figures are based on reported 2023 figures

	2024 guidance
Net interest income	**5.5bn EUR** ballpark figure
Organic loan volume growth	*approx. +4%*
Insurance revenues (before reinsurance)	**at least +6% y-o-y**
Operating expenses and insurance commissions paid (excl. bank/insurance tax)	**below +1.7% y-o-y** *substantially below inflation*
Cost/income ratio (excl. bank/insurance tax)	**below 45%**
Combined ratio	**below 91%**
Credit cost ratio (excl. any changes in the ECL buffer for geopolitical risk that is still in place at year-end 2023)	**well below TTC of 25-30bps**

Looking forward I FY26 financial guidance (as provided with FY23 results)

Our bank-insurance+ model is firing on all cylinders

Note: all growth figures are based on reported 2023 figures

	2026
Net interest income*	CAGR23-26 at least +1.8%
Insurance revenues (before reinsurance)	CAGR23-26 at least +6%
Operating expenses and insurance commissions paid (excl. bank/insurance tax)	CAGR23-26 below +1.7% *substantially below inflation*
Cost/income ratio (excl. bank/insurance tax)	below 42%
Combined ratio	below 91%
Credit cost ratio (excl. any changes in the ECL buffer for geopolitical risk that is still in place at year-end 2023)	well below TTC of 25-30bps

*Still based on conservative assumptions, including (i) market forward rates of mid-January, (ii) increase of MRR to 2% as of 1 April 2024, (iii) no deposit inflows when State Note(s) matures, (iv) further shifts from CA/SA to TD and (v) conservative pass-through rates on savings accounts

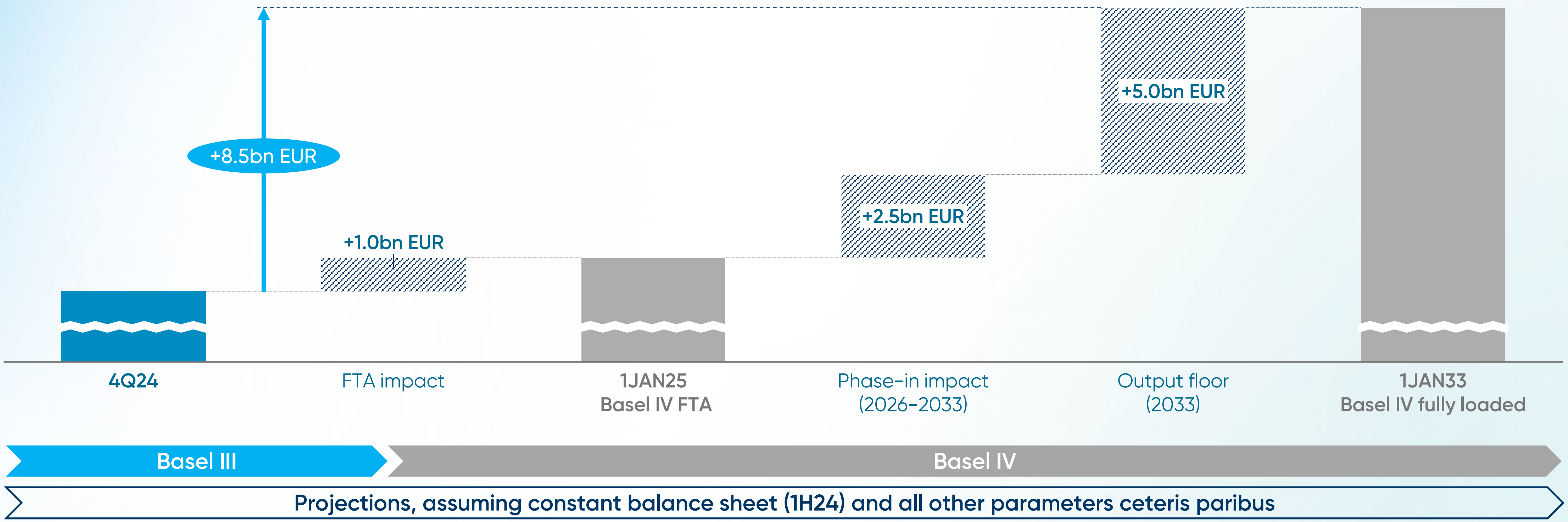
Indicative view on transitional RWA evolution under Basel IV

- **Moving towards the Basel IV era** and applying a static balance sheet (1H24) and all other parameters ceteris paribus, without mitigating actions, KBC projects
  - at 1JAN25, a **first-time application impact of +1.0bn EUR** (contrary to +0.0bn EUR RWA previously)
  - by 1JAN33, a **further impact of +7.5bn EUR** (contrary to +8.0bn EUR RWA previously)

  resulting in a **fully loaded impact of +8.5bn EUR** (contrary to +8.0bn EUR RWA previously)

Indicative transitional RWA estimate

in bn EUR



Wrap-up

Excellent financial performance

net result
868m
3Q24
3402m
FY23

return on equity
14%*
YTD

combined ratio
89%
YTD

Outstanding solvency and liquidity

CET1 ratio
15.2%
4.1% buffer vs MDA

NSFR
142%
LCR
159%

SII ratio
197%

Kate convinces customers

5.0 million users in contact with Kate

KATE autonomy
67% BE
69% CZ

Franchise is growing

loan volumes
+5%
y-o-y

customer deposits
+4%
y-o-y

AM net inflows of direct client money
+2.1bn
3Q24

non-life sales
+8%
y-o-y

life sales
+80%
y-o-y

* When bank & insurance taxes are evenly spread throughout the year and excluding one-offs

Supplemental information & disclosures

BU view (slide 24-37)

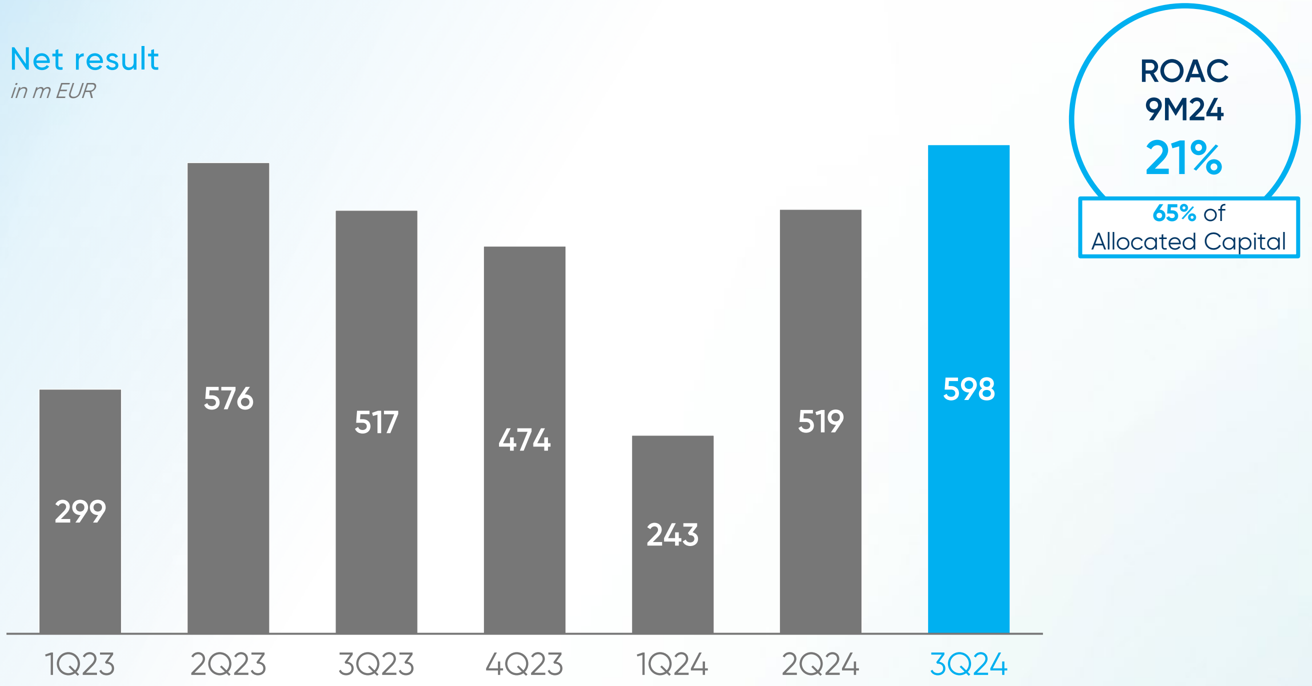
- Belgium BU
- Czech Republic BU
- International Markets BU
  - Slovakia
  - Hungary
  - Bulgaria
- Group Centre BU

Annexes (slide 38-63)

- Company profile
- KBC strategy
- Sustainability
- Asset quality
- MREL & funding

Navigate quickly to this content by using the below tabs in the digital version of this memo

Belgium BU (1) | Net result

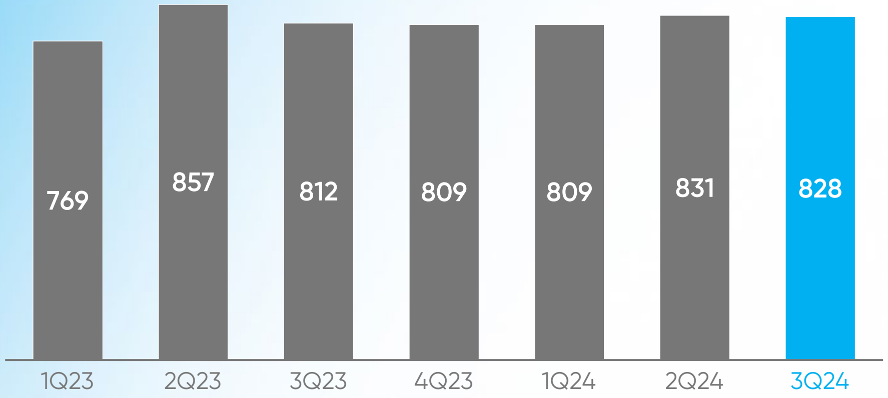


- The quarter was characterised by slightly lower net interest income, higher net fee and commission income, lower sales of non-life insurance products and higher sales of life insurance products, stable net result from financial instruments at fair value, seasonally lower dividend income, higher net other income, higher operating expenses, higher insurance service expenses after reinsurance, lower net impairment charges and a one-off gain in 'share in results of associated companies & joint ventures'
- See slide 8 for the 'impacts from the temporary fight for the recovery of the maturing 22bn EUR State Note in September'

Belgium BU (2) | Net interest income

Net interest income

in m EUR

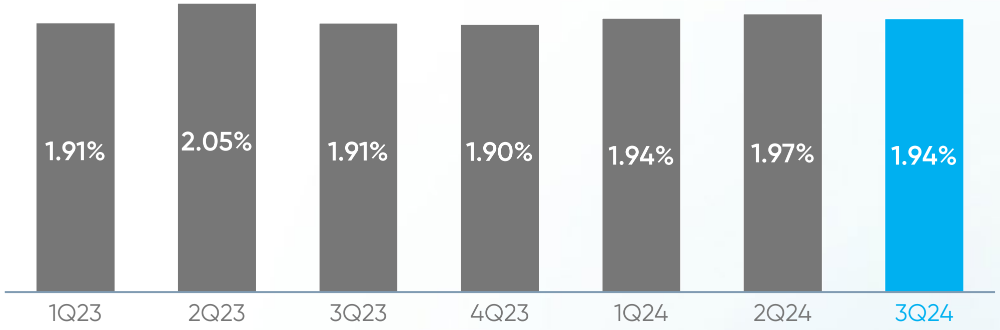


- Roughly flat q-o-q, as
  - Higher commercial transformation result (mainly thanks to higher reinvestment yields)
  - Lower costs on the minimum required reserves held with the central bank

  were offset by
  - Lower NII on inflation-linked bonds (-23m EUR q-o-q, from +27m EUR in 2Q24 to +4m EUR in 3Q24)
  - Margin pressure on the outstanding loan portfolio
  - Lower NII on term deposits
  - Lower short-term cash management
- +2% y-o-y as continued increasing reinvestment yields, higher ALM result, higher NII on term deposits, higher NII on the insurance bond portfolio and higher NII on inflation-linked bonds were partly offset by lower lending income, shifts from current & savings accounts to term deposits, higher costs on the minimum required reserves held with the central bank, lower short-term cash management, lower dealing room NII and higher wholesale funding costs

Net interest margin

in %



- Decreased by 4 bps q-o-q and rose by 3 bps y-o-y for the reasons mentioned on net interest income and an increase in the interest-bearing assets (denominator), both q-o-q and y-o-y

Organic volume trend

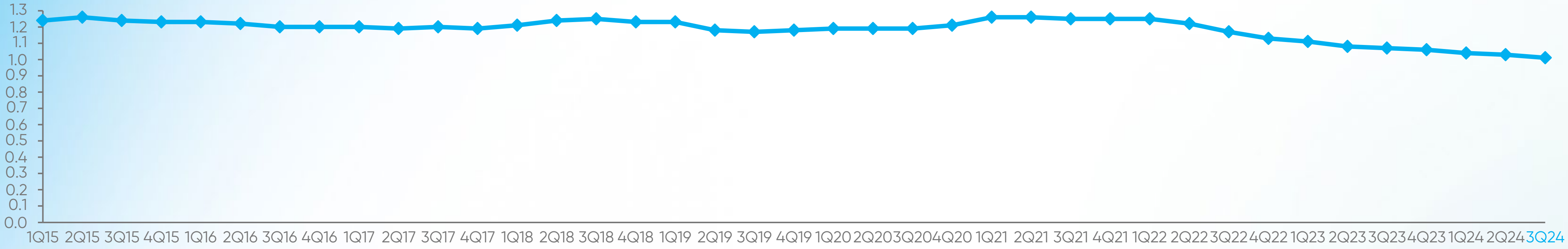
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	122bn	46bn	140bn
Growth q-o-q*	0%	+1%	0%
Growth y-o-y	+3%	+2%	+6%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos, but including customer savings certificates.
Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), customer deposits rose by 5% q-o-q and by 8% y-o-y
Growth figures are excluding FX, consolidation adjustments and reclassifications

Belgium BU (3) | Credit margins in Belgium

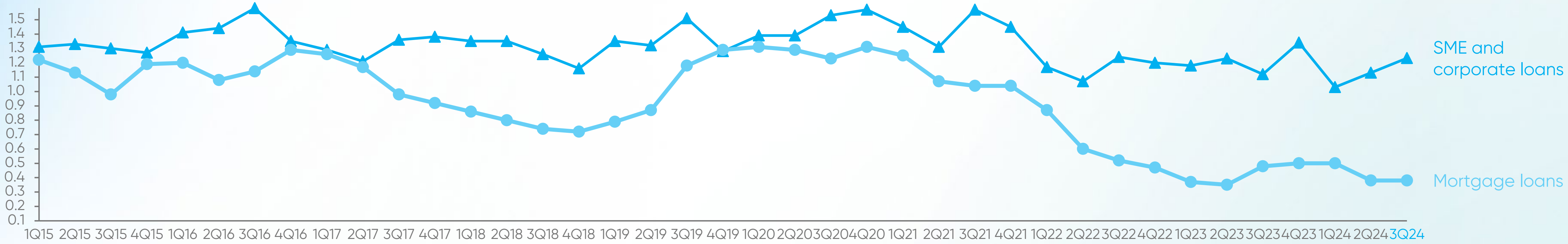
Product spread on customer loan book | Outstanding

in %



Product spread | New production

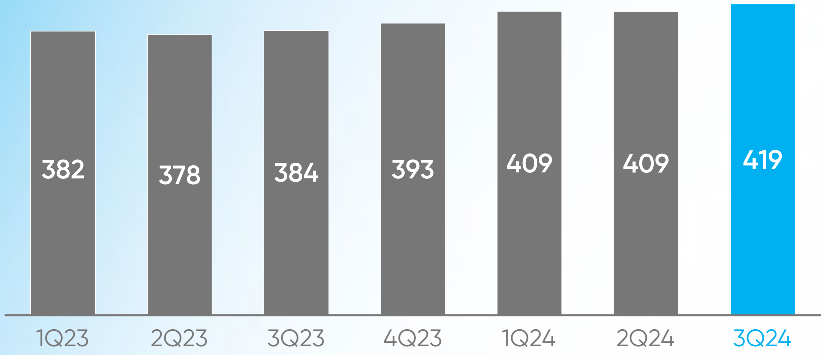
in %



Belgium BU (4) | Other income lines & cross-selling

Net fee & commission income

in m EUR



- The 2% higher q-o-q net F&C income was mainly the result of higher management fees, higher payment-related fees and higher securities-related fees, partly offset by higher distribution commissions paid linked to mutual funds and lower distribution fees linked to non-life insurance
- The 9% higher y-o-y net F&C income was driven chiefly by higher management & entry fees, higher payment-related fees, higher fees from credit files & bank guarantees and higher network income, partly offset by lower securities-related fees (entirely due to the one-off fee from the issuance of the State Note in 3Q23) and higher distribution fees paid for mutual funds

Assets under management

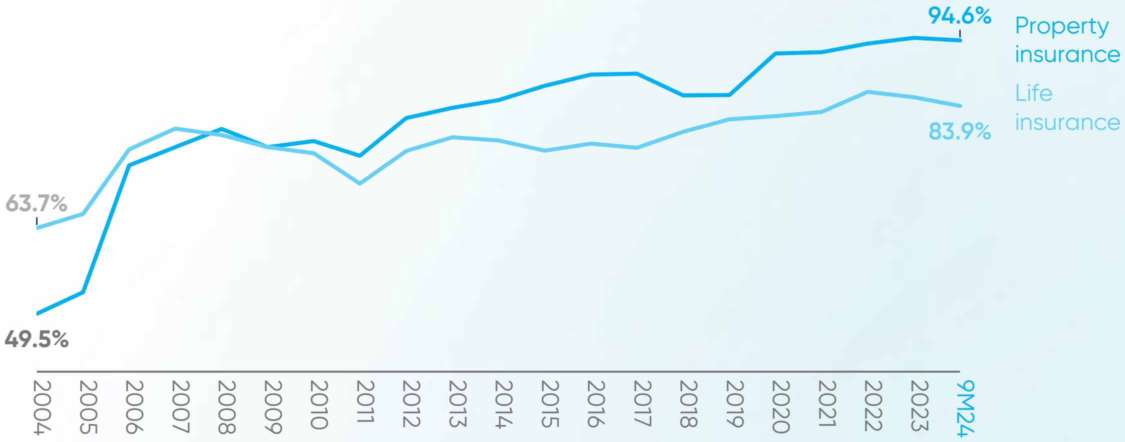
- 240bn EUR
- Increased by 2% q-o-q due to net inflows (+1%) and positive market performance (+2%)
- Increased by 18% y-o-y due to net inflows (+4%) and positive market performance (+14%)

Insurance

- Insurance sales: 1,052m EUR
  - Non-life sales (351m EUR) +6% y-o-y, due to premium growth in almost all classes, due to a combination of volume and tariff increases
  - Life sales (700m EUR) rose by 42% q-o-q and more than doubled y-o-y.
    - Both the q-o-q and y-o-y increase was driven by higher sales of all products (unit-linked products, guaranteed-interest products and hybrid products) thanks partly to inflows from the maturing State Note, supported by commercial actions
- Combined ratio amounted to an excellent 87% in 9M24 (83% in 9M23)

Mortgage-related cross-selling ratios

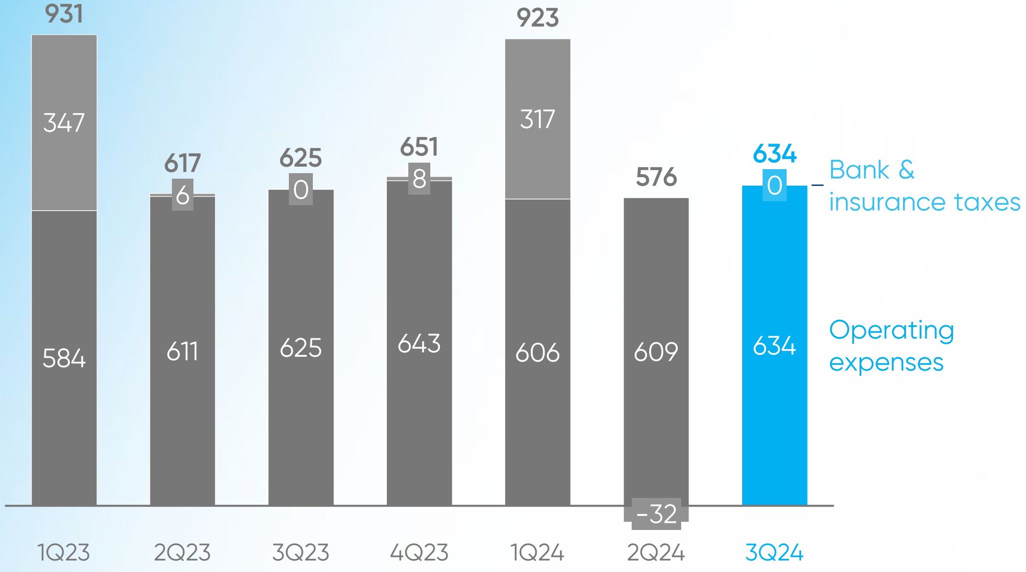
in %



Belgium BU (5) | Opex & impairments

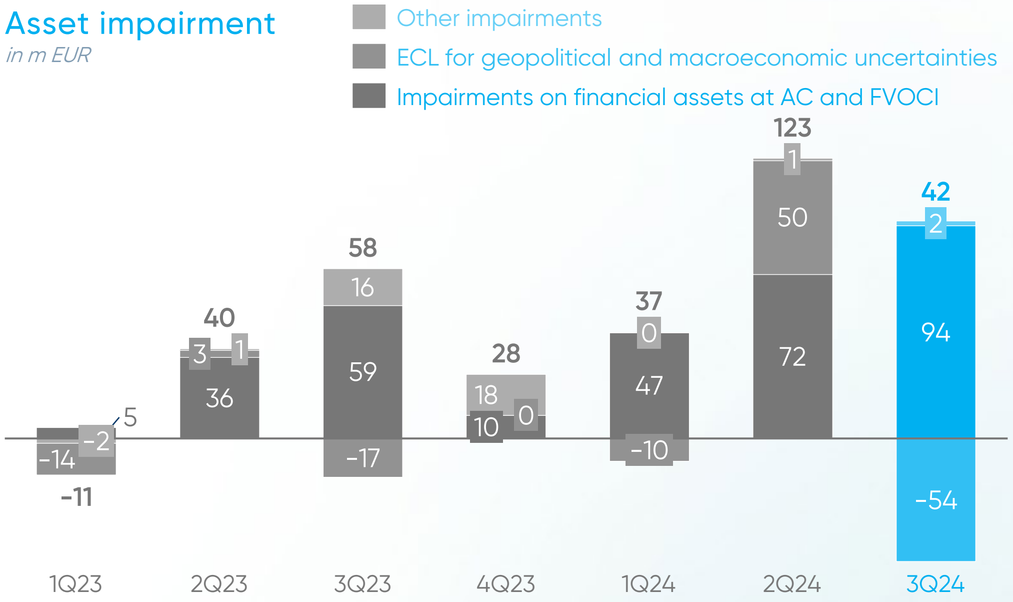
Operating expenses

in m EUR



Asset impairment

in m EUR



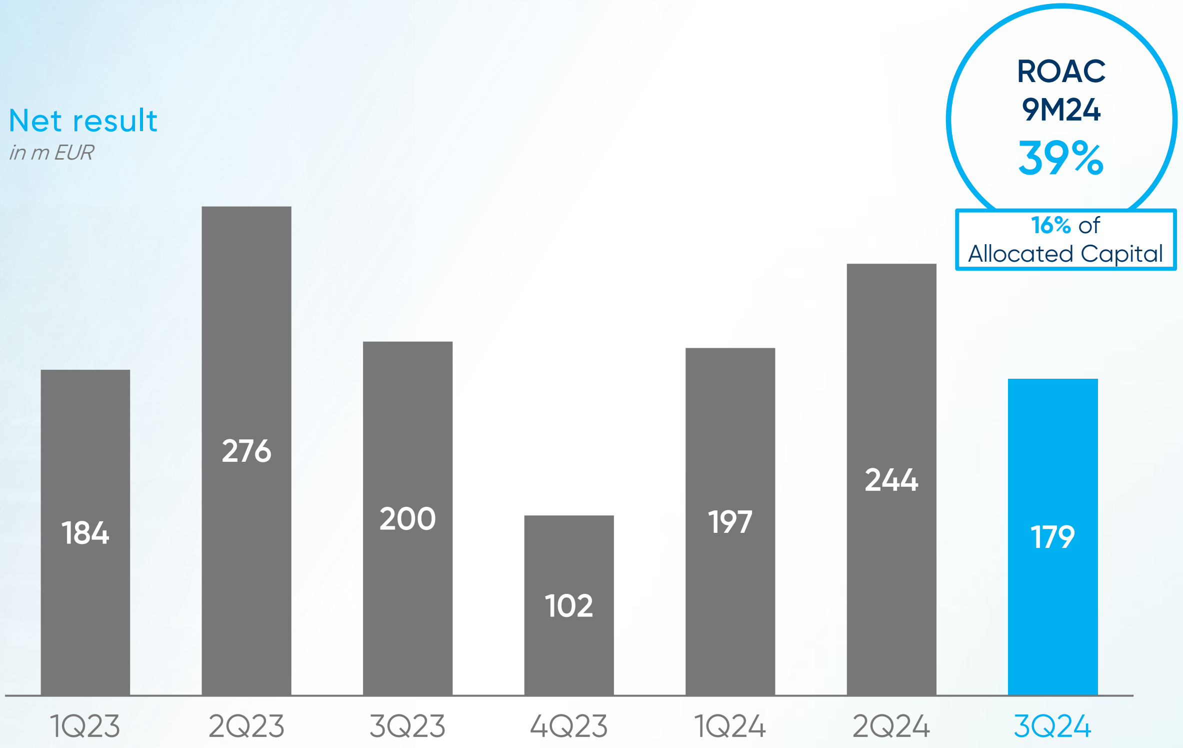
- **Opex (including costs directly attributable to insurance, but excluding bank & insurance taxes): +4% q-o-q and +1% y-o-y**
- +4% q-o-q due mainly to higher ICT costs, higher staff expenses (wage drift), higher facility costs and higher professional fee expenses, partly offset by seasonally lower marketing expenses
- +1% y-o-y due chiefly to higher staff costs (mainly wage drift, partly offset by lower FTEs), partly offset by lower facility costs and lower depreciations
- Cost/income ratio adjusted for specific items: 43% in 9M24 (46% in FY23)

- **Net loan loss impairment charges of 40m EUR in 3Q24 (compared with 122m EUR in 2Q24),** as 94m EUR net loan loss impairment charges on lending book (of which 54m EUR lowering the backstop shortfall for old NPLs) were partly offset by a 54m EUR net impairment release for geopolitical & macroeconomic uncertainties. Credit cost ratio amounted to 20 bps in 9M24 (6 bps in FY23)
- 2m EUR impairment charge on 'other'
- **Impaired loans ratio amounted to 2.1%, 1.0% of which over 90 days past due**

Czech Republic BU (1) | Net result

Net result

in m EUR

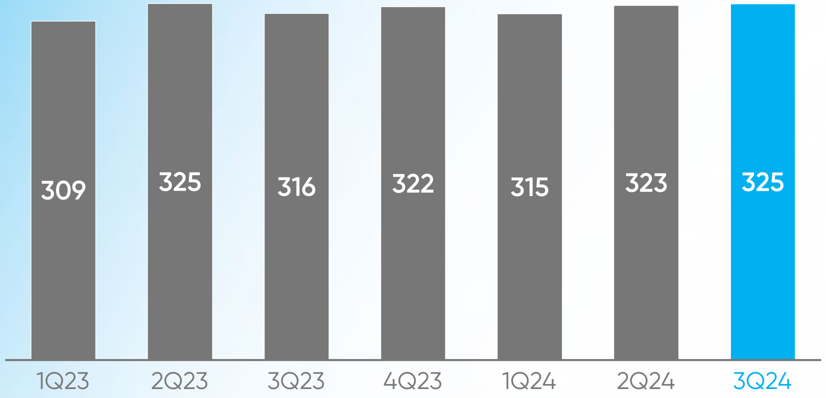


- The quarter was characterised by higher net interest income, higher net fee & commission income, lower sales of non-life and life insurance products, roughly stable net result from financial instruments at fair value & IFIE, higher costs, higher insurance service expenses after reinsurance (due mainly to storm Boris) and net loan loss impairment charges (versus releases in 2Q24)

Czech Republic BU (2) | Net interest income

Net interest income

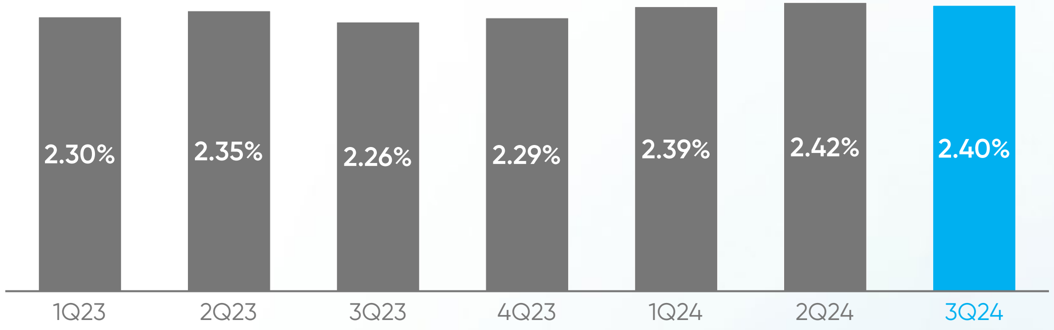
in m EUR



- +1% q-o-q and +8% y-o-y (both excl. FX effect)
- Q-o-q increase driven mainly by higher commercial transformation result (both higher benchmarked deposit volumes and lower pass-through), higher lending income (both higher loan volumes and higher margins on the outstanding loan portfolio) and lower costs on the minimum required reserves held with the central bank, partly offset by lower ALM result and lower NII on term deposits
- Y-o-y increase, as much higher commercial transformation result, higher lending income and higher ALM result were only partly offset by higher funding costs and lower dealing room NII (driven mainly by decreasing repo rate and lower income from local cash desk)

Net interest margin

in %



- Fell by 2 bps q-o-q and rose by 14 bps y-o-y for the reasons mentioned on net interest income and an increase in the interest-bearing assets (denominator), both q-o-q and y-o-y

Organic volume trend

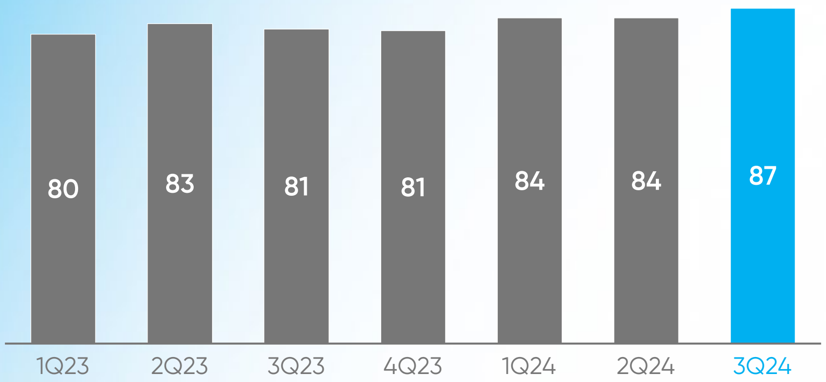
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	38bn	20bn	50bn
Growth q-o-q*	+2%	+1%	+1%
Growth y-o-y	+7%	+3%	-1%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos
Growth figures are excluding FX, consolidation adjustments and reclassifications

Czech Republic BU (3) | Other income lines & cross-selling

Net fee & commission income

in m EUR



- The 4% higher q-o-q net F&C income excl. FX effect was mainly the result of higher payment-related fees, higher distribution fees received for mutual funds, higher network income and higher entry fees
- The 12% higher y-o-y net F&C income excl. FX effect was driven chiefly by higher entry fees, higher distribution fees received for mutual funds, higher fees from payment services, higher network income, higher securities-related fees and higher fees from credit files & bank guarantees, partly offset by higher commissions paid linked to banking products

Assets under management

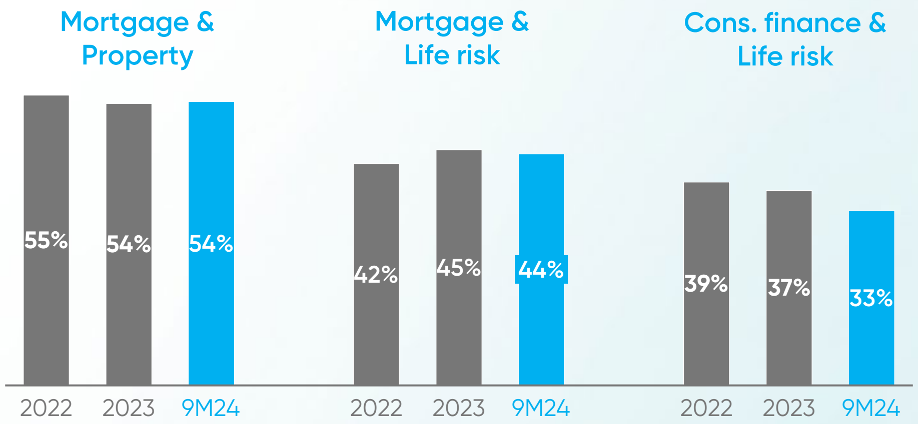
- 19.0bn EUR
- +3% q-o-q due to net inflows (+2%) and positive market performance (+2%)
- +15% y-o-y due to net inflows (+7%) and positive market performance (+8%)

Insurance

- Insurance sales: 176m EUR
  - Non-life sales (128m EUR) +10% y-o-y (+15% excl. FX), due to premium and volume growth in all classes
  - Life sales (48m EUR) decreased by 5% q-o-q (-4% excl. FX) and by 1% y-o-y (+4% excl. FX)
- An excellent combined ratio of 87% in 9M24 (83% in 9M23), despite some smaller summer storms in July and the impact of floods caused by storm Boris in September

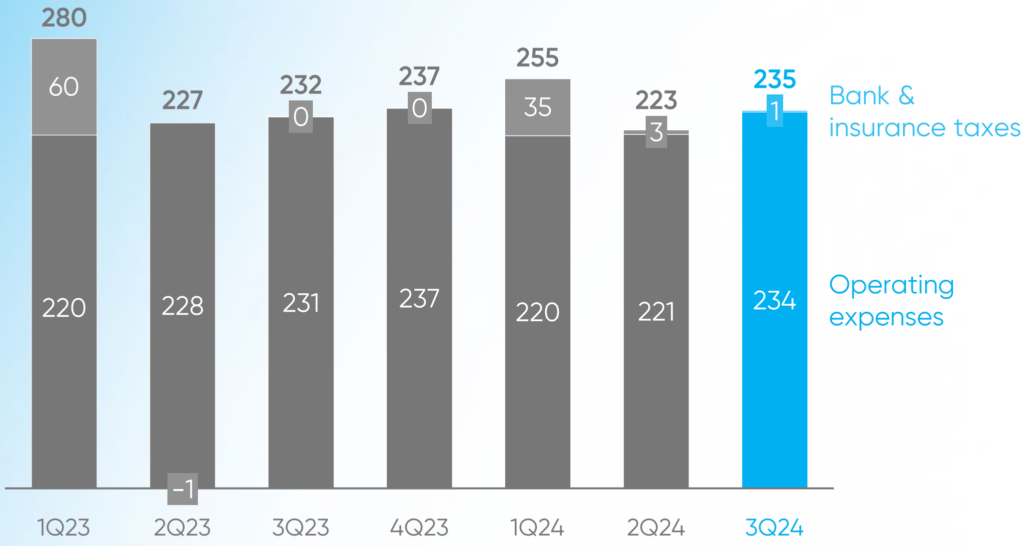
Mortgage-related cross-selling ratios

in %



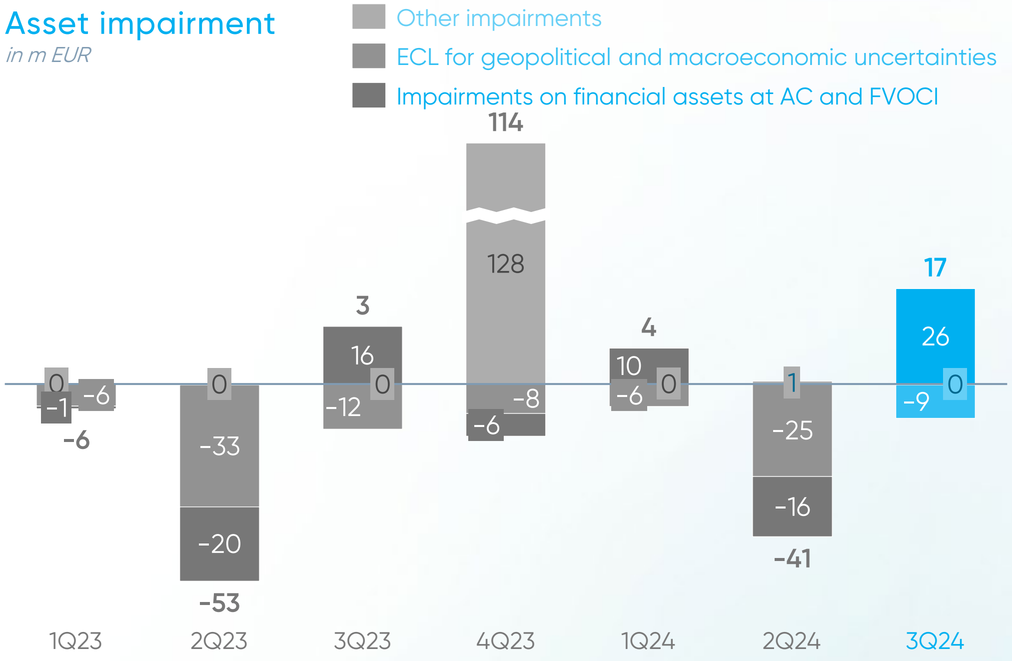
Czech Republic BU (4) | Opex & impairments

Operating expenses
in m EUR



- **Opex (incl. costs directly attributable to insurance and excl. bank & insurance taxes): +7% q-o-q and +6% y-o-y, excl. FX effect**
- Q-o-q increase was due mainly to higher ICT costs, higher staff costs, higher professional fee expenses, higher marketing costs (floods donation), higher distribution expenses and higher depreciations, partly offset by lower facility costs
- Y-o-y increase was chiefly the result of higher ICT costs, higher professional fee expenses, higher marketing costs (floods donation), higher distribution expenses and higher depreciations
- Adjusted for specific items, C/I ratio amounted to roughly 45% in 9M24 (47% in FY23)

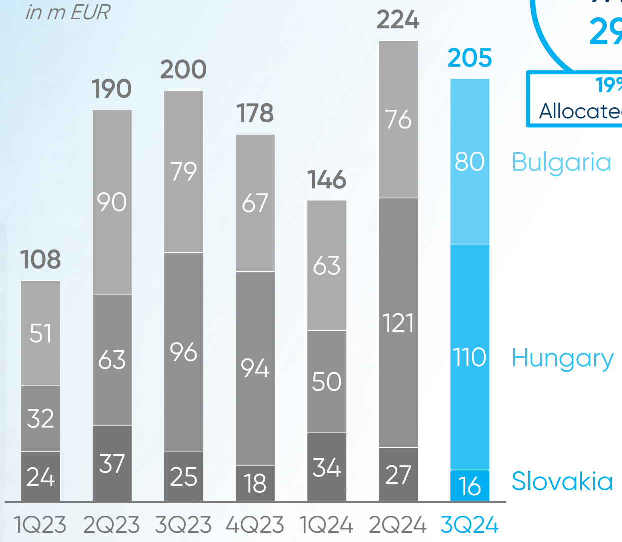
Asset impairment
in m EUR



- **Net loan loss impairment charges** of 17m EUR in 3Q24 compared with 41m EUR net loan loss impairment releases in 2Q24. Besides a 9m EUR net impairment reversal for geopolitical and macroeconomic uncertainties, there were 26m EUR net loan loss impairment charges, mainly linked to 1 large corporate file
- **Credit cost ratio** amounted to -0.07% in 9M24 (-0.18% in FY23)
- **Impaired loans ratio** amounted to 1.4%, 0.8% of which over 90 days past due

International markets BU (1) | Highlights

Net result
in m EUR



ROAC
9M24
29%

19% of
Allocated Capital

Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	29bn	11bn	32bn
Growth q-o-q*	+2%	+3%	+1%
Growth y-o-y	+8%	+11%	+7%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos
Growth figures are excluding FX, consolidation adjustments and reclassifications

Assets under management

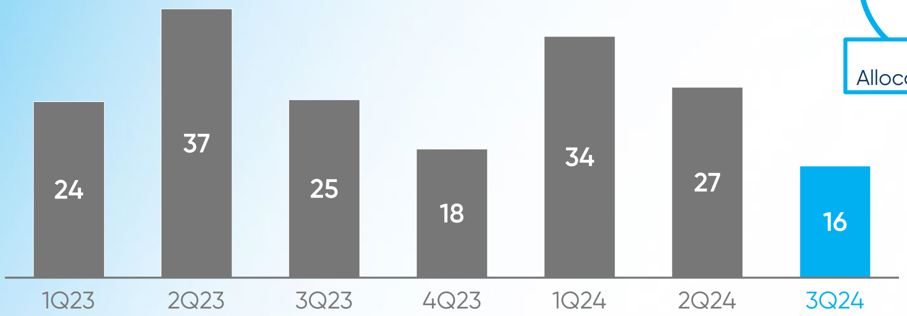
- 10.4bn EUR (+5% q-o-q and +25% y-o-y)

Highlights (q-o-q)

- Higher net interest income. NIM of 3.18% in 3Q24 (-9 bps q-o-q and -2 bps y-o-y)
- Higher net fee and commission income
- Lower net result from financial instruments at fair value & IFIE
- Lower non-life and life insurance sales
- A combined ratio of 97% in 9M24 (96% in 9M23). Excluding the significant windfall tax on insurance in Hungary, the combined ratio amounted to 92% in 9M24 (92% in 9M23)
- Higher operating expenses (including directly attributable costs to insurance)
- Higher net impairment charges

International markets BU (2) | Slovakia

Net result
in m EUR



ROAC 9M24
11%
6% of Allocated Capital

Highlights (q-o-q)

- Stable net interest income
- Stable net fee & commission income
- Lower net result from financial instruments at fair value due mainly to a negative change in ALM derivatives
- Lower net other income
- Lower non-life and life insurance sales
- A combined ratio of 112% in 9M24 (97% in 9M23) due to higher MTPL claims (due to inflation) and to a more limited extent the impact of storm Boris
- Higher operating expenses due mainly to higher staff costs and marketing expenses
- 3m EUR net impairment charges in 3Q24 (6m EUR net impairment releases in 2Q24). Besides a 1m EUR net impairment charge for geopolitical & macro-economic uncertainties, there were 2m EUR net loan loss impairment charges. Credit cost ratio of -0.15% in 9M24 (-0.07% in FY23)

Volume trend

- Total customer loans stabilised q-o-q and rose by 2% y-o-y (the latter due mainly to good growth in mortgage loans)
- Total customer deposits stabilised q-o-q and rose by 6% y-o-y (the latter due to growth in all segments)

Organic volume trend

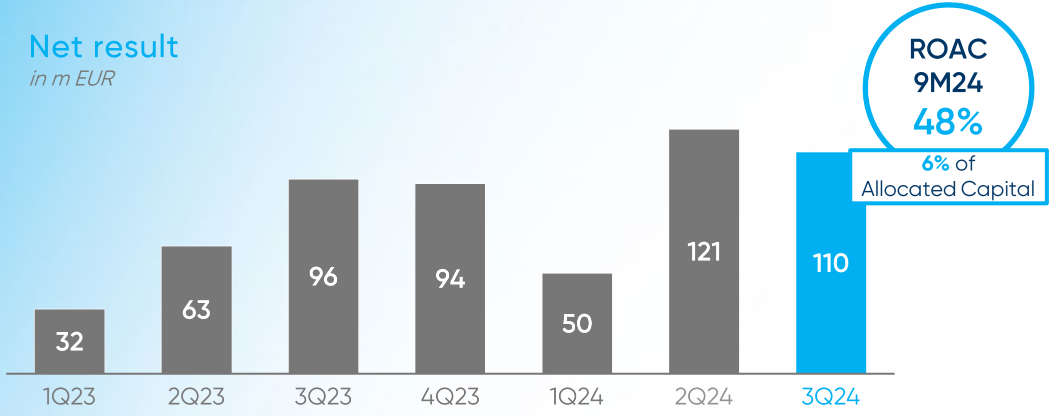
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	12bn	7bn	9bn
Growth q-o-q*	0%	+1%	0%
Growth y-o-y	+2%	+4%	+6%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos
Growth figures are excluding FX, consolidation adjustments and reclassifications

International markets BU (3) | Hungary

Net result

in m EUR



Highlights (q-o-q)

- Higher net interest income due mainly to higher commercial transformation result and higher ALM result, partly offset by lower NII on term deposits (due chiefly to decreasing yield environment)
- Higher net fee and commission income driven mainly by higher distribution fees received for mutual funds and seasonally higher network income
- Lower FIFV & IFIE result (mainly negative credit, funding and market value adjustments, partly offset by higher dealing room result)
- Higher non-life insurance sales and lower life insurance sales
- A combined ratio of 104% in 9M24 (108% in 9M23) due mainly to windfall tax on insurance. Excluding this windfall tax, the combined ratio amounted to 92% in 9M24 (97% in 9M23). 3Q24 was impacted by several large storm claims
- Operating expenses excluding FX effect and bank & insurance taxes rose by 5% q-o-q due mainly to higher facilities costs and higher depreciations (roll-out of Temenos). Bank & insurance taxes increased by 13m EUR qoq (as a result of government measures to tackle the budget deficit)

- 6m EUR net loan loss impairment reversals in 3Q24 (versus 8m EUR in 2Q24), entirely due to a net impairment reversal for geopolitical & macroeconomic uncertainties. Credit cost ratio of -0.38% in 9M24 (-0.14% in FY23)
- 5m EUR impairment on 'other' (mainly software)

Volume trend

- Total customer loans rose by:
  - 2% q-o-q, due mainly to good growth in mortgage loans
  - 8% y-o-y, due to growth in all segments, except SMEs
- Total customer deposits rose by:
  - 1% q-o-q driven by growth in SME and corporate deposits
  - 11% y-o-y due to growth in all segments

Organic volume trend

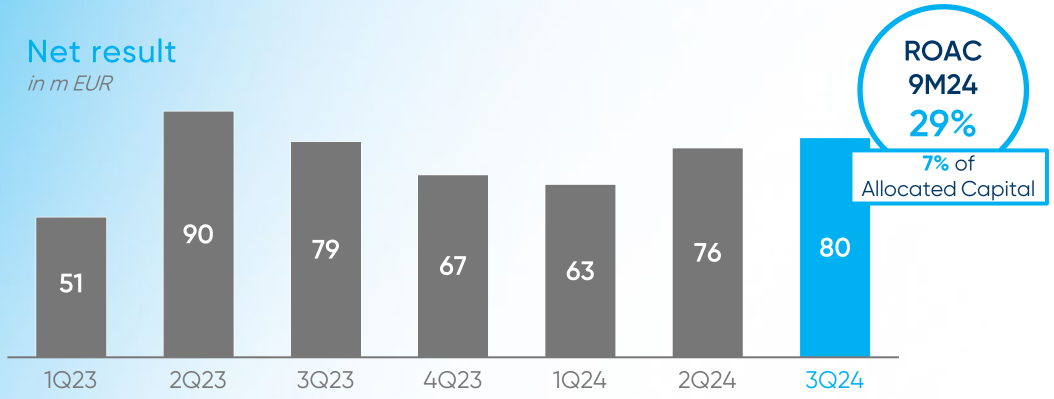
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	7bn	2bn	10bn
Growth q-o-q*	+2%	+5%	+1%
Growth y-o-y	+8%	+15%	+11%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds)
*** Customer deposits, excluding debt certificates and repos
Growth figures are excluding FX, consolidation adjustments and reclassifications

International markets BU (4) | Bulgaria

Net result

in m EUR



Volume trend

- Total customer loans rose by 3% q-o-q and by 14% y-o-y due to growth in all segments
- Total customer deposits rose by 1% q-o-q and by 6% y-o-y due to growth in retail and SME deposits, partly offset by lower corporate deposits

Highlights (q-o-q)

- Roughly stable net interest income as higher commercial transformation result (higher reinvestment yields and still limited pass-through) and lower costs on the minimum required reserves held with the central bank were offset by lower ALM result, lower lending income (pressure on loan margins in almost all segments) and lower NII on term deposits
- Higher net fee and commission income driven mainly by higher management fees and higher fees from payment services
- Seasonally lower non-life and life insurance sales
- An excellent combined ratio of 85% in 9M24 (83% in 9M23)
- Excluding bank & insurance taxes, operating expenses increased due mainly to higher ICT costs (a.o. euro-adoption project), partly offset by lower staff expenses and lower depreciations
- 7m EUR net loan loss impairment charges. Besides a 3m EUR impairment reversal for geopolitical & macroeconomic uncertainties, there were 10m EUR net loan loss impairment charges. Credit cost ratio of 0.16% in 9M24 (0.00% in FY23)

Organic volume trend

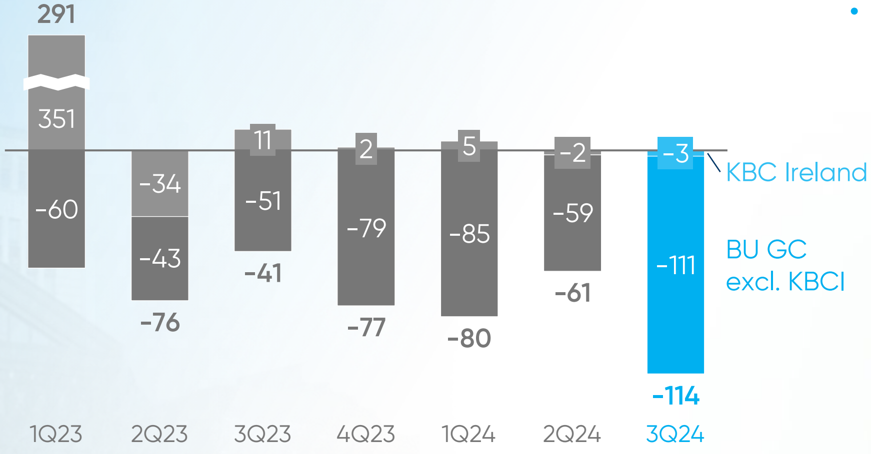
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	11bn	3bn	13bn
Growth q-o-q*	+3%	+7%	+1%
Growth y-o-y	+14%	+29%	+6%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds)
*** Customer deposits, excluding debt certificates and repos
Growth figures are excluding FX, consolidation adjustments and reclassifications

Group Centre BU | Highlights

Net result

in m EUR



- The net result for the Group Centre comprises the results from activities and/or decisions specifically made for group purposes and, as of 1Q22, Ireland

Highlights (q-o-q), excluding Ireland

- Excluding Ireland, the q-o-q lower result of Group Centre was attributable mainly to:
  - Lower net result from financial instruments at fair value
  - Higher operating expenses excluding bank & insurance taxes
  - Lower net result from reinsurance contracts held

  partly offset by
  - Higher net interest income (due mainly to lower funding cost of participations)

Company profile | KBC Group in a nutshell (1)

Diversified and strong business performance

- **geographically ...**
  - Mature markets (BE, CZ) combined with 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 %

	2018	2019	2020	2021	2022	2023
Other income	47%	48%	47%	50%	49%	51%
Net interest income	53%	52%	53%	50%	51%	49%

We want to be among Europe's best performing financial institutions

- 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

Firmly embedded sustainability strategy

- As a company that aims to support the transition to a more sustainable and climate-proof society, we have made sustainability integral to our overall business strategy and integrated it into our day-to-day business operations and the products and services we provide
- Our sustainability strategy consists of three cornerstones: encouraging responsible behaviour on the part of all our employees, increasing our positive impact on society and limiting any adverse social impact we might have

Company profile | KBC Group in a nutshell (2)

High profitability (IFRS 17 figures)

C/I ratio*
49% FY23
47% 9M24

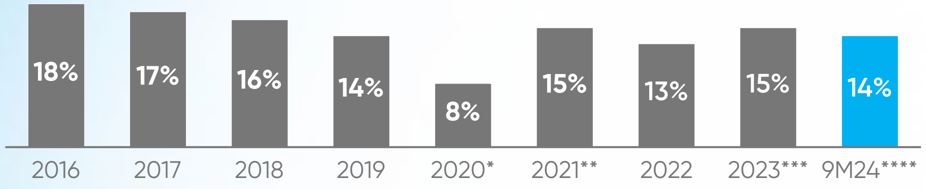
combined ratio
87% FY23
89% 9M24

net result
3,402m FY23
2,300m 9M24

* Adjusted for specific items

Return on Equity

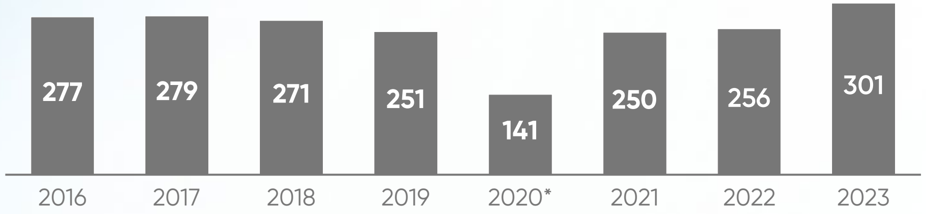
in %



* 11% when adjusted for the collective Covid-19 impairments
** When excluding the one-off items due to the pending sales transactions in Ireland
*** Excluding one-offs
**** When bank & insurance taxes are evenly spread throughout the year and excluding one-offs

CET1 generation before any capital deployment

in bps

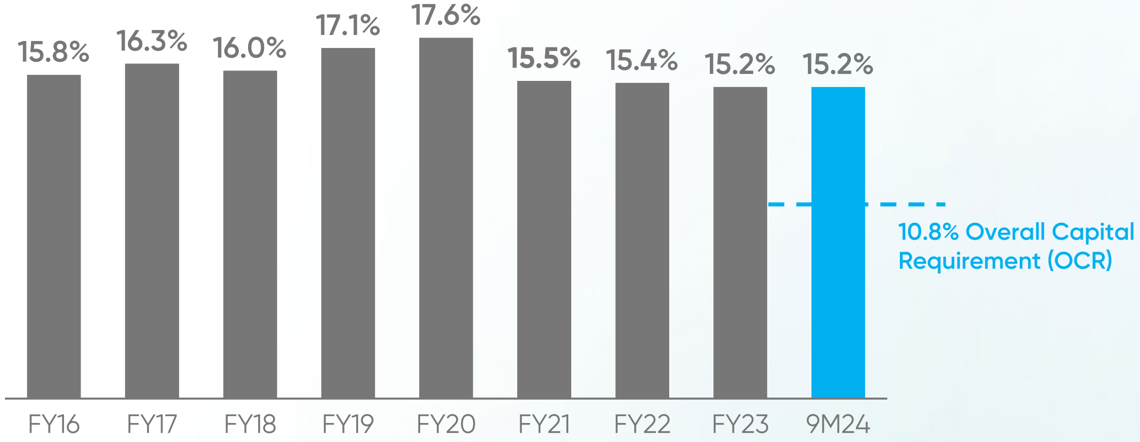


* 202bps when adjusted for the collective Covid-19 impairments

Solid capital position

CET 1 ratio (fully loaded, Danish compromise)

in %



Robust liquidity

NSFR
136% FY23
142% 9M24

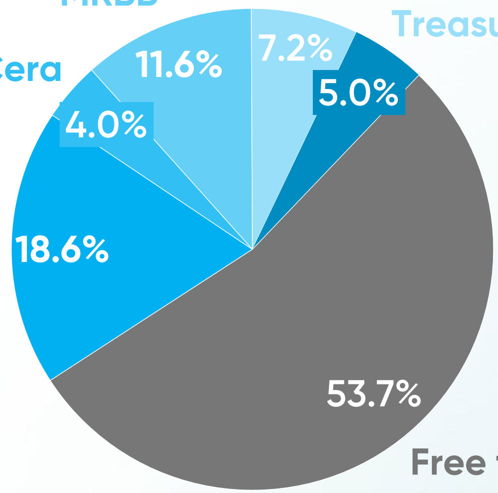
LCR
159% FY23
159% 9M24

Company profile | KBC Group in a nutshell (3)

Dividend policy & capital distribution
(as of 2024)

- We aim to be **amongst the better capitalised** financial institutions in Europe. As a consequence, the Board of Directors decided:
  - The dividend policy for 2024 to remain unchanged:
    - 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
  - The capital deployment policy for 2024 to remain unchanged:
    - 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
- Considering the **introduction of Basel 4 as of 1 Jan 2025 onwards**, the **dividend policy as well as the surplus capital threshold will be reviewed in 1H25**

Shareholder structure
(as at end 3Q24)



- 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

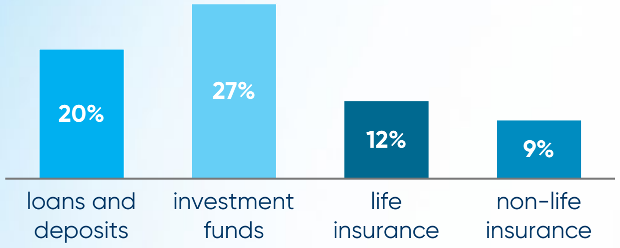
Company profile | Well-defined core markets

Belgium BU

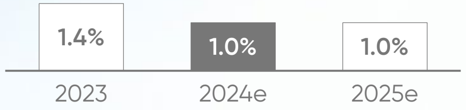
63% of assets
4.0m clients
431 branches

122bn EUR loans
140bn EUR deposits

Market share
in %, end 2023



GDP growth
in %, KBC Economics



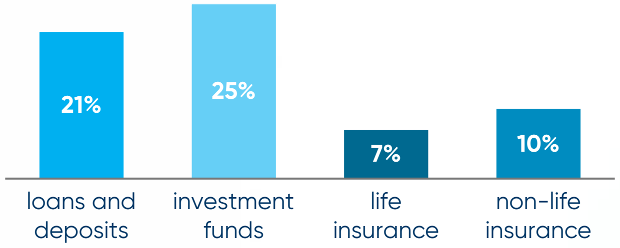
108% debt-to-GDP ratio

Czech Republic BU

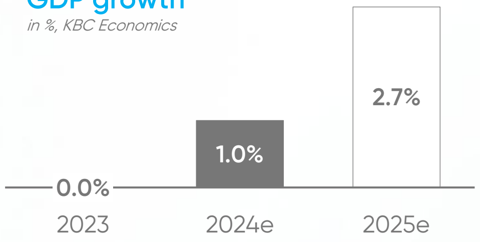
23% of assets
4.3m clients
198 branches

38bn EUR loans
50bn EUR deposits

Market share
in %, end 2023



GDP growth
in %, KBC Economics



44% debt-to-GDP ratio

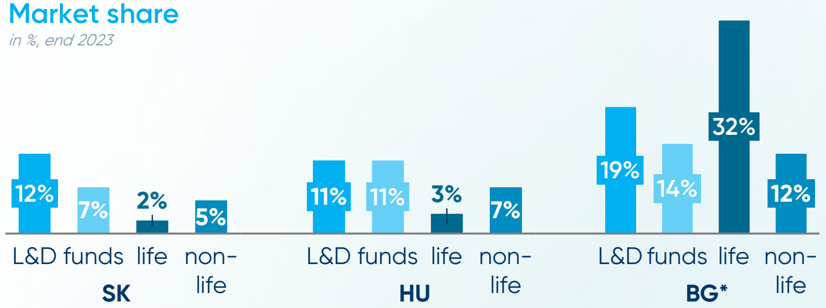
International Markets BU

SK
4% of assets
0.8m clients
98 branches
12bn EUR loans
9bn EUR deposits

HU
4% of assets
1.6m clients
195 branches
7bn EUR loans
10bn EUR deposits

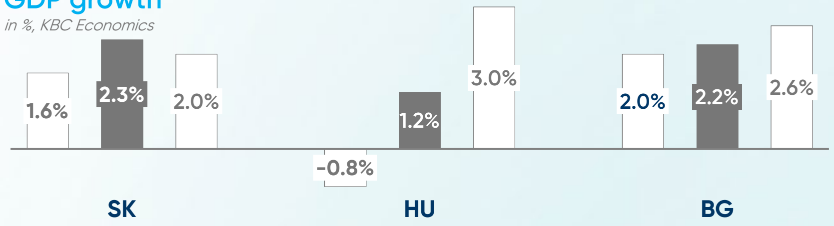
BG
5% of assets
2.2m clients
190 branches
11bn EUR loans
13bn EUR deposits

Market share
in %, end 2023



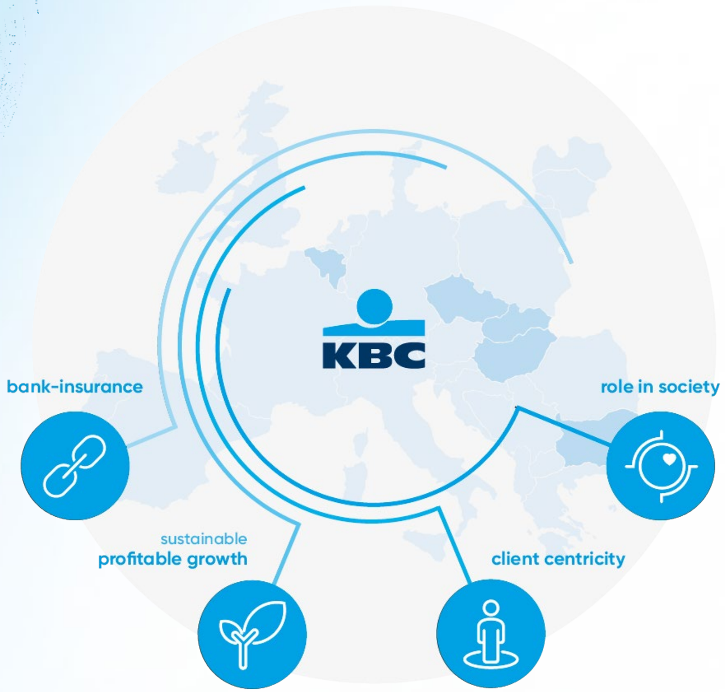
* Pro forma incl. acquisition of Raiffeisenbank Bulgaria

GDP growth
in %, KBC Economics



56% debt/GDP **73%** debt/GDP **23%** debt/GDP

Strategy | Differently: the next level

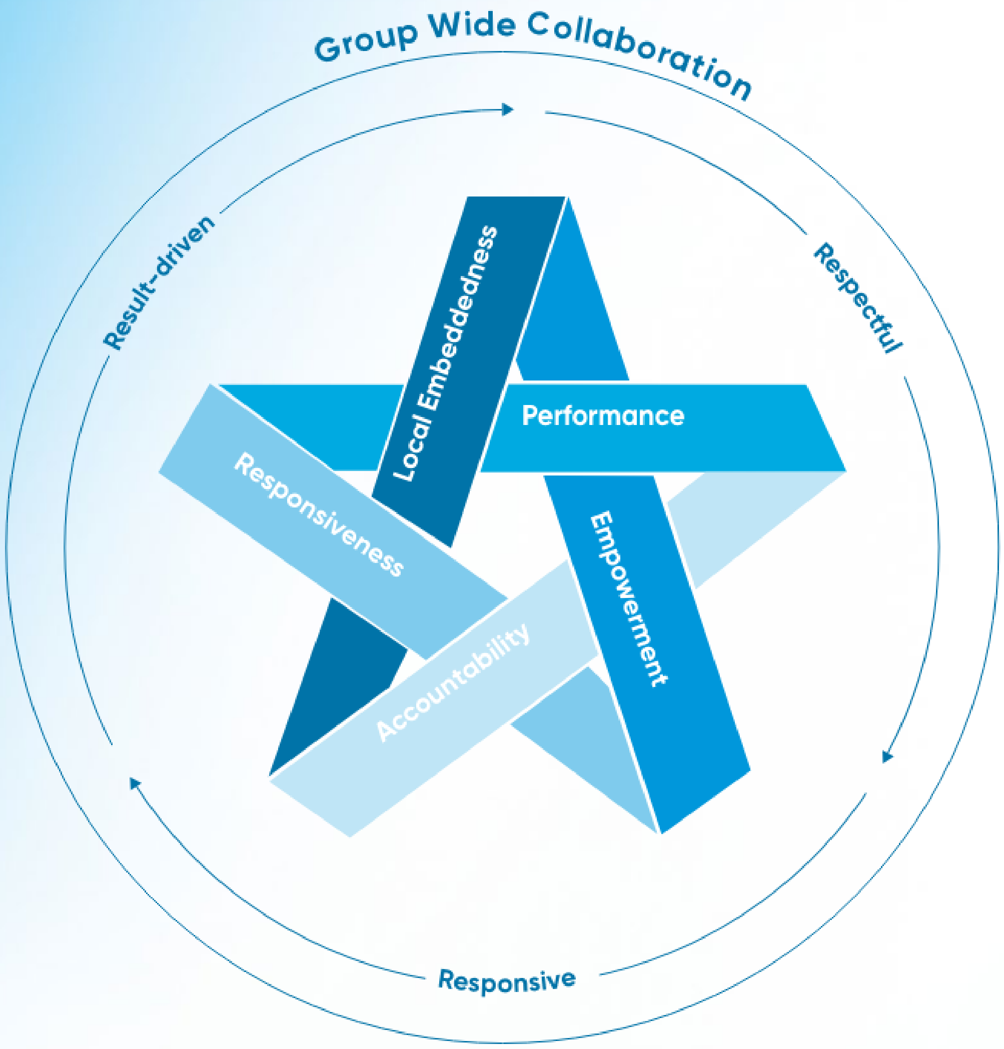


Our strategy rests on the following principles:

- We place our clients at the centre of everything we do.
- We look to offer our clients a unique bank-insurance experience.
- We focus on our group's long-term development and aim to achieve sustainable and profitable growth
- We assume our role in society and local economies
- We implement our strategy within a strict risk, capital and liquidity management framework

As part of our PEARL+ business culture, we focus on jointly developing solutions, initiatives and ideas within the group

Strategy | Powered by PEARL

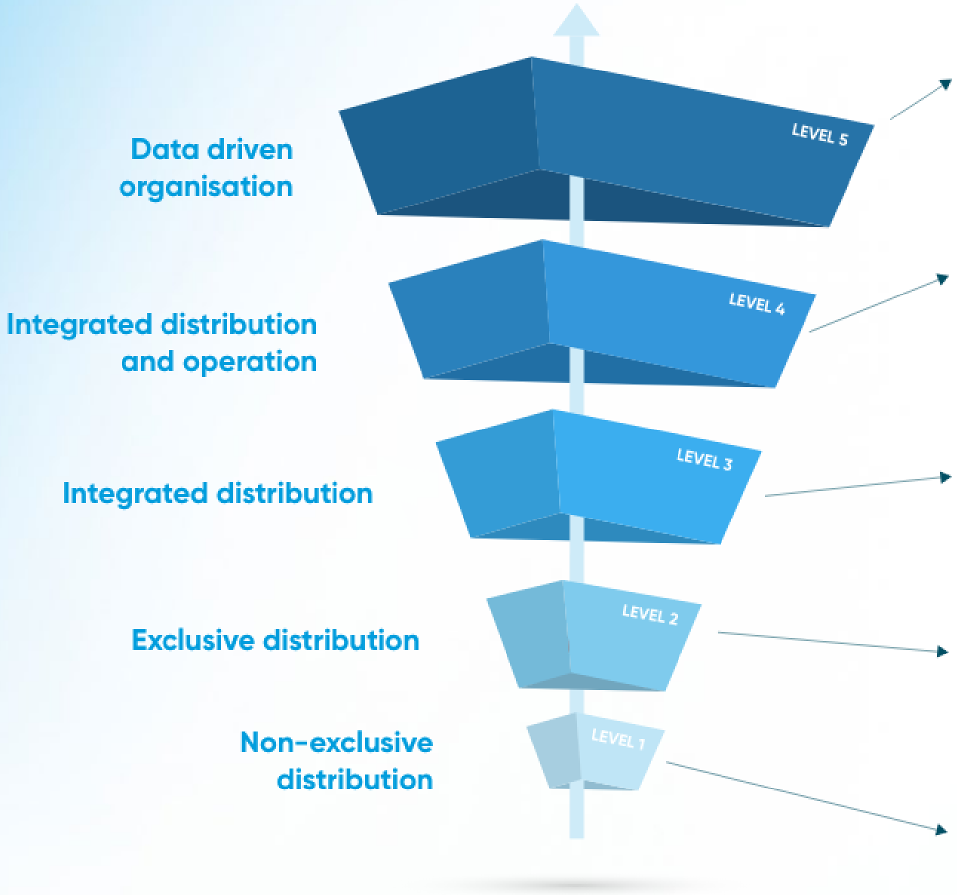


'Why would you build exactly the same thing in your country, when you have the solution next door?'

Johan Thijs

Strategy | Bank-insurance+

We move beyond traditional bank-insurance towards bank-insurance+, providing not only traditional bank-insurance solutions but also less traditional non-financial solutions that impact the financial wellness of retail customers or the future of their business



Data driven organization: fully integrated digital first distribution approach based on a solution driven and AI enabled bank-insurance

Acting as a single operational company: bank and insurance company working under unified governance, realizing commercial and non-commercial synergies

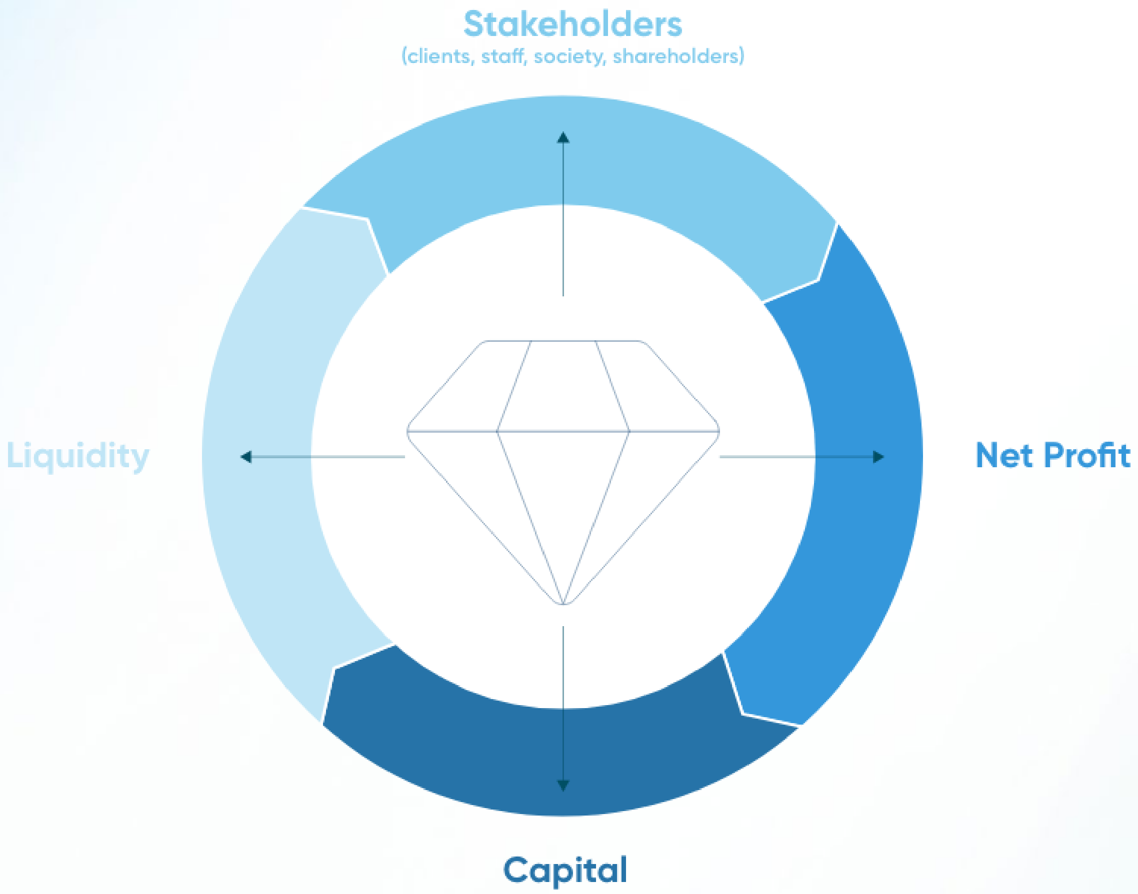
Acting as a single operational company: bank and insurance company working under unified governance, realizing commercial synergies

Bank branches sell insurance products from intra-group insurance companies as additional source of income

Bank branches sell insurance products of third-party insurers as additional source of income

Strategy | The KBC performance diamond

The performance diamond defines, within the limits of the risk management framework, the targets for KBC Group and for all the business units for 4 performance dimensions:



Kate | KBC's hyper personalised and trusted digital assistant

Personalised & data driven

The interaction between the customer and Kate will be triggered by data analysis (approval granted by customer). Kate will be trained on the basis of the customer's profile, preferences and activities

Digital first & E2E

We will offer the client a frictionless End2End digital process and in doing so make bank/insurance simple and hassle free

Relevant & valuable offer

Kate will only propose offers where sufficient added value is shown or when she can serve the client in an important moment in the client's live

Serving: secure & frictionless

Kate will help the client saving time and/or money, focusing more on the convenience factor. Kate will also serve the client regarding security and fraud

At the right time

Lead journeys driven by time or location are preferably taken care of by Kate, as notifications linked to a specific location or specifying moment in time are perceived as highly personal

Volume

We want all our clients to meet Kate as much as possible. Kate will allow us to reach out to a sufficient volume of clients, in terms of transactions and in terms of number of targetable audience

'No hassle, no friction, zero delay'

Johan Thijs

Kate | Four flavours, one Kate

Kate4MassRetail

Kate is a **personal virtual assistant** that engages with our retail customers to save them time and money. Kate engages both in a reactive way (**You2Kate**) and a proactive way (**Kate2You**).

Kate is available in all KBC's core countries!

KATE autonomy
67% BE
69% CZ

5.0 million users in contact with Kate

Kate4Business

Kate will also engage with our **self-employed, micro-SME, SME and corporate clients** with relevant and actionable insights that are personal and proactive.

Already **available in BE and CZ** in a mobile environment. Web environment to follow soon.

Kate Group Platform

We do not build Kate for every country individually. Kate is built once at a group level and then deployed to all core countries (**Kate in a box**).

Technically, we have set up a shared infrastructure on the cloud that allows us to **share use cases, code and IT components maximally**.

Furthermore, KBC strives to have a **common user interface and persona**, so Kate looks and feels the same everywhere.

Finally, everything that can be developed at group level is governed by a specific steering committee that **develops and maintains the group Kate infrastructure**.

'KATE IN A BOX' delivered to all core countries

Kate4Employees

Kate will also have an impact on our employees: Kate will provide commercial steering towards our work force, she will augment our workforce to better serve our clients, Kate will serve as a back-up for our network and will automate certain administrative tasks.

In doing so, employees can focus on providing even more added value to our client.

This will also give tools to management to better coach employees and plan ahead.

232.1k converted Kate leads In CZ & BE (1y)

Kate | A data-driven organisation with Kate at the core

Kate is more than an interface towards customers. It also refers to the AI-enhanced software at our center: the Kate brain.

The Kate brain will be the driving force behind data-driven decision making, product design and development, marketing, commercial and sales steering and much more.

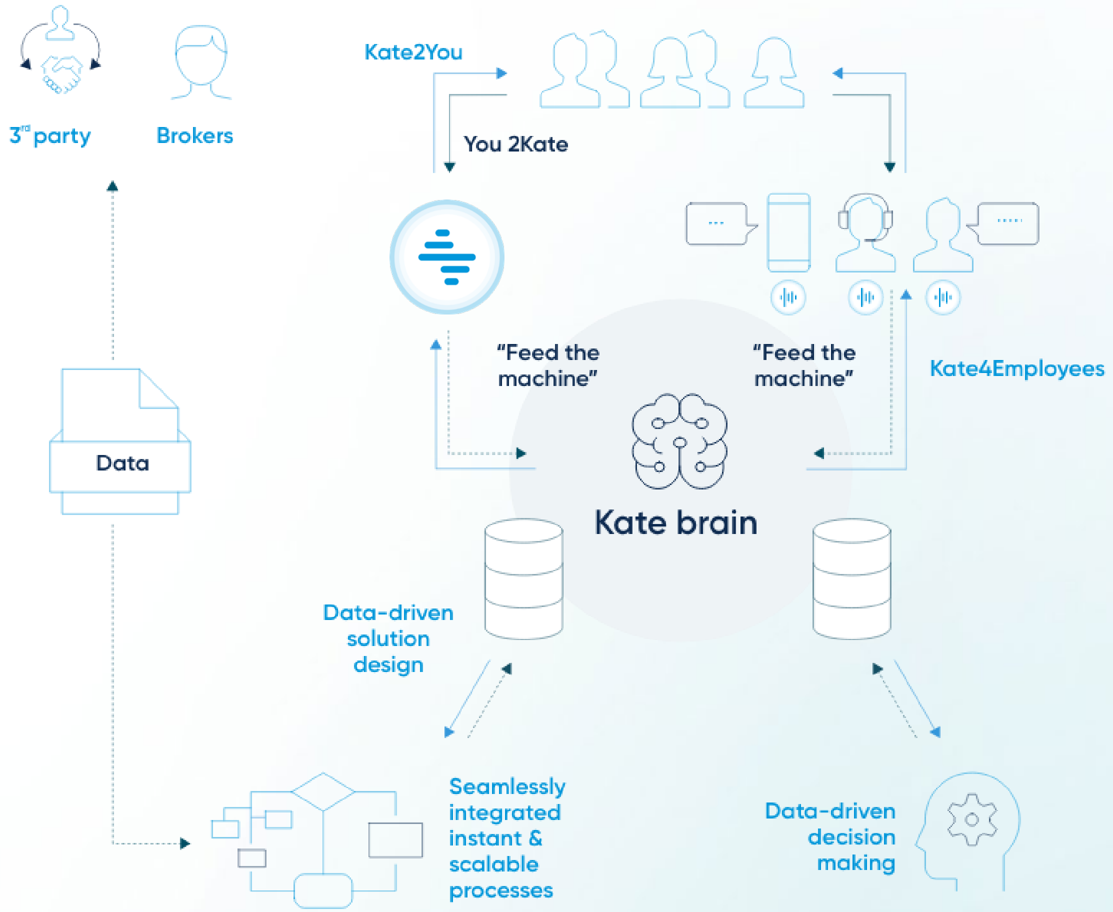
So, Kate is not only steering the interaction with customer-facing touchpoints (digital, physical, remote) but also the product factories and decision makers by **providing relevant insights**.

The Kate brain is fed by our own banking and insurance data-sources but also by data sources from third party services, resulting in **seamlessly integrated, instant (STP) and scalable processes**.

Very important in this are the feedback loops from all interactions to make sure **Kate is learning and getting smarter**, resulting in better decision making.

The main purpose remains the same: happy customers. As a **data-driven company** we remain guided by our **client-centric vision**.

Another upside of being AI-powered and solution-driven, is that we not only save time (cost reductions), not only for the customer, and we improve our sales efforts through **better sales productivity**.



Kate | From basic chatbot to hyper-personal digital assistant

Level 4: Kate offers hyper-personal solutions at the right time

Level 3: Kate proactively offers actionable end-to-end solutions to unburden customers (to save time and earn money)

Level 2: Kate reactively offers digital end-to-end solutions to customers

Level 1: A chatbot answers basic questions from customers on day-to-day bank-insurance needs

Strategy | Translating strategy into non-financial targets

Differently: THE NEXT LEVEL

- No hassle, no frills, zero-delay customer experience
- Proactive personalized financial solutions via DATA and AI
- Re-design & automation of all processes
- Bank-insurance+
- Digital lead management: from data driven to solution driven
- Group-wide collaboration

PEARL+

Data Driven

Maximise customer experience

Customer NPS ranking

Go for Digital First

Digital sales

Outperform on operational efficiency

STP score

Further enhance bank-insurance

Bank-insurance customers

Strategy | KBC's non-financial targets (2023-2026)

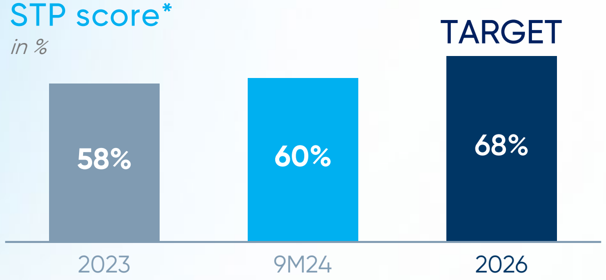
Customer ranking

- **KBC is 3rd in customer NPS (Net Promoter Score) ranking** based on weighted avg of ranking in five core countries
- **Target is to remain the reference** (i.e. Top-2 score on group level)

Straight-through processing

STP score*

in %



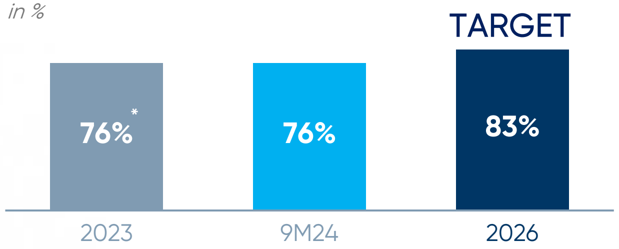
The **STP ratio** measures how many of the services that can be offered digitally are processed without any human intervention and this from the moment of interaction by a client until the final approval by KBC.

* Based on analysis of all retail processes.

Bank-insurance (BI) clients

BI clients

in %

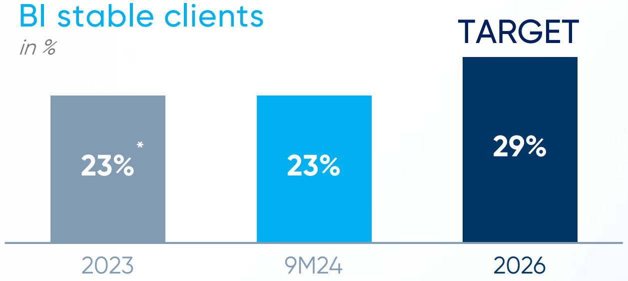


BI customers have at least 1 bank + 1 insurance product of our group.

* Slightly changed due to allignment of definitions

BI stable clients

in %



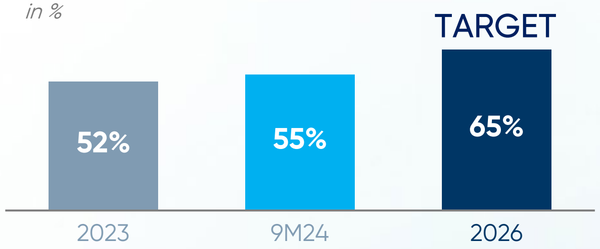
Stable BI customers: at least 2 bank + 2 insurance products (Belgium: 3+3)

* Slightly changed due to allignment of definitions

Digital sales

Digital sales banking products*

in %

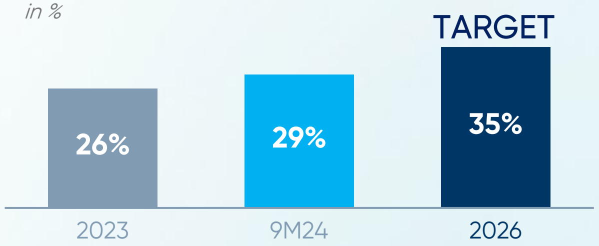


Target: Digital sales 65% of **banking sales**

* Based on weighted average of selected core products.

Digital sales insurance products

in %



Target: Digital sales 35% of **insurance sales**

KBC's ESG ratings and indices are ahead of the curve

Agency	ESG rating September 30th 2024	Position versus industry average
CDP DISCLOSURE INSIGHT ACTION	Scale: D- … A; KBC: A	• Leader in addressing climate change • CDP's A list • Financial average service B-
SUSTAINALYTICS	Scale: Severe Risk, High Risk, Medium Risk, Low Risk, Negligible Risk; KBC: 8.8	• 1st percentile of 287 diversified banks assessed *[Full annual review pending]*
S&P Dow Jones Indices (A Division of S&P Global)	Scale: 0 … 100; KBC: 66	• Top 8% • 92nd percentile of 646 banks assessed *[313 according to the 2024 CSA methodology and 351 banks according to the 2023 CSA methodology, CSA score date: 14 October 2024]*
MSCI	Scale: C, B, BB, BBB, A, AA, AAA; KBC: AAA	• Leader among 203 banks assessed
Corporate ESG Performance, RATED BY ISS ESG, Prime	Scale: D-, D, D+, C-, C, C+, …; KBC: C+ prime)	• 1st decile rank of 301 Commercial Banks & Capital Markets assessed
FTSE4Good	Scale: 0, 1, 2, 3, 4, 5; KBC: 5.0	• 100th percentile of banks assessed

Sustainability highlights

Commitment to environmental action

Second progress report published on the 2030 and 2050 climate targets for the most material carbon-intensive industrial sectors and product lines in our lending business

Set of **Climate targets published for our own corporate investments of KBC Insurance** for the first time

Calculated for the first time the GHG emissions of part of **KBC's insurance underwriting portfolio**

Continued to expand our focus to include the themes of biodiversity, circularity, pollution and water, and report on them. **By extension, we also became an adapter of the TNFD recommendations**

Sustainable business

48bn EUR Responsible Investing funds in 9M24
or 43% of total assets under distribution (direct client money)

7.4bn EUR
Financing contributing to social objectives

19.3bn EUR
Financing contributing to environmental objectives

We are reporting our contribution to environmental objectives according to the **EU taxonomy for the first time, including but not limited to voluntary EU taxonomy reporting and our mandatory reporting** (more details see further in the presentation)

Social responsibility and governance

Social bond
Issued a second social bond for investments in healthcare and education in 2Q23

75% of employees took part in the **new webinar on responsible behaviour** during last quarter 2023

Focus on **improving the gender balance within our leadership**

Collective variable remuneration
At least 30% of the collective, variable results-related remuneration component that is awarded to the members of the Executive Committee is related to sustainability

Sustainability highlights in 2023, unless otherwise indicated

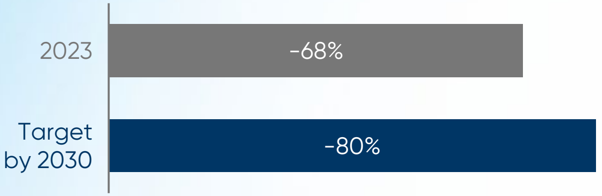
Direct environmental impact: our progress in brief

DIRECT environmental footprint (FY 2023)

- Since 2015, we have been calculating the **GHG emissions arising from our own operations** at group level, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard
- We set group-wide GHG reduction targets in 2016, and we have tightened them over the years
- **In 2020 the most recent targets were set**, with a long-term ambition of achieving an 80% reduction in our direct emissions by 2030 (as compared to 2015). For the third consecutive year, we reached **net climate neutrality** by offsetting our residual direct emissions
- Additionally, we committed to increasing **our own green electricity consumption to 100% by 2030**. The goal was already reached in 2021

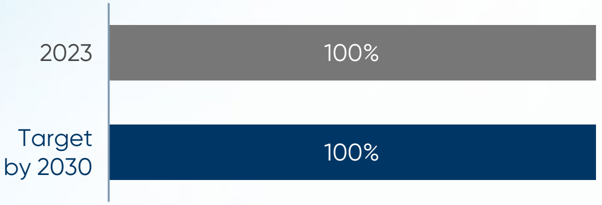
Reduction in our direct GHG emissions

reduction compared to 2015



Renewable electricity

in % of own electricity consumption



More details in our 2023 Sustainability Report

More details in our 2022 Climate Report

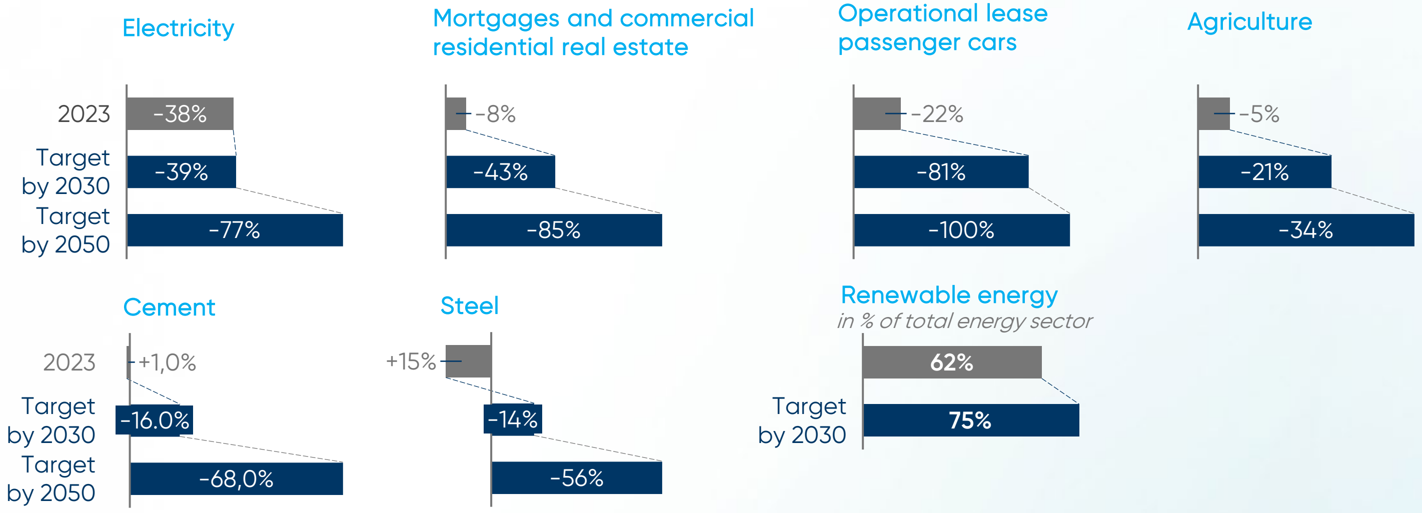
Indirect environmental impact: our progress in brief

INDIRECT environmental footprint (FY 2023)

- We refer to our Collective Commitment to Climate Action (CCCA) and the subsequent publication of our Climate Report at the end of September 2022
- Containing stringent decarbonisation targets for the white papers sectors which represent the majority of our lending portfolio emissions. Targets cover 55% of the lending portfolio related GHG emissions
- Clear targets for KBC Asset Management's Responsible Investing (RI) funds
- The baseline of the various targets and the actuals have been externally limited assured

Loan portfolio (selection of sectors)

reduction compared to 2021 baseline, otherwise indicated



Asset management funds

reduction compared to 2021 baseline, otherwise indicated

Loan loss experience at KBC

Credit cost ratio*

in %; Credit cost ratio: amount of losses incurred on troubled loans as a % of total average outstanding loan portfolio

	9M24	FY23	FY22	FY21	FY20	FY19	FY18	AVERAGE '99 –'23
Belgium BU	0.20%	0.06%	0.03%	-0.26%	0.57%	0.22%	0.09%	n/a
Czech Republic BU	-0.07%	-0.18%	0.13%	-0.42%	0.67%	0.04%	0.03%	n/a
International Markets BU*	-0.10%	-0.06%	0.31%	0.36%	0.78%	-0.07%	-0.46%	n/a
Group Centre BU*	0.18%	0.07%	-0.04%	0.28%	-0.23%	-0.88%	-0.83%	n/a
Total	**0.10%**	**0.00%**	**0.08%**	**-0.18%**	**0.60%**	**0.12%**	**-0.04%**	**0.37%**

* As of 1Q 2022, KBC Ireland has been shifted from International Markets BU to Group Centre BU. No restatements have been made

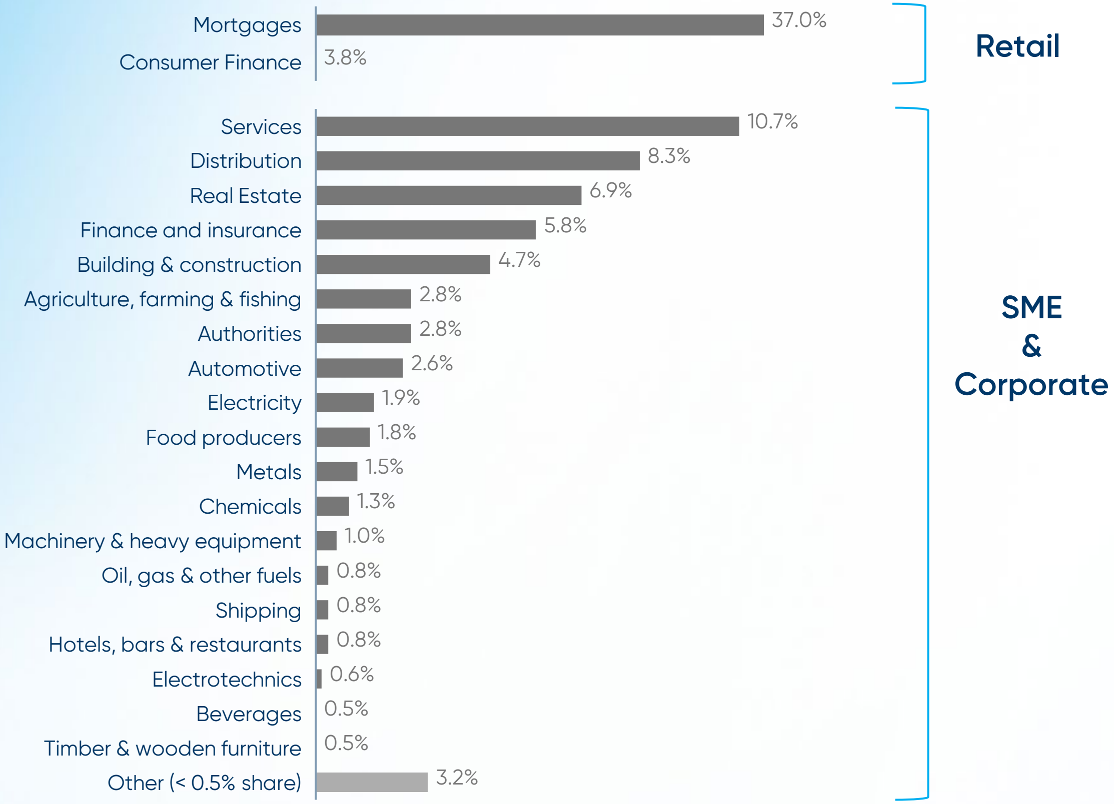
Diversified loan portfolio

Total loan portfolio outstanding

Total loan portfolio outstanding
207bn EUR*
Group level

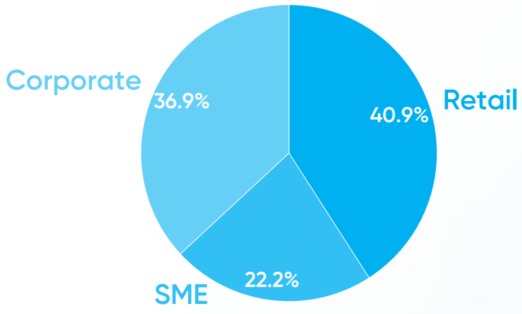
Total loan portfolio outstanding | by sector

*as % of total Group loan portfolio outstanding**



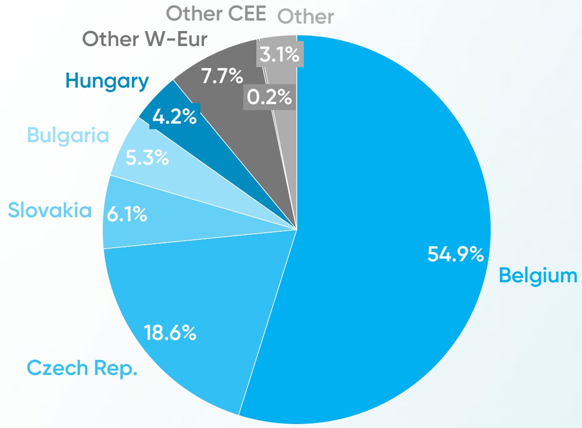
Total loan portfolio outstanding | by segment

*as % of total Group loan portfolio outstanding**



Total loan portfolio outstanding | by geography

*as % of total Group loan portfolio outstanding**

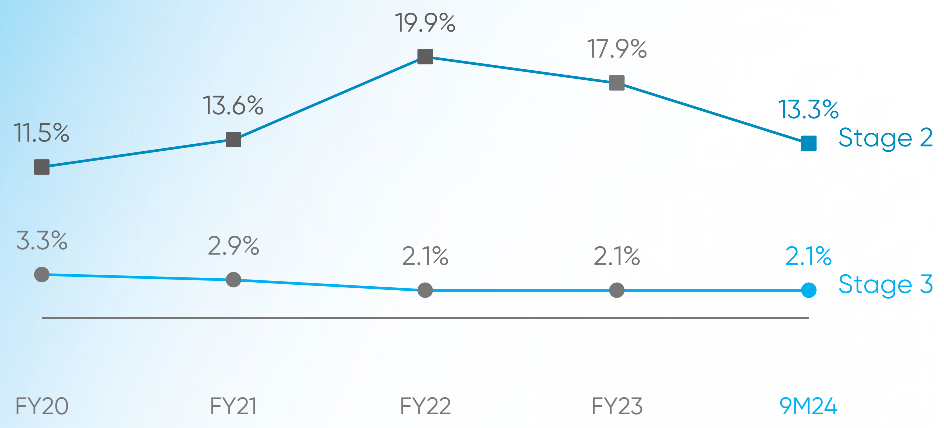


- Aligned with the credit risk view of our loan portfolio outstanding as reported in the quarterly financial statements.

Loan portfolio breakdown by IFRS 9 ECL stage

Total loan portfolio outstanding | by IFRS9 ECL Stage*

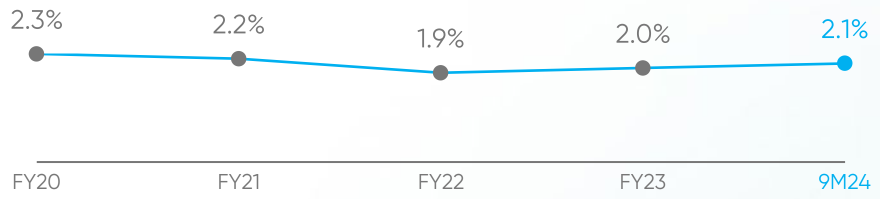
as % of total Group loan portfolio outstanding



- Drop of **Stage 3 ratio over the years** is driven mainly by the sale of the Irish loan portfolio
- The **increase of Stage 2 portfolio in 2022** resulted mainly from collective transfer to Stage 2 of Stage 1 portfolios, linked to the geopolitical and macroeconomic uncertainties (in line with strict application of the general ECB guidance on staging). In 2023, the declining trend of Stage 2 exposures was driven mainly by the partial release of the collective transfer back to Stage 1
- The **decrease of the Stage 2 ratio in 2024** is mainly caused by a revised staging methodology (change from indicator based on 12 months probability of default to lifetime) and for the remainder by a shift for KBC Commercial Finance exposure where the relative change in credit risk has been revisited based on the very low historical credit losses in this portfolio and the very short maturities. Both movements were introduced in 1Q24 to better reflect the underlying credit risk since origination

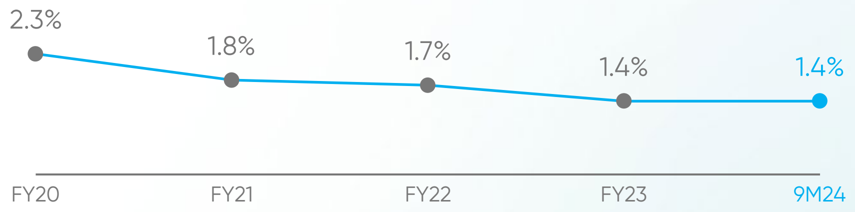
Stage 3 ratio | Belgium BU

in %



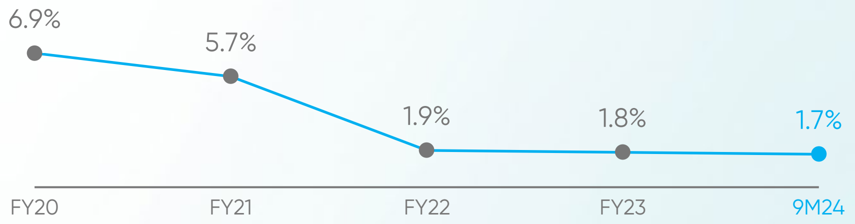
Stage 3 ratio | Czech Republic BU

in %



Stage 3 ratio | International Markets BU

in %

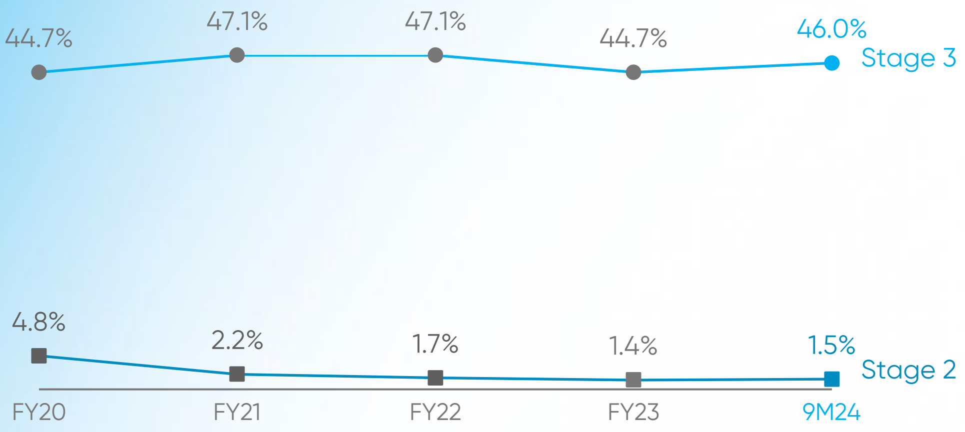


* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

Cover ratios

Cover ratio | by IFRS9 ECL Stage*

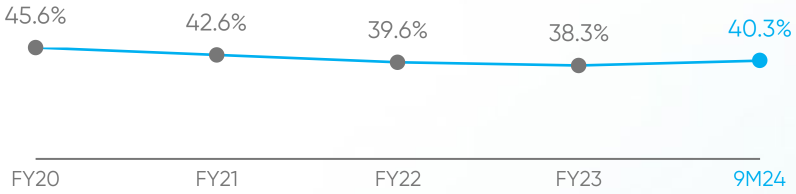
in %



- The increasing trend of the **Stage 3 cover ratio is** driven mainly by a higher stage 3 cover ratio in all business units
- The decline of the **Stage 2 cover ratio** as of 2021, resulted mainly from collective shifts to Stage 2 (linked to Covid and the geopolitical & macroeconomic uncertainties)

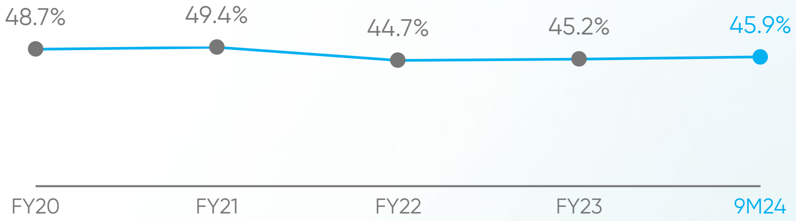
Stage 3 cover ratio | Belgium BU

in %



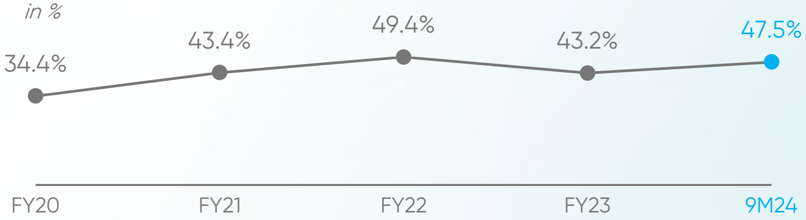
Stage 3 cover ratio | Czech Republic BU

in %



Stage 3 cover ratio | International Markets BU

in %



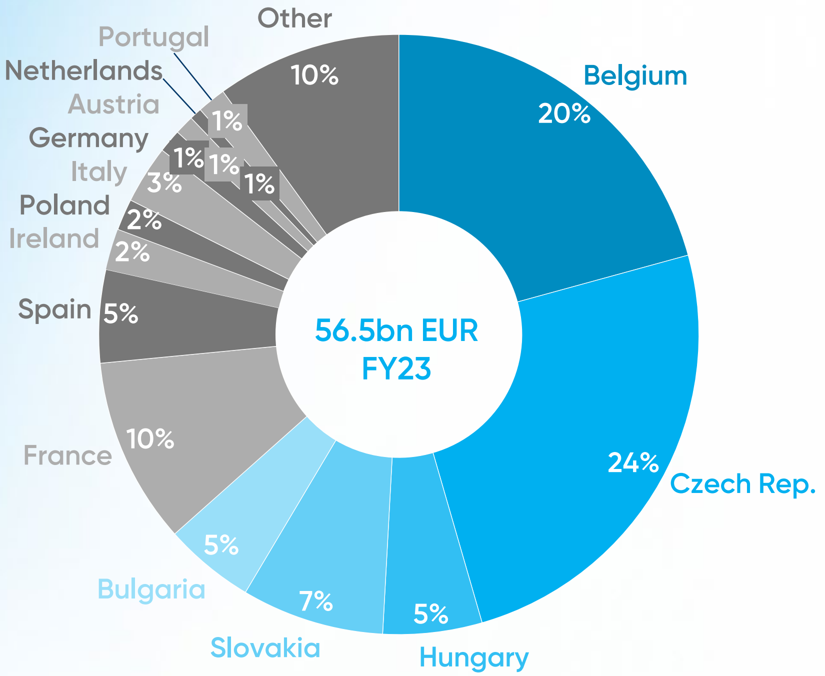
* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

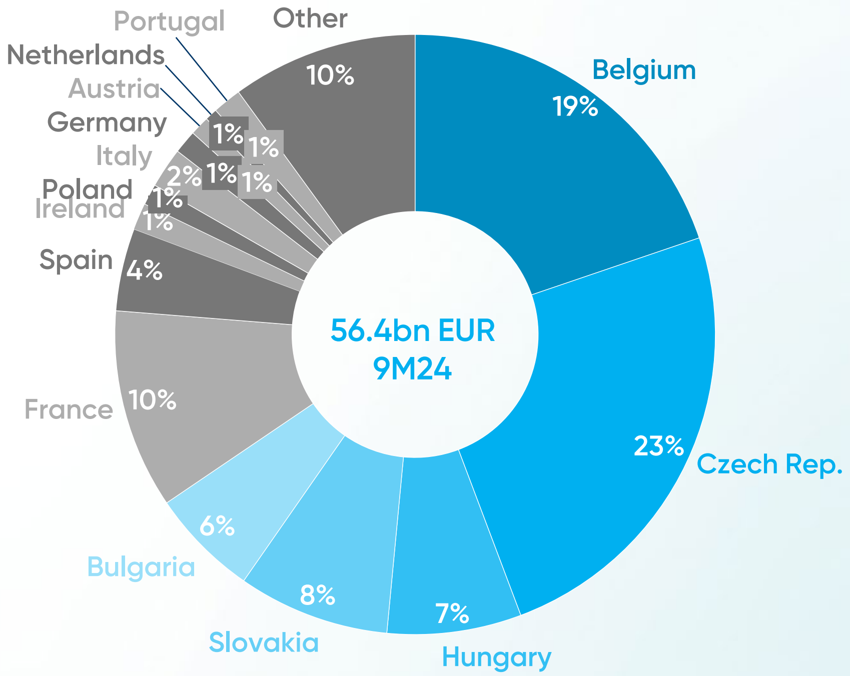
Substantial and well-diversified government bond portfolio

- **Carrying value of 56.4bn EUR in government bonds** (excl. trading book) at end of 9M24, primarily as a result of a significant excess liquidity position and the reinvestment of insurance reserves in fixed-income instruments
- **Carrying value of GIIPS exposure amounted to 4.7bn EUR** at the end of 9M24

Government bond portfolio | Carrying value* FY23/9M24

in %





* Carrying value is the amount at which an asset (or liability) is recognised: for those not valued at fair value this is after deducting any accumulated depreciation (amortisation) and accumulated impairment losses thereon, while carrying amount is equal to fair value when recognised at fair value

Above resolution requirements in terms of MREL

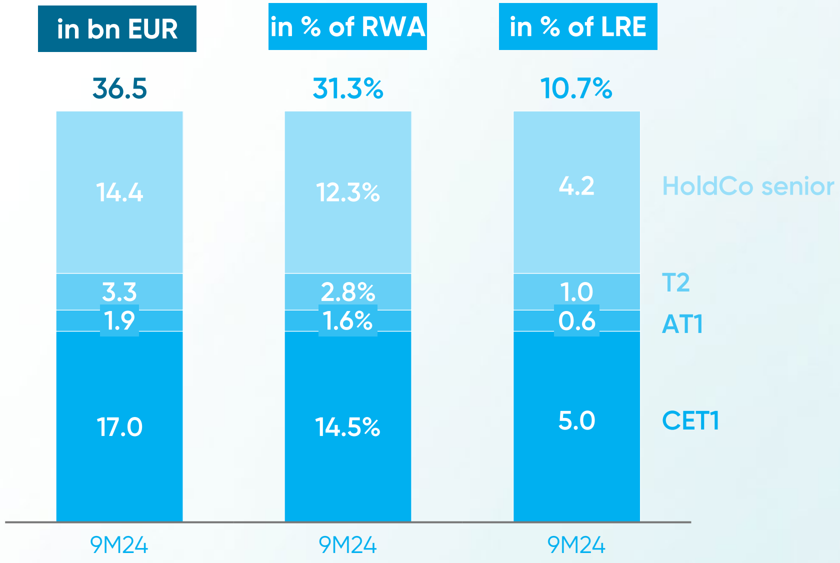
MREL targets

- The resolution plan for KBC is based on a **Single Point of Entry (SPE)** approach at KBC Group level, with **bail-in** as the preferred resolution tool
- **In June 2024, the SRB communicated binding MREL targets** (under BRRD2) applicable as from 2Q24, expressed as a percentage of Risk Weighted Assets (RWA) and Leverage Ratio Exposure Amount (LRE)
- The **binding MREL targets (incl. CBR on top of the MREL target in % of RWA)** are:
  - **28.22% of RWA** (including transitional CBR* of 4.99%)
  - **7.42% of LRE**

- Combined Buffer Requirement = Conservation Buffer (2.50%) + O-SII buffer (1.50%) + Countercyclical Buffer (0.86%) + Systemic Risk Buffer (0.14%)

MREL actuals

- The **MREL ratio in % of RWA** decreased from 32.1% in 2Q24 to 31.3% in 3Q24, driven mainly by decreased Tier-2 capital (due to a Tier-2 call in 3Q24) and increased RWA
- **The MREL ratio in % of LRE** increased from 10.6% in 2Q24 to 10.7% in 3Q24, due to decreased leverage exposure (due chiefly to a decrease in cash & cash balances), partly offset by lower available MREL

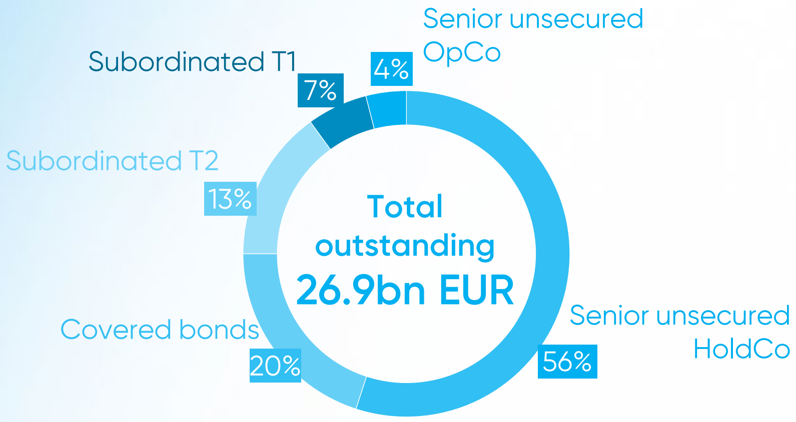


Upcoming mid-term funding maturities

Total outstanding | 9M24

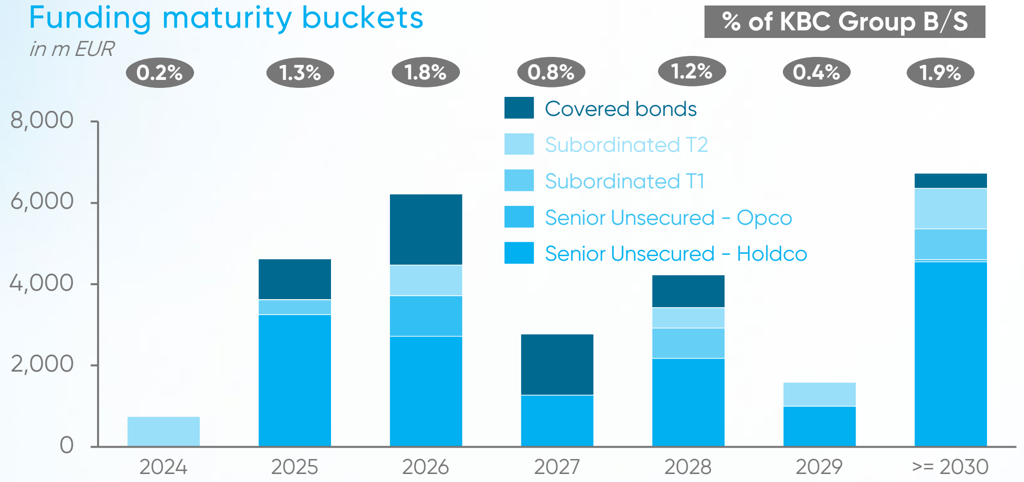
in %

KBC Bank has **6 solid sources of long-term funding**: (i) Retail term deposits, (ii) Retail EMTN, (iii) Public benchmark transactions, (iv) Covered bonds, (v) Structured notes and covered bonds using the private placement format, and (vi) Senior unsecured, T1 and T2 capital instruments issued at KBC Group level and down-streamed to KBC Bank



Funding maturity buckets

in m EUR

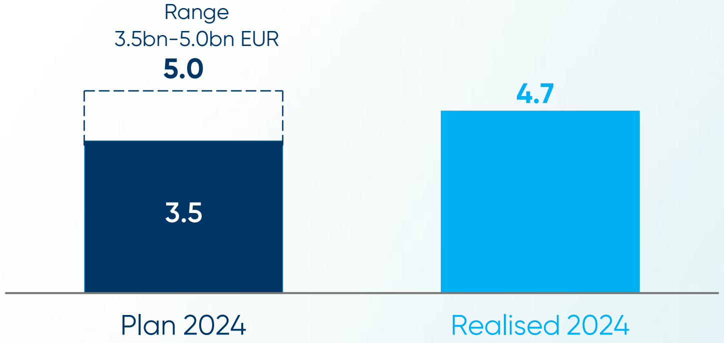


Recent deals

- In **September 2024**, KBC Group issued an Additional Tier 1 benchmark for an amount of 750m EUR with a first call date after 7 years. Note that at the same time, KBC Group repurchased part of an outstanding AT1 (issued in 2018) for an aggregated principal amount of 636m EUR
- In **October 2024**, KBC Group issued a Senior HoldCo benchmark for an amount of 1.25bn USD with a 6-year maturity callable after 5 years

Funding program for 2024 | Expected MREL funding (incl. capital instruments)

in bn EUR

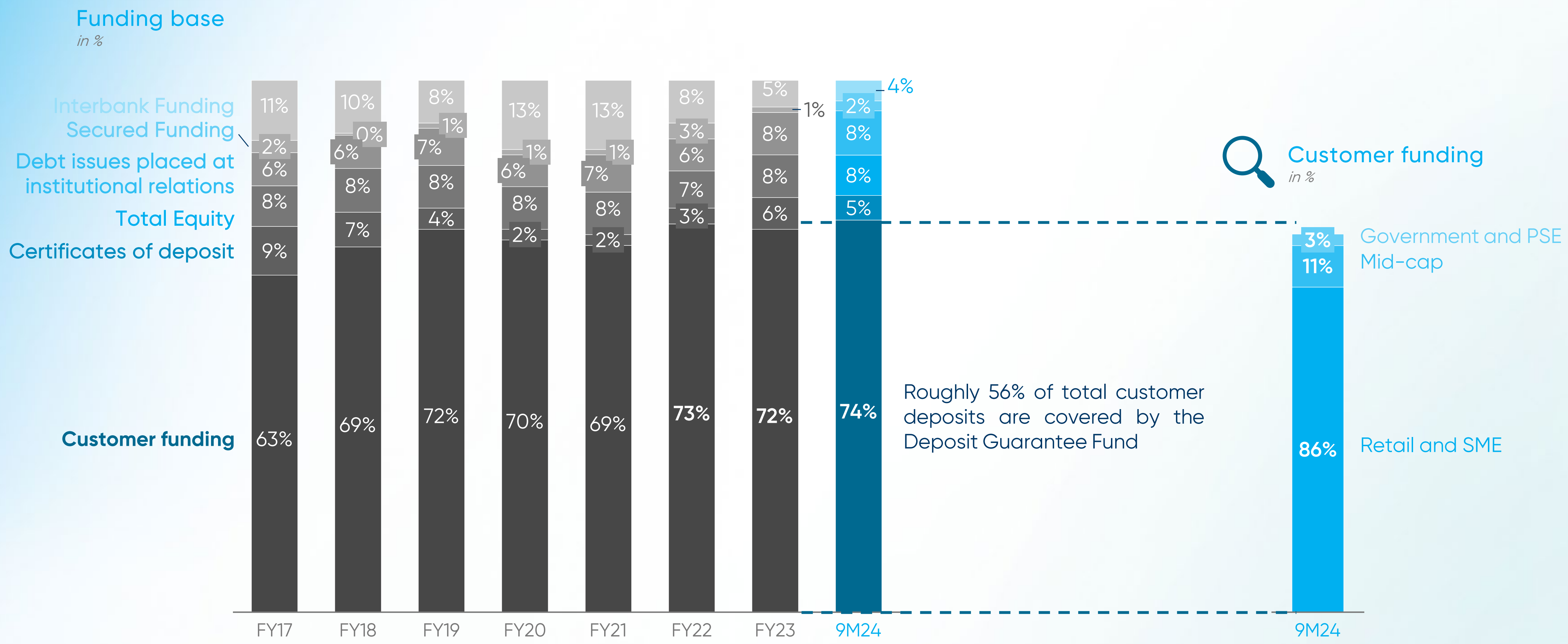


We aim to issue 1 green/social bond per year

Note: any change in regulatory requirements, RWA evolutions, MREL targets or market circumstances can change the current disclosed range

Strong customer funding base

- KBC Bank continues to have a **strong retail/mid-cap deposit base** in its core markets – resulting in a **stable funding mix** with a significant portion of the funding attracted from core customer segments and markets
- **Stable % in customer funding** compared to balance sheet total



Glossary

B3 / B4	Basel III / Basel IV
Combined ratio (non-life insurance)	Short-term non-life insurance contracts: [claims and claim related costs net of reinsurance + costs other than claims and commissions] / [earned expected premiums received, net of reinsurance]
Common equity ratio	[common equity tier-1 capital] / [total weighted risks]
Cost/income ratio without banking and insurance tax (group)	[operating expenses of the group without banking and insurance tax + Insurance commissions paid] / [total income of the group]
Cost/income ratio adjusted for specific items or C/I ratio when excluding certain non-operating items	The numerator and denominator are adjusted for (exceptional) items which distort the P&L during a particular period in order to provide a better insight into the underlying business trends. Adjustments include (i) MtM ALM derivatives (fully excluded), (ii) bank & insurance taxes (including contributions to European Single Resolution Fund) are included pro rata and hence spread over all quarters of the year instead of being recognised for the most part upfront (as required by IFRIC21) and (iii) one-off items
Credit cost ratio (CCR)	[annualised net changes in individual and portfolio-based impairment for credit risks] / [average outstanding loan portfolio]. Note that, inter alia, government bonds are not included in this formula.
EBA	European Banking Authority
ESMA	European Securities and Markets Authority
ESFR	European Single Resolution Fund
FICOD	Financial Conglomerates Directive
Impaired loans cover ratio	[total specific impairments on the impaired loan portfolio (stage 3)] / [part of the loan portfolio that is impaired (PD 10-11-12)]
Impaired loans ratio	[part of the loan portfolio that is impaired (PD 10-11-12)] / [total outstanding loan portfolio]
Leverage ratio	[regulatory available tier-1 capital] / [total exposure measures]. The exposure measure is the total of non-risk-weighted on and off-balance sheet items, based on accounting data. The risk reducing effect of collateral, guarantees or netting is not taken into account, except for repos and derivatives. This ratio supplements the risk-based requirements (CAD) with a simple, non-risk-based backstop measure
Liquidity coverage ratio (LCR)	[stock of high-quality liquid assets] / [total net cash outflow over the next 30 calendar days]
MREL	Minimum requirement for own funds and eligible liabilities
Net interest margin (NIM) of the group	[banking group net interest income excluding dealing room, ALM FX swaps and repos] / [banking group average interest-bearing assets excluding dealing room, ALM FX swaps and repos]
Net stable funding ratio (NSFR)	[available amount of stable funding] / [required amount of stable funding]
PD	Probability of default
Return on allocated capital (ROAC) for a particular business unit	[result after tax, including minority interests, of a business unit, adjusted for income on allocated capital instead of real capital] / [average capital allocated to the business unit]. The capital allocated to a business unit is based on risk-weighted assets for banking and risk-weighted asset equivalents for insurance
Return on equity	[result after tax, attributable to equity holders of the parent] / [average parent shareholders' equity]
TLAC	Total loss-absorbing capacity

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More information

• Company website	KBC
• Quarterly Report • Table of results (Excel)	Quarterly Reports
• Quarterly presentation • Debt presentation	Presentations

Upcoming events

8 November	Equity roadshow, London
21 November	Equity roadshow, US West Coast
21 November	Debt conference, Madrid
26 November	Equity roadshow, Paris
11 December	Equity roadshow, NY
12 December	Equity roadshow, Boston
12 December	Debt conference, NY
13 February	Publication of FY24 results
14 February	Equity roadshow, London

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