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KBC BANK NV

(Incorporated with limited liability in Belgium)

CBC BANQUE SA

(Incorporated with limited liability in Belgium)

Issuers

WARRANTS AND HEDGING OPTIONS PROGRAMME

Under this Warrants and Hedging Options Programme (the "**Programme**"), KBC Bank NV ("**KBC Bank**") and CBC Banque SA ("**CBC Banque**"), together the "**Issuers**" and each, individually, an "**Issuer**", may from time to time issue (a) call warrants (*koopwarranten/warrants d'achat*) relating to an Underlying Share or an Underlying ETF Share (each as defined hereinafter) (in the case of warrants issued by KBC Bank, "**KBC Bank Warrants**", in the case of warrants issued by CBC Banque, "**CBC Banque Warrants**", together "**Warrants**" and individually "**Warrant**") denominated in euro ("**euro**", "**EUR**" or "**€**") or in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below) or subscriber and (b) hedging options (*indekkingsopties/options de couverture)* relating to an Underlying (as defined below) (in the case of hedging options issued by KBC Bank, "**KBC Bank Hedging Options**", in the case of hedging options issued by CBC Banque, "**CBC Banque Hedging Options**", together "**Hedging Options**" and individually "**Hedging Option**").

This document is a base prospectus (the "**Base Prospectus**") for purposes of Article 8 of the Belgian law of 11 July 2018 regarding the offer of certain investment instruments to the public and the admission of investment instruments to trading to a regulated market (the "**Belgian Prospectus Law**") *juncto* Article 8 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Certain information is not set out in this document but is incorporated by reference and forms part of this Base Prospectus as set out in Section "DOCUMENTS INCORPORATED BY REFERENCE" on page 158. The Issuer may also publish additional information from time to time in a supplement to this Base Prospectus in the event of certain significant new factors, material mistakes or material inaccuracies (as set out in Section "SUPPLEMENTS TO THIS BASE PROSPECTUS" on page 162). Prospective investors should read this document together with all information incorporated by reference herein, any supplements to this Base Prospectus published by the Issuer, and the applicable Final Terms. See Section "WHERE MORE INFORMATION CAN BE FOUND" on page 163.

This Base Prospectus has been prepared for the purposes of providing disclosure information with regard to both the Warrants and the Hedging Options.

Warrants and Hedging Options involve a high degree of risk and potential investors should be prepared to sustain a loss of all or part of their investment.

For a discussion of the risks, see the Section "RISK FACTORS" on page 17 below. Investors should review and consider these risk factors carefully before purchasing any Warrants or Hedging Options.

The Final Terms in respect of any Warrants or Hedging Options will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Warrants or Hedging Options (as applicable) and which channels for distribution of the Warrants or Hedging Options (as applicable) are appropriate.

The Warrants may not be offered, sold or otherwise made available to any investor outside of Belgium (Section XI).

The Hedging Options may not be offered, sold or otherwise made available to any investor outside of Belgium. The Hedging Options may only be offered, sold or otherwise made available to any investor meeting the Eligibility Criteria (as defined below) in Belgium subject to the selling restrictions (Section XI). The Hedging Options are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law.

A key information document required by Regulation (EU) No 1286/2014, as amended (the "PRIIPs Regulation") for offering or selling the Warrants and Hedging Options or otherwise making them available to retail investors in Belgium will be prepared.

The Warrants and Hedging Options under the Programme may be issued on a continuing basis, by way of one or more separate issuances, to the Dealer specified below and to any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each individually a "**Dealer**" and together the "**Dealers**") or to a subscriber.

The English version of this Base Prospectus has been approved by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) (the "**FSMA**") on 27 October 2026 in its capacity as competent authority to approve this document as a base prospectus for the purposes of Article 8 of the Prospectus Law *juncto* Article 8 of the Prospectus Regulation. The FSMA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Law *juncto* Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Warrants or Hedging Options. Investors should make their own assessment as to the suitability of investing in the Warrants or Hedging Options.

The Warrants will not be listed/admitted to trading.

The Hedging Options will not be listed/admitted to trading.

A Warrant constitutes a contractual claim (*schuldvordering/créance*) against the Issuer which is represented and evidenced by a registration in a register held by the Issuer (or by the Warrant Agent on its behalf) (the "**Warrants Register**") in the name of the relevant Warrant Holder. An electronic platform managed by (or on behalf of) KBC Bank and CBC Banque (the "**Electronic Platform**") has been implemented through which the Warrants are registered in the name of and assigned to the individual Warrant Holders using an individualised two-factor authentication. The Warrant Holders will need to use this two-factor authentication in case they wish to sell their Warrants through the Electronic Platform in accordance with Condition (9). KBC Bank and CBC Banque do not charge any fees for the creation and maintenance of the Warrants Register.

A Hedging Option constitutes a contractual claim (schuldvordering/créance) against the Issuer. A register will be held by the Issuer (or by the Hedging Option Agent on its behalf) (the "**Hedging Options Register**") recording holdings of the Hedging Options in the name of the relevant Hedging Option Holder. KBC Bank and CBC Banque do not charge any fees for the creation and maintenance of the Hedging Options Register.

In relation to any Series of Warrants or Hedging Options, this Base Prospectus must be read as a whole and together also with the applicable Final Terms (the "**Applicable Final Terms**"). A "**Series**" means Warrants or Hedging Options (as applicable) which are identical in all respects.

Any Series of Warrants or Hedging Options issued on or after the date of this Base Prospectus and which is the subject of Final Terms which refer to this Base Prospectus are issued subject to the provisions described herein. The Applicable Final Terms will be filed with the FSMA. Copies of Final Terms in relation to Warrants will also be published on the website at https://warrant.esop.kbc.be/[1].

Unless otherwise stated, capitalised terms used in this Base Prospectus have the meanings set forth in this Base Prospectus. Where reference is made to "Conditions" or "the Terms and Conditions" of the Warrants or the Hedging Options, reference is made to the "**Warrant Condition(s)**" or the "**Hedging Option Condition(s)**" (as applicable).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date of approval in relation to Warrants and/or Hedging Options which are to be offered to the public in Belgium other than in circumstances where an exemption is available under Articles 7 and/or 8 of the Belgian Prospectus Law. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

This Base Prospectus will be published on the internet sites https://warrant.esop.kbc.be/[2] and https://option.esop.kbc.be/[3] and a copy can be obtained free of charge at the offices of KBC Bank in the case of KBC Bank Warrants and Hedging Options, and CBC Banque in the case of CBC Banque Warrants and Hedging Options.

The date of this Base Prospectus is 27 October 2026.

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1 The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

2 The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

3 The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

HOW TO USE THIS BASE PROSPECTUS

INTRODUCTION – WHO ARE THE ISSUERS?

The Warrants and Hedging Options will be issued by KBC Bank or CBC Banque (as applicable). The KBC Bank Warrants and the KBC Bank Hedging Options will be issued by KBC Bank. The CBC Banque Warrants and CBC Banque Hedging Options will be issued by CBC Banque.

The Section "*Information relating to the Issuers*" together with the other information provided in this Base Prospectus, provides a description of the Issuers' business activities as well as certain financial information and material risks related to the Issuers.

TYPES OF WARRANTS AND HEDGING OPTIONS

This Base Prospectus provides information about the following Warrants and Hedging Options that may be issued under the Programme:

- KBC Bank Warrants;
- CBC Banque Warrants;
- KBC Bank Hedging Options; and
- CBC Banque Hedging Options.

ROADMAP FOR THE BASE PROSPECTUS

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I. IMPORTANT INFORMATION

1. Restrictions on public offers

This Base Prospectus comprises a base prospectus in respect of Warrants and Hedging Options issued under the Programme for the purposes of Article 8 of the Belgian Prospectus Law *juncto* Article 8 of the Prospectus Regulation.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see Section "DOCUMENTS INCORPORATED BY REFERENCE"). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

This Base Prospectus has been prepared on a basis that permits Non-exempt Offers in Belgium but not in any other jurisdiction.

2. Restrictions on distribution

No Warrants or Hedging Options may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction outside of Belgium.

3. Forward-looking statements

This Base Prospectus contains or incorporates by reference certain statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the Issuers' business strategies, trends in their business, competition and competitive advantage, regulatory changes and restructuring plans.

Words such as **believes**, **expects**, **projects**, **anticipates**, **seeks**, **estimates**, **intends**, **plans** or similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuers do not intend to update these forward-looking statements except as may be required by applicable securities laws.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved.

4. Rounding

This Base Prospectus contains various amounts and percentages which have been rounded and, as a result, when those amounts and percentages are added up, they may not total.

5. Currencies

In this Base Prospectus, references to "euro", "EUR" and "€" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union.

6. Investment considerations

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Warrants or any Hedging Options, (a) is intended to provide the basis of any credit or other evaluation, or (b) should be considered as a recommendation by the Issuers, that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Warrant or Hedging Option should

purchase any Warrants or Hedging Options (as applicable). Each investor contemplating purchasing any Warrants or Hedging Options should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers. This is without prejudice to the legal and regulatory obligations of the Issuers and the financial intermediaries. These obligations may require the Issuers and relevant financial intermediaries to assess whether an investment is suitable or appropriate for an investor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Warrants or Hedging Options constitutes an offer or invitation by or on behalf of the Issuers to subscribe for or to purchase any Warrants or Hedging Options, respectively.

Other than in relation to the documents which are deemed to be incorporated by reference (see Section "DOCUMENTS INCORPORATED BY REFERENCE"), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

The Issuers accept responsibility for the information contained in this Base Prospectus and the Final Terms for each Series of Warrants and Hedging Options (as applicable) issued under the Programme. To the best of the knowledge of the Issuers, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect the import of such information.

No person is or has been authorised by any Issuer, Arranger, Dealer, Warrant Agent, Hedging Option Agent or Calculation Agent to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Warrants or the Hedging Options and, if given or made, such information or representation must not be relied upon as having been authorised by any Issuer, Arranger, Dealer, Warrant Agent, Hedging Option Agent or Calculation Agent. Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Warrants or Hedging Options issued hereunder shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers appointed under the Programme from time to time expressly do not undertake to review the financial condition or affairs of the Issuers during the life of the Programme. Investors should review, inter alia, the documents incorporated herein by reference when deciding whether or not to purchase any Warrants or Hedging Options.

An investment in the Warrants or Hedging Options entails certain risks, which vary depending on the specification and type or structure of the Warrants or Hedging Options, respectively. Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent, (a) Warrants or Hedging Options (as applicable) are legal investments for it, (b) Warrants or Hedging Options (as applicable) can be used as collateral for various types of borrowing, and (c) other restrictions apply to the purchase or pledge of any Warrants or Hedging Options (as applicable). Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Warrants and Hedging Options under any applicable risk-based capital or similar rules.

7. References to the Issuer(s), KBC Bank Group, KBC Group NV and KBC Group

In this Base Prospectus, the term "**Issuer**" refers to KBC Bank or CBC Banque (as applicable). CBC Banque is a fully-owned subsidiary of KBC Bank. KBC Bank, together with its subsidiaries, are referred to in this Base Prospectus as "**KBC Bank Group**". KBC Bank is a wholly-owned subsidiary of KBC Group NV. KBC Group NV together with its subsidiaries (including the Issuers) are referred to as "**KBC Group**".

See Section "INFORMATION RELATING TO THE ISSUERS" on pages 42 and following for more information regarding the Issuers' corporate and group structure, and the relationship between the Issuers and KBC Bank Group and between KBC Bank Group and KBC Group.

II. IMPORTANT INFORMATION RELATING TO THE WARRANTS

Capitalised terms used in this section will have the meanings ascribed to them in the Warrant Conditions.

1. Price in case of Sale to the Issuer is published on the website

A Warrant Holder who holds Warrants other than END Warrants and who wishes to offer its Warrant(s) for sale to the relevant Issuer should itself consult the webtool KBC ESOP Online, exclusively available to Warrant Holders of both KBC Bank and CBC Banque on the website https://esop.kbc.be/, in order to know the Sale Price at which the Warrant(s) can be offered for Sale to the relevant Issuer on a given Actual Sale Date.

A Warrant Holder who holds an END Warrant and who wishes to offer such Warrant for sale to the relevant Issuer, should note that at the moment of its offer the applicable Sale Price will not yet be known, as this price shall only be determined at the end of the Scheduled Trading Day on which it makes the offer (or at the end of the following Scheduled Trading Day, if it makes the offer after 16:00 CET). The same risk applies to holders of other Warrants who offer their Warrants for sale in the period where the applicable Sale Price is not yet available (i.e. on any Scheduled Trading Day on or after 16:00 CET and before 09:00 CET on the following Scheduled Trading Day). Such Warrant Holders will therefore only be able to acknowledge the (potential) return on their investment after they have decided to sell the Warrant(s).

The Warrant Holder should thereby note that, in respect of a Sale of its Warrants to the relevant Issuer in accordance with Warrant Condition (11)a , it only has a right to offer the Warrant for Sale, but that the relevant Issuer has no obligation to purchase its Warrant(s). Furthermore, even though the relevant Issuer (or the Warrant Agent on its behalf) will publish once or twice a day the Sale Price at which it would in principle be prepared to purchase Warrants in case of a Sale by a Warrant Holder, the relevant Issuer also expressly reserves the right to deviate from such posted prices in the event of significant market fluctuations.

2. Liability in case of Exercise or Sale of the Warrants

Exercise or Sale of the Warrants and delivery of the Entitlement to the Underlying Shares or the Underlying ETF Shares, as the case may be, by the relevant Issuer is subject to all applicable laws, regulations and practices in force on the relevant Actual Exercise Date or Actual Sale Date, as the case may be, and none of the Issuer, the Warrant Agent or the Calculation Agent shall incur any liability whatsoever if it is unable in case of force majeure to effect the transactions contemplated as a result of any such laws, regulations or practices.

3. Exercise of certain rights only possible through KBC and CBC accounts (as applicable)

In order to be able to exercise the following rights attached to a Warrant, the Warrant Holder will need to dispose of an account held with KBC Bank or CBC Banque (as applicable): (i) a securities account for purposes of the delivery of the Underlying Share or the Underlying ETF Shares, as the case may be, to the Warrant Holder in case of Exercise of the Warrant and (ii) a cash account for the payment of the Actual Exercise Price, the Exercise Costs and the Exercise Expenses in case of the Exercise of a Warrant. The exercise of the aforementioned rights will require the opening of a securities account and a cash account with KBC Bank or CBC Banque (as applicable) in case the Warrant holder does not have such account.

III. IMPORTANT INFORMATION RELATING TO THE HEDGING OPTIONS

Capitalised terms used in this section will have the meanings ascribed to them in the Hedging Option Conditions.

1. Termination Value in case of offer for Termination to the Issuer is published on the KBC website or CBC website (as applicable)

The Termination Value of Hedging Options is calculated each Scheduled Trading Day using an objective international model on the basis of the Closing Price of the Underlying. If, due to force majeure or other events during a Scheduled Trading Day, it is not possible to calculate the Termination Value of the Termination Orders, the Termination Value for the Termination Orders submitted during that Scheduled Trading Day will be calculated on the basis of the Closing Price of the next Scheduled Trading Day on which the Calculation Agent is able to calculate the Termination Value.

The Termination Value of Hedging Options shall be determined each Scheduled Trading Day by the Hedging Option Agent and will be posted on the following website at: https://option.esop.kbc.be[4] for indicative purposes only. The Termination Value applicable for a specific Termination Order of a Hedging Option Holder shall depend on the time at which the relevant Issuer receives the Termination Order. The relevant Issuer shall ensure that at any time as long as Hedging Options are outstanding under the Programme in respect of which the Exercise Period has not lapsed, Termination Value will continue to be posted on the above website.

A Hedging Option Holder who wishes to offer Hedging Options for Termination to the Issuer should note that at the moment of its offer the applicable Termination Value will not yet be known, as this value shall only be determined at the end of the Scheduled Trading Day on which the Issuer receives the Termination Order (or at the end of the following Scheduled Trading Day, if it receives the Termination Order after the Cut-Off Time CET). Such Hedging Option Holders will therefore only be able to know the (potential) return on their investment after they have decided to Terminate the Hedging Option(s).

The Hedging Option Holder should thereby note that, in respect of a Termination of its Hedging Options in accordance with Hedging Option Condition (9), it only has a right to offer the Hedging Option(s) for Termination, but that the relevant Issuer has no obligation to accept and process its Termination Order for the relevant Hedging Option(s). Furthermore, even though the Hedging Option Agent will publish on each Scheduled Trading Day the Termination Value of the previous Scheduled Trading Day, a Hedging Option Holder should note that the applicable Termination Value shall only be determined at the end of the Scheduled Trading Day on which the Issuer receives its Termination Order (or at the end of the following Scheduled Trading Day, if it receives the Termination Order after the Cut-Off Time CET).

2. Liability in case of Exercise or Sale of the Hedging Options

Termination of the Hedging Options is subject to all applicable laws, regulations and practices in force on the relevant actual Termination date of the Hedging Options. None of the Issuer, the Hedging Option Agent or the Calculation Agent shall incur any liability whatsoever if it is unable in case of force majeure to effect the transactions contemplated. This does not affect the right of the Hedging Option Holder to the Hedging Options, or its ability to offer for Termination of the Hedging Options on a later date until the Cut-Off time on the second last Scheduled Trading Day prior to the Expiration Date.

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[4] The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

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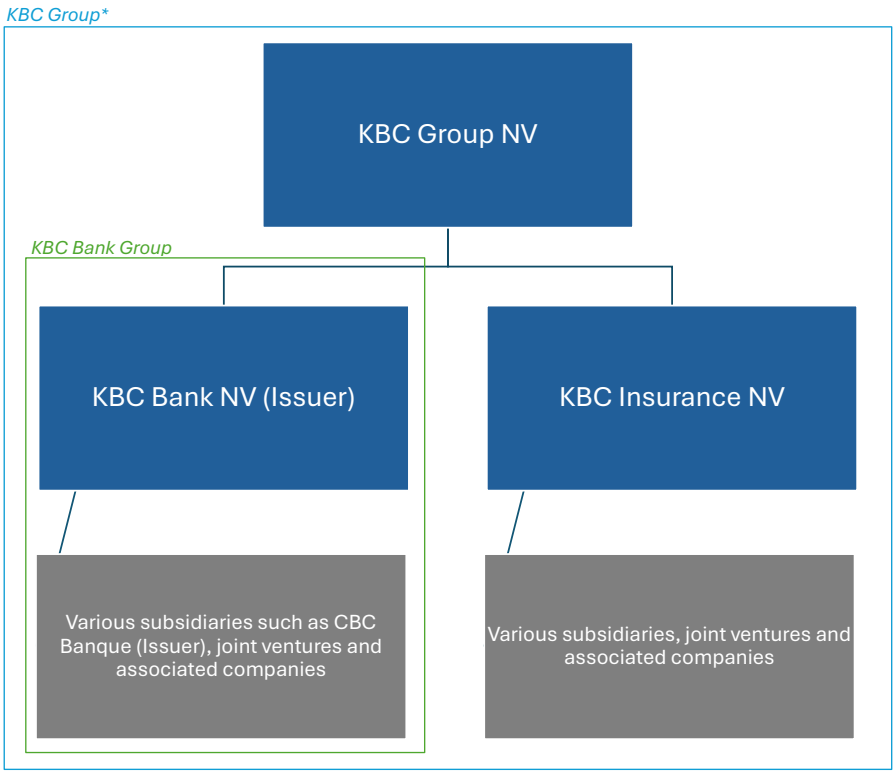
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IV. GENERAL DESCRIPTION OF THE PROGRAMME

This section is the general description of the Programme for the purposes of Article 8 of the Belgian Prospectus Law juncto Article 25(1)(b) of Commission Delegated Regulation (EU) No 2019/980 of 14 March 2019 supplementing the Prospectus Regulation. This section is qualified in its entirety by the rest of this Base Prospectus, including the Terms and Conditions of the Warrants and the Hedging Options as set out on page 88 and following and the relevant final terms based on the form set out in this Base Prospectus.

1. Information relating to the Issuers

Issuer:	Respectively: KBC Bank NV (LEI: 6B2PBRV1FCJDMR45RZ53) ("**KBC Bank**"), or CBC Banque SA (LEI: DVCTKZJG5QM5XGM4TR05) ("**CBC Banque**"). KBC Bank is registered as a credit institution with the National Bank of Belgium (the "**NBB**"). It is a wholly-owned subsidiary of KBC Group and is part of the KBC Group. KBC Bank's strategy is fully embedded in the strategy of KBC Group, which includes offering a unique bank-insurance experience combining KBC Bank's banking activities and KBC Bank's sister company KBC Insurance NV's insurance activities. CBC Banque is registered as a credit institution with the NBB. It is a wholly-owned subsidiary of KBC Bank and is part of the KBC Group. CBC Banque's strategy is fully embedded in the strategy of KBC Group, which includes offering a unique bank-insurance experience combining CBC Banque's banking activities and CBC Assurances' insurance activities. CBC Assurances is a trade name of KBC Insurance NV. KBC Bank, together with its subsidiaries, is referred to in this Base Prospectus as "**KBC Bank Group**".



* For a full overview of the group's structure, we refer to https://www.kbc.com/en/about-us/our-structure.html. The information on this website does not form part of, and is not incorporated by reference into, this Base Prospectus and has not been scrutinised or approved by the FSMA.

2. Information relating to the Programme

2.1. Information relating to the Warrants

Description:	Warrant Programme.
Arranger and Dealer:	Respectively KBC Bank or CBC Banque (depending on which Issuer has issued the Warrants). The relevant Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Series or in respect of the whole Programme.
Warrant Agent:	KBC Bank (for Warrants issued by KBC Bank or CBC Banque).
Calculation Agent:	KBC Bank (for Warrants issued by KBC Bank or CBC Banque).
Series:	The Warrants will be issued in series (each a "**Series**"), whether or not issued on the same date, that have identical terms on issue and are expressed to have the same series number. The final terms and conditions for each Series of Warrants (or the relevant provisions thereof) will be specified in the Applicable Final Terms.
Distribution:	The Warrants will be distributed by way of an offer exempt from a prospectus requirement or an offer subject to a prospectus requirement on a syndicated or non-syndicated basis. The manner of distribution will be specified in the Applicable Final Terms.

Currencies:	Subject to compliance with all relevant laws, regulations and directives, Warrants may be issued in any currency agreed between the relevant Issuer and the relevant Dealers. The currency of each Series will be specified in the Applicable Final Terms.
Maturity:	Subject to compliance with all relevant laws, regulations and directives and unless previously redeemed or purchased and cancelled, each Warrant will have the maturity as specified in the Applicable Final Terms.
Issue Price:	Warrants will be issued at an amount specified in the Applicable Final Terms.
Form of Warrants:	The Warrants will be issued in registered form and be represented by a registration in a register held by the Issuer or by the Warrant Agent on its behalf in the name of the relevant Warrant Holder(s). See "Warrant Condition (2)" on page 98.
Status of Warrants:	The Warrants constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* with all present and future unsecured obligations of the Issuer, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, any currency or payment or otherwise, subject to any exceptions as from time to time may apply under applicable law. The Warrant Holders are qualified as senior preferred creditors under article 389/1, 1° of the Banking Law, and such creditors have a higher priority ranking than the so-called senior non-preferred creditors defined under article 389/1, 2° of the Banking Law. See "Warrant Condition (5)" on page 99.
Interest:	The Warrants will not bear any interest.
Exercise and Sale of the Warrants:	A Warrant grants the Warrant Holder (being an employee who has accepted the offer of the Warrant(s) from its employer as part of an incentive scheme) a right of Exercise of the Warrant. In addition to the right of Exercise, a Warrant Holder may sell the Warrant solely to the Issuer in accordance with Warrant Conditions (3) and (9). See "Warrant Condition (6)" on page 99.
Underlying:	The Warrant Holders may exercise their rights to acquire an Entitlement in an Underlying Share or Underlying ETF Share.
Underlying ETF Shares:	The Applicable Final Terms issued in respect of each issue of Warrants or Series of Warrants relating to an underlying ETF share will specify which underlying ETF share can be acquired by a warrant holder upon exercise.
Underlying Shares:	The Applicable Final Terms issued in respect of each issue of Warrants or Series of Warrants relating to an underlying share will specify which SICAV managed by KBC Asset Management SA/NV is the SICAV whose underlying shares can be acquired by a warrant holder upon exercise. See "Warrant Condition (7)" on page 100.
Ratings:	Warrants issued under the Programme will be unrated.

	Also see section entitled "*Credit ratings*" in the section "*Information relating to KBC Bank*" for information regarding credit ratings assigned to KBC Bank generally (but not to a specific issue of Warrants).
Governing Law:	The Warrants, the Warrant Agreement and all matters arising from or connected with the Warrants and the Warrant Agreement (and any non-contractual obligations arising out of or in connection with the Warrants) are governed by, and shall be construed in accordance with, Belgian law.
Listing and Admission to Trading:	The Issuer does not intend to apply for a listing and of the Warrants on any stock exchange or market. The Issuer will however ensure that as long as the Warrants are outstanding, a Sale Price for the relevant Warrants shall continue to be published in accordance with the Warrant Conditions and that the relevant Warrants can continue to be sold in accordance with Warrant Condition (9).
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Warrants. See Section "SELLING RESTRICTIONS" on page 157 below.
Bail-in:	Because the Issuers are credit institutions and the Warrants are senior unsecured obligations of the Issuers, the Warrants are subject to "bail-in". This means that when the Issuers are failing or likely to fail, the EU Single Resolution Board together with the NBB can decide to write down the Warrants (by reducing the outstanding principal amount) or to convert the Warrants into equity. See the risk factor entitled "Warrant Holders may be required to absorb losses in the event the Issuers become non-viable or were to fail" on page 17 and a more general description of the Issuers' regulatory status in Section "INFORMATION RELATING TO THE ISSUERS" on page 42.

2.2. Information relating to the Hedging Options

Description:	Hedging Option Programme.
Arranger and Dealer	Respectively KBC Bank or CBC Banque (depending on which Issuer has issued the Hedging Options). The relevant Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Series or in respect of the whole Programme.
Hedging Option Agent	KBC Bank (for Hedging Options issued by KBC Bank or CBC Banque).
Calculation Agent	KBC Bank (for Hedging Options issued by KBC Bank or CBC Banque).
BestOf Share Option Plan	An employee benefit scheme pursuant to which an employer issues and offers BestOf Options on Underlying Shares defined in the BestOf Share Option Plan to beneficiaries as an incentive for the performance of their professional activities.
Eligibility Criteria	In order to be eligible to purchase the Hedging Options the following criteria must be met: (i) the purchaser shall be a legal person (such as a company) and not an individual or a consumer and (ii) it has set up a BestOf Share Option Plan.

	The Hedging Options are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law.
Series	The Hedging Options will be issued in series (each a "**Series**"), that have identical terms and are issued on the same Issue Date and are expressed to have the same series number. The final terms and conditions for each Series of Hedging Options (or the relevant provisions thereof) will be specified in the Applicable Final Terms.
Distribution	The Hedging Options will be distributed by way of an offer exempt from a prospectus requirement or an offer subject to a prospectus requirement on a syndicated or non-syndicated basis. The manner of distribution will be specified in the Applicable Final Terms.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Hedging Options may be issued in any currency agreed between the Issuer and the relevant Dealers. The currency of each Series will be specified in the Applicable Final Terms.
Maturity	Subject to compliance with all relevant laws, regulations and directives and unless previously redeemed or purchased and cancelled, each Hedging Option will have the maturity as specified in the Applicable Final Terms.
Issue Price	Hedging Options will be issued at an amount specified in the Applicable Final Terms.
Form of Hedging Options	The Hedging Options of a Series will be issued to each Hedging Option Holder on the Issue Date. A register of Hedging Options will be kept and held by the relevant Issuer or by the relevant Hedging Option Agent on such Issuer's behalf (the "**Hedging Options Register**") in the name of the relevant Hedging Option Holder(s). See "Hedging Option Condition (2)" on page 126.
Status of Hedging Options	The Hedging Options constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* with all present and future unsecured obligations of the Issuer, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, any currency or payment or otherwise, subject to any exceptions as from time to time under applicable law. The Hedging Option Holders are qualified as senior preferred creditors under article 389/1, 1° of the Banking Law, and such creditors have a higher priority ranking than the so-called senior non-preferred creditors defined under article 389/1, 2° of the Banking Law. See "Hedging Option Condition" (6) on page 127.
Interest	The Hedging Options will not bear any interest.
Exercise and Termination of the Hedging Options	The Hedging Options are call options linked to an Underlying providing the relevant Hedging Option Holder with a contractual right (*schuldvordering/créance*) against the Issuer to acquire an Entitlement in an

	Underlying at a predetermined Fraction of Exercise Price during a predetermined Exercise Period. In addition, the Hedging Option Holder may offer its Hedging Options for Termination to the Issuer and the Issuer has the right, without this being an obligation, to accept such offer as provided in Hedging Option Condition (9). See Hedging Option Condition (8) and (9) on page 127.
Underlying	The Underlying as further specified in the Applicable Final Terms in respect of each issue of Hedging Options or Series of Hedging Options.
Ratings	Hedging Options issued under the Programme will be unrated.
Governing Law	The Hedging Options, the Hedging Option Agreement and all matters arising from or connected with the Hedging Options and the Hedging Option Agreement (and any non-contractual obligations arising out of or in connection with the Hedging Options) are governed by, and shall be construed in accordance with, Belgian law.
Listing and Admission to Trading	The Hedging Options will not be listed nor admitted to trading.
Selling restrictions	There are restrictions on the offer, sale and transfer of the Hedging Options. See Section "SELLING RESTRICTIONS" on page 157 below.
Bail-in	Because the Issuers are credit institutions and the Hedging Options are senior unsecured obligations of the Issuer, the Hedging Options are subject to "bail-in". This means that when the Issuers are failing or likely to fail, the EU Single Resolution Board together with the NBB can decide to write down the Hedging Options (by reducing the outstanding principal amount) or to convert the Hedging Options into equity. See the risk factor entitled "Hedging Option Holders may be required to absorb losses in the event the Issuers become non-viable or were to fail" on page 17 and a more general description of the Issuers' regulatory status in Section "INFORMATION RELATING TO THE ISSUERS" on page 42.

V. RISK FACTORS

An investment in the Warrants and/or in the Hedging Options involves a degree of risk. This section sets out risks which the Issuers believe are specific to them, the KBC Bank Group, the Warrants and/or the Hedging Options and which are deemed to be material to investors for taking an informed investment decision in respect of the Warrants and/or the Hedging Options. Any such factors may affect the Issuer's ability to fulfil its obligations under the Warrants and/or the Hedging Options. All of these factors are contingencies which may or may not occur.

Each Issuer believes that the factors described below represent the principal risks inherent in investing in the Warrants and/or the Hedging Options, but the inability of the relevant Issuer to fulfil its obligations under the Warrants and/or the Hedging Options may occur for other reasons which may not be considered significant risks by such Issuer based on the information currently available to it or which it may not currently be able to anticipate. No Issuer represents that the statements below regarding the risks of holding the Warrants and/or the Hedging Options are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision and consult with their own professional advisors (if they consider it necessary).

Each Issuer has assessed the materiality of the risk factors based on the expected magnitude of their negative impact on the Issuer and/or the KBC Bank Group (including any relevant mitigation measures) and the probability of their occurrence. For the risks relating to the relevant Issuer and the KBC Bank Group set out below, the result of this assessment is mentioned after the title of each risk factor, using a scale of "low", "medium" or "high". The qualitative scale of the materiality of a risk factor using the labels "low", "medium" or "high" is only intended to compare the expected magnitude of the negative impact of such risks on the Issuer and/or the KBC Bank Group (including any relevant mitigation measures) and the probability of their occurrence among the risk factors included in this section. These labels do not correspond to certain amounts or percentages and are based on an assessment in good faith by the relevant Issuer.

In accordance with the requirements of the Belgian Prospectus Law, juncto the Prospectus Regulation, the risk factors have been presented in a limited number of categories depending on their nature. In each category, the most material risk factors have been listed in a manner that is consistent with the assessment made by the Issuer provided for in the third subparagraph of article 16 of the Prospectus Regulation, based on the probability of their occurrence and the expected magnitude of their potential negative impact.

The "KBC Bank Group" refers to KBC Bank NV and its subsidiaries from time to time. Capitalised terms used herein and not otherwise defined shall bear the meanings ascribed to them in the "Terms and Conditions of the Securities" or elsewhere in this Base Prospectus. Any reference to any code, law, decree, regulation, directive or any implementing or other legislative measure shall be construed as a reference to such code, law, decree, regulation, directive or implementing or other legislative measure as the same may be amended, supplemented, restated and/or replaced from time to time.

1. Risk factors relating to the Issuers and the KBC Bank Group

As members of the KBC Bank Group are financial institutions, the KBC Bank Group is exposed to risks that are typical for the financial sector, including both financial risks (credit risk, market risk (trading and non-trading) and liquidity risk) and non-financial risks (operational risk, compliance risk and reputational risk). Environmental, social and governance ("**ESG**") risks are also key risks related to the KBC Bank Group's business environment which manifest themselves through the aforementioned risk areas. Integrated risks can occur when these risks accumulate and potentially reinforce each other.

In the context of these risks, the KBC Bank Group has put processes in place to manage them. While the KBC Bank Group seeks to identify, control and manage the risks to which it is subject and manage these in order to make optimal use of its available capital, the KBC Bank Group might still be exposed to unidentified, unanticipated or incorrectly quantified risks. For more background information on how these risks are managed, please refer to the section entitled "*Risk management*" in the section entitled "*Information relating to the Issuers*" and the KBC Bank Group's risk management approach set out on pages 37 to 63 of KBC Bank's 2025 annual report, which is incorporated by reference into this Base Prospectus.

Risks resulting from regulatory and supervisory supervision (medium risk)

The KBC Bank Group's business activities are subject to substantial regulation and regulatory supervision in the jurisdictions in which it operates.

The regulatory and supervisory framework in the EU has become increasingly more expansive and complex and new regulations and supervisory requirements are introduced with ambitious timelines for implementation. While a sound regulatory framework, coupled with strong supervision, is necessary to ensure stability of the financial sector, extensive regulatory and supervisory intervention could impose high compliance costs on the KBC Bank Group, particularly staff costs associated with regulatory reporting.

Recent regulatory and legislative developments applicable to credit institutions, such as the Issuers, may adversely impact the KBC Bank Group and its business, financial condition or results of operations. A non-exhaustive overview of certain important regulatory and legislative developments, such as changes to the prudential requirements for credit institutions, capital adequacy rules and recovery and resolution mechanisms, is set out in the section entitled "*Banking supervision and regulation*" in the section entitled "*Information relating to the Issuers*". In addition, the KBC Bank Group is subject to an expanding body of digital and operational resilience regulations, including the Digital Operational Resilience Act ("**DORA**"), the EU AI Act and the Markets in Crypto-Assets Regulation (MiCAR), compliance with which may give rise to significant implementation costs and operational constraints.

Moreover, the KBC Bank Group has seen an increase in the level of scrutiny and short implementation timelines applied by regulators and governments to enforce applicable regulations and calls to impose further charges on the financial services industry and, as a consequence, on the KBC Bank Group in recent years. Implementation of related regulation and supervisory guidance can result in a crowding-out effect on the KBC Bank Group's business and strategic transformation and may drive up the capital and liquidity requirements applicable to the KBC Bank Group. Non-compliance with this increasingly complex regulation is penalised with heavy supervisory measures (on capital) and possible fines, which are recently more often used by supervisory authorities. Regulatory complexity is further increased by a lack of alignment in regulatory rules and guidelines across different areas, such as banking supervision versus resolution supervision and national versus European regulations.

ESG risks furthermore remain high on the agenda of regulators, leading to a number of directives, guidelines and disclosure requirements. These requirements have to be gradually implemented in the coming years with the main focus on strategy, governance, risk management and internal and external reporting. In this respect, please also refer to the risk factor entitled "*ESG risks*".

Within the above context, the KBC Bank Group is in particular exposed to risks for unforeseen regulatory changes and increased supervisory scrutiny, which could lead to a significant financial and operational impact. The KBC Bank Group may further face challenges in aligning its business and activities with new and evolving regulatory requirements. Any misalignment can, as indicated above, result in increased compliance costs, higher capital and liquidity requirements and potential fines for non-compliance. Additionally, the rapid implementation timelines for new regulations may strain the KBC Bank Group's resources, diverting attention from strategic initiatives and potentially impacting its competitive position.

Geopolitical risks (medium risk)

Geopolitical risks are a main concern for the global and European financial sector, including for the KBC Bank Group. Events such as conflicts, trade wars and political instability can lead to market volatility and disruptions in trade, all of which can impact financial institutions' operations and profitability, including for the KBC Bank Group.

In recent years, geopolitical risks have remained elevated, particularly shaped by the persistent Russia-Ukraine and Palestine-Israel conflicts, tensions in the Middle East and the ongoing strategic competition between the US and China. The aftermath of numerous elections in 2024, including in the US, has led to new policy directions and heightened uncertainty, particularly around trade relations. These developments put additional pressure on economic competitiveness in Europe and globally, causing significant challenges for the economy and financial markets in general and for the financial sector in particular.

Although the KBC Bank Group's net result as at 31 December 2025 remained stable compared to 31 December 2024 (and the same applies for the net results as at 30 June 2026 compared to 30 June 2025), and while its

capital position (fully loaded common equity ratio of 13.9% at the end of 2025 and of 13.4% at 30 June 2026) and liquidity position (net stable funding ratio ("**NSFR**") of 138% and liquidity coverage ratio ("**LCR**") of 159% at the end of 2025 and NSFR of 133% and a LCR of 158% at 30 June 2026) remained strong, the current geopolitical and emerging risks may continue to impact the profitability and performance of the KBC Bank Group:

- The prospect of trade disputes and geopolitical tensions (including the armed conflict between the United States, Israel and Iran that began in late February 2026 and its impact on the region) is expected to affect growth and inflation expectations for the financial year 2026. Due to the volatile nature of the global trade environment, whereby changes can materialise rapidly, the KBC Bank Group's performance and its clients may be negatively impacted, causing (in)direct (negative) effects on the KBC Bank Group. This may for example be due to increased financial instability, credit losses, fluctuations in asset values, increased cost of capital and operational disruptions.

- The geopolitical and emerging risks that have arisen in recent years continue to limit the ability of the KBC Bank Group's credit models to adequately reflect all the consequences of the resulting economic conditions. As such, post-model adjustments might need to be recognised in addition to the expected credit loss provisions produced by the models. In this respect, please also refer to the risk factor entitled "*Model risk*".

Additionally, geopolitical risks can also amplify existing risks. This may for example be the case for cyber risk (in this respect, please refer to the risk factor entitled "*Information (security) risk*") and compliance risk (in this respect, please refer to the risk factor entitled "*Compliance risk*"). The KBC Bank Group may furthermore face challenges in adapting to rapid changes in the geopolitical landscape, which can result in increased market volatility and disruptions in trade (in this respect, please also refer to the risk factor entitled "*Market risk in non-trading activities*").

ESG risks (medium risk)

ESG risks encompass both current and prospective environmental, social and (corporate) governance risks which impact the KBC Bank Group, either directly or through its counterparties and exposures:

- Environmental risk: The risk arising from climate change (climate risk), nature and biodiversity loss (nature risk) or other environmental issues caused by human influences on nature, such as scarcity of fresh water, (air, water and soil) pollution and non-circularity.

  In particular, if not addressed, environmental change is expected to have devastating effects (such as extreme storms, floods, natural resource shortages, food and water crises, pandemics, mass migration and economic crises) with extremely high costs for society, including for the KBC Bank Group and its clients.

  The path towards a greener economy on the other hand remains highly dependent on technological breakthroughs, upcoming (EU) policies, regulation and actions by governments (e.g. stricter energy efficiency and nature restoration rules, incentives from the EU Green Deal). These can impact the stability and value of the Issuers' loan and investment portfolios. The KBC Bank Group may in this context face challenges in aligning with new and evolving ESG regulations, particularly when there is a lack of coordination between different regulatory bodies. Any such misalignment can, for example, result in increased compliance costs and potential fines for non-compliance. In this respect, please also refer to the risk factor entitled "*Risks resulting from regulatory and supervisory supervision*". For more background information on how these risks are managed, please refer to the section entitled "*Risk management*" in the section entitled "*Information relating to the Issuers*".

- Social risk: The risk arising from changing expectations concerning relationships with employees, suppliers, clients and communities, such as labour and workforce considerations (labour standards, working conditions, diversity, health and safety), human rights and poverty, community impact and

client relationships (client protection, e.g. against cybercrime, product responsibility and responsible marketing). Any such risk may in particular impact the operations of the KBC Bank Group .

- Governance risk: The risk arising from changing expectations concerning corporate governance (corporate policies and codes of conduct, such as responsibilities of senior staff members, remuneration, internal controls and shareholder rights), anti-corruption and anti-bribery and transparency (e.g. in tax planning and external disclosures). In addition to compliance risk, this could also have an important reputational impact on the KBC Bank Group where any such applicable rules are not correctly dealt with.

In the Issuers' risk taxonomy, ESG risks are identified as key risks related to the KBC Bank Group's business environment which manifest themselves through (all) other traditional risk areas, such as credit risk, market risk, operational risk and reputational risk.

Market risk in non-trading activities (medium risk)

Market risk is the risk that the value and/or earnings of an instrument or portfolio will decrease because of adverse movements in financial markets. This includes changes in a variety of market parameters (for instance interest rates, equity prices and exchange rates), including the effects of changes in the volatility and the liquidity of these factors.

Market risk in non-trading activities arises for the KBC Bank Group from both on- and off-balance sheet exposures in the investment and funding portfolios. Market risk can also arise from the KBC Bank Group's trading portfolios, as explained in the risk factor entitled "*Market risk in trading activities*".

In respect of its non-trading activities (comprising the KBC Bank Group's banking activities and other business operations), the KBC Bank Group is primarily exposed to interest rate risk, credit spread risk and equity price risk. Other risks to which the KBC Bank Group is exposed in this context relate to real estate, inflation and foreign exchange risks. These risks are further detailed below.

Interest rate risk

Interest rate risk encompasses the potential for negative deviations from the expected value of a financial instrument or portfolio due to changes in the level or in the volatility of interest rates. The value of interest-bearing positions decreases when market interest rates increase and vice-versa, unless the position contains inherent protection against such decrease, such as a variable or floating interest rate mechanism.

Over the last years, the notion of interest rate risk for banking activities has been progressively extended to the impact of interest rate movements on the Net Interest Income ("**NII**") generation, which is an important driver supporting the sustainability of banking activities. The KBC Bank Group estimates that, as at 31 December 2025, an increase of market interest rates (through a parallel increase in the swap curve) by 10 basis points would have led to a decrease in the economic value of the KBC Bank Group's total portfolio by EUR 60 million.

The sensitivity of NII is measured in several ways. Through a sensitivity gap analysis in the banking book, the Issuers manage interest rate sensitivity of assets and liabilities across the different maturities. Generally, assets reprice over a longer term than liabilities, which means that the Issuers' NII benefits from a normal yield curve. The economic value of the Issuers is sensitive primarily to movements at the mid- to long-term end of the yield curve.

The KBC Bank Group also uses two other mechanisms to measure interest rate sensitivity and does this according to the Regulatory Technical Standards on the Interest Rate Risk for Banking Book ("**IRRBB**") supervisory outlier tests ("**SOT**") of the European Banking Authority ("**EBA**"):

- In the SOT on Economic Value of Equity ("**EVE**") six different scenarios are applied to the banking books. These scenarios comprise material parallel shifts up and down, steepening or flattening of the swap curves or shifts in the short-term rates only. The worst-case scenario impact (the most negative impact on the economic value of equity) is set off against Tier 1 capital. For the banking book at the KBC Bank Group level, the SOT on EVE came to -6.27% of Tier 1 capital as at 31 December 2025.

This is well below the -15% threshold, which is monitored by the ECB and which indicates that the overall interest rate sensitivity of the KBC Bank Group's balance sheet was, at that time, limited.

- The SOT on EVE is complemented by the SOT on NII which measures the impact of two scenarios (parallel up and parallel down) on NII, assuming a constant balance sheet. The impact of the worst-case scenario on NII is also set off against Tier 1 capital. According to this measure, the interest rate sensitivity of the KBC Bank Group came to -1.00% as at 31 December 2025, compared to the -5% outlier threshold used by the ECB, meaning that it was, at that time, limited as well.

Although the interest rate sensitivity of the KBC Bank Group, as measured in accordance with the EBA standards referred to above, was below the thresholds monitored by the supervisory authority, interest rate fluctuations could still have a material adverse effect on the results and financial condition of the KBC Bank Group and, hence, on the Issuers' ability to satisfy its obligations in relation to the Warrants and Hedging Options.

Credit spread risk

Credit spread risk is the risk arising from changes in the volatility of credit and liquidity spreads among entities with the same level of creditworthiness, so as to mitigate the overlap with credit risk.

Within the KBC Bank Group, credit spread analysis is limited to bonds. In this respect, the Issuers apply a conservative approach and do not include spread sensitivity on the liability side. Bonds are purchased with a view to acquiring interest income and their selection is largely conservative and based on criteria such as credit risk rating, risk/return measures and liquidity characteristics. The value of the KBC Bank Group's positions will decrease when credit spread increases, and vice-versa.

As at 31 December 2025, the total carrying value (i.e., the amount at which an asset or liability is recognised in the KBC Bank Group's accounts) of the KBC Bank Group's sovereign and non-sovereign bond portfolio combined was EUR 69 billion. The KBC Bank Group estimates that an increase in credit spread of 100 basis points across the entire curve would have led, as at 31 December 2025, to a negative economic impact of EUR 2.8 billion on the value of both portfolios combined.

Equity risk

Equity risk is the risk arising from changes in the level or in the volatility of equity prices. The total value of the KBC Bank Group's equity portfolio as at 31 December 2025 amounted to EUR 0.2 billion excluding the instruments held for trading. As at that date, there was no material private equity exposure.

In the context of equity risk, an unexpected and prolonged downturn of the equity markets could lead to financial losses, reduced asset values and adverse impacts on the KBC Bank Group's profitability.

Other risks related to market risk (non-trading)

In addition to the KBC Bank Group's key market (non-trading) risks described above, the KBC Bank Group is also subject to the following market risks in the context of its non-trading activities:

- Real estate risk: The risk due to changes in the level or in the volatility of real estate prices. In this respect, in particular the commercial real estate sector is facing significant challenges, triggered by low demand, high interest rates and an inflationary environment, which is leading to increased supply in construction and pressure on the funding capabilities of the commercial real estate participants. This may impact the KBC Bank Group's portfolio as well as its counterparty risk. The KBC Bank Group is furthermore subject to this risk in relation to its mortgage portfolio in light of the potential loss arising when borrowers default on loans secured by real property. In this respect, please also refer to the risk factor entitled *"Credit risk"*.

- Inflation risk: The risk due to changes in the level or in the volatility of inflation rates. Inflation risk is the risk that the future real value of an investment will be reduced by inflation over time, which could be caused by an increase in prices or a decrease in the value of money. This risk has become more

important in recent years in light of the geopolitical environment. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

- Foreign exchange risk: The risk due to changes in the level or volatility of currency exchange rates. This risk may again become more important in light of the geopolitical environment. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

While several processes and procedures are in place to manage these risks, these measures may not fully protect the KBC Bank Group against all associated risks. For further background information on how these risks are managed, please refer to the section entitled "*Risk management*" in the section entitled "*Information relating to the Issuers*" and for further background information on market risks in non-trading activities generally and interest rate risk, credit spread risk and equity risk specifically, please refer to pages 50 to 54 of the KBC Bank NV's 2025 annual report, which is incorporated by reference into this Base Prospectus.

Credit risk (medium risk)

Credit risk is the risk that a contracting party is unwilling or unable to meet an obligation it has committed to, such as paying interest and instalments on a loan or repaying the principal and interest on a bond at maturity. This risk can arise for various reasons, such as the party being insolvent, unwilling to pay or prevented from fulfilling the obligation due to events beyond its control. Credit risk thus encompasses default risk and country risk, but also includes migration risk, which is the risk of adverse changes in credit ratings. This risk can be exacerbated in light of the geopolitical environment. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

The KBC Bank Group's principal exposure to credit risk arises from its loan portfolio. This includes all the loans and guarantees that the KBC Bank Group has granted to individuals, companies, governments and banks (including debt securities if they are issued by companies or banks). The aggregate outstanding amount of the KBC Bank Group's loan portfolio amounted to EUR 228 billion as at 31 December 2025. Most counterparties were private individuals (41% of outstanding portfolio) and corporates (50% of outstanding portfolio). Most counterparties were located in Belgium (53% of outstanding portfolio) or in the Czech Republic (19% of outstanding portfolio). Impaired loans (i.e., loans where it is unlikely that the full contractual principal and interest will be repaid/paid) constituted 1.8% of this portfolio. A detailed breakdown of the KBC Bank Group's loan portfolio, including information on impairments, can be found on pages 43 to 49 of the KBC Bank's 2025 annual report, which is incorporated by reference into this Base Prospectus. More information on impairments can be found in Note 3.9 (*Impairment (income statement)*) of the consolidated financial statements of the KBC Bank's 2025 annual report, which is incorporated by reference into this Base Prospectus.

The KBC Bank Group's loan portfolio is also subject to concentration risk, in particular geographic concentration risk, as it is significantly concentrated in Belgium. Belgian exposures accounted for 53% of the outstanding portfolio as at 31 December 2025. This concentration means that any adverse developments in the Belgian economy could have a disproportionate impact on the KBC Bank Group's credit risk profile and financial results.

The mortgage portfolio of the KBC Bank Group amounted to EUR 83.6 billion as at 31 December 2025, which was 40.4% of the KBC Bank Group's loans and advances to customers being EUR 206.9 billion as at 31 December 2025, excluding reverse repos. In this context, the KBC Bank Group is also subject to real estate risk in light of the potential loss arising when borrowers default on loans secured by real property, potentially resulting in a lower recovery than the outstanding loan balance due to a decline in the value of the underlying collateral. In this respect, please refer to the risk factor entitled "*Other risks related to market risk (non-trading)*".

Other significant sources of credit risk arise from (i) trading book securities, (ii) counterparty risks under derivatives and (iii) government securities. More background information on credit risks relating to trading book securities, counterparty risk of derivatives and government securities can be found in the section entitled "*Other credit risks*" on page 49 of the KBC Bank's 2024 annual report, which is incorporated by reference into this Base Prospectus.

Compliance risk (medium risk)

Compliance risk is the risk that a judicial, administrative or regulatory sanction is imposed on an institution and/or its employees because of non-compliance with the laws and regulations pertaining to the compliance domains, resulting in loss of reputation and potential financial loss. This loss of reputation can also be the result of non-compliance with the applicable internal policy in this regard and with the institution's own values and codes of conduct in relation to the integrity of its activities.

Given this broad concept and in order to be consistent, the KBC Bank Group incorporates "conduct risk", as defined by the EBA, in compliance risk. Conduct risk encompasses the current or prospective risks of losses arising from inappropriate supply of financial services, including cases of wilful or negligent misconduct. Conduct risk covers many "hard" legal aspects of compliance, such as informing customers, providing the required transparency, avoiding misleading information and forced tying of products, selling the right product to the right customer and at the right time, avoiding conflicts of interest in doing business, manipulation of benchmarks, obstacles or unfair treatment of customers' complaints. Conduct risk also covers "softer" aspects, which are based specifically on behaviour and are linked to people, culture and mindset. By incorporating conduct risk management within the broader compliance risk framework, the KBC Bank Group is able to develop a more holistic approach to managing risks that encompasses both individual behaviours and adherence to legal and regulatory standards.

Within the KBC Bank Group's compliance risk management, several compliance risk domains have been identified as being potentially material to the KBC Bank Group and which need to be managed, including:

- Financial crime, which encompasses the prevention of anti-money laundering and terrorism financing (including embargoes), is a top priority for the KBC Bank Group.

- Data and consumer protection and AI, which is a highly-regulated area in which the Issuers aim to ensure future-proof, reliable and trustworthy bank activities for its clients.

- Investor protection, which remains important as financial markets legislation is subject to constant changes and continuous expansion.

- Corporate governance and business ethics, which aims to ensure that financial institutions operate in a safe and sound manner, manage risks effectively and make decisions that are in the best interest of their stakeholders.

Within the context of the above, the KBC Bank Group is mainly exposed to the risk of fines or sanctions, which could be material, and a potential impact on its reputation in case of any adverse situations occurring within the KBC Bank Group. In this respect, please also refer to the risk factor entitled "*Risks resulting from regulatory and supervisory supervision*". Despite any efforts being made by the KBC Bank Group to manage such risks, the possibility of compliance breaches remains, which could significantly negatively impact the KBC Bank Group.

More background information can be found in the section entitled "*Compliance risk*" on pages 61 to 63 of the KBC Bank's 2025 annual report, which is incorporated by reference into this Base Prospectus.

Operational risk (medium risk)

Operational risk refers to the potential for inadequate or failed internal processes, people and systems, or sudden external events, whether man-made or natural. Operational risk lies at the core of any organisation's day-to-day business operations, meaning it is directly linked to the building blocks of an organisation (people, processes, systems). In addition, it covers risks emerging from actions that specifically target the organisation's operations (such as intentional fire, external fraud or theft), as well as sudden non-financial damaging and/or destructive external events that affect the organisation in its day-to-day operations, such as a war or pandemic.

While the KBC Bank Group endeavours to hedge such risks by implementing adequate systems, controls and processes tailored to its business, it is possible that these measures prove to be ineffective in relation to operational risks to which the KBC Bank Group is exposed.

The nature of the KBC Bank Group's business inherently generates operational risks, with the main operational risks of the KBC Bank Group including, without limitation, (i) information (security) risk, (ii) third-party and outsourcing risk, (iii) model risk and (iv) business continuity risk. Each of these operational risks is set out in further detail below.

Information (security) risk

Information security risk is the risk of loss, misuse, unauthorised disclosure, modification, inaccessibility and inaccuracy of information, as well as the risk of damage to information. It concerns all forms of information (spoken, written, printed, electronic or any other medium) and its processing and handling, regardless of whether they involve people, technology or relationships with trading partners, clients and third parties.

Information technology ("**IT**") risk pertains to the ineffective lifecycle management of information and related technology used by an organisation, ranging from the non-delivery of business and regulatory requirements, increased costs and IT complexity, to business operations endangered by unstable or unavailable IT services.

Since 2022, the risk of disruptive cyber-attacks on critical infrastructure and institutions such as telecoms, energy and financial markets infrastructure has increased significantly. Following the Russian invasion in Ukraine and the sanctions imposed on Russia, the European Union has faced an increased risk of disruptive, state-sponsored cyber-attacks towards critical (financial markets) infrastructure and institutions. Additionally, some of the cyber-attacks (e.g. DDoS and password spraying) targeting KBC Bank Group entities can be attributed to pro-Russian hacker groups. Currently, this risk is further elevated due to the escalating conflict in Iran, which has coincided with heightened cyber activity by state-aligned and proxy threat actors targeting European infrastructure. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*". As at the date of this Base Prospectus, there has been relatively limited impact on the targeted KBC Bank Group entities and their clients.

Technological developments, in particular advances in artificial intelligence, including generative and predictive models such as Mythos, have increased and may further increase the frequency, scale and sophistication of cyber-attacks, fraud, social engineering, deepfakes, disinformation and other malicious activities targeting the KBC Bank Group, its clients, counterparties and service providers.

The Issuers as well as the KBC Bank Group's local entities remain vigilant, with constant monitoring procedures in place. These consist of mature internal controls, strong detection mechanisms, swift management response and comprehensive insurance policies to mitigate possible financial impacts caused by potential cyberattacks. Furthermore, the Issuers combine cyber threat intelligence with findings from several cyber risk identification exercises (such as ethical hacks and targeted employee training and awareness programmes) to proactively identify, assess and understand cyber risks. This is aimed at enhancing the KBC Bank Group's ability to defend against and respond to cyber threats effectively, but may not fully protect it against all cyber-related risks.

The KBC Bank Group may, in particular, face challenges in keeping up with the rapidly evolving threat landscape, where new vulnerabilities and attack vectors continuously emerge. These could lead to significant financial losses and operational disruptions for the KBC Bank Group, for example due to outages of ATMs or its mobile banking applications. Any such operational impact may also have an adverse impact on the KBC Bank Group's reputation and competitiveness.

Third-party and outsourcing risk

Outsourcing risk is a specific form of third-party risk and pertains to the risk stemming from problems regarding the continuity, integrity and/or quality of the activities outsourced to or partnered with third parties (within or outside the KBC Bank Group), or from the equipment or staff made available by these third parties. Outsourcing is a specific subset of third-party arrangements, where the service provider performs tasks that would otherwise be carried out by the institution itself.

Regulatory frameworks such as the EBA Guidelines on Outsourcing and Third-Party Risk Management provide comprehensive governance expectations, including requirements on risk-based decision making, board level accountability and full lifecycle oversight of outsourcing relationships.

To ensure robust management of its third-party and outsourcing processes and risks, the KBC Bank Group has defined one single group wide approach which comprises a group wide DORA aligned Third-Party Risk Management ("**TPRM**") policy. This policy sets out the principles and strategy for third-party activities and standardises the approach to be followed whenever the transfer of an activity or function to a third party is considered.

Contracting external service providers (with Microsoft currently being an important provider to the KBC Bank Group) as well as intra-group outsourcing, is an enabler for the KBC Bank Group's operational activities. Therefore, it is important for the KBC Bank Group to remain vigilant about outsourcing and third-party risks. Furthermore, in light of the digital transformation trends, a lot of attention is given to the mitigation of these increasing risks. While data breaches at the side of third-party providers (if any) are investigated, analysed and managed as per processes and while procedures are in place to ensure that the KBC Bank Group continues to take adequate preventive and detective measures, any such measures might prove to be inadequate with a potential material adverse impact on the KBC Bank Group's operations. In this respect, please also refer to the risk factor entitled "*Information (security) risk*".

Model risk

Model risk is the potential loss which an institution may incur due to errors in the development, implementation or use of models, which can lead to incorrect decision-making based on these models.

The KBC Bank Group's data-driven strategy is underpinned by an expanding set of mathematical, statistical and numerical (AI) models to support decision-making, measure and manage risk, manage businesses and streamline processes. As the use of these models increases, so does the importance of recognising, understanding and mitigating risks related to the design, implementation or use of these models, in order to protect both the KBC Bank Group and its clients. Through the KBC Bank Group's model risk management standards, a framework is established that allows model risk to be identified, understood and managed, but it is possible that the KBC Bank Group will become subject to risks which are not (yet) covered by this framework.

Where these risks materialise, post-model adjustments might need to be recognised in addition to the expected credit loss provisions produced by the models. In this context, geopolitical risks continue to limit the ability of the KBC Bank Group's credit models to adequately reflect all the consequences of the resulting economic conditions. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

Business continuity risk (including crisis management)

Business continuity risk is the risk that business activities cannot be continued at an acceptable pre-defined level resulting from the inability of the organisation to plan for and respond to serious (business) disruptions, crises or disasters.

The Issuers have business continuity plans in place aimed at ensuring availability of critical services, including a crisis management plan. The latter includes both crisis prevention (i.e., reducing the probability of a crisis) and crisis response (i.e., effectively and efficiently handling a crisis (if any)). Despite these continuity plans, uninterrupted business continuity cannot be assured and this may adversely impact the KBC Bank Group's operations.

Other operational risks

In addition to the Issuers' key operational risks described above, the KBC Bank Group is also exposed to the following operational risks which need to be followed-up and managed:

- Process risk: The risk of adverse consequences caused by insufficient, badly designed or poorly implemented processes and processing controls and unintentional human errors or omissions during normal (transaction) processing.

- M&A risk: M&A risk refers to the possibility that acquired businesses or assets may not perform or be integrated as planned, which could result in difficulties achieving the anticipated synergies, cost savings and/or strategic benefits from the relevant acquisition. There may furthermore be an adverse impact related to the execution of such transactions. Any such risks may impact the KBC Bank Group's

operations and financial position. The acquisition could furthermore have an impact on the KBC Bank Group's capital position. By way of example, in 2025 the KBC Group announced the acquisition of a 98.45% stake in 365.bank, a commercial bank based in Slovakia, which was finalised in January 2026. In addition, in October 2025, the KBC Group reached an agreement to acquire Business Lease in the Czech Republic and Slovakia, intended to enable the KBC Group to significantly expand its leasing activities in Central Europe and strengthen its market position in both countries. This acquisition was finalised on 10 February 2026. Within these contexts, M&A and acquisition risk may materialise. In this respect, please also refer to the section "*Activities in Central and Eastern Europe*" in the section "*Information relating to the Issuer*".

- Fraud risk: The risk of deliberate abuse of procedures, systems, assets, products and/or services by one or more persons who intend to deceitfully or unlawfully benefit themselves or others. In this respect, please also refer to the risk factor entitled "*Compliance risk*".

- Legal risk: The risk of adverse consequences caused by a failure by the KBC Bank Group to comply with legal or regulatory requirements or contractual obligations towards clients or third parties or by a failure to properly manage the KBC Bank Group's disputes. In this respect, please also refer to the risk factor entitled "*Risks resulting from regulatory and supervisory supervision*".

- Personal and physical security risk: The risk of adverse consequences arising from damage to physical assets, from acts inconsistent with employment, health or safety laws or agreements, from personal injury claims or from diversity and discrimination events.

For more background information, please refer to the section entitled "*Risk management*" in the section entitled "*Information relating to the Issuers*" and the KBC Bank Group's risk management approach set out on pages 37 to 63 of the KBC Bank's 2025 annual report, in particular the section entitled "*Operational risk*" on pages 59 to 60, which is incorporated by reference into this Base Prospectus.

Liquidity risk (low risk)

Liquidity risk is the risk that an institution does not have the means to meet its liabilities as they become due and consequently runs the risk of defaulting on its obligations unless it can attract new funds (which has a cost component) or can quickly liquidate assets in the market (thus running the risk of negatively influencing the market). This problem intensifies when an institution is faced with, for instance, sudden increased withdrawals of funds or when funding lines are cut.

Regulation (EU) No 575/2013, as amended by Regulation (EU) No 2019/879 (CRR II) and Regulation (EU) No 2024/1623 (CRR III) (together, the "**CRR**") requires the KBC Bank Group to meet targets set for the Basel III liquidity related ratios, i.e., (i) the LCR, which requires banks to hold sufficient unencumbered high quality liquid assets to withstand a 30-day stressed funding scenario and (ii) the NSFR, which is calculated as the ratio of an institution's amount of available stable funding to its amount of required stable funding. As at 31 December 2025, the LCR amounted to 159% and the NSFR to 138%, both above the regulatory minimum of 100% (at 30 June 2026 the LCR amounted to 158% and the NSFR amounted to 133%).

Any failure of the KBC Bank Group to meet the liquidity ratios could result in administrative actions or sanctions or the KBC Bank Group ultimately being subject to any resolution action, all of which could have a material adverse impact on the KBC Bank Group. In this respect, please also refer to the risk factor entitled *"Risks resulting from regulatory and supervisory supervision"*.

The liquidity risk to which the KBC Bank Group is exposed can be sub-divided into contingency liquidity risk, structural liquidity risk and day-to-day liquidity risk:

- Contingency liquidity risk is the risk that arises when the KBC Bank Group may not be able to attract additional funds or replace maturing liabilities under stressed market conditions. This risk, assessed based on liquidity stress tests, relates to changes to the liquidity buffer of the KBC Bank Group under extreme stressed scenarios.

- Structural liquidity risk is the risk that arises when the KBC Bank Group's long-term assets and liabilities might not be (re)financed in a timely manner or can only be refinanced at a higher-than-expected cost. As is typical for banking operations, funding sources generally have a shorter maturity than the assets that are funded, leading to a negative net liquidity gap in the shorter-term buckets and a positive net liquidity gap in the longer-term buckets. This creates liquidity risk if the KBC Bank Group would be unable to renew maturing short-term funding.

- Day-to-day liquidity risk is the risk occurring when the KBC Bank Group's operational liquidity management cannot ensure that a sufficient buffer is available at all times to deal with extreme liquidity events where no wholesale funding can be rolled over.

The above risks are exacerbated by changes in central bank policies and increased market volatility. In particular, an escalation of geopolitical risks could result in unpredictable changes in the market and unprecedented client behaviour, which may limit the KBC Bank Group's possibilities to meet its obligations. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

For more background information on how these risks are managed, please also refer to the section entitled "*Risk management*" in the section entitled "*Information relating to the Issuers*" and the KBC Bank Group's risk management approach set out on pages 37 to 63 of the KBC Bank's 2025 annual report, in particular the section entitled "*Liquidity risk*" on pages 55 to 56, which is incorporated by reference into this Base Prospectus.

Market risk in trading activities (low risk)

Market risk relates to changes in the level or in the volatility of prices in financial markets. Market risk in trading activities is the potential negative deviation from the expected value of a financial instrument (or portfolio of instruments) in the trading book due to changing interest rates, exchange rates, equity or commodity prices.

The KBC Bank Group's trading activities are conducted through dealing rooms in Belgium, the Czech Republic, Slovakia, Bulgaria and Hungary, as well as through a limited sales-desk-only presence in the United Kingdom and Asia. Trading activities are managed centrally from both a business and a risk management perspective. As a result, wherever possible and practical, residual trading positions (and the associated market risk) of the KBC Bank Group's foreign entities are systematically transferred to the Issuers. Consequently, as at the date of this Base Prospectus, the Issuers hold approximately 97% of the KBC Bank Group's trading-book-related regulatory capital.

Market risk is predominantly measured using the Value-at-Risk (VaR) model which is defined as an estimate of the amount of economic value that might be lost on a given portfolio over a defined holding period, with a specified confidence level. The measurement only takes account of the market risk of the current portfolio and does not attempt to capture possible losses driven by counterparty or operational aspects. Therefore, the Issuers apply the Historical Value-at-Risk ("**HVaR**") method, which uses the actual market performance to simulate how the market could develop going forward (and thus does not rely on assumptions regarding the distribution of price fluctuations or correlations). The KBC Bank Group HVaR methodology for regulatory capital calculations is based on a 10-day holding period, with historical data going back 500 working days. As at 31 December 2025, the KBC Bank Group's HVaR amounted to EUR 4 million, and varied between EUR 2 million and EUR 6 million during the financial year ending 31 December 2025.

Market risk in trading activities could be exacerbated by geopolitical turmoil which causes volatility in the financial markets. In this respect, please also refer to the risk factor entitled "*Geopolitical risks*".

Reputational risk (low risk)

Reputational risk is the risk arising from the loss of confidence in, or negative perception of, a company by stakeholders (such as the KBC Bank Group's employees and representatives, clients and non-clients, shareholders, investors, financial analysts, rating agencies and the local community in which it operates), whether accurate or not, that can adversely affect its ability to maintain existing, or establish new, business and client relationships, and to have continued access to sources of funding.

To manage reputational risk, the KBC Bank Group aims to achieve sustainable and profitable growth. It seeks to fulfil its role in society and the local economy in a way that benefits all stakeholders.

In this respect, the credit ratings of the Issuers are important to maintain access to key markets and trading counterparties. Please also refer to the section entitled "*Credit ratings*" in the section entitled "*Information relating to the Issuers*" for an overview of the current credit ratings.

Any failure by the KBC Bank Group to maintain its credit ratings could adversely impact the competitive position of the KBC Bank Group, making it more difficult to enter into hedging transactions, leading to increased borrowing costs or limiting access to the capital markets or the ability of the KBC Bank Group to engage in funding transactions. In connection with certain trading agreements, the KBC Bank Group might also be required, if its current ratings are not maintained, to provide additional collateral. As at the date of this Base Prospectus, no negative outlook is mentioned by any of the rating agencies, though these ratings cannot be guaranteed for the future.

Reputation is deemed a vital element for the performance of the KBC Bank Group. Notwithstanding pro-active risk management efforts, rapidly spreading misinformation or negative perceptions can still severely damage or even destroy the KBC Bank Group's reputation. New digital communication channels and social media amplify this risk.

Capital adequacy (low risk)

The KBC Bank Group is currently subject to the capital requirements and capital adequacy ratios imposed by Directive (EU) No 2013/36 ("**CRD IV**", as amended by Directives (EU) No 2019/878 (CRD V) and (EU) No 2024/1619 (CRD VI), the "**CRD**") and the CRR.

The Basel standards are implemented in the EU through the CRR/CRD framework, as amended from time to time. When new requirements are implemented, a transitional period may be allowed during which these rules are gradually phased in. As at the date of this Base Prospectus, the Issuers make use of the Basel IV transitional measures. These measures include a five-year implementation period for the output floor (2025–2030), which limits the benefit of internal risk models by requiring banks to hold capital based on at least 72.5% of standardised risk-weighted assets. Additional EU-specific transitional arrangements – such as the delayed application of stricter rules for unrated corporates – extend the full impact until 2033.

In addition to the official transitional solvency ratios, the KBC Bank Group also reports 'fully loaded' figures, assuming the full application of all regulatory rules, without any transitional relief. In the figures below, relating to the year ended 31 December 2025, 'fully loaded' is to be understood as 'unfloored fully loaded', which means no transitional relief except for the output floor (expected to become a constraint only as from 2033 onwards).

The CRD imposes capital requirements that are in addition to the Common Equity Tier 1 capital requirement (5.27% as at 31 December 2025 and 5.28% fully loaded reflecting all future changes). This combined buffer requirement includes a capital conservation buffer (2.50% as at 31 December 2025), a buffer for other systemically important banks (1.50% as at 31 December 2025), a countercyclical buffer in times of credit growth (1.17% as at 31 December 2025 and 1.28% fully loaded reflecting all future changes) and a systemic risk buffer (0.10% as at 31 December 2025 and 0.00% fully loaded reflecting all future changes) set as an additional loss absorbency buffer to prevent and mitigate non-cyclical system or macro prudential risk not covered in CRD. These additional requirements have an impact on the KBC Bank Group and its operations, as they impose higher capital requirements. In addition, capital requirements could increase if economic conditions or trends in the financial markets worsen and, as such, capital increases may be difficult to achieve or only be raised at high costs in the context of adverse market circumstances.

The Issuers are also subject to Directive (EU) No 2014/59 (the "**BRRD**"), as implemented in the Belgian law of 25 April 2014 on the legal status and supervision of credit institutions, which imposes, among other things, minimum requirements for own funds and eligible liabilities ("**MREL**"). The Issuers need to hold a certain amount of MREL instruments compared to their risk-weighted assets ("**RWA**") (MREL in % of RWA) and vs. the size of their balance sheet (MREL in % of leverage ratio exposure). The nominal amount of required MREL instruments therefore fluctuates with changes in RWA or leverage ratio exposure, or because resolution authorities impose different MREL targets on institutions. Finally, MREL instruments have a maturity date.

This all implies that the Issuers have a continuous need to issue MREL instruments in order to maintain compliance with regulatory requirements in this respect. In this respect, the Issuers will be subject to market volatility and demand.

Please refer to the section entitled "*Banking supervision and regulation*" in the section entitled "*Information relating to the Issuers*" in which a broader overview of the capital adequacy requirements is provided.

2. Risk factors relating to the Warrants

Capitalised terms used in this section will have the meanings ascribed to them in the Warrant Conditions.

2.1. Risks relating to the nature of the Warrants

Warrants track the value of the Underlying and the investors must be prepared to sustain a total loss of their invested amounts – high risk

The repayment of any amount invested in Warrants and any return on investment is variable and not guaranteed. Warrants may offer the potential for higher returns, but they also involve a greater risk of loss of capital. Warrant Holders may lose their entire investment if the Underlying does not perform as anticipated, as the Warrants track the value of the Underlying.

In addition, due to a leverage effect (see the section entitled *"The value and Trading Price of the Warrants are* affected *by various factors and any of these factors can have a significant adverse effect on the price or value of the Warrants"*, indent *"leverage effect"* below), fluctuations or the non-occurrence of anticipated fluctuations in the Value of the Underlying, may have a disproportionate impact on the Warrant Value. As a result, under certain circumstances, the Warrant Value may be significantly adversely affected or may fall to zero, resulting the Warrant Holders losing the entire amount invested. Investors in the Warrants would then lose all of their invested amounts.

An investment in Warrants is distinct from an investment in the Underlying. Before the Warrants are exercised, a Warrant Holder does not have the rights that a holder of the Underlying may have (such as voting rights and rights to receive dividends).

The Warrants are not covered by the Belgian deposit protection scheme.

A Warrant is a derivative and the value of and return on investment in the Warrants is subject to significant fluctuations – high risk

A Warrant constitutes a contractual claim (*schuldvordering/créance*) against the Issuer which, other factors held constant, tends to decline in value over time and which becomes worthless if it cannot be Exercised prior to its expiry. Prospective Warrant Holders should be experienced with respect to options and option transactions and should understand the risks of transactions involving the relevant Warrants on the basis of this Base Prospectus.

The risk of loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realize a return upon its investment, a Warrant Holder must be correct about the direction, timing and magnitude of an anticipated change in the Value of the Underlying. Assuming all other factors are held constant, the more a Warrant is 'out-of-the-money' (meaning that the Value of the Underlying that can be acquired upon Exercise of the Warrant is below the Exercise Price of the Warrant) and the shorter its remaining term to expiration, the greater the risk that holder of such Warrants will lose all or part of its investment.

In addition, Warrant Holders should consider that the return on the investment in Warrants is reduced by the costs in connection with the purchase, Exercise and/or Sale of the Warrants.

The value of the Warrants is affected by various factors and any of these factors can have a significant adverse effect on the price or value of the Warrants - high risk

The difference between the Value of the Underlying that can be acquired upon Exercise of the Warrant and the Exercise Price (such difference constituting the Intrinsic Value of the Warrant) at any time prior to the Expiration Date is typically expected to be less than the valuation of the Warrant at such time. The difference between the Intrinsic Value and the valuation will reflect, among other things, the Time Value of a Warrant, which reflects the upward potential of the Value of the Underlying before the end of the Exercise Period. The

Time Value of a Warrant will depend partly upon the length of the Exercise Period remaining to Expiration Date (as well as on certain of the other factors affecting the Warrant Value mentioned below).

Pursuant to what is set out above, at any time a Warrant Holder intends to Exercise or Sell a Warrant, it will be exposed to the following valuation and pricing factors : (i) the Value and volatility of the Underlying; (ii) the time remaining to the Expiration Date; (iii) the components of the Underlying; (iv) the dividends of the components of the Underlying; (v) any change in interest rates (if applicable); (vi) any change in currency exchange rates (if applicable); (vii) the depth of the market or liquidity of the Underlying and (viii) any related transaction costs. As a result of such factors, the price at which Warrant Holder may be able to Sell a Warrant prior to its Expiration Date may be less than the initial amount invested in the Warrant. Each of these factors interrelates in complex ways (for example, one factor may offset an increase in trading value of the Warrant caused by another factor).

Investors are at risk that the Warrant Value may be adversely affected by one or more of the following factors:

- *Fluctuations in Value of the Underlying:* Fluctuations in Value of the Underlying may affect the Warrant Value. The Value of the Underlying may vary over time and may increase or decrease by reference to a variety of factors which may include corporate actions, macro-economic factors and speculation.
- *Volatility of the Underlyin*g: If the size and frequency of market fluctuations of the Underlying decreases, the Warrant Value would likely decrease.
- *Time remaining to the Expiration Date:* The Warrants may be valued at a price above that which would be expected based on the level of the Value of the Underlying. Any such difference will reflect the Time value resulting from the length of the Exercise Period remaining prior to the Expiration Date. An investor in the Warrants should be aware of the risk that, as the time remaining to the Expiration Date of the Warrants decreases, the Time Value would likely decrease, which would adversely affect the value of the Warrants. If all other circumstances remain equal, the Warrant Value will in principle be decreasing over time.
- *Interest rates:* Changes in interest rates will have a direct impact on the *Time Value* of the Warrants and hence have an impact on the Warrant Value. Changes in interest rates may also affect the economy of a country in which the Underlying is traded, which may adversely affect the Warrant Value.
- *Dividend rates:* Changes in dividend or other distribution rates on the Underlying may adversely affect the trading price of the Warrants.
- *Repo rates:* An investor in the Warrants is subject to the risk that changes in the repo rates may adversely affect the trading price of the Warrants. Changes in the repo rate may affect the value of the Warrants because they influence the expected cost or benefit of holding and financing the hedge position in the Underlying throughout the life of the Warrants. As a result, a change in the repo rate may affect the value of the Warrants even where all other valuation parameters remain unchanged. The repo rate is a specific element of the interest rate as it reflects the financing conditions applicable to the Underlying itself (in particular the cost or benefit of borrowing or lending the Underlying).
- *Currency rates*: Rising quoted currency rates may lower the Warrant Value. Changes in currency rates may also affect the economy of a country in which the underlying is traded, and which may adversely affect the Warrant Value.
- *Leverage effect*: The relatively lower investment required to obtain a Warrant (compared to a direct investment in the relevant Underlying) may allow the Warrant Holder, for the same investment amount, to invest in a relatively higher number of Warrants. Although the price of a Warrant would usually be expected to move in line with the price of the Underlying, an investment of an equal amount in Warrants, compared to a direct investment in the Underlying, may result in larger gains if the price of the Underlying increases, but also larger losses if such price decreases.

The value of the Underlying may rapidly and/or significantly vary, and this could have a significant adverse effect on the value or price of the Warrants - high risk

As part of the valuation mechanism, Warrants may specify a Valuation Time and an Exchange and Related Exchange in which the Value of the Underlying is to be observed. Depending on how the Value of the Underlying is calculated, the Value of such Underlying may fluctuate throughout the Scheduled Trading Day and may change rapidly. As a result, the return on any Warrants may be particularly sensitive to the choice of Valuation Times and valuation methods. The mechanism used to ascertain the Value of the Underlying at any given time on Exchanges or other venues may not be uniform throughout the trading day. This may affect the Warrant Value. For example, Exchanges may conduct auctions to set an opening or closing price, and trading characteristics and participants in after-hours trading sessions may differ from those during regular hour sessions.

Warrant Holders may be required to absorb losses in the event the relevant Issuer becomes non-viable or fails – medium/low risk

Warrant Holders may lose their investment in case the Issuer becomes non-viable or fails. In such circumstances and aside from parts of the Issuer that can still go through ordinary insolvency proceedings, resolution authorities may require senior debt instruments to be bailed-in, including (without limitation) the Warrants issued prior to the date of this Base Prospectus.

In order to safeguard financial stability and minimize taxpayers' exposure to losses, Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended ("**BRRD**"), as transposed into Belgian law by the Law of 25 April 2014 on the status and supervision of credit institutions (the "**Banking Law**"), and any other law or regulation relating to the transposition of Directive 2014/59/EU under Belgian law, includes a "bail-in" power in relation to unsecured debt (including the Warrants) and a statutory "write-down and conversion power" in relation to regulatory capital instruments. These powers allow resolution authorities to write down the claims of unsecured creditors (including the rights of Warrant Holders) of a failing institution in order to recapitalize the institution by allocating losses to its shareholders and unsecured creditors, or to convert debt into equity, as a means of restoring the institution's capital position.

The bail-in power includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the relevant financial institution and the power to convert a liability from one form to another, all with a view to recapitalizing the failing credit institution.

The Resolution Authority (which for the KBC Bank Group means the EU Single Resolution Board together with the resolution committee of the NBB) has the power to bail-in (i.e. write down or convert) senior debt such as the Warrants, after having written down or converted Tier 1 capital instruments and Tier 2 capital instruments and/or dedicated MREL debt instruments.

The bail-in power enables the Resolution Authority to recapitalize a failed institution by allocating losses to its shareholders and unsecured creditors (including holders of the Warrants) in a manner which is consistent with the hierarchy of claims in an insolvency of a relevant financial institution. BRRD contains certain safeguards which provide that shareholders and creditors that are subject to any write down or conversion should, in principle, not incur greater losses than they would have incurred had the relevant financial institution been wound up under ordinary insolvency proceedings.

Potential investors in the Warrants should consider the risk that a Warrant Holder may lose all of the invested amounts if such statutory loss absorption measures are acted upon or that the Warrants may be converted into ordinary shares of the Issuer.

Warrant Holders may have limited rights or no rights to challenge any decision to exercise such powers or to have that decision reviewed by a judicial or administrative process or otherwise.

Warrants are unsecured obligations and Warrant Holders are exposed to credit risk against the relevant Issuer - medium/low risk

The Warrants are direct, unconditional, unsecured and unsubordinated obligations of the relevant Issuer and will rank pari passu with all present and future unsecured and unsubordinated obligations of the Issuer, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, any currency of payment or otherwise, except for obligations given priority by the applicable law.

The Warrants will not be secured by the Underlying to which such Warrant is linked. The Warrant Holder will not have recourse to any Underlying or any other security/collateral if the relevant Issuer does not perform its obligations under the Warrants.

The Warrant Holder bears the risk that the financial situation of the relevant Issuer declines or that insolvency or bankruptcy proceedings are instituted against the Issuer and that as a result the Issuer cannot fulfil its obligations under the Warrants (the Issuer's credit risk). If the relevant Issuer were insolvent or defaulted on its obligations under the Warrants, in the worst-case scenario, investors in the Warrants could lose all of their invested amounts.

The Warrants may not be a suitable hedging instrument against the market risk associated with the Underlying - low/medium risk

Investors intending to invest in the Warrants to hedge against the market risk associated with investing in an Underlying should recognize that there is a risk that the Warrant Value may not exactly correlate with the Value of the related Underlying.

This is, in part, due to fluctuating supply of and demand for the Warrants, and any transaction costs, and other costs reflected in the Warrant Value. For these reasons, among others, it may not be possible to purchase or Exercise Warrants at the prices calculated on the basis of the Value of any Underlying to which such Warrant relates. Accordingly, investors who invest in Warrants as a means of hedging may be exposed to risks arising out of such differences in value.

The Warrants are not debt securities and do not pay any interest - low risk

The terms of the Warrants differ from those of ordinary debt securities. The Warrants do not entitle the Warrant Holder to receive a coupon payment or dividend yield. Accordingly, the Warrants do not provide a regular source of income, and any losses arising from an investment in the Warrants cannot be offset by income generated by the Warrants.

A Warrant which is not Exercised prior to or on the Expiration Date by the Warrant Holder, will become void and expire worthless - low risk

Prior to the Expiration Date, a Warrant grants the Warrant Holder a right to (i) Exercise of the Warrant, or (ii) offer for Sale of the Warrant to the Issuer, in accordance with Warrant Conditions. In case the Warrant Holder would not Exercise the Warrants to acquire an Entitlement at a predetermined Exercise Price during a predetermined Exercise Period or would not exercise its right to offer for Sale of the Warrant to the Issuer prior to or on the Expiration Date, the Warrants will become void and expire worthless.

The Warrant Holders may be bound by certain determinations and calculations made by the relevant Issuer or an Agent's discretion - low risk

Certain determinations and calculations under the Programme and the Warrant Conditions will be made by any of the Issuers, the Warrant Agent or the Calculation Agent acting in good faith. Accordingly, the Warrant Holder is subject to the risk that such determinations and calculations under the Warrants are determined by the Issuer or any of its Affiliates. In other words, Warrant Holders are subject to the risk that such determinations and calculations are made by a party whose interests do not align with theirs. The foregoing is

without prejudice to the rights Warrant Holders would have under applicable law, including under Article VI.83 of the Code of Economic Law.

This risk is mitigated by a number of safeguards. First, all calculations must be carried out as per the terms and conditions, which in themselves limit the Calculation Agent's discretion. Secondly, the terms and conditions require the Calculation Agent to act in good faith. Finally, and more generally, the relevant Issuer, the Warrant Agent and the Calculation Agent are subject to the applicable legal and regulatory requirements when making such determinations and calculations, which include Belgian contract law, any conduct-of-business rules that apply to them and all applicable consumer protection rules.

Furthermore, if a Potential Adjustment Event, De-listing, Merger Event, Nationalisation, Insolvency or, if Tender Offer is specified as applying in the Applicable Final Terms in respect of a particular Series of Warrants, a Tender Offer, occurs, prospective purchasers should note that the Warrants may be subject to either (i) adjustment by the Calculation Agent; or (ii) in the case of a De-listing, Merger Event, Nationalisation, Insolvency or Tender Offer, the Issuer may also cancel the Warrants as provided in the Warrant Conditions.

Trading or hedging transactions by the Issuers may have an adverse effect on the price of the Warrants - low risk

The Issuers may, in the course of their normal business activities, engage in trading in the Underlying. In addition, the Issuers may conclude transactions in order to hedge themselves partially or completely against the risks associated with the issue of the Warrants. These activities of the Issuers may have an influence on the market price of the Warrants. A possible negative impact of the conclusion or dissolution of these transactions on the Warrant Value cannot be excluded.

The Issue Price may include commissions and costs, a Warrant Holder may not be able to sell its Warrants to the Issuer at a price higher than the Issue Price - low risk

The original Issue Price of the Warrants may include certain commissions or fees charged by the Issuers and/or the Dealer(s). Accordingly, there is a risk that upon issue, the price, if any, at which the Issuers, the Dealer(s) or their Affiliates would be willing to repurchase Warrants from the Warrant Holder would be lower than the original Issue Price or the market price or quoted level of the Underlying.

In the event of a Market Disruption Event, the calculation of the Underlying may be postponed or adjusted - low risk

Investors in the Warrants are subject to the risk that a Market Disruption Event will occur. A Market Disruption Event may occur in respect of a listed Underlying if, in respect of a relevant stock exchange or as determined by the Calculation Agent: there is an early closure without notice; limitations are imposed on trading; trading is suspended; or market participants are prevented from obtaining valuations or effecting transactions. If the Calculation Agent determines that a Market Disruption Event has occurred, any consequential postponement of or adjustment of valuation provided in any Underlying may have an adverse effect on the Warrant Value.

In the event of a Settlement Disruption Event, the delivery of the Underlying may be postponed or replaced by a cash settlement - low risk

If, following the Exercise of a Warrant, a Settlement Disruption Event occurs or exists on the Delivery Date of the Underlying, delivery of the Underlying will be postponed until the third Business Day following the date on which no Settlement Disruption Event occurs.

The relevant Issuer may in these circumstances also have the right to pay the Disruption Cash Settlement Price in lieu of delivering the Underlying.

The Value of the Underlying may fluctuate during the period the Settlement Disruption Event continues and hence the investor in the Warrant is exposed that the Value of the Underlying during such period decreases.

It may be impossible to deliver the Underlying - low risk

If Failure to Deliver is specified as applying in the Applicable Final Terms and, following the Exercise of relevant Warrant(s), the Calculation Agent establishes it is impossible to deliver, when due, some or all of the Underlying(s) comprising the Entitlement (the "**Affected Underlyings**"), then

(i) the relevant Issuer will only deliver any Underlyings which are not Affected Underlyings and the Calculation Agent shall determine the Actual Exercise Price to be paid by the relevant Warrant Holder(s) in respect of that partial delivery; and

(ii) in respect of any Affected Underlyings, *in lieu of* physical delivery, the relevant Issuer will satisfy its obligations by payment to the relevant Warrant Holder(s) of the Failure to Deliver Settlement Price.

Additional Disruption Event – low risk

The relevant Issuer may specify in the Final Terms any of the following Additional Disruption Events: "Change in Law", "Hedging Disruption", "Increased Cost of Hedging", "Increased Cost of Stock Borrow", "Loss of Stock Borrow", "Insolvency Filing", "ETF Cross-contamination" (in the case of ETF Linked Warrants), "ETF Insolvency Event" (in the case of ETF Linked Warrants), "ETF Modification" (in the case of ETF Linked Warrants), "ETF Regulatory Action" (in the case of ETF Linked Warrants), and/or "ETF Strategy Breach" (in the case of ETF Linked Warrants) as an Additional Disruption Event.

Warrant Holders should note that Additional Disruption Events may occur in relation to the relevant Warrants in certain circumstances described in the Warrant Conditions. If an Additional Disruption Event occurs, the Issuers may take the action described in (i) or (ii) below:

(i) *in the first instance*, require the Calculation Agent to determine the appropriate adjustment, if any, to be made to one or more of the Entitlement and/or the Exercise Price and/or the Actual Exercise Price and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) *if the adjustment under (i) would not reasonably result in a repair of the contractual equilibrium (in line with the initially agreed terms of the Warrants)*, cancel the Warrants and pay an amount to each Warrant Holder based on the Fair Market Value of a Warrant taking into account the Additional Disruption Event, as the case may be, plus, if already paid, the Actual Exercise Price, the Exercise Cost and the Exercise Expenses, all as determined by the Calculation Agent.

In such case the Warrant Holders may suffer a loss of some or all of their investment and may forgo any appreciation in the Underlying that may occur following such Additional Disruption Event.

To the extent that the Warrant Holder is a Consumer, any adjustment pursuant to Warrant Condition (20) may not relate to an essential feature of the Warrants, unless: (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuers, (b) any such adjustment does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuers do not charge costs to the Warrant Holder for any such adjustment. "Hedging Disruption", "Increased Cost of Hedging", "Increased Cost of Stock Borrow" and/or "Loss of Stock Borrow" are Additional Disruption Events that will not be applicable to the extent that the Warrant Holder is a Consumer.

Tax laws of the investors' jurisdiction and of the Issuer's jurisdiction may have an impact on the value and liquidity of and return on the Warrants – low risk

Withholding tax, income and capital gains tax, tax on stock exchange transactions, annual tax on securities accounts, financial transaction taxes and other present and future taxes imposed in the investor's or the Issuer's jurisdiction may affect the value and liquidity of and return on the Warrants. See Section "TAXATION" on page 152 for an overview of certain Belgian tax aspects relating to the Warrants (but note that such overview is not exhaustive and does not cover tax aspects of any other jurisdiction).

2.2. **Risks related to the Underlying**

Exposure to the Underlying - medium risk

Following Exercise of the Warrant and delivery of the Entitlement, the Warrant Holder will be directly exposed to any fluctuation in the Value of the Underlying. Furthermore, in order to obtain any cash (return) from its investment following the Exercise of the Warrant, the investor will need to be able to sell the Underlying in the open market, in which case it will be exposed to any illiquidity in the market for the Underlying. Furthermore, the investor will need to bear any costs, expenses and/or taxes that would be incurred in respect of the sale of such Underlying and will hence be exposed to the risk that its return will be lower than its initial investment in the Warrant, or bear the risk that it will lose its entire investment.

Potential conflicts of interest - low risk

The Issuers (or their Affiliates) may also engage in trading activities (including hedging activities) related to the Underlying and other instruments or derivative products based on or related to the Underlying for their proprietary accounts or for other accounts under their management. The Issuers may also issue other derivative instruments in respect of the Underlying. The Issuer may also act as underwriter in connection with future offerings of the Underlying or other securities related to the Underlying or may act as financial adviser to certain companies or in a commercial banking capacity for certain companies. Such activities could present certain conflicts of interest, could influence the prices of the Underlying or other securities referring to the Underlying and could adversely affect the value of such Warrants. In case the Calculation Agent should make determinations and calculations in respect of the Warrants, the Calculation Agent shall act at all times in good faith, but not necessarily in the interest of the Warrant Holder.

Affiliates of the Issuers may also have, or enter into, business relationships with the Underlying and may pursue actions and take steps that they deem necessary or appropriate to protect their own interests in connection with those relationships, without taking into account the consequences for a Warrant Holder. Such actions and steps may relate to the Underlying itself and could adversely affect the Value of the Underlying and, consequently, the Warrant Value.

Where the Underlying is an Underlying ETF Share, there may be divergence from its underlying share or index - low risk

Where the Warrants are linked to an ETF and the investment objective of such ETF is to track the performance of a share or index, the investors in such Warrants are exposed to the performance of such Underlying ETF Share rather than the underlying share or index such Underlying ETF Share tracks. For certain reasons, including to comply with certain tax and regulatory constraints, an ETF may not be able to track or replicate the underlying share (or any constituent thereof) or index, which could give rise to a difference between the performance of the underlying share or index and such Underlying ETF Share. Accordingly, investors who purchase Warrants that are linked to an ETF may receive a lower return than if such investors had invested in the share or the index underlying such Underlying ETF Share directly.

Action by ETF Adviser, ETF Administrator or sponsor of an ETF may adversely affect ETF Linked Warrants - low risk

Any relevant ETF Adviser, ETF Administrator or sponsor of an ETF will have no involvement in the offer and sale of the ETF Linked Warrants and will have no obligation to any investor in such Warrants. Any such ETF Adviser, ETF Administrator or sponsor of an ETF may take any actions in respect of such ETF without regard to the interests of the Warrant Holders, and any of these actions could adversely affect the market value of the Warrants.

2.3. **Risks related to the market generally**

Exchange rate risks and exchange controls - low risk

In the event of Exercising the Warrants or Selling the Warrants to the Issuers, the Warrant Holder will pay the Actual Exercise Price or the Issuers will pay the Sale Price in the specified Currency provided in the Applicable Final Terms (the "**Specified Currency**"). This presents certain risks relating to currency conversions if the Underlying is denominated principally in a currency or currency unit other than the Specified Currency (the "**Underlying Currency**"). These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Underlying Currency) and the risk that authorities with jurisdiction over the Underlying Currency may impose or modify exchange controls.

If an investor expects that the amounts payable to it under the Warrants will need to be converted into another currency of its choice, then the investor is subject to the risk that the relevant exchange rate may move adversely and reduce the value ultimately realised by the investor in its chosen currency.

Government and monetary authorities may impose exchange controls or other restrictions that can adversely affect an applicable exchange rate. As a result, the amount that investors may ultimately receive from the Issuers in the event of selling the Warrants back to the Issuers may be less than expected or zero.

Transferability of the Warrants limited - low risk
The Warrants grant the Warrant Holders a right of Exercise of the Warrants and a right to offer their Warrants for Sale to the relevant Issuer. The Warrant Holders will not be entitled to transfer their Warrants to any party other than the relevant Issuer (unless such transfer would be to successors in the context of an inheritance). Given that the relevant Issuer does not have an obligation to purchase the Warrants from a Warrant Holder, a Warrant Holder may not be able to sell its Warrants prior to the Expiration Date.

3. Risk factors relating to the Hedging Options

Capitalised terms used in this section will have the meanings ascribed to them in the Hedging Option Conditions.

3.1. **Risks relating to the nature of the Hedging Options**

Hedging Options track the Underlying and Hedging Option Holders must be prepared to sustain the total loss of their invested amounts - high risk

The repayment of any amount invested in Hedging Options and any return on investment is variable and not guaranteed (except for the Guaranteed Benefit). Hedging Options may offer the potential for higher returns, but they also involve a greater risk of loss of capital. Hedging Option Holders risk losing their entire investment, except for the Guaranteed Benefit, if the Underlying does not perform as anticipated, as the Hedging Options are linked to the price or level of the Underlying.

An investment in Hedging Options is distinct from an investment in the Underlying and does not provide the Hedging Options Holder with the rights that a holder of the Underlying may have (such as voting rights and rights to receive dividends).

The Hedging Options are not covered by the Belgian deposit protection scheme.

Hedging Options do not bear any interest.

Hedging Options represent a contractual claim against the relevant Issuer - medium/low risk

A Hedging Option constitutes a contractual claim against the Issuer. A register will be held by the Issuer (or by the Hedging Option Agent on its behalf) (the "**Hedging Options Register**") recording holdings of the Hedging Option in the name of the relevant Hedging Option Holder.

As a direct, unconditional, subordinated and unsecured obligation of the Issuer, the claim of a Hedging Option Holder will rank at all times equally with all other present and future unsecured obligations of the Issuer, without without preference based on the date of issue, currency of payment or any other factor, except where permitted by applicable law. For example, a Hedging Option Holder holding the same amount in the same Series as another Hedging Option Holder will have the same claim against the Issuer notwithstanding that the former Hedging Option Holder purchased their Hedging Options later in time than the latter.

Hedging Option Holders may be required to absorb losses in the event the relevant Issuer becomes non-viable or fails – medium/low risk

Hedging Option Holders may lose all of their investment if the relevant Issuer becomes non-viable or fails. In such circumstances, and except for any parts of the Issuer that remain subject to the ordinary insolvency proceedings, resolution authorities may require senior debt instruments to be bailed-in, including, without limitation, the Hedging Options issued prior to the date of this Base Prospectus.

In order to safeguard financial stability and minimize taxpayers' exposure to losses, BRRD, as transposed into the Banking Law, and any other law or regulation relating to the transposition of Directive 2014/59/EU under Belgian law, includes a "bail-in" power in relation to unsecured debt (including the Hedging Options) and a statutory "write-down and conversion power" in relation to regulatory capital instruments. These powers allow resolution authorities to write down the claims of unsecured creditors (including the rights of Hedging Option Holders) of a failing institution in order to recapitalize the institution by allocating losses to its shareholders and unsecured creditors, or to convert debt into equity, as a means of restoring the institution's capital position.

The bail-in power includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the relevant financial institution and the power to convert a liability from one form to another, all with a view to recapitalizing the failing credit institution.

The Resolution Authority (which for the KBC Bank Group means the EU Single Resolution Board together with the resolution committee of the NBB) has the power to bail-in (i.e. write down or convert) senior debt such as the Hedging Options, after having written down or converted Tier 1 capital instruments and Tier 2 capital instruments and/or dedicated MREL debt instruments.

The bail-in power enables the Resolution Authority to recapitalize a failed institution by allocating losses to its shareholders and unsecured creditors (including holders of the Hedging Options) in a manner which is consistent with the hierarchy of claims in an insolvency of a relevant financial institution. BRRD contains certain safeguards which provide that shareholders and creditors that are subject to any write down or conversion should in principle not incur greater losses than they would have incurred had the relevant financial institution been wound up under ordinary insolvency proceedings.

Potential investors in the Hedging Options should consider the risk that a Hedging Option Holder may lose all of the invested amounts, if such statutory loss absorption measures are acted upon or that the Hedging Options may be converted into ordinary shares of the Issuer.

Hedging Option Holders may have limited rights or no rights to challenge any decision to exercise such powers or to have that decision reviewed by a judicial or administrative process or otherwise.

Hedging Options require the Hedging Option Holder to put in place (a) BestOf Share Option Plan(s) - low risk

Investors will be required to put in place a BestOf Share Option Plan(s) to reward employees of the purchaser for their professional performance by delivering underlying shares at a certain price. The purchase is therefore subject to a risk of capital losses if the market moves away from the agreed price under the BestOf Share Option Plan.

Hedging Options may not be a perfect hedge to liabilities under the BestOf Share Option Plan(s) - low risk

The Underlying of the Hedging Options will be similar to, but may not be the same as, the underlying shares in the BestOf Share Option Plan. Accordingly, the purchaser of the Hedging Options may not have a "perfect" hedge and may remain exposed to capital losses associated with meeting its obligations in the BestOf Share Option Plan, even in the case of the Exercise of the Hedging Options.

European Style Call Option which, if not Exercised, becomes void and without value - low risk

The Hedging Options are European-style call options meaning that they will be automatically Exercised to the extent that they have an Intrinsic Value on the Expiration Date. On the Expiration Date, a Hedging Option not yet Terminated will be automatically Exercised and settled in cash to the extent that they have an Intrinsic Value.

A Hedging Option which is not automatically Exercised on the Expiration Date will become void and will cease to have any value.

Termination of Hedging Options conditional on termination or refusal of equivalent BestOf Share options - low risk

Termination of a specific number of Hedging Options will only be permitted if an identical number of BestOf Options granted by the Hedging Option Holder to its employees under its BestOf Share Option Plan have been refused or terminated.

Default by the Hedging Option Holder vis-à-vis the Issuer may result in Termination of all Series of Hedging Options held by the Hedging Option Holder - low risk

Default by the Hedging Option Holder under any agreement with the relevant Issuer, including agreement unconnected with the Hedging Options, as well as situations of changed creditworthiness of the Hedging Option Holder may result in the Termination of all Hedging Options held by the investor, regardless of which Series of Hedging Options the investor holds. The bankruptcy of the Hedging Option Holder will result automatically in the Termination of all Hedging Options held by the investor.

The Hedging Options are not debt securities and do not pay any interest - low risk

The terms of the Hedging Options differ from those of ordinary debt securities. The Hedging Options do not entitle the Hedging Option Holder to receive a coupon payment or dividend yield. Accordingly, the Hedging Options do not provide a regular source of income, and any losses arising from an investment in the Hedging Options cannot be offset by income generated by the Hedging Options.

Hedging Options are unsecured obligations and Hedging Option Holders are exposed to credit risk against the Issuer – medium/low risk

The Hedging Options are direct, unconditional, unsecured and unsubordinated obligations of the relevant Issuer and will rank pari passu with all present and future unsecured and unsubordinated obligations of the Issuer, without any preference among themselves and without any preference one above the other by reason

of priority of date of issue, any currency of payment or otherwise, except for obligations given priority by the applicable law.

The Hedging Options will not be secured by the Underlying to which such Hedging Option is linked. The Hedging Option Holder will not have recourse to any Underlying or any other security/collateral if the relevant Issuer does not perform its obligations under the Hedging Options.

The Hedging Option Holder bears the risk that the financial situation of the relevant Issuer declines or that insolvency or bankruptcy proceedings are instituted against the relevant Issuer and that as a result such Issuer cannot fulfil its obligations under the Hedging Options (the Issuer's credit risk). If the Issuer were insolvent or defaulted on its obligations under the Hedging Options, in the worst-case scenario, investors in the Hedging Options could lose all of their invested amounts.

The Hedging Option Holders may be bound by certain determinations and calculations made by the Issuer or an Agent's discretion - low risk

Certain determinations and calculations under the Programme and the Hedging Options Conditions will be made by any of the Issuers, the Hedging Option Agent or the Calculation Agent acting in good faith. Accordingly, the Hedging Option Holder is subject to the risk that such determinations and calculations under the Hedging Options are conclusively determined by the Issuer or any of its Affiliates, and the Hedging Option Holder cannot object to such calculations or determinations. In other words, Hedging Option holders are subject to the risk that such determinations and calculations are made by a party whose interests do not align with theirs.

This risk is mitigated by a number of safeguards. First, all calculations must be carried out as per the terms and conditions, which in themselves limit the Calculation Agent's discretion. Secondly, the terms and conditions require the Calculation Agent to act in good faith and in a commercially reasonable manner. Finally, and more generally, the relevant Issuer, the Hedging Option Agent and the Calculation Agent are subject to the applicable legal and regulatory requirements when making such determinations and calculations, which include Belgian contract law, any conduct-of-business rules that apply to them and all applicable consumer protection rules.

In the event of a Market Disruption Event, the calculation of the Underlying may be postponed or adjusted - low risk

If the Underlying is a listed financial instrument, the Hedging Option Holders are subject to the risk that a Market Disruption Event will occur. The Applicable Final Terms define a Market Disruption Event. Such an event could involve the suspension of or limitation imposed on trading by an Exchange of the instruments (or some of the instruments) of the Underlying.

If the relevant Issuer or the Calculation Agent determines that a Market Disruption Event has occurred, a valuation in the relevant Underlying may consequentially be postponed or adjusted which may have an adverse effect on the value of such Hedging Option.

Tax laws of the investors' jurisdiction and of the Issuer's jurisdiction may have an impact on the value and liquidity of and return on the Hedging Options - low risk

Withholding tax, income and capital gains tax, financial transaction taxes and other present and future taxes imposed in the investor's or the Issuer's jurisdiction may affect the value and liquidity of and return on the Hedging Options. See Section "TAXATION" on page 152 for an overview of certain Belgian tax aspects relating to the Hedging Options (but note that such overview is not exhaustive and does not cover tax aspects of any other jurisdiction).

3.2. **Risks related to the Underlying**

Exposure to the Underlying - medium risk

Following Exercise of the Hedging Option, the Hedging Option Holder will be directly exposed to any fluctuation in the Value of the Underlying. Furthermore, in order to cover any further outstanding obligations the investor has under its BestOf Share Option Plan(s), the investor may need to purchase further shares or conclude further option agreements in the open market, in which case it will be exposed to any illiquidity in the market and price fluctuations.

Potential conflicts of interest - low risk

The Issuers (or their Affiliates) may also engage in trading activities (including hedging activities) related to the Underlying and other instruments or derivative products based on or related to the Underlying for their proprietary accounts or for other accounts under their management. The Issuers may also issue other derivative instruments in respect of the Underlying. The Issuers may also act as underwriter in connection with future offerings of the Underlying or other securities related to the Underlying or may act as financial adviser to certain companies or in a commercial banking capacity for certain companies.

Such activities could present certain conflicts of interest, could influence the prices of the Underlying or other securities referring to the Underlying and could adversely affect the value of such Hedging Options.

In case the Calculation Agent should make determinations and calculations in respect of the Hedging Options, the Calculation Agent shall act at all times in good faith and a commercially reasonable manner, but not necessarily in the interest of the Hedging Options Holder.

Any Affiliates of the Issuers may have existing or future business relationships with the Underlying and will pursue actions and take steps that they deem necessary or appropriate to protect their interests arising therefrom without regard to the consequences for a Hedging option Holder.

3.3. **Risks related to the market generally**

Hedging Options are transferable under strict conditions only and there may not be a trading market in the Hedging Options - low risk

The Hedging Options are transferable to the Issuer or to third parties that are not BestOf Option Holders or consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law in the circumstances set out in Hedging Option Condition (10). There is no assurance that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Hedging Options.

VI. INFORMATION RELATING TO THE ISSUERS

This section provides a description of the Issuers' business activities as well as certain financial information in respect of the Issuers

1. Information relating to KBC Bank

In this section, the term "**Issuer**" refers to KBC Bank.

1.1 Corporate structure, share capital and credit ratings

General information

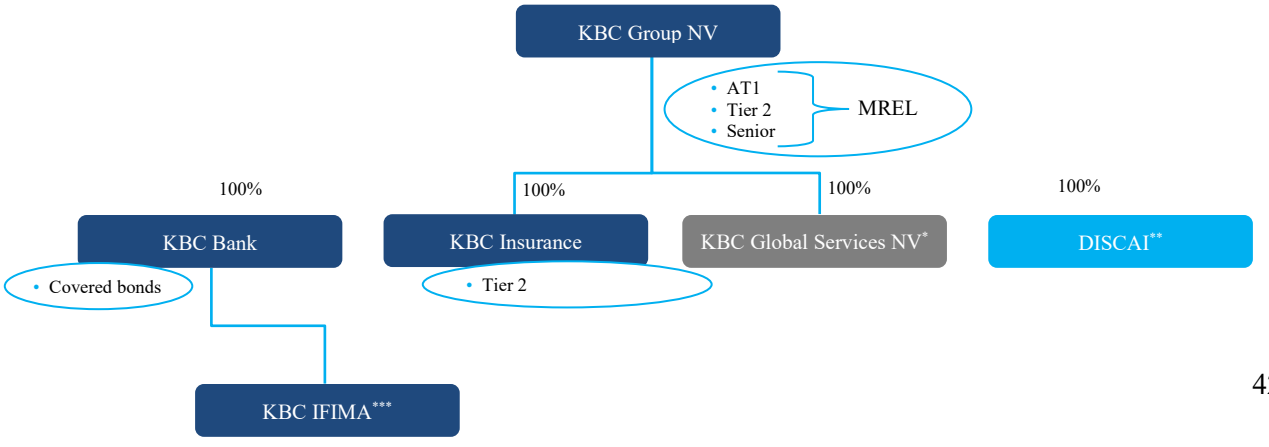
The Issuer was established in Belgium in 1998 as a bank in the form of a limited liability company (*naamloze vennootschap / société anonyme*) for an unlimited duration and operates under the laws of Belgium. The Issuer's Belgian enterprise number is 0462.920.226 and its LEI code is 6B2PBRV1FCJDMR45RZ53. The Issuer is registered in the register of legal entities (*rechtspersonenregister (RPR) / registre des personnes morales (RPM)*) of the Dutch-speaking enterprise court of Brussels. The Issuer's registered office is at Havenlaan 2, B-1080 Brussels, Belgium, its telephone number is +32 (0) 78 152 153 and its website is www.kbc.com. Unless expressly incorporated by reference into this Base Prospectus, the information on the Issuer's website does not form part, and is not incorporated by reference into, this Base Prospectus (see the section "*DOCUMENTS INCORPORATED BY REFERENCE*" of this Base Prospectus), and has not been scrutinised or approved by the FSMA.

The Issuer is registered as a credit institution with the National Bank of Belgium.

The Issuer is a wholly-owned subsidiary of the KBC Group NV and is part of KBC Group NV, on which it depends for certain group functions and because of the integrated regulatory and solvency supervision. A simplified schematic of KBC Group's legal structure is provided below.

In compliance with the minimum requirements for own funds and eligible liabilities ("**MREL**") subordination requirements (as determined by the Single Resolution Board), KBC Group NV was converted into a clean holding company, whose main operations involve financing activities and group-wide control activities and functions. The clean holding company facilitates the Single Point of Entry strategy in the event of settlement of KBC Group NV. As a result of this project, only a number of control functions, the financial holding activities and the issue of equity and MREL instruments remained at the level of the financial holding company KBC Group NV. All other activities of KBC Group NV (other group functions, shared services and IT) were transferred to KBC Global Services NV, a new wholly-owned subsidiary of KBC Group NV, from 1 June 2022.

Simplified schematic (this schematic only shows debt instruments that count for capital purposes and does not show retail securities issued by various entities of the KBC Group):





* To ensure that KBC Group NV's HoldCo senior debt is eligible for the subordinated MREL target (i.e., to make sure that no excluded liabilities ranking *pari passu* with or junior to HoldCo senior debt are present in KBC Group NV), the KBC Group Executive Committee decided to make KBC Group NV a clean holding company for the purpose of resolution. All the activities of KBC Group NV were transferred (as at 1 June 2022) to KBC Global Services NV, a new subsidiary of KBC Group NV (with the exception of the group controlling functions, the financial holding activities and issuing own funds and MREL instruments that remain at the level of KBC Group NV).

** DISCAI (Discovering AI) is a separate fully owned subsidiary, grouping the in-house developed artificial intelligence solutions for commercialisation to third parties (as of 7 March 2022).

*** All debt obligations of KBC IFIMA are unconditionally and irrevocably guaranteed by KBC Bank.

The other major subsidiary of KBC Group NV is KBC Insurance NV. The Issuer co-operates closely with KBC Insurance NV, amongst others, in relation to the distribution of insurance products and depends on it for the further implementation of the bank-insurance model.

The Issuer and KBC Insurance NV each have a number of subsidiaries. The Issuer's subsidiaries are mainly banking and other financial entities in Belgium and in Central and Eastern Europe. The Issuer also acts as funding provider for a number of its subsidiaries.

A list of the main subsidiaries of the Issuer can be found on page 30 of the Issuer's 2025 annual report. A complete list of group companies (included in or excluded from the scope of consolidation) is provided at www.kbc.com/en/about-us/our-structure.html. The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Share capital and shareholder

As at the date of this Base Prospectus, the Issuer's share capital amounts to EUR 9,732 million and consists of 995,371,469 ordinary shares, which are all held by KBC Group NV. The share capital is fully paid up.

The shares of the Issuer's parent company, KBC Group NV, are listed on Euronext Brussels. An overview of the shareholding of KBC Group NV is available at www.kbc.com.[5] The core shareholders of KBC Group NV are KBC Ancora, CERA, MRBB and a group of legal entities and individuals referred to as "Other core shareholders", which together, as at the date of this Base Prospectus, hold approximately 42% of total shares. These shareholders act in concert, thereby ensuring shareholder stability in the KBC Group. The overview of shareholding and the information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus and has not been scrutinised or approved by the FSMA, except for information that is incorporated by reference in accordance with the section "*DOCUMENTS INCORPORATED BY REFERENCE*" of this Base Prospectus.

Credit ratings

As at the date of this Base Prospectus, the following long term credit ratings have been assigned to the Issuer with the cooperation of the Issuer in the rating process:

Fitch Ratings Ireland Limited ("**Fitch**") – AA-

According to Fitch's Rating Definitions, "AA"ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly

[5] The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

vulnerable to foreseeable events. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

Moody's France SAS ("**Moody's**") – A2

According to Moody's Rating Symbols and Definitions, obligations rated A are considered upper-medium grade and are subject to low credit risk. The modifier 2 indicates a mid-range of its generic ranking.

S&P Global Ratings Europe Limited ("**Standard and Poor's**") – A+

According to Standard and Poor's Global Ratings Definitions, an obligor rated "A" has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The addition of a plus (+) or minus (-) sign shows relative standing within the rating categories.

More information regarding the Issuer's long term credit ratings can be found in the latest credit opinion from the relevant credit rating agencies, available at https://www.kbc.com/en/credit-ratings and in the applicable rating methodologies published by the relevant credit rating agencies. None of that website, those credit opinions or those rating methodologies are incorporated by reference into or form part of this Base Prospectus, and they have not been scrutinised or approved by the FSMA.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Issuer does not represent that it will maintain any level of credit rating, or any credit rating at all, with any credit rating agency.

These credit ratings relate to the Issuer's financial obligations generally and not to any specific financial obligation such as the Warrants or Hedging Options or any Series thereof.

Each credit rating agency referred to above is established in the EU and appears on the "List of Registered and Certified CRAs" as published by ESMA in accordance with Article 18(3) of Regulation (EC) No. 1060/2009 on credit rating agencies, as amended from time to time (the "**CRA Regulation**").

If an issue-specific credit rating is specified in the applicable Final Terms, then those Final Terms will also specify the regulatory status of the relevant credit rating agency under the CRA Regulation and/or Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") including whether it is (i) registered, (ii) has applied for registration but such registration has not yet been granted, (iii) neither registered nor has applied for registration, in each case under the applicable regulation, or (iv) not established in the EU or the UK but is endorsed by, or certified under, the CRA Regulation or the UK CRA Regulation, or neither endorsed not certified thereunder.

1.2 **Administrative, Management and Supervisory Bodies**

Board of Directors and Executive Committee

The Issuer is managed by a Board of Directors and an Executive Committee in accordance with the Belgian Companies and Associations Code and the Belgian law of 25 April 2014 on the legal status and supervision of credit institutions (the "**Belgian Banking Law**").

The Issuer's Board of Directors is empowered to determine the company's general policy and strategy and to perform all acts which, by law, are reserved specifically for it. The Board of Directors is responsible for supervising the Executive Committee.

The Issuer's Executive Committee is empowered to perform all acts that are necessary or useful in achieving the company's object, apart from those that the General Meeting of Shareholders is empowered to perform by law and those reserved for the Board of Directors by law.

The Issuer's object is set out in Article 2 of its Articles of Association. It includes the execution of all banking operations in the widest sense, as well as the exercise of all other activities which banks are or shall be permitted to pursue and all acts that contribute directly or indirectly thereto.

To the extent these laws and regulations apply to the Issuer, the Issuer complies with the laws and regulations of Belgium regarding corporate governance. As at the date of this Base Prospectus, the members of the Board of Directors are the following:

Name and business address	**Position**	**Expiry date of current term of office**	**External offices**
DEBACKERE Koenraad Stesselstraat 8 3012 Leuven	Non-executive director, Chairman of the Board of Directors	2028	KBC Insurance NV, non-executive director and Chairman of the Board of Directors KBC Group NV, non-executive director and Chairman of the Board of Directors KBC Global Services NV, Chairman of the Supervisory Board Thor Park NV, non-executive director Mo-Thor, non-executive director Umicore NV, non-executive director
ANDRONOV Peter KBC Bank NV, Havenlaan 2 1080 Brussels	Executive director (CEO International Markets Business Unit)	2029	KBC Insurance NV, executive director KBC Group NV, member of the Executive Committee KBC Global Services NV, member of the Management Board KBC Asset Management NV, Chairman of the Board of Directors Ceskoslovenska Obchodna Banka a.s. (SR), non-executive director, Chairman of the Supervisory Board 365.bank, Chairman of the Supervisory Board DZI General Insurance EAD, non-executive director, Chairman of the Supervisory Board DZI Life Insurance JSC, non-executive director, Chairman of the Supervisory Board K&H Bank Zrt, non-executive director, Chairman of the Board of Directors K&H Biztosító Zrt., Chairman of the Supervisory Board UNITED BULGARIAN BANK AD, non-executive director, Chairman of the Supervisory Board

BLAZEK Alés KBC Bank NV, Havenlaan 2 1080 Brussels	Executive director (CEO Czech Republic Business Unit)	2030	KBC Insurance NV, executive director KBC Group NV, member of the Executive Committee KBC Global Services NV, member of the Management Board Československá Obchodni Banka (CR), CEO CSOB Pojistovna, Chairman of the Supervisory Board
VERVAET Kris KBC Bank NV, Havenlaan 2 1080 Brussels	Executive director (CIO)	2030	KBC Group NV, member of the Executive Committee KBC Insurance NV, Executive Director KBC Global Services NV, member of the Management Board KBC Focus Fund NV, non-executive directorDiscai NV, non-executive director, Chairman of the Board of Directors
MOUCHERON David KBC Bank NV, Havenlaan 2 1080 Brussels	Executive director (CEO Belgium Business Unit)	2029	KBC Insurance NV, executive director KBC Group NV, member of the Executive Committee KBC Global Services NV member of the Management Board CBC Banque SA, non-executive director, Chairman of the Board of Directors
PUELINCKX Bartel KBC Group NV Havenlaan 2 1080 Brussels Belgium	Executive director (CFO)	2029	KBC Insurance NV, executive director KBC Group NV, member of the Executive Committee KBC Securities NV, Chairman of the Board of Directors KBC Focus Fund NV, Chairman of the Board of Directors KBC Global Services NV, member of the Management Board
THIJS Johan KBC Bank NV, Havenlaan 2 1080 Brussels	Executive director (CEO)	2029	KBC Insurance NV, executive director and CEO KBC Group NV, executive director and CEO KBC Global Services NV, Chairman of the Management Board DISCAI NV, non-executive director
VAN RIJSSEGHEM Christine	Executive director (CRO)	2030	KBC Group NV, executive director KBC Insurance NV, executive director

KBC Bank NV, Havenlaan 2 1080 Brussels			K&H Bank Zrt, non-executive director Československá Obchodní Banka a.s. (CR), non-executive director Československá Obchodná Banka a.s. (SR), non-executive director United Bulgarian Bank AD, non-executive director KBC Global Services NV member of the Management Board
DEPICKERE Franky KBC Bank NV, Havenlaan 2 1080 Brussels	Non-executive director	2027	Cera CV, executive director Cera Beheersmaatschappij NV, executive director Euro Pool System International BV, non-executive director KBC Group NV, non-executive director KBC Insurance NV, non-executive director Almancora Beheersmaatschappij NV, executive director Československá Obchodní Banka a.s. (CR), member of the Supervisory Board CBC Banque SA, non-executive director United Bulgarian Bank AD, non-executive director KBC Global Services NV member of the Supervisory Board

DE BECKER Sonja KBC Bank NV, Havenlaan 2 1080 Brussels	Non-executive director	2028	M.R.B.B. BV– Maatschappij voor Roerend Bezit van de Boerenbond, Chair of the Board of Directors SBB Gecertifieerde Accountants en Adviseurs BV, Chair of the Board of Directors SBB Bedrijfsdiensten BV, Chair of the Board of Directors Aktiefinvest BV, Chair of the Board of Directors Agri Investment Fund BV, Chair of the Board of Directors Arvesta BV, Chair of the Board of Directors Acerta BV, non-executive director Acerta Consult BV, non-executive director Acerta Services BV, non-executive director Acerta Verzekeringen BV, non-executive director Shéhérazade Developpement BV, non-executive director KBC Group NV, non-executive director KBC Insurance NV, non-executive director KBC Global Services NV, member of the Supervisory Board K&H Bank Zrt., non-executive director
DE CEUSTER Marc KBC Bank NV, Havenlaan 2 1080 Brussels	Non-executive director	2027	KBC Group NV, non-executive director KBC Insurance NV, non-executive director KBC Global Services NV, member of the Supervisory Board Cera Beheersmaatschappij NV, executive director Almancora Beheersmaatschappij NV, executive director KBC Ancora NV, non-executive director Cera CV, executive director CBC Banque SA, non-executive director

MAGNUSSON Bo KBC Bank NV, Havenlaan 2 1080 Brussels	Independent director	2028	Advisense Group AB, non-executive director Greeniron H2 AB, non-executive director
OKKERSE Liesbet KBC Bank NV, Havenlaan 2 1080 Brussels	Non-executive director	2027	KBC Group NV, non-executive director KBC Insurance NV, non-executive director KBC Global Services NV, member of the Supervisory Board Cera Beheersmaatschappij NV, non-executive director **Almancora Beheersmaatschappij NV, non-executive director**
REYES REVUELTA Alicia KBC Bank NV, Havenlaan 2 1080 Brussels	Independent director	2030	KBC Group NV, non-executive director KBC Global Services NV, member of the Supervisory Board Energias de Portugal S.A., non-executive director Ardonagh Europe Services Limited, non-executive director
RADL ROGEROVA Diana	Non-executive director	2028	KBC Group NV, non-executive director KBC Global Services NV, member of the Supervisory Board Behind Inventions a.s., executive director
DE GROOT Elisabeth Ariane (Els)	Independent director	2029	Enexis Holding NV Havenbedrijf Rotterdam NV, non-executive director Neoposine BV, executive director

Audit Committee

The Audit Committee has been set up by the Board of Directors and has – with some limited exceptions – an advisory role. The Audit Committee, among other things, monitors the financial reporting process and submits recommendations or proposals to ensure its integrity, and monitors the effectiveness of the internal control and the risk management in place.

The powers and composition of the Audit Committee, as well as its way of functioning, are extensively dealt with in the Corporate Governance Charter of the Issuer which is published on 20260115-corp-gov-charter-bnk.pdf. The Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus, and it has not been scrutinised or approved by the FSMA.

As at the date of this Base Prospectus, the members of the Issuer's Audit Committee are:

- Marc De Ceuster (chairman);
- Bo Magnusson (independent director); and

- Els de Groot (independent director).

Risk and compliance committee

The Risk and Compliance Committee has been set up by the Board of Directors and has an advisory role. The Risk and Compliance Committee, among other things, provides advice to the Board of Directors about the current and future risk appetite and risk strategy.

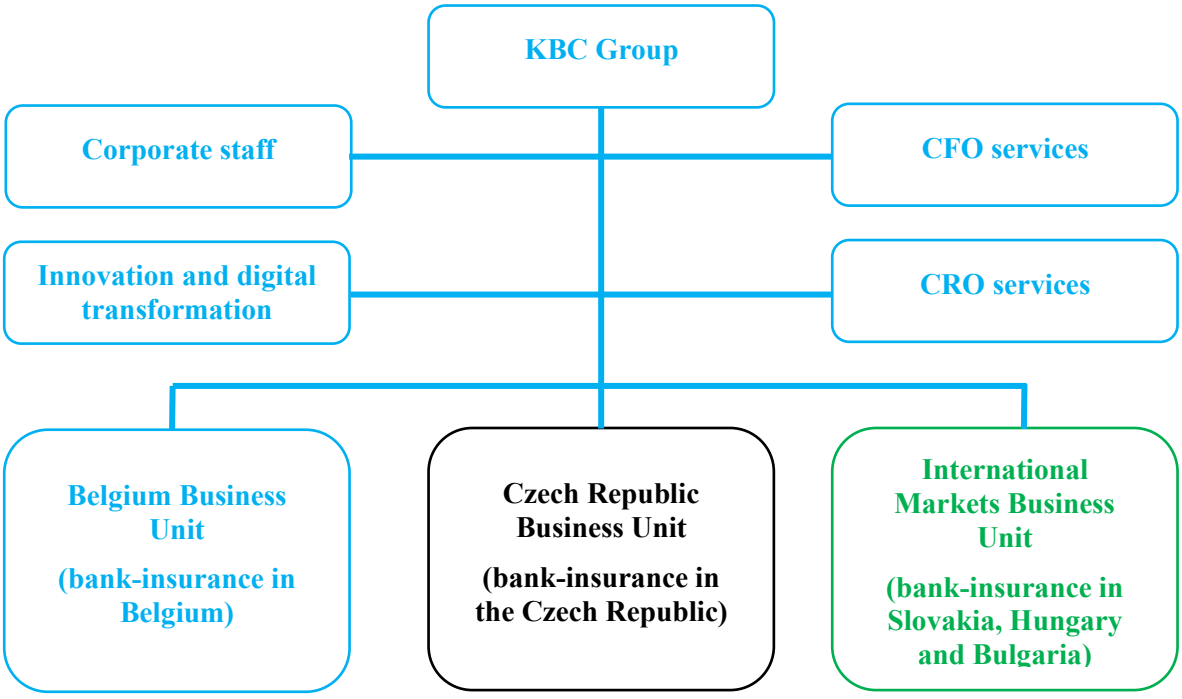
The powers and composition of the Risk and Compliance Committee, as well as its way of functioning, are extensively dealt with in the Issuer's Corporate Governance Charter, which is available on https://wcmassets.kbc.be/content/dam/kbccom/doc/investor-relations/9-Bank-info/20260115-corp-gov-charter-bnk.pdf.cdn.res/last-modified/1768461693720/20260115-corp-gov-charter-bnk.pdf. The Corporate Governance Charter and this website is not incorporated by reference and does not form part of this Base Prospectus, and it has not been scrutinised or approved by the FSMA.

As at the date of this Base Prospectus, the members of the Issuer's Risk and Compliance Committee are:

- Franky Depickere (chairman);
- Bo Magnusson (independent director); and
- Els de Groot (independent director).

Management structure

KBC Group NV's strategic choices are fully reflected in the KBC Bank Group structure. The KBC Group structure consists, as at the date of this Base Prospectus, of a number of business units and support services and which are presented in simplified form as follows:



The management structure of both KBC Group NV and the Issuer essentially comprises:

- the three business units, which focus on local business and are expected to contribute to sustainable profit and growth:

- Belgium Business Unit;
- Czech Republic Business Unit; and
- International Markets Business Unit: this encompasses the other core countries in Central and Eastern Europe (the Slovak Republic, Hungary and Bulgaria) and all asset management activities.

- the pillars 'CRO Services' and 'CFO Services' (which act as an internal regulator, and whose main role is to support the business units), 'Corporate Staff' (which is a competence centre for strategic know-how and best practices in corporate organisation and communication) and 'Innovation and digital transformation'.

Each business unit is headed by a Chief Executive Officer ("**CEO**"), and these CEOs, together with the CEO, the Chief Risk Officer ("**CRO**"), the Chief Innovation Officer ("**CIO**") and the Chief Financial Officer ("**CFO**") constitute the Executive Committee of the Issuer, the composition of which is identical to the composition of the Executive Committee of KBC Group NV.

Conflicts of interests

The Issuer is not aware of any potential conflicts of interests between the duties to the Issuer of the members of the Board of Directors and the Executive Committee detailed above and their private interests or other duties.

1.3 **Financial information**

Annual financial statements

The Issuer's 2025 annual report and the Issuer's 2024 annual report contain:

- the Issuer's audited consolidated financial statements drawn up in accordance with International Financial Reporting Standards ("**IFRS**") for the last two financial years (2025 and 2024); and
- the Issuer's audited non-consolidated financial statements drawn up in accordance with Belgian Generally Accepted Accounting Principles ("**GAAP**") for the last two financial years (2025 and 2024).

The Issuer's 2025 annual report and the Issuer's 2024 annual report are incorporated by reference into this Base Prospectus as set out in the section entitled "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158 and following of this Base Prospectus.

Interim financial statements

The Issuer does not publish interim financial statements. The consolidated financial statements for the half year period ending on 30 June 2026 have been included in the section below. The consolidated half-year financial statements of the Issuer are prepared in accordance with IFRS, as adopted pursuant to IAS Regulation (EC) No 1606/2002, and the consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Issuer's consolidated annual financial statements at 31 December 2025. These interim financial statements have not been reviewed or audited by the Issuer's auditor.

Consolidated income statement

(in millions of EUR)	1H 2026	1H 2025
Net interest income	3,222	2,700
Interest income	9,441	8,696
Interest expense	-6,219	-5,996
Dividend income	26	24
Net result from financial instruments at fair value through profit or loss	-63	56
Net fee and commission income	1,508	1,371
Fee and commission income	1,996	1,777
Fee and commission expense	-487	-407
Net other income	103	95
TOTAL INCOME	**4,797**	**4,246**
Operating expenses	-2,754	-2,516
Total Opex without bank tax	-2,167	-1,974
Total bank tax	-587	-543
Impairment	-284	-160
on FA at amortised cost and at FVOCI	-231	-154
on goodwill	0	0
other	-52	-6
Share in results of associated companies and joint ventures	4	2
RESULT BEFORE TAX	**1,764**	**1,571**
Income tax expense	-434	-351
Net post-tax result from discontinued operations	0	0
RESULT AFTER TAX	**1,330**	**1,220**
Attributable to minority interests	1	0
Attributable to equity holders of the parent	**1,328**	**1,220**

Consolidated statement of comprehensive income *(comprehensive income)*

(in millions of EUR)	1H 2026	1H 2025
RESULT AFTER TAX	**1,330**	**1,220**
Attributable to minority interests	1	0
Attributable to equity holders of the parent	1,328	1,220
OCI THAT MAY BE RECYCLED TO PROFIT OR LOSS	**137**	**409**
Net change in revaluation reserve (FVOCI debt instruments)	19	62
Fair value adjustments before tax	29	85
Deferred tax on fair value changes	-7	-22
Transfer from reserve to net result	-3	-1
Impairment	0	0
Net gains/losses on disposal	-3	-2
Deferred taxes on income	1	0
Net change in hedging reserve (cashflow hedges)	-12	275
Fair value adjustments before tax	-49	329
Deferred tax on fair value changes	10	-94
Transfer from reserve to net result	27	40
Gross amount	34	35
Deferred taxes on income	-7	5
Net change in translation differences	189	73
Gross amount	189	73
Deferred taxes on income	0	0
Hedge of net investments in foreign operations	-59	0
Fair value adjustments before tax	-81	-5

(in millions of EUR)	1H 2026	1H 2025
Deferred tax on fair value changes	22	1
Transfer from reserve to net result	0	3
Gross amount	0	4
Deferred taxes on income	0	-1
Other movements	0	0
OCI THAT WILL NOT BE RECYCLED TO PROFIT OR LOSS	**25**	**-43**
Net change in revaluation reserve (FVOCI equity instruments)	20	-20
Fair value adjustments before tax	22	-21
Deferred tax on fair value changes	-1	0
Net change in defined benefit plans	5	-22
Remeasurements	6	-30
Deferred tax on remeasurements	-1	8
Net change in own credit risk	0	-1
Fair value adjustments before tax	0	-1
Deferred tax on fair value changes	0	0
TOTAL OTHER COMPREHENSIVE INCOME	**1,484**	**1,586**
TOTAL COMPREHENSIVE INCOME	**1,492**	**1,586**
Attributable to minority interests	2	1
Attributable to equity holders of the parent	1,490	1,586

Consolidated balance sheet

(in millions of EUR)	30-06-2026	31-12-2025
ASSETS		
Cash, cash balances with central banks and other demand deposits with credit institutions	23,949	33,982
Financial assets	339,714	318,564
Amortised cost	307,155	290,948
Fair value through OCI	15,582	14,174
Fair value through profit or loss	16,773	13,234
of which held for trading	14,814	11,842
Hedging derivatives	205	208
Profit/loss on positions in portfolios hedged for interest rate risk	-2,461	-2,676
Tax assets	622	535
Current tax assets	176	48
Deferred tax assets	446	487
Non-current assets held for sale and disposal groups	304	293
Investments in associated companies and joint ventures	46	64
Property, equipment and investment property	4,075	3,583
Goodwill and other intangible assets	2,452	2,089
Other assets	1,609	1,065
TOTAL ASSETS	**370,311**	**357,501**
LIABILITIES AND EQUITY		
Financial liabilities	344,354	331,574
Amortised cost	336,781	324,430
Fair value through profit or loss	7,278	6,824
of which held for trading	6,164	5,827
Hedging derivatives	296	319
Profit/loss on positions in portfolios hedged for interest rate risk	-149	-288
Tax liabilities	188	159

(in millions of EUR)	30-06-2026	31-12-2025
Current tax liabilities	103	93
Deferred tax liabilities	85	66
Liabilities associated with disposal groups	113	115
Provisions for risks and charges	134	135
Other liabilities	1,906	1,632
TOTAL LIABILITIES	**346,547**	**333,326**
Total equity	23,765	24,175
Parent shareholders' equity	21,136	21,593
Additional tier-1 instruments included in equity	2,500	2,500
Minority interests	128	81
TOTAL LIABILITIES AND EQUITY	**370,311**	**357,501**

Audit and review by the Issuer's statutory auditors

PricewaterhouseCoopers Bedrijfsrevisoren BV (e*rkend revisor/réviseur agréé*), represented by Damien Walgrave and Jeroen Bockaert, with offices at Culliganlaan 5, 1831 Diegem, Belgium ("**PwC**") was appointed as auditor of the Issuer for the financial years 2016-2024. KPMG Bedrijfsrevisoren BV (erkend revisor/réviseur agréé), represented by Kenneth Vermeire and Stéphane Nolf, with offices at Luchthaven Brussel Nationaal 1K, 1930 Zaventem, Belgium ("**KPMG**"), was appointed as auditor of the Issuer for the financial years 2025-2027. The financial statements of the Issuer have been audited in accordance with International Standards on Auditing by PwC for the financial years ended 31 December 2024 and by KPMG for the financial year ended 31 December 2025 and resulted in an unqualified audit opinion.

The reports of the Issuer's auditor on (i) the audited consolidated annual financial statements of the Issuer and its consolidated subsidiaries for the financial years ended 31 December 2025 and 31 December 2024 and (ii) the audited non-consolidated annual financial statements of the Issuer for the financial years ended 31 December 2025 and 31 December 2024 are incorporated by reference in this Base Prospectus (as set out in the section entitled " section "*DOCUMENTS INCORPORATED BY REFERENCE*" of this Base Prospectus " on pages 158 and following of this Base Prospectus), with the consent of respectively KPMG (for the financial year ended 31 December 2025) and PwC (for the financial year ended 31 December 2024) .

PwC and KPMG are members of the *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*.

Changes since the most recent published financial statements

Save for (a) the completion in January 2026 of the acquisition by the KBC Group of a 98.45% stake in 365.bank, a Slovak retail bank, and (b) the completion on 10 February 2026 of the acquisition by the KBC Group of Business Lease in the Czech Republic and Slovakia, (i) there has been no material adverse change in the prospects of the Issuer since 31 December 2025, i.e. the date of its last published audited financial statements; and (ii) there has been no significant change in the financial performance of the KBC Bank Group since 30 June 2026, i.e. the end of the last financial period for which financial information has been made available in this base prospectus. For further information, please see the section "3.12 – Recent events" below.

Expected financing and material changes in the Issuer's borrowing and funding structure

Please refer to Note 2.3 (Balance-sheet information by segment) on page 206 of the Issuer's 2025 annual report for a description of the expected financing of the Issuer's activities. The Issuer's 2025 annual report is incorporated by reference into this Base Prospectus as set out in the section entitled "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158.

As at the date of this Base Prospectus, there have been no material changes in the Issuer's borrowing or funding structure since 30 June 2026.

2. Information relating to CBC Banque

In this section, the term "**Issuer**" refers to CBC Banque SA. The Issuer is a wholly-owned subsidiary of KBC Bank.

2.1 Corporate structure and share capital

General information

The Issuer was established in Belgium in 1958 as a bank in the form of a limited liability company (*naamloze vennootschap / société anonyme*) for an unlimited duration and operates under the laws of Belgium. The Issuer's Belgian enterprise number is 0403.211.380 and its LEI code is DVCTKZJG5QM5XGM4TR05. The Issuer is registered in the register of legal persons (*rechtspersonenregister (RPR) / registre des personnes morales (RPM)*) of the Enterprise Court of Liège, Namur division. The Issuer's registered office is at Avenue

Albert 1er, 60, B-5000 Namur, Belgium, its telephone number is (+32) (0) 81 80 18 80 and its website is www.cbc.be. The information on the Issuer's website does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA, except to the extent that such information is explicitly incorporated by reference in this Base Prospectus (see Section "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158 of this Base Prospectus).

The Issuer is registered as a credit institution with the National Bank of Belgium.

The Issuer is a wholly-owned subsidiary of KBC Bank and is part of the KBC Group, on which it depends for certain group functions and because of the integrated regulatory and solvency supervision. A simplified schematic of KBC Group's legal structure is provided above.

CBC Banque is the French-language arm of the KBC Group. As a fully-fledged company, CBC Banque is active in all banking and insurance sectors in Wallonia.

Share capital and shareholder

As at the date of this Base Prospectus, the Issuer's share capital was EUR 145.7 million and consisted of 2,989,625 ordinary shares, which all are held by KBC Bank. The share capital is fully paid up.

The sole shareholder of the parent company, KBC Bank, is KBC Group. The overview of shareholding is not incorporated in and does not form part of this Base Prospectus and it has not been and will not be scrutinised or approved by the FSMA.

2.2 **Administrative, management and supervisory bodies**

Board of Directors and Executive Committee

The Issuer is managed by a Board of Directors and an Executive Committee in accordance with the Belgian Companies and Associations Code and the Belgian Banking Law.

The Issuer's Board of Directors is empowered to determine the company's general policy and strategy and to perform all acts which, by law, are reserved specifically for it. The Board of Directors is responsible for supervising the Executive Committee.

The Issuer's Executive Committee is empowered to perform all acts that are necessary or useful in achieving the company's object, apart from those that the General Meeting of Shareholders is empowered to perform by law and those reserved for the Board of Directors by law.

The Issuer's corporate purpose is set out in Article 3 of its Articles of Association. It includes the execution of all banking operations in the widest sense, as well as the exercise of all other activities which banks are or shall be permitted to pursue and all acts that contribute directly or indirectly thereto.

To the extent these laws and regulations apply to the Issuer, the Issuer complies with the laws and regulations of Belgium regarding corporate governance.

As at the date of this Base Prospectus, the members of the Board of Directors are the following:

Name and business address	Position	Expiry date of current term of office	External offices
SCHOLZEN Clemens Avenue Albert 1er, 60 5000 Namur	Executive director/CEO	2029	Nihil
VERBIEST Annelies Avenue Albert 1er, 60 5000 Namur	Executive director (CRO)	2030	Nihil
KNAEPEN Denis Avenue Albert 1er, 60 5000 Namur	Executive director	2027	Nihil
MOUCHERON David KBC Bank NV Havenlaan 2 1080 Brussels	Non-executive director	2029	KBC Insurance NV, executive director KBC Group NV, member of the Executive Committee KBC Bank NV, executive director KBC Global Services NV, member of the Management Board
DE CEUSTER Marc Cera Beheersmaatschappij Muntstraat 1 3000 Leuven	Non-executive director	2027	KBC Group NV, non-executive director KBC Bank NV, non-executive director KBC Insurance NV, non-executive director KBC Global Services NV, member of the Supervisory Board KBC Ancora NV, non-executive director Cera CV, executive director Cera Beheersmaatschappij NV, executive director Almancora Beheersmaatschappij NV, executive director

Name and business address	Position	Expiry date of current term of office	External offices
DEBAILLIE Marc Avenue Albert 1er, 60 5000 Namur	Non-executive director	2030	Fimadero SA, non-executive director Herelixka SA, non-executive director Vectura SA, non-executive director
DEPICKERE Franky Havenlaan 2 1080 Brussels	Non-executive director	2030	Cera CV, executive director Cera Beheersmaatschappij NV, executive director Euro Pool System International BV, non-executive director KBC Group NV, non-executive director KBC Insurance NV, non-executive director Almancora Beheersmaatschappij NV, executive director International Raiffeisen Union e.V., non-executive director Ceskoslovenska Obchodni Banka a.s. (CR), member of the Supervisory Board KBC Ancora NV, executive director United Bulgarian Bank AD, non-executive director KBC Global Services NV,member of the Supervisory Board
LEMA Johan Avenue Albert 1er, 60 5000 Namur	Non-executive director	2030	KBC Asset Management, Executive director (CEO) Beama, Chairman of the Board of Directors, President Everyoneinvested BV, non-executive director

Name and business address	Position	Expiry date of current term of office	External offices
MERTENS DE WILMARS Sybille Avenue Albert 1er, 60 5000 Namur	Independent director	2027	Nihil
ROGGEN Martine Avenue Albert 1er, 60 5000 Namur	Non-executive director	2027	Assuralia, non-executive director Fonds voor DR VZW, non-executive director
VLERICK Michael Avenue Albert 1er, 60 5000 Namur	Non-executive director	2028	Midelco SA, non-executive director
COENS Amélie Avenue JF Dedecker 121 Woluwe-St-Lambert 1200	Non-executive director	2029	D'IETEREN IMMO SA, non-executive director MOLESKINE SRL, non executive-director

Audit Committee

The Audit Committee has been set up by the Board of Directors and has – with some limited exceptions – an advisory role. The Audit Committee, among other things, monitors the financial reporting process and submits recommendations or proposals to ensure its integrity, and monitors the effectiveness of the internal control and the risk management in place.

The powers and composition of the Audit Committee, as well as its way of functioning, are extensively dealt with in the Corporate Governance Charter of the Issuer which is published on www.cbc.be. The Corporate Governance Charter and the information on the website is not incorporated by reference and does not form part of this Base Prospectus, and it has not been scrutinised or approved by the FSMA, except for information that is incorporated by reference in accordance with the section "*DOCUMENTS INCORPORATED BY REFERENCE*" of this Base Prospectus.

The members of the Issuer's Audit Committee are:

- Sybille Mertens de Wilmars (independent director);
- Johan Lema (non-executive director); and
- Amélie Coens (independent director).

Risk and compliance committee

The Risk and Compliance Committee has been set up by the Board of Directors and has an advisory role. The

Risk and Compliance Committee, among other things, provides advice to the Board of Directors about the current and future risk appetite and risk strategy.

The powers and composition of the Risk and Compliance Committee, as well as its way of functioning, are extensively dealt with in the Issuer's Corporate Governance Charter, which is available on www.cbc.be. The Corporate Governance Charter and the information on the website is not incorporated by reference and does not form part of this Base Prospectus, and it has not been scrutinised or approved by the FSMA, except for information that is incorporated by reference in accordance with the section "*DOCUMENTS INCORPORATED BY REFERENCE*" of this Base Prospectus.

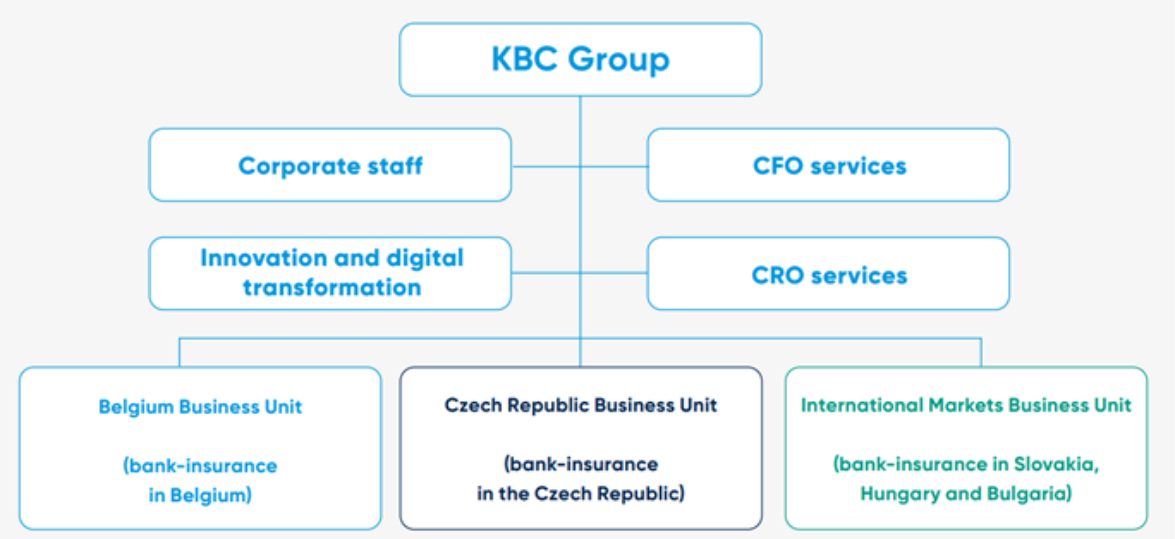
The members of the Issuer's Risk and Compliance Committee are:

- Johan Lema (non-executive director);
- Martine Roggen (non-executive director); and
- Amélie Coens (independent director).

Management structure

CBC Banque's activities are divided into Universes:

- The Client Universe includes the three markets where the bank is active, namely: (i) private banking, (ii) the corporate market and (iii) the retail market or individuals.
- The Central Services Universe includes the departments of the head office that ensure the smooth running of the bank: (i) the real estate and logistics department, (ii) the marketing and communication department, (iii) the chief economist department, (iv) the management committee support department, (v) the performance monitoring and treasury department and (vi) the human resources department .
- The Products Universe includes the departments that enable the bank to create and implement its offer to clients: (i) the credit department, (ii) the financial line department, (iii) the digital and payments department.
- The Risk Universe includes the compliance management department, the risk management department and the legal and tax department.
- The Distribution Universe includes the insurance products.



CBC Banque, as a wholly-owned subsidiary of KBC Bank and the French-language banking arm of KBC Group in Belgium, forms part of the Belgium Business Unit shown in the diagram.

Conflicts of interests

The Issuer is not aware of any potential conflicts of interests between the duties to the Issuer of the members of the Board of Directors and the Executive Committee detailed above and their private interests or other duties.

2.3 **Financial information**

Annual financial statements

The Issuer's 2024 and 2025 Annual Reports contain the Issuer's audited non-consolidated financial statements drawn up in accordance with Belgian Generally Accepted Accounting Principles ("**GAAP**") for the last two financial years (2024 to 2025).

These Annual Reports of the Issuer are incorporated by reference into this Base Prospectus as set out in the Section "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158.

Interim financial statements

The Issuer does not publish interim financial statements. The non-consolidated financial statements for the half year period ending on 30 June 2026 have been included in the section below. The half-year financial statements of the Issuer are prepared under Belgian GAAP (BGAAP) and the non-consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Issuer's annual financial statements at 31 December 2025. These interim financial statements have not been reviewed or audited by the Issuer's auditor.

ASSETS		**30/06/2026**	**30/06/2025**
in EURO unit			
I.	**Cash in hand, balances at central banks and post office banks**	**9,672,736**	**241,765,260**
II.	**Treasury bills eligible for refinancing at the central bank**	**0**	**0**

III.	**Loans and advances to credit institutions**		**1,035,663,050**	**700,789,706**
	A.	Repayable on demand	468,359,525	544,134,798
	B.	Other loans and advances (with agreed maturity dates or periods of notice)	567,303,526	156,654,908
IV.	**Loans and advances to customers**		**16,569,357,323**	**15,276,284,538**
V.	**Bonds and other fixed-income securities**		**2,052,122,208**	**1,771,027,316**
	A.	Issued by public bodies	2,041,870,805	1,760,744,784
	B.	Issued by other borrowers	10,251,403	10,282,532
VI.	**Shares and other variable-yield securities**		**1,239**	**1,239**
VII.	**Financial fixed assets**		**4,513,488**	**4,522,573**
	A.	Participating interests in affiliated enterprises	0	0
	B.	Participating interests in other enterprises linked	12,896	12,896
	C.	Other shares constituting financial fixed assets	4,500,591	4,509,677
	D.	Subordinated loans and advances to affiliated enterprises and other enterprises linked by participating interests	0	0
VIII.	**Formation expenses and intangible fixed assets**		**0**	**0**
IX.	**Tangible fixed assets**		**320,902,291**	**302,211,307**
X.	**Own shares**		**0**	**0**
XI.	**Other assets**		**51,070,051**	**44,443,861**
XII.	**Deferred charges and accrued income**		**177,663,225**	**189,240,361**
TOTAL ASSETS			**20,220,965,611**	**18,530,286,161**

LIABILITIES			**30/06/2026**	**30/06/2025**
in EURO unit				
I.	**Amounts owed to credit institutions**		**3,835,585,309**	**2,875,138,247**
	A.	Repayable on demand	1,024,061	4,008,444
	B.	Amounts owed as a result of the rediscounting of trade bills	0	0
	C.	Other debts (with agreed maturity dates or periods of notice)	3,834,561,248	2,871,129,802
II.	**Amounts owed to customers**		**15,172,896,151**	**14,470,904,873**
	A.	Saving deposits	5,630,445,390	5,252,024,895
	B.	Other debts	9,542,450,761	9,218,879,978
		1) Repayable on demand	6,147,824,063	6,048,297,021
		2) With agreed maturity dates or periods of notice	3,394,626,699	3,170,582,957
		3) As a result of the rediscounting of trade bills	0	0
III.	**Debts represented by securities**		**1,372,118**	**83,886,331**
	A.	Bonds and other fixed-income securities in circulation	1,372,118	83,886,331
	B.	Other debt instruments	0	0
IV.	**Other liabilities**		**58,027,294**	**51,758,531**
V.	**Accrued charges and deferred income**		**194,440,721**	**205,001,748**
VI.	**A.**	**Provisions for liabilities and charges**	**9,379,464**	**7,460,507**
		1) Pensions and similar commitments	3,689,000	3,321,000
		2) Taxation	0	0
		3) Other liabilities and charges	5,690,464	4,139,507
	B.	**Deferred taxes**	**0**	**0**
VII.	**Fund for General Banking Risks**		**15,513,126**	**12,391,750**
VIII.	**Subordinated liabilities**		**20,000,000**	**20,000,000**
CAPITAL AND RESERVES			**913,751,428**	**803,744,174**
IX.	**Capital**		**145,662,647**	**145,662,647**
	A.	Subscribed capital	145,662,647	145,662,647
	B.	Uncalled capital (-)	0	0
X.	**Share premium account**		**324,876,243**	**324,876,243**

XI.	**Revaluation reserve**		**0**	**0**
XII.	**Reserves**		**387,480,489**	**291,480,489**
	A.	Legal reserve	14,566,265	14,566,265
	B.	Reserves not available for distribution	18,966,608	18,966,608
		1) Own	0	0
		2) Other	18,966,608	18,966,608
	C.	Untaxed reserves	12,063,804	12,063,804
	D.	Reserves available for distribution	341,883,811	245,883,811
XIII.	**Profit brought forward**		**55,732,049**	**41,724,795**
TOTAL LIABILITIES			**20,220,965,611**	**18,530,286,161**

OFF-BALANCE-SHEET HEADINGS			**30/06/2026**	**30/06/2025**
in EURO unit				
I.	**Contingent liabilities**		**353,245,539**	**349,711,464**
	A.	Non-negotiated acceptances	0	32,400
	B.	Guarantees in the nature of direct credit substitutes	62,186,249	69,392,226
	C.	Other guarantees	248,111,245	253,434,558
	D.	Documentary credits	42,948,044	26,852,279
	E.	Assets charged as collateral security on behalf of third parties	0	0
II.	**II. Commitments carrying a potential credit risk**		**2,220,380,557**	**2,107,998,092**
	A.	Firm credit commitments	0	0
	B.	Commitments arising from spot purchases of securities	0	3,274,569
	C.	Undrawn margin on confirmed credit lines	2,220,380,557	2,104,723,524
	D.	Underwriting and placing commitments	0	0
	E.	Commitments as a result of open-ended sale and repurchase agreements	0	0
III.	**Assets lodged with the credit institution**		**9,925,473,724**	**8,620,129,146**
	A.	Assets held for fiduciary purposes	426,517,653	371,112,582
	B.	Safe custody and equivalent items	9,498,956,071	8,249,016,564
IV.	**Uncalled share capital**		**0.00**	**0.00**

PROFIT AND LOSS ACCOUNT			**30/06/2026**	**30/06/2025**
in EURO unit				
I.	**Interest receivable and similar income**		**262,470,280**	**257,006,750**
	of which income from fixed-income securities		22,806,292	21,748,636
II.	**Interest payable and similar charges (-)**		**(94,637,850)**	**(111,792,959)**
III.	**Income from variable-yield securities**		**23,897**	**0**
	A.	From shares and other variable-yield securities	0	0
	B.	From participating interests in affiliated enterprises	0	0
	C.	From participating interests in other enterprises linked by participating interests	0	0
	D.	Other shares constituting financial fixed assets	23,897	0
IV.	**Commission receivable**		**51,593,217**	**47,559,545**
	A.	Broker wages and commissions	38,540,747	34,788,946
	B.	Fee for service management, advisory and custody	537,485	646,300
	C.	Other commissions received	12,514,985	12,124,299
V.	**Commission payable (-)**		**(6,725,810)**	**(6,018,907)**
VI.	**Profit (loss) on financial transactions**		**2,937,394**	**2,971,589**
	A.	On the trading of securities and other financial instruments	3,041,980	3,895,893
	B.	On the disposal of investment securities	(104,586)	(924,303)
VII.	**General administrative expenses (-)**		**(122,467,393)**	**(122,332,507)**
	A.	Remuneration, social security costs and pensions	(44,533,026)	(44,678,310)

	B.	Other administrative expenses	(77,934,367)	(77,654,197)
VIII.		**Depreciation and write-downs on formation expenses and on intangible and tangible fixed assets (-)**	**(31,536,172)**	**(27,316,845)**
IX.		**Adjustments to write-downs (Write-downs (-)) on receivables and write-back of provisions (Provisions (-)) for Off-balance-sheet headings 'I. Contingent liabilities' and 'II. Commitments carrying a potential credit risk'**	**(6,435,331)**	**(4,236,282)**
X.		**Adjustments to write-downs (Write-downs (-)) on the investment portfolio in bonds, shares and other fixed-income**	**0**	**0**
XI.		**Utilization and write-back of provisions for liabilities and charges other than those referred to in Off-balance-sheet headings 'I. Contingent liabilities' and 'II. Commitments carrying a potential credit risk'**	**416,403**	**1,041,015**
XII.		**XII. Provisions for liabilities and charges other than those referred to in Off-balance-sheet headings 'I. Contingent liabilities' and 'II. Commitments carrying a potential credit risk'**	**(269,391)**	**(230,852)**
XIII.		**Transfer from (Transfer to) the Fund for General Banking Risks**	**(3,227,648)**	**(882,966)**
XIV.		**Other operating income**	**34,373,138**	**30,281,384**
XV.		**Other operating charges (-)**	**(5,288,700)**	**(3,662,957)**
XVI.		**Profit (Loss) on ordinary activities before tax**	**81,226,034**	**62,386,008**
XVII.		**Extraordinary income**	**630,164**	**0**
	A.	Adjustment to depreciation and write-downs on intangible and tangible fixed assets	630,094	0
	B.	Adjustments to write-downs on financial fixed assets	0	0
	C.	Adjustments to provisions for extraordinary liabilities and charges	0	0
	D.	Gains on the disposal of fixed assets	70	0
	E.	Other extraordinary income	0	0
XVIII.		**Extraordinary charges (-)**	**(6,242)**	**0**
	A.	Extraordinary depreciation/amortization of and extraordinary write-downs on formation expenses and intangible and tangible fixed assets	0	0
	B.	Write-downs on financial fixed assets	0	0
	C.	Provisions for extraordinary liabilities and charges (+/-)	0	0
	D.	Loss on disposal of fixed assets	(6,242)	0
	E.	Other extraordinary charges	0	0
XIX.		**Profit (Loss(-)) for the financial year, before tax**	**81,849,955**	**62,386,008**
XX.		**bis.**		
	A.	Transfer to deferred taxes (-)	0	0
	B.	Transfer from deferred taxes	0	0
XXI.		**Income taxes**	**(26,146,351)**	**(20,686,874)**
	A.	Income taxes (-)	(26,146,351)	(20,686,874)
	B.	Adjustments to income taxes and amounts written back from tax provisions	0	0
XXII.		**Profit (Loss(-)) for the financial year**	**55,703,604**	**41,699,134**
XXIII.		**Transfer to untaxed reserves(-)**	0	0
		Transfer from untaxed reserves(+)		
XXIV.		**Profit (Loss(-)) for the financial year, to be appropriated**	**55,703,604**	**41,699,134**

Audit and review by the Issuer's statutory auditors

PricewaterhouseCoopers Bedrijfsrevisoren BV *(erker revisor/réviseur agréé)*, represented by Damien Walgrave, with offices at Culliganlaan 5, 1831 Diegem, Belgium ("**PwC**"), was appointed as auditor of the Issuer for the financial years 2016-2024. KPMG Bedrijfsrevisoren BV (*erkend revisor/réviseur agréé*), represented by Kenneth Vermeire, with offices at Luchthaven Brussel Nationaal 1K, 1930 Zaventem, Belgium ("**KPMG**"), was appointed as auditor of the Issuer for the financial years 2025-2027. The financial statements

of the Issuer have been audited in accordance with International Standards on Auditing by PwC for the financial year ended 31 December 2024 and by KPMG for the financial year ended 31 December 2025 and resulted in an unqualified audit opinion.

The reports of the Issuer's auditor on the audited non-consolidated annual financial statements of the Issuer for the financial years ended 31 December 2025 and 31 December 2024 are incorporated by reference into this Base Prospectus (as set out in the section entitled "*Documents incorporated by reference*" on page 158 and following of this Base Prospectus), with the consent of PwC and KPMG.

PwC and KPMG are members of the *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*.

Changes since the most recent published financial statements

There has been no material adverse change in the prospects of the Issuer since 31 December 2025, i.e. the date of its last published audited financial statements.

There has been no significant change in the financial performance of the Issuer since 30 June 2026, i.e. the end of the last financial period for which financial information has been made available in this base prospectus.

Expected financing and material changes in the Issuer's borrowing and funding structure

There have been no material changes in the Issuer's borrowing or funding structure since 30 June 2026.

3. Information relating to the Issuers' business

3.1 The strategy of KBC Group

The Issuers' strategy is fully embedded in the strategy of their ultimate parent company, KBC Group NV. A summary is given below of the strategy of KBC Group, where the Issuers are essentially responsible for the banking business and KBC Insurance NV for the insurance business.

KBC Group NV's strategy rests on a number of principles:

- The KBC Group places its clients at the centre of everything it does.
- The KBC Group looks to offer its clients a unique bank-insurance experience.
- The KBC Group focuses on its group's long-term development and aim to achieve sustainable and profitable growth.
- The KBC Group assumes its role in society and local economies.
- The KBC Group implements its strategy within a strict risk, capital and liquidity management framework.
- As part of its PEARL+ business culture, the KBC Group focuses on jointly developing solutions, initiatives and ideas within the group ("PEARL+" stands for "Performance", "Empowerment", "Accountability", "Responsiveness" and "Local Embeddedness"). For further information on PEARL+ see page 10 of KBC Bank NV's 2025 Annual Report.

A summary of the KBC Group's strategy is set out on pages 18 to 25 of CBC Banque's 2025 annual report, which is incorporated by reference into this Base Prospectus as set out in the section "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158 and following of this Base Prospectus.

More detailed information regarding KBC Group NV's strategy can be found on pages 24 to 41 of KBC Group NV's 2025 annual report, which is available at https://wcmassets.kbc.be/content/dam/kbccom/doc/investor-relations/Results/jvs-2025/jvs-2025-gr-en.pdf.cdn.res/last-modified/1774614405054/jvs-2025-gr-en.pdf. KBC Group NV's 2025 annual report is not incorporated by reference into, and does not form part of, this Base Prospectus, and it has not been scrutinised or approved by the FSMA.

3.2 **General description of the Issuers' activities**

The KBC Bank Group is a multi-channel banking group that caters primarily to private persons, small and medium-sized enterprises (SMEs) and midcaps. Its geographic focus is on Europe. In its "home" (or "core") markets (Belgium, the Czech Republic, the Slovak Republic, Hungary and Bulgaria), the KBC Bank Group has important and (in some cases) even leading positions (based on internal data). The KBC Bank Group is also present in other countries where the primary focus is on supporting the corporate clients of the home markets.

CBC Banque is a wholly-owned subsidiary of KBC Bank and the French-language arm of the KBC Group. As a fully fledged company, CBC Banque & Assurances is active in all banking and insurance sectors in Wallonia. In Brussels, it focuses on private banking and public and non-merchant entities.

The KBC Bank Group's core business is retail and private bank-insurance (including asset management), although it is also active in providing services to corporations and market activities. Across most of its home markets, the KBC Bank Group is active in a large number of products and activities, ranging from the plain vanilla deposit, credit, asset management and insurance businesses (via KBC Bank's sister company, KBC Insurance NV) to specialised activities such as, but not exclusively, payments services, dealing room activities (money and debt market activities), brokerage and corporate finance, foreign trade finance, international cash management and leasing.

3.3 **Activities in Belgium**

Market position of the bank network in Belgium	
Market share (estimates by the KBC Bank Group), end of 2025	Banking products* 21% Investment funds 27%
Bank branches, end of 2025	424

** Average of the share in credits and the share in deposits.*

The KBC Bank Group had, at the end of 2025, a network of 424 (staffed) bank branches in Belgium: KBC Bank branches in Flanders, CBC Banque branches in Wallonia and KBC Brussels branches in the Brussels area. The branches focus on providing clients with a broad range of credit (including mortgage loans), deposit, investment fund and other asset management products, insurance products (in cooperation with KBC Bank's sister company, KBC Insurance NV) and other specialised financial banking products and services. The KBC Bank Group's bricks-and-mortar networks in Belgium are supplemented by electronic channels, such as ATMs, telephones and the internet (including a mobile banking app and Kate, the group's digital assistant). KBC Bank, CBC Banque and KBC Brussels serve, based on their own estimates, approximately 3.8 million banking clients. Including insurance business, the number of clients rises to 4.1 million.

KBC Group NV considers itself to be an integrated bank-insurer. Certain shared and support services are organised at KBC Group NV level, serving the entire KBC Group and not just the bank or insurance businesses separately. It is the KBC Group's aim to continue to actively encourage the cross-selling of bank and insurance products. The success of the KBC Group's integrated bank-insurance model is in part due to the cooperation that exists between the bank branches and the insurance agents of KBC Insurance NV (including CBC Assurances), whereby the branches sell standard insurance products to retail customers and refer their

customers to the insurance agents for non-standard products. Claims-handling is the responsibility of the insurance agents, the call center and the head office departments at KBC Insurance.

At the end of 2025, the KBC Bank Group had, based on its own estimates (see table above), a 21% share of traditional banking activities in Belgium (the average of the share of the lending market and the deposit market). Over the past few years, the KBC Bank Group has built up a strong position in investment funds too, with an estimated market share of approximately 27%.

The KBC Bank Group believes in the power of a physical presence through a branch network that is close to its clients. At the same time, however, it expects the importance of online and mobile bank-insurance to grow further and it is constantly developing new applications in these areas. That includes the various mobile banking apps for smartphones and tablets, as well as a digital assistant called "Kate", which are being continuously improved and expanded.

Client expectations have shifted enormously in recent years, with efficient and user-friendly products and services becoming the norm, powered by technology. For that reason, KBC Bank Group has been engaged for several years now in the digitalisation of processes that allow simple, high-quality products to be brought to clients in a smooth and rapid manner. For a few years now, it has been designing products, services and processes from a 'digital-first' perspective. This implies that they were modified before being digitalised to make them simpler, more user-friendly and scalable and that they allow a fast and appropriate response to clients' questions and expectations. For clients who so desire, the KBC Bank Group will use the available data in an intelligent and appropriate manner. As it has seen that clients increasingly demand more proactive and personal products and services in addition to speed and simplicity. In addition to a digital product range, it will offer clients digital advice and develop all processes and products as if they were sold digitally. For clients who so wish, Kate – its personal digital assistant – plays an important role in digital sales and advisory, so that personalised and relevant solutions can be offered proactively. Clients can personally ask Kate questions regarding their basic financial transactions. They also receive regular discrete and proactive proposals at appropriate times in their mobile app to ensure maximum convenience. Clients are entirely free to choose whether or not to accept a proposal. If they do, the solution will be offered and processed completely digitally.

In 2022, the KBC Bank Group introduced the Kate Coin. Since the start of 2023, KBC clients have been able to acquire Kate Coins when purchasing certain products or services from the KBC Bank Group or from certain commercial partners of the KBC Bank Group. They can use those Kate Coins to save money by exchanging them for additional benefits In 2025, Kate Coins underwent an important upgrade. Whereas Kate Coins used to be tied to a single brand or service, they are now more flexible. Clients can earn Kate Coins at one partner and use them at another. When using Kate Coins, they are often worth more than EUR 1, providing extra value. If the client cannot find anything to its liking in the extensive range available, its Kate Coins will be automatically paid out at the end of the year at a rate of one Kate Coin to EUR 1.

Over the past few years, the KBC Bank Group has thus launched a number of concepts and building blocks such as Digital First, Bank-insurance+, Kate and Kate Coins, which create added value when they interact. The KBC Bank Group is now bringing these components together in 'ecosystems', in which it will offer its clients a new type of service, supporting them every step of the way in their search for solutions to housing, mobility and other issues, using its own products and services as well as those of KBC's partners and suppliers. This enables its clients to save and earn money in and beyond the traditional banking and insurance environment.

Employees in the branch network and contact centres continue to function as a beacon of trust for the clients. The human touch is particularly important in more complex services and solutions and in matters requiring emotional intelligence. The KBC Bank Group's employees will also support, encourage and monitor use of digital processes, assisted by artificial intelligence, data and data analysis. To guarantee the clients maximum ease of use and to be able to offer a growing number of possibilities via Kate, the KBC Bank Group will also change its internal processes, the way it supplies its products and services, and how it organises itself internally. At the same time, this will require a further change in mentality and in-service training for staff. For instance,

Kate automates certain administrative acts, helping clients as well as employees save time. The KBC Bank Group's employees use this extra time to connect with clients and speak with them about anything that might be on their minds. Kate also helps prepare for appointments, which again saves employee's time.

In the KBC Bank Group's financial reporting, the Belgian activities are combined into a single Belgium Business Unit. The results of the Belgium Business Unit essentially comprise the activities of KBC Bank, and its Belgian subsidiaries, the most important of which are CBC Banque, KBC Asset Management, KBC Lease Group (Belgium) and KBC Securities.

The strategy of the Issuers is embedded in that of the KBC Group. A summary is given below of the strategy of the KBC Group in Belgium, where the Issuers (KBC Bank and CBC Banque) are essentially responsible for the banking business and KBC Insurance for the insurance business.

The aim of the KBC Group in Belgium is:

- To continue pursuing its strategy of putting the interests of the client at the heart of all the products and services it develops and at the center of everything it does. The focus here is on a 'digital first' approach with a human touch, and on investing in the seamless integration of the various distribution channels. The KBC Group is working on the further digitalisation of the banking, insurance and asset management services and exploiting new technologies and data to provide the clients with more personalised and proactive solutions when appropriate.
- Its digital assistant 'Kate' features prominently in this regard. It allows the KBC Group to help its clients save time and earn money, in which Kate Coins play a vital role.
- To support these activities, the KBC Group is also fully engaged in introducing end-to-end straight-through processing into all commercial processes, making full use of all technological capabilities such as (generative) artificial intelligence. In this way, the KBC Group increases efficiency allowing it to invest in a strong network boasting more expertise.
- To work tirelessly on the ongoing optimisation of its bank-insurance model in Belgium.
- To grow bank-insurance further at CBC in specific market segments and to expand accessibility in Wallonia, again with a strong focus on 'Digital First with a human touch'.
- The KBC Group collaborates with partners through 'eco-systems' that enable it to offer clients comprehensive solutions in every step of their journey. It is also integrating a range of selected partners into its own mobile app and making products and services available in the distribution channels of third parties.
- To express its commitment to Belgian society by leading the way in the sustainability revolution. It is making its banking, insurance and asset management products more sustainable to create financial leverage in achieving global climate targets. It aims to be more than a provider of pure bank-insurance services – as a partner in the climate transition, it is working with other partners on developing housing and mobility solutions. It also continues to focus on financial literacy, entrepreneurship and population ageing.

3.4 **Activities in Central and Eastern Europe**

Market position of the bank network in the home countries of Central and Eastern Europe, at the end of 2025	**Czech Republic**	**Slovak Republic**	**Hungary**	**Bulgaria**

Market share (estimates by the KBC Bank Group)	Banking products*	20%	12%	11%	19%
	Investment funds	23%	8%	11%	15%
Bank branches	Total	197	97	191	170

** Average estimated market share for loans and deposits*

In the Central and Eastern European region, the KBC Bank Group focuses on four home countries, being the Czech Republic, the Slovak Republic, Hungary and Bulgaria. The main Central and Eastern European entities of the KBC Bank Group in those home markets are United Bulgarian Bank in Bulgaria, ČSOB in the Slovak Republic, ČSOB in the Czech Republic, and K&H Bank in Hungary.

In its four home countries (excluding the acquisitions that were finalised in early 2026, see below), the KBC Bank Group serves roughly 7 million customers, or 9 million including the insurance business (see below). This customer base makes the KBC Group one of the larger financial groups in the Central and Eastern European region.

The KBC Bank Group's companies focus on providing clients with a broad range of credit (including mortgage loans), deposit, investment fund and other asset management products, insurance products (in co-operation with the KBC Group's insurance companies in the region) and other specialised financial products and services. As is the case in Belgium, the bricks-and-mortar networks in Central and Eastern Europe are supplemented by electronic channels, such as ATMs, telephone and the internet. As regards the digital first strategy, including the digital assistant Kate, please refer to the previous section entitled "*Activities in Belgium*".

The KBC Group's bank-insurance concept has, over the past few years, been exported to its Central and Eastern European entities. In order to be able to do so, the KBC Group has built up a second home market in Central and Eastern Europe in insurance (via KBC Insurance). The KBC Group has an insurance business in every Central and Eastern European home country: in the Czech Republic, the KBC Group's insurer is ČSOB Pojist'ovňa, in the Slovak Republic it is ČSOB Poist'ovňa, in Hungary it is K&H Insurance and in Bulgaria it is DZI Insurance. Contrary to the situation of KBC Bank Group in Belgium, the KBC Group's insurance companies in Central and Eastern Europe operate not only via tied agents (and bank branches) but also via other distribution channels, such as insurance brokers and multi-agents.

The KBC Bank Group's estimated market share as at 31 December 2025 (being the average of the share of the lending market and the deposit market, see table above) amounted to 20% in the Czech Republic, 12% in the Slovak Republic, 11% in Hungary, and 19% in Bulgaria (rounded figures). The KBC Bank Group also has a strong position in the investment fund market in Central and Eastern Europe (estimated at 23% in the Czech Republic, 8% in the Slovak Republic, 11% in Hungary and 15% in Bulgaria) as at 31 December 2025.

Recent acquisitions:

- In July 2022, the KBC Group completed the acquisition of Raiffeisenbank Bulgaria, a universal bank in Bulgaria offering private individuals, SMEs and corporate entities a full range of banking, asset management, leasing and insurance services. In April 2023, UBB and ex-Raiffeisenbank Bulgaria legally merged, which allowed the KBC Group to bolster its position in the Bulgarian banking market even further. The acquisition also created ample opportunity for insurance cross-selling with DZI.

- In May 2025, the KBC Group reached an agreement to acquire 98.45% of 365.bank in Slovakia. This investment is intended to further strengthen its position in the Slovak market. 365.bank is a retail-focused bank with subsidiaries in asset management and consumer finance and is very complementary

to the business of KBC's existing Slovak subsidiary ČSOB, which is expected to generate significant cost, revenue (cross-selling) and funding synergies. The transaction closed in January 2026.

- Furthermore, the KBC Group reached an agreement to acquire Business Lease in the Czech Republic and Slovakia. This transaction will enable KBC to significantly expand its leasing activities in Central Europe and strengthen its market position in both countries. The transaction closed in February 2026.

In the KBC Bank Group's financial reporting, the Czech activities are separated in a single Czech Republic Business Unit, whereas the activities in the other Central and Eastern European countries are combined into the International Markets Business Unit. The Czech Republic Business Unit hence comprises all KBC Bank Group's activities in the Czech Republic, consisting primarily of the activities of the ČSOB group (under the ČSOB Bank, ČSOB Postal Savings Bank, ČSOB Hypotecni banka, Patria and ČSOB Stavební sporitelna brands). The International Markets Business Unit comprises the activities conducted by entities in the other (non-Czech) Central and Eastern European core countries, namely ČSOB in the Slovak Republic, K&H Bank in Hungary and UBB in Bulgaria.

The strategy of the Issuers is embedded in that of the KBC Group. A summary is given below of the strategy of the KBC Group in Central and Eastern Europe, where the Issuers' subsidiaries are essentially responsible for the banking business and the KBC Insurance subsidiaries for the insurance business.

The focus of the KBC Bank Group in the future is the following:

- In relation to the Czech Republic Business Unit:
    - To retain its reference position in banking and insurance services by offering its retail, SME and mid-cap clients a hassle-free, no-frills client experience, both through its digital channels and in person.
    - To further increase the active client base and further strengthen its market position, especially in insurance, investment services and home loans.
    - To cultivate and strengthen relationships with its clients by offering them services that go beyond banking and partnerships, by means of housing and mobility ecosystems.
    - To continue the further digitalisation of its services and to introduce new and innovative products and services.
    - To use data and AI to proactively offer personalised solutions to its clients, including via Kate, its personalised digital assistant.
    - To concentrate on rolling out straight-through processing and further simplifying its products, head office, distribution model, and the widespread use of AI, in order to enable it to operate even more cost-effectively.
    - To further strengthen its corporate culture, with a strong focus on results, its clients, innovation, its ability to adapt and on cooperation.
    - To become the reference in advisory services in terms of climate change and sustainable lending and investments. To also express its social engagement by focusing on financial literacy, entrepreneurship, population ageing and cybersecurity.
- In relation to the International Markets Business Unit:
    - The KBC Group strategy presents a number of opportunities for all countries in the business unit, including:

- To further develop unique 'bank-insurance+' propositions.
- To continue digitally upgrading its distribution model.
- To drive up the volume of straight-through and scalable processing.
- To increase the capacity in relation to data and AI to enable them to proactively offer relevant and personalised solutions.
- To selectively continue to expand the client base and market position with a view to securing a top-three position in banking and insurance.
- To use data to proactively offer personalised solutions. Its digital assistant Kate, which was launched a couple of years ago, has advanced significantly in recent years and in 2026 the KBC Group will continue to focus intensively on the introduction of Kate Coins and Sustainable Mobility Ecospheres.
- To implement a socially responsible approach in all countries, with a particular focus on environmental awareness, financial literacy, entrepreneurship and health.

o Country-specific:

- In Bulgaria, the KBC Group aims to further strengthen its position as a leading integrated financial services provider and to continue the expansion of its core activities (banking, insurance, leasing, pension funds and asset management). It also seeks to offer market-leading digital services, including when it comes to services that go beyond pure bank-insurance.
- In Hungary, the KBC Group is focusing on vigorous client acquisition for the bank, with the ambition of becoming a market leader in the area of innovation, and to substantially expand its insurance activities, primarily through sales at bank branches for life insurance, and both online and via agents, brokers and bank branches for non-life insurance.
- In Slovakia, the KBC Group has strengthened its local presence through the acquisition of 365 bank and Business Lease (see above). At the same time, it aims to maintain KBC's robust organic growth in strategic products (i.e. current accounts, mortgages, consumer finance, business loans, leasing and insurance), partly through cross-selling to group clients and via digital channels. Other priorities include the sale of funds and increased fee income.

3.5 **Activities in the rest of the world**

A number of companies belonging to the KBC Group are also active in, or have outlets in, countries outside the home markets, among which KBC Bank, which has a network of foreign branches the full list which is available on https://www.kbc.com/en/about-us/our-structure.html. This website is not incorporated by reference and does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

KBC Bank Ireland

In February 2022, KBC Bank Ireland sold nearly all of its non-performing mortgage loan assets, valued at approximately EUR 1.1 billion, in a transaction financed by funds managed by CarVal Investors. In October 2021, KBC Bank Ireland confirmed that it had entered into a legally binding agreement with Bank of Ireland

relating to the sale of substantially all of KBC Bank Ireland's performing loan assets and its deposit book to Bank of Ireland Group. As part of the transaction, the latter also acquired a small non-performing mortgage loan portfolio. The Irish Competition and Consumer Protection Commission (CCPC) approved the transaction in May 2022, and the Irish Minister for Finance gave his approval in early December 2022. The transaction was ultimately finalised in early February 2023. On 1 December 2023, KBC Bank Ireland transferred the vast majority of the remaining assets and liabilities to KBC Bank Dublin branch. On 30 April 2024, KBC Bank Ireland (current Exicon DAC) returned its banking licence to the Central Bank of Ireland. On 30 April 2024, Exicon DAC (formerly KBC Bank Ireland) returned its banking licence to the Central Bank of Ireland. The legal liquidation process of Exicon DAC was subsequently initiated and was finalised on 1 October 2025.

Foreign branches of KBC Bank

The foreign branches of KBC Bank are located mainly in Western Europe, Southeast Asia and the U.S. and focus on serving customers that already do business with the KBC Bank's Belgian or Central and Eastern European network.

In the KBC Bank Group's financial reporting, the foreign branches of KBC Bank are part of the Belgium Business Unit.

3.6 Competition

All of the KBC Bank Group's operations face competition in the sectors they serve. Depending on the activity, competitor companies include other commercial banks, savings banks, loan institutions, consumer finance companies, investment banks, brokerage firms, specialised finance companies, asset managers, private bankers, investment companies, fintech and e-commerce companies.

In both Belgium and Central and Eastern Europe, the KBC Bank Group has an extensive network of branches and the KBC Bank Group believes most of the KBC Bank Group companies have strong brand recognition in their respective markets.

The main competitors in Belgium are BNP Paribas Fortis, Belfius and ING, although for certain products, services or markets, other financial institutions may also be important competitors.

In its Central and Eastern European home markets, the KBC Bank Group is one of the important financial groups, occupying significant positions in banking. In this respect, the KBC Bank Group competes, in each of these countries, against local financial institutions, as well as subsidiaries of other large foreign financial groups (such as Erste Bank, UniCredit and others).

3.7 Staff

In 2025, the KBC Bank Group had, on average and on a consolidated basis, about 28,000 employees (in full time or equivalent-numbers), the majority of whom were located in Belgium and Central and Eastern Europe. In addition to consultations, at works council meetings and at meetings with union representatives and with other consultative bodies, the KBC Bank Group also works closely in other areas with employee associations. There are various collective labour agreements in force.

3.8 Risk management

Mainly active in banking and asset management, the KBC Bank Group is exposed to a number of typical risks, including but not limited to credit risk, market risk, movements in interest rates and exchange rates, currency risk, liquidity risk, operational risk, exposure to emerging markets, changes in regulations and customer litigation as well as the economy in general. The material risk factors affecting the Issuers and the KBC Bank Group are mentioned in the section entitled "*Risk Factors*" on page 17 and following of this Base Prospectus.

3.9 **Risk management in the KBC Group is effected group-wide**.

Risk management in the KBC Group is implemented on a group-wide basis. An overview of the KBC Bank Group's risk management approach is set out in the "Risk management" section on pages 37 to 63 of KBC Bank's 2025 annual report. As set out in the section "Documents incorporated by reference" on page 158 and following of this Base Prospectus, KBC Bank's 2025 annual report is incorporated by reference into this Base Prospectus.

More detailed information can be found in KBC Group NV's 2025 risk report, available at https://wcmassets.kbc.be/content/dam/kbccom/doc/investor-relations/Results/jvs-2025/risk-report-2025.pdf.cdn.res/last-modified/1774878995458/risk-report-2025.pdf. This document is not incorporated by reference into, and does not form part of, this Base Prospectus, and it has not been scrutinised or approved by the FSMA.

3.10 **Banking supervision and regulation**

Introduction: supervision by the European Central Bank

The Issuers, credit institutions governed by the laws of Belgium, are subject to detailed and comprehensive regulation in Belgium, and are supervised by the European Central Bank (the "**ECB**"), acting as the supervisory authority for prudential supervision of significant financial institutions. The ECB exercises its prudential supervisory powers by means of application of EU rules and national (Belgian) legislation. The supervisory powers conferred to the ECB include, amongst others, the granting and withdrawal of authorisations to and from credit institutions, the assessment of acquisitions and disposals of qualifying holdings in credit institutions, ensuring compliance with the rules on equity, liquidity, statutory ratios and the carrying out of supervisory reviews (including stress tests) for credit institutions.

Since November 2014, the ECB holds certain supervisory responsibilities which were previously handled by the NBB pursuant to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the "**Single Supervision Mechanism**" or "**SSM**"). Pursuant to Regulation (EU) No 468/2014 of 16 April 2014 establishing a framework for cooperation within the Single Supervisory Mechanism between the ECB and national competent authorities, a joint supervisory team has been established for the prudential supervision of the Issuers (and KBC Group NV). This team is composed of staff members from the ECB and from the national supervisory authority (*in casu* the NBB) and working under the coordination of an ECB staff member.

The Belgian Financial Services and Markets Authority (the "**FSMA**"), an autonomous public agency, is in charge of the supervision of conduct of business rules for financial institutions and financial market supervision.

EU directives (as implemented through legislation adopted in each Member State, including Belgium) and regulations have had and will continue to have a significant impact on the regulation of the banking business in the EU. The general objective of these EU directives and regulations is to promote the realisation of a unified internal market for banking services and to improve standards of prudential supervision and market efficiency through harmonisation of core regulatory standards and mutual recognition among EU Member States of regulatory supervision and, in particular, licensing.

Supervision and regulation in Belgium

The banking regime in Belgium is governed by the Belgian Banking law. The Belgian Banking Law sets forth the conditions under which credit institutions may operate in Belgium and defines the regulatory and supervisory powers of the ECB and the NBB. The main objective of the Belgian Banking Law is to protect public savings and the stability of the Belgian banking system in general.

The Belgian Banking Law implements various EU directives, including, without limitation:

Directive EU No 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended from time to time and as may be further amended and/or replaced from time to time (the "**CRD**") and, where applicable, Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013, as amended or replaced from time to time and as may be further amended and/or replaced from time to time (the "**CRR**", and together with the CRD, "**CRD IV**"), which implements the revised regulatory framework of Basel III in the European Union; and

Directive (EU) No 2014/59 of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, i.a., by Directive (EU) No 2024/1174 of 11 April 2024 and as may be further amended or replaced from time to time ("**BRRD**") which establishes a recovery and resolution regime for credit institutions and introduces tools and powers to address banking crises in a pre-emptive manner with the aim of safeguarding financial stability and minimising taxpayers' exposure to losses. The BRRD has been implemented into Belgian law through amendments to the Belgian Banking Law.

On 27 October 2021, the European Commission adopted a review of the CRR and the CRD (the "**Basel IV post-financial crisis reforms**") in order, among other things, to ensure that European banks become more resilient to potential future economic shocks, while contributing to the transition to climate neutrality.

These Basel IV post-financial crisis reforms have now been implemented in the CRR and the CRD through the publication, on 19 June 2024, in the EU Official Journal of Regulation (EU) 2024/1623 (**CRR III**)) amending the CRR and Directive (EU) 2024/1619 amending the CRD ("**CRD VI**"). The amendments to the CRR include, among other things, new rules for the calculation of risk-weighted assets for credit risk, market risk, credit valuation adjustment (CVA) risk and operational risk, as well as for the calculation of the leverage ratio, and the introduction of a so-called output floor, which sets a lower limit to the capital requirements generated by institutions' internal models, calculated as a percentage of the own funds requirements that would apply on the basis of standardised approaches.

CRD VI was transposed into Belgian law in July 2026 by the Law of 22 July 2026 transposing Directive (EU) 2024/16/19 (CRD VI), Directive 2023/2864, and Directive 2024/2994.

Supervision of credit institutions

All Belgian credit institutions must obtain a license from the ECB before they may commence operations. In order to obtain a license and maintain it, each credit institution must fulfil numerous conditions, including certain minimum paid-up capital requirements.

In addition, any shareholder holding directly or indirectly, individually or acting in concert with another person or persons, a "qualifying holding" in the credit institution (i.e. a direct or indirect holding which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of that institution) must be of "fit and proper" character to ensure proper and prudent management of the credit institution. Prior notification to the NBB and non opposition by the ECB is required each time a person decides to acquire a qualifying holding in a credit institution or to further increase such qualifying holding as a result of which the proportion of the voting rights or of the capital held would reach or exceed 20%, 30% or 50%, or so that the credit institution would become its subsidiary. If the ECB considers that the influence of such a shareholder in a credit institution jeopardises its sound and prudent management, it may suspend the voting rights attached to such participation and, if necessary, request that the shareholder transfers to a third party its participation in the credit institution.

Furthermore, a shareholder who decides to dispose, directly or indirectly, of a qualifying holding or to reduce it so that the proportion of the voting rights or of the capital held would fall below 10%, 20%, 30% or 50% or so that the credit institution would cease to be its subsidiary, must notify the ECB and NBB thereof.

The Belgian credit institution itself is obliged to notify the ECB and NBB of any such transfer when it becomes aware thereof.

Moreover, every shareholder acquiring a holding or increasing its holding (directly or indirectly, individually or acting in concert with third parties) to 5% or more of the voting rights or of the capital without acquiring a qualifying holding, must notify the ECB and NBB thereof within ten working days. The same shall apply to a shareholder who no longer holds, directly or indirectly, more than 5% of the voting rights or capital in a credit institution.

The above-mentioned obligations are also triggered when a threshold is crossed due to a situation other than an acquisition or a transfer.

The same provisions apply to the acquisition and disposal of holdings in the Issuers.

The Belgian Banking Law requires credit institutions to provide detailed periodic financial information to the ECB and, under certain circumstances, the Belgian FSMA.

The ECB also supervises the enforcement of laws and regulations with respect to the accounting principles applicable to credit institutions.

The ECB sets the minimum capital adequacy ratios applicable to credit institutions. The ECB may also set other ratios, for example, with respect to the liquidity and gearing of credit institutions. It also sets the standards regarding solvency, liquidity, risk concentration and other limitations applicable to credit institutions and the publication of this information. The NBB may in addition impose capital requirements for capital buffers (including countercyclical buffer rates and any other measures aimed at addressing systemic or macro-prudential risks).

In order to exercise its prudential supervision, the ECB may require that all information with respect to the organisation, the functioning, the position and the transactions of a credit institution be provided to it. Further, the ECB supervises, among other things, the management structure, the administrative organisation, the accounting and the internal control mechanisms of a credit institution. In addition, the ECB may conduct on-site inspections (with or without the assistance of NBB staff).

The comprehensive supervision of credit institutions is also exercised through statutory auditors who cooperate with the supervisor in its prudential supervision. A credit institution selects its statutory auditor from the list of auditors or audit firms accredited by the NBB.

Within the context of the European System of Central Banks, the NBB issues certain recommendations regarding monetary controls. The Issuers needs to comply with many of these requirements on a consolidated basis.

The Belgian Banking Law has introduced a prohibition in principle on proprietary trading as from 1 January 2015. Certain proprietary trading activities are, however, excluded from this prohibition. Permitted proprietary trading activities (including certified market-making, hedging, treasury management, and long-term investments) are capped, and these types of activities must comply with strict requirements on reporting, internal governance and risk management.

Bank governance

The Belgian Banking Law also puts a lot of emphasis on the solid and efficient organisation of credit institutions and introduces to that effect a dual governance structure at management level, specialised advisory committees within the Board of Directors (Audit Committee, Risk Committee, Remuneration Committee and Nomination Committee), independent control functions, and strict remuneration policies (including limits on

the amount of variable remuneration, the form and timing for vesting and payment of variable remuneration, as well as claw-back mechanics).

The Belgian Banking Law makes a fundamental distinction between the management of banking activities, which is within the competence of the Executive Committee, and the supervision of management and the definition of the credit institution's general and risk policy, which is entrusted to the Board of Directors. In accordance with the Belgian Banking Law, the Issuers have an Executive Committee, each member of which is also a member of the Board of Directors.

Pursuant to the Belgian Banking Law, the members of the Executive Committee and the Board of Directors need to permanently have the required professional reliability and appropriate experience. The same goes for the responsible persons of the independent control functions.

The NBB Governance Manual for the Banking Sector (the "**Governance Manual**") contains recommendations to assure the suitability of shareholders, management and independent control functions and the appropriate organisation of the business.

As required by the Belgian Banking Law and the Governance Manual, the KBC Group Internal Governance Memorandum (the "**Governance Memorandum**") sets out the corporate governance policy applying to the KBC Group NV and its subsidiaries and of which the governance memorandum of the Issuers forms part. The corporate governance policy of a credit institution must meet the principles set out in the law and the Governance Manual. The most recent version of the Governance Memorandum was approved on 18 December 2025 by the Board of Directors of KBC Group NV, KBC Bank NV and KBC Insurance NV.

KBC Group NV and KBC Bank NV also have a Corporate Governance Charter which is published on https://www.kbc.com/en/corporate-governance/corporate-governance-charter.html. [6] This document is not incorporated by reference into and does not form part of this Base Prospectus, and it has not been scrutinised or approved by the FSMA.

Solvency supervision

Capital requirements and capital adequacy ratios are provided for in the CRR, transposing the Basel framework into European law. The CRR requires that credit institutions comply with several minimum solvency ratios. These ratios are defined as Common Equity Tier 1 ("**CET1**"), Tier 1 capital and Total Capital divided by risk weighted assets. Risk weighted assets for credit risk are the sum of all assets and off-balance sheet items weighted according to the degree of credit risk inherent in them. The solvency ratios also take into account market risk and counterparty risk with respect to the bank's trading book (including interest rate and foreign currency exposure), operational risk, credit valuation adjustment risk and settlement risk in the calculation of the risk weighted assets. On top of the capital requirements defined by the solvency ratios, the CRD imposes a combined buffer requirement (see below).

Solvency is also limited by the leverage ratio, which compares Tier 1 capital to the total exposure measure (non-risk weighted).

The minimum solvency ratios required under CRD are 4.5% for the CET1 ratio, 6.0% for the tier-1 capital ratio and 8.0% for the total capital ratio (i.e., the pillar 1 minimum ratios). As a result of its supervisory review and evaluation process ("**SREP**") or its examination of internal approaches, the competent supervisory authority (in KBC Bank Group's case, the ECB):

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[6] The information on this website does not form part of, and is not incorporated by reference into, the Base Prospectus and has not been scrutinised or approved by the FSMA.

- can require the KBC Bank Group to maintain higher minimum ratios (i.e., the pillar 2 requirements which in 2016 have been split by the ECB in a pillar 2 requirement ("**P2R**") and a pillar 2 guidance ("**P2G**", as further discussed below)) because, for instance, not all risks are properly reflected in the regulatory pillar 1 calculations;
- can take other measures such as imposing the reservation of distributable profits in whole or in part, requiring that variable remuneration be limited to a percentage of the profits and requiring KBC Bank Group to limit the risk associated with certain activities or products or with its organisation, where appropriate by imposing the total or partial transfer of its business or network.

On top of this, a number of additional buffers have to be put in place, including a capital conservation buffer of 2.5%, a buffer for systemically important banks ("**O-SII buffer**", to be determined by the national competent authority), a systemic risk buffer to address systemic risks of a long-term, non-cyclical nature (determined by the national competent authority), and a countercyclical buffer (between 0% and 2.5%, likewise to be determined by the national competent authority). These buffers constitute the "combined buffer requirements" applicable to the KBC Bank Group.

In addition to the pillar 1 requirement, the P2R and the combined buffer requirements, the ECB can also set a "Pillar 2" capital guidance ("**P2G**"). The KBC Bank Group is expected to meet the P2G with CET1 capital on top of the level of binding capital requirements. P2G is not directly binding and a failure to meet it does not automatically trigger legal action, even though the ECB expects credit institutions or holding companies to meet the P2G. However, the CRD provides that when an institution repeatedly fails to meet the P2G, the competent authority should be entitled to take supervisory measures and, where appropriate, to impose additional own funds requirements.

The following tables provides an overview of the CET1 ratio requirement at the level of KBC Bank as at 31 December 2025 and as at 30 June 2026:

KBC Bank (consolidated)(31.12.2025)	**Actual**	**Fully loaded**
Pillar 1 minimum requirement (P1 min)	4.50%	4.50%
Pillar 2 requirement (P2R)	0.98%	1.10%
Conservation buffer	2.50%	2.50%
O-SII buffer	1.50%	1.50%
Systemic risk buffer	0.10%	0.00%
Countercyclical buffer*	1.17%	1.28%
Overall capital requirement	10.76%	10.88%
CET1 requirement for MDA**	10.76%	10.88%

* *The fully loaded countercyclical buffer of the Issuer takes into account all known buffer rates of the national authorities as at 31-12-2025.*

** *Maximum Distributable Amount under CRD. Shortfall re. AT1 and T2 pillar 1 and pillar 2 buckets is satisfied by CET1.*

KBC Bank (consolidated)(30.06.2026)	**Actual**	**Fully loaded**
Pillar 1 minimum requirement (P1 min)	4.50%	4.50%
Pillar 2 requirement (P2R)	1.10%	1.10%
Conservation buffer	2.50%	2.50%

O-SII buffer	1.50%	1.50%
Systemic risk buffer	0.10%	0.00%
Countercyclical buffer*	1.17%	1.35%
Overall capital requirement	10.87%	10.94%
CET1 requirement for MDA**	10.87%	10.94%

* *The fully loaded countercyclical buffer of the Issuer takes into account all known buffer rates of the national authorities as at 30-06-2026.*

** *Maximum Distributable Amount under CRD. Shortfall re. AT1 and T2 pillar 1 and pillar 2 buckets is satisfied by CET1.*

KBC Bank exceeds these targets: on 31 December 2025, the fully loaded CET1 ratio for KBC Bank came to 13.9% (14.4% at 31 December 2024) which represented a capital buffer of EUR 3,708 million relative to the fully loaded CET1 requirement for maximum distributable amount (MDA) of 10.88%. As at 30 June 2026, the fully loaded CET1 ratio for KBC Bank amounted to 13.7%.

The leverage ratio (Basel III, fully loaded) at 31 December 2025 stood at 5.1% (5.0% at 31 December 2024) relative to the minimum requirement of 3%. As at 30 June 2026, the fully loaded leverage ratio for KBC Bank amounted to 5.0%. The payment of dividends by Belgian credit institutions is not limited by Belgian banking regulations, except indirectly through capital adequacy and solvency requirements when capital ratios fall below certain thresholds. The pay-out is further limited by the general provisions of Belgian company law.

For completeness, in the course of 2024 KBC Bank paid a final dividend regarding 2023 of EUR 806 million and an interim dividend regarding 2024 of EUR 975 million to its parent company KBC Group NV (intragroup payments). A final dividend regarding 2024 of EUR 498 million was paid by KBC Bank to its parent company KBC Group NV in May 2025. In the course of 2025, the KBC Bank paid a final dividend regarding 2024 of EUR 498 million to its parent company KBC Group NV (intragroup payments); no interim dividend regarding 2025 was paid in 2025. A final dividend regarding 2025 of EUR 1,881 million was paid by the Issuer to its parent company KBC Group NV in May 2026.

Large exposure supervision

European regulations ensure the solvency of credit institutions by imposing limits on the concentration of risk in order to limit the impact of failure on the part of a large debtor. For this purpose, credit institutions must limit the amount of risk exposure to any single counterparty to 25% of the total Tier 1 capital. European regulations also require that the credit institutions establish procedures to contain concentrations on economic activity sectors and geographic areas.

Anti-money laundering

The legal framework regarding the prevention of money laundering and terrorist financing applicable in Belgium consists of (i) the Belgian law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the limitation of the use of cash (the "**AML Law**"), as amended from time to time (ii) Regulation (EU) No 1624/2024 of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (the "**Anti-Money Laundering Regulation, AMLR**"), (iii) Regulation (EU) No 1620/2024 of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (the "**AML Authority Regulation, AMLAR**") and (iv) Directive (EU) No 2024/1640 of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (the "**Sixth Anti-Money Laundering Directive, AMLD6**"). The AMLD6 must be transposed into national law by 10 July 2027, while the AMLR will have direct application as from the same date. This legislation

contains a preventive system imposing a number of obligations in relation to money laundering and the financing of terrorism. These obligations are related, among other things, to the identification of the client, special attention for unusual transactions, internal reporting, processing and compliance mechanisms with the appointment of a compliance officer, and employee training requirements. A risk-based approach assumes that the risks of money laundering and terrorism financing may take various forms. Accordingly, businesses/individuals subject to the AML Law have to proceed to a global assessment of the risks they are facing and formulate efficient and adequate measures. Enhanced customer due diligence measures are required when dealing with politically exposed people, which encompasses not only national persons who are or who have been entrusted with prominent public functions residing abroad, but also those residing in the country. Member States have to set up a central register which identifies the ultimate beneficial owner of companies and other legal entities. Payments/donations in cash are capped at EUR 3,000. Member States must also provide for enhanced customer due diligence for the obliged entities to apply when dealing with natural persons or legal entities established in high-risk third countries.

When, after investigation, a credit or financial institution suspects money laundering to be the purpose of a transaction, it must promptly notify an independent administrative authority, the Financial Intelligence Unit. This Unit is designated to receive reports on suspicious transactions, to investigate them and, if necessary, to report to the criminal prosecutors to initiate proceedings. The NBB has issued guidelines for credit and financial institutions and supervises their compliance with the legislation. Belgian criminal law specifically addresses criminal offences of money-laundering. ***Consolidated supervision – supplementary supervision***

The Issuers are subject to consolidated supervision by the ECB on the basis of the consolidated financial situation of KBC Group NV, which covers, among other things, solvency as described above, pursuant to Articles 165 and following of the Belgian Banking Law. As subsidiaries of a Belgian mixed financial holding company (KBC Group NV) and part of a financial conglomerate, the Issuer is also subject to the supplementary supervision by the ECB, according to Directive (EU) 2011/89 of 16 November 2011 amending Directives (EU) 98/78, (EC) No 2002/87 (EC) No 2006/48 and (EC) No 2009/138/EC as regards the supplementary supervision of financial entities in a financial conglomerate (implemented in Articles 185 and following of the Belgian Banking Law). The supplementary supervision relates to, among other things, solvency, risk concentration and intra-group transactions and to enhanced reporting obligations.

The consolidated supervision and the supplementary supervision are aligned as much as possible, as described in Article 170 of the Banking Law.

Bank recovery and resolution

The Belgian Banking Law establishes a range of instruments to tackle potential crises of credit institutions at three stages:

Preparation and prevention

KBC Group NV has to draw up a group recovery plan, setting out the measures which would be taken to stabilise the group as a whole or each credit institution in the group if it is in a difficult financial situation, and which seek to address or remove the causes of difficulties and to restore the financial situation of the group or credit institution, having regard also to the financial situation of other group entities. This group recovery plan must, in principle, be updated at least annually or after a change to the legal or organisational structure of the institution, its business or its financial situation, which could have a material effect on, or necessitates a change to, the group recovery plan. In its review of the recovery plan, the ECB pays particular attention to the appropriateness of the capital and financing structure of the credit institutions, of the group, and of group entities in relation to the degree of complexity of their organisational structure and their risk profile.

The Single Resolution Board ("**SRB**" will have to prepare a resolution plan for each significant Belgian credit institution, laying out the actions it may take if it were to meet the conditions for resolution. The resolution college of the NBB has the same powers with regard to the non-significant Belgian credit institutions. If the SRB or the resolution college identifies material impediments to resolvability during the course of this planning process, it can require a credit institution or parent undertaking to take appropriate measures, including changes to corporate and legal structures.

Early intervention

The ECB/NBB disposes of a set of powers to intervene if a credit institution or certain parent undertakings faces financial distress (e.g. when a credit institution is not operating in accordance with the provisions of the Belgian Banking Law, the CRR and the CRD (as transposed into Belgian law), but before its financial situation deteriorates irreparably. These powers include the ability to dismiss the management and appoint a special commissioner, to convene a meeting of shareholders to adopt urgent reforms, to suspend or prohibit all or part of the credit institution's activities (including a partial or complete suspension of the execution of current contracts), to order the disposal of all or part of the credit institution's shareholdings or the transfer of all or part of the net worth, and finally, to revoke the license of the credit institution.

Resolution

Pursuant to the Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund and amending the Regulation (EU) No 1093/2010 of the European Parliament and of the Council (the "**Single Resolution Mechanism**" or "**SRM**"), as amended from time to time and as may be further amended from time to time, the Single Resolution Mechanism entered into force on 19 August 2014.

The SRM applies to credit institutions which fall under the supervision of the ECB. It established a Single Resolution Board (the "**SRB**"), a resolution decision-making authority replacing national resolution authorities for resolution decisions with regard to significant credit institutions. The SRB is responsible since 1 January 2016 of vetting resolution plans and carrying out any resolution in cooperation with the national resolution authorities (the SRB together with the resolution college of the NBB is hereinafter referred to as the "**Resolution Authority**").

The Issuers and KBC Group NV fall within the scope of the Single Supervisory Mechanism.

The Resolution Authority can decide to take resolution measures if it considers that all of the following circumstances are present: (i) the determination has been made by the Resolution Authority, after consulting the competent authority, that a credit institution is failing or is likely to fail, (ii) there is no reasonable prospect that any alternative private sector measures or supervisory action can be taken to prevent the failure of the institution, and (iii) resolving the credit institution is necessary from a public interest perspective. The resolution tools are: (i) the sale of (a part of) the assets/liabilities or the shares of the credit institution without the consent of shareholders, (ii) the transfer of business to a temporary structure ("bridge bank"), (iii) the separation of clean and toxic assets and the transfer of toxic assets to an asset management vehicle and (iv) bail-in. In addition, the Resolution Authority can exercise certain resolution powers, pursuant to Articles 63 to 71 of the BRRD.

Bail-in is a mechanism to write down the bail-inable liabilities of an institution (including capital instruments such as Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Tier 2 (T2) instruments) or to convert such debt instruments into equity, as a means of restoring the institution's capital position. The Resolution Authority is also empowered (and in certain circumstances required) to write down or convert eligible

liabilities, before the conditions (i) to (iii) mentioned in the above paragraph are fulfilled, or together with the use of any resolution tools.

The applicability of the resolution tools and measures to credit institutions that are part of a cross-border group are regulated by the SRM and the Belgian Royal Decree of 26 December 2015 amending the Belgian Banking Law.

3.11 **Material contracts**

As at the date of this Base Prospectus, the Issuers have not entered into any material contracts outside the ordinary course of its business which could result in any member of the KBC Bank Group being under an obligation or entitlement that is material to the Issuers' ability to meet their obligations under the Warrants or Hedging Options.

3.12 **Recent events**

Since 31 December 2025, the following recent events particular to the Issuers have occurred:

- Acquisitions in Central Europe: The KBC Group has completed two acquisitions strengthening its position in Central Europe. In January 2026, it completed the acquisition of a 98.45% stake in 365.bank, a Slovak retail bank with subsidiaries in asset management and consumer finance. On 10 February 2026, it completed the acquisition of Business Lease in the Czech Republic and Slovakia, thereby significantly expanding its leasing activities in both countries.

- Capital distribution: In May 2026, KBC Bank paid a final dividend of EUR 1,881 million in respect of the financial year 2025 to its sole shareholder, KBC Group NV. As at 31 December 2025, KBC Bank's fully loaded CET1 ratio stood at 13.9%, representing a capital buffer of EUR 3,708 million above the fully loaded CET1 requirement for maximum distributable amount of 10.88% (as at 30 June 2026, KBC Bank's fully loaded CET1 ratio stood at 10.94%).

- Regulatory framework: Directive (EU) 2024/1619 (CRD VI) was transposed into Belgian law by the Law of 22 July 2026.

Save as described above, there are no recent events particular to the Issuers which are to a material extent relevant to an evaluation of the Issuers' solvency.

3.13 **Trend information**

Overall global economic growth in 2025 was moderate. Real growth was 2.3% in the US, 1.5% in the euro area and 4.9% in China.

In the United States, uncertainty about the new administration’s economic policies weighed on the labour market, especially in the second half of the year. Both weaker demand and supply-side factors played a role. Even so, US economic growth proved surprisingly resilient, despite the temporary closure of a number of government departments in the fourth quarter. This resilience was driven mainly by private consumption and private investment, including in technology and AI.

In the euro area, growth remained subdued throughout 2025. Growth was relatively strong only in the first quarter, largely due to a one-off boost from net exports as firms front-loaded trade ahead of the announced US import tariffs. In the following quarters, growth stayed at or below potential. The combination of a weak manufacturing industry due to the difficult international trade environment and weak domestic demand weighed on growth in the euro area. More expansionary fiscal policies, especially in Germany, were announced but are not expected to have a visible impact. Finally, China continued to face the structural problem of

overcapacity and related deflationary trends in 2025. This was compounded by the trade dispute with the US, which put additional pressure on China's export-led growth model.

Inflation trends in 2025 diverged slightly between the US and the euro area. Overall annual average inflation in 2025 was 2.7% and 2.1%, respectively. Underlying core inflation (excluding food and energy prices) remained stubbornly high in both economies, mainly driven by service price inflation. Specifically in the US, import duties also provided additional inflationary momentum. The impact on US inflation is likely to be temporary, thus amounting to a one-off increase in the price level, with no lasting effect on inflation. In contrast, the absence of meaningful retaliation in the trade dispute with the US created disinflationary pressures in the euro area. The strong appreciation of the euro in 2025 also dampened inflation via a slower rise in import prices.

The ECB continued its easing path in 2025 and reached the end point with a 2% deposit rate in June. Since the beginning of 2025, the ECB has completely stopped reinvestments in both its APP and PEPP portfolios and intends to continue with that policy until both portfolios are fully phased out.

The US Federal Reserve (Fed) resumed its easing cycle in September 2025, which it had interrupted in December 2024, fearing the inflationary impact of the new US trade policy. The Fed also took a wait-and-see approach for a long time in 2025, as its two policy objectives (price stability and maximum employment) were at odds. There were downside risks to the labour market on the one hand, but at the same time upside risks to inflation. Eventually, the Fed cut its policy rate to its current level of 3.625% (mid-range target rate). Since December 2025, the Fed also stopped its policy of quantitative tightening. At the same moment, it launched a "Reserve Management" programme in December 2025, which aims to prevent liquidity shortages through short-term government bond purchases by the Fed if necessary.

During 2025, US and German 10-year interest rates experienced opposite trends on balance. US 10-year rates fell partly due to fears about the impact of the new US trade policy. In contrast, German ten-year rates rose sharply following the German parliamentary elections and the new government's fiscal expansion plans. On balance, this reduced the long-term interest rate differential between the US and Germany. This led to a sharp weakening of the dollar against the euro, especially in the first half of 2025.

The start of 2026 largely continued the pattern of risks seen in 2025. Despite rulings by the United States Supreme Court on several tariffs, the administration maintained its intention to reintroduce tariffs on trading partners under an alternative legal framework. Geopolitical risks also remained elevated. The US intervention in Venezuela, unrest in Iran in January, the ongoing war in Ukraine and the debate over Greenland all underlined the persistence of geopolitical tensions.

From 28 February, the situation escalated significantly with the outbreak of war in Iran. From an economic point of view, this led to a significant adverse energy price shock, which is particularly being felt in energy-importing Europe.

On 11 June 2026, the ECB raised its deposit rate by 25 basis points (to 2.25%) in response to elevated inflationary pressures, particularly stemming from higher energy prices linked to geopolitical developments. This increase was widely anticipated by markets and economists, with the move largely priced in ahead of the decision.

The risk is that the current extreme uncertainty will gradually undermine economic confidence and investment sentiment and thus eventually economic growth in the euro area. Related to sharply higher energy prices, the sustainability of public finances across a range of Eurozone member states also remains a key concern for 2026, with the risk of rising risk premia on their public debt.

3.14 **Litigation**

This section sets out material litigation to which the Issuers or any of their companies (or certain individuals in their capacity as current or former employees or officers of the Issuers or any of their companies) are party. It describes all claims, quantified or not, that could lead to the impairment of the company's reputation or to a sanction by an external regulator or governmental authority, or that could present a risk of criminal conviction for the company, the members of the board or the management.

Although the outcome of these matters is uncertain and some of the claims concern relatively substantial amounts in damages, the management does not believe that the liabilities arising from these claims will adversely affect the Issuers' consolidated financial position or results, given the provisions that, where necessary, have been set aside for these disputes.

Lazare Kaplan International Inc.

Lazare Kaplan International Inc. is a U.S. based diamond company ("**LKI**"). Lazare Kaplan Belgium NV is LKI's Belgian affiliate ("**LKB**"). LKI and LKB together are hereinafter referred to as "**LK**". The merger between KBC Bank and Antwerpse Diamantbank NV ("**ADB**") on 1 July 2015 entails that KBC Bank is now a party to the proceedings below, both in its own name and in its capacity as legal successor to ADB.

However, for the sake of clarity, further reference is made to ADB on the one hand and the Issuer on the other hand as they existed at the time of the facts described.

Fact summary

Since 2008, LKB has been involved in a serious dispute with its former business partners, DD Manufacturing NV and KT Collection BVBA ("**Daleyot"**), Antwerp based diamond companies belonging to Mr. Erez Daleyot. This dispute relates to a joint venture LK and Daleyot set up in Dubai (called "**Gulfdiam**").

LKB and Daleyot became entangled in a complex litigation in Belgium, each claiming that the other party is their debtor. Daleyot initiated proceedings before the Company Court of Antwerp for payment of commercial invoices for an amount of (initially) approximately USD 9 million. LKB launched separate proceedings for payment of commercial invoices for (initially) an amount of approximately USD 38 million.

At the end of 2009, ADB terminated LK's credit facilities. After LK failed to repay the amount outstanding of USD 45,000,000 in principal, ADB started proceedings before the Company Court of Antwerp, section Antwerp for the recovery of said amount. In a bid to prevent having to pay back the amount owed, LK in turn initiated several legal proceedings against ADB and/or KBC Bank in Belgium and the USA. These proceedings, which are summarised below, relate to, *inter alia*, the dispute between ADB and LKI with regard to the termination of the credit facility and the recovery of all the monies LKI owes under the terminated credit facility as well as allegations that LK was deprived out of circa USD 140 million by DD Manufacturing and other Daleyot entities in cooperation with ADB.

Overview legal proceedings

Belgian proceedings (overview per court entity)

A.1. Company Court of Antwerp, section Antwerp

On 16 March 2010, proceedings were initiated by ADB against LKI in order to recover the monies owed to it under the terminated credit facility (approximately USD 45 million in principal). LKB voluntarily intervened in this proceeding and claimed an amount of USD 350 million from ADB. LKI launched a counterclaim of USD 500 million against ADB (from which it claims any amount awarded to LKB must be deducted).

LKI and /or LKB started numerous satellite proceedings with the sole aim to delay the decision of the Company Court of Antwerp, section Antwerp regarding ADB's recovery claim. (please also refer to the proceedings described below).

Numerous times LKI and/or LKB were convicted for reckless and vexatious legal actions and were ordered to pay KBC Bank in damages for a total amount of EUR 495,000 and legal expenses (including the legal representation costs) of EUR 204,015.51 (including the amounts granted by the decisions described below).

All decisions (45) regarding these proceedings rejected LKI and /or LKB's claims and legal actions. Only three decisions were rendered in favour of LKI. The first was a decision of the United States Court of Appeals for the Second Circuit in 2013 whereby the RICO case was reversed and remanded back to the District Court on legal technical grounds. The second decision was the ruling of Court of Cassation dated 19 December 2019, which only partially annulled the Antwerp Court of Appeal decision of 13 December 2018 regarding the lack of reasoning in relation to the order of LKI and LKB to pay damages for vexatious reckless proceedings. The case was only sent to the Brussel Court of Appeal on this aspect. The third decision was the ruling of the Court of Cassation dated 25 January 2021 annulling the decision of the Antwerp Court of Appeals dated 28 February 2019 but only on technical legal grounds (see point A.3. below).

As at the date of this Base Prospectus, after more than ten years of litigation the Company Court of Antwerp, section Antwerp has still not been able to decide on the merits of the case. On 6 October 2020, the Company Court of Antwerp ordered a briefing schedule inviting parties to take a position on the procedural objections invoked by LK regarding the handling of KBC Bank's claim by the Court.

On 3 June 2021, the Company Court of Antwerp, section Antwerp declared that it has jurisdiction to rule on all claims and dismissed the procedural objections invoked by LK. A court hearing was set for 8 September 2022.

LKB and LKI lodged separate appeals against the decision of 3 June 2021. The Antwerp Court of Appeal merged the two appeals. Both these cases were set for hearing at 15 June 2023. However, the day before, LKB filed two petitions for withdrawal. Thereupon, the Court adjourned both these cases to the hearing of 30 November 2023.

By two judgments dated 19 October 2023, the Court of Cassation dismissed the aforementioned petitions for withdrawal and ordered LKB for the two applications each to pay EUR 10,000 in damages for vexatious reckless litigation.

On 8 February 2024 the Antwerp Court of Appeal rendered an interlocutory judgment deciding to suspend the proceedings pending the outcome of the criminal inquiries.

A.2. Company Court of Antwerp, section Antwerp

On 28 July 2014, LK launched proceedings against ADB and certain Daleyot entities. This claim is aimed at having certain transactions of the Daleyot entities declared null and void or at least not opposable against LK.

LK also filed a damage claim against ADB for a provisional amount of USD 60 million based on the alleged third-party complicity of ADB. This case is still pending. The court postponed the case *sine die*.

A.3. Company Court of Antwerp, section Antwerp

On 10 December 2014, LKB filed a proceeding against ADB and KBC Bank claiming an amount of approximately USD 77 million, based on the allegedly wrongful grant and maintenance of credit facilities by ADB and KBC Bank to the Daleyot entities. In its last court brief LK claims an additional amount of approximately USD 5 million.

By decision of 7 February 2017, the Company Court of Antwerp, section Antwerp dismissed LKB's claim. Moreover, the Court decided that the proceedings initiated by LKB were reckless and vexatious and ordered LKB to pay EUR 250,000 in damages, as well as the maximum legal representation cost of EUR 72,000.

LKB appealed against the decision of 7 February 2017. On 28 February 2019, the Antwerp Court of Appeals dismissed LKB's appeal. LKB was ordered to pay the legal representation cost for the appeal proceedings of EUR 18,000. On 18 June 2019 LKB initiated proceedings before the Court of Cassation against the decision of the Antwerp Court of Appeals dated 28 February 2019. On 25 January 2021, the Court of Cassation annulled the decision of the Antwerp Court of Appeals, but only on technical legal grounds relating to the Court of Appeals' assessment of the limitation period for LKB's liability claims. The case is sent to the Ghent Court of Appeals.

LKI – which was not a party to the first instance proceedings – commenced third-party opposition proceedings against the decision of 7 February 2027 with the Company Court of Antwerp, section Antwerp. By decision of 7 May 2019, the Company Court dismissed the third-party opposition proceedings initiated by LKI. The court ordered LKI to pay the legal representation cost of EUR 1,440.

A.4. Criminal complaint

On 13 October 2016 LK filed a criminal complaint with the Investigating Magistrate at the Dutch speaking Court of First Instance of Brussels against KBC Bank.

On 9 April 2019 LK filed an additional complaint with the same Investigation Magistrate against KBC Bank and certain of its (former) employees. The criminal complaints are based, *inter alia*, on: embezzlement, theft and money-laundering.

On 29 September 2021, KBC Bank received notification that the chambers section of the Criminal Court of Brussels will decide on the closure of the criminal investigation and on the regulation of procedure (either dismissal of charges or referral to the criminal court). On 16 November 2021 the chambers section of the Criminal Court decided to postpone the proceedings indefinitely because of LKI and LKB's request for additional investigation. On 16 December 2021, the Investigating Magistrate denied the request, except for one investigative measure. LKI and LKB appealed this decision. On 22 February 2024, the chamber for indictments rejected the LKI and LKB appeal against the decision of the investigation magistrate of 16 December 2021. On 20 August 2024, pleadings were held before the chambers section of the Criminal Court of Brussels on the closure of the criminal investigation and dismissal or referral to the Criminal Court of Brussels. On 17 September 2024, the chambers section decided to postpone the proceedings indefinitely because certain electronic documents in the criminal file could not be accessed.

Bernard L. Madoff Investments Securities LLC and Bernard L. Madoff

On 6 October 2011, Irving H. Picard, trustee for the substantively consolidated SIPA (Securities Investor Protection Corporation Act) liquidation of Bernard L. Madoff Investments Securities LLC and Bernard L. Madoff, sued KBC Investments Ltd (a wholly-owned subsidiary of KBC Bank) before the bankruptcy court in New York to recover approximately USD 110,000,000 worth of transfers made to KBC entities. The basis for this claim were the subsequent transfers that KBC Investments Ltd had received from Harley International, a Madoff feeder fund established under the laws of the Cayman Islands. This claim is one of a whole set made by the trustee against several banks, hedge funds, feeder funds and investors. In addition to the issues addressed by the district court, briefings were held on the applicability of the Bankruptcy Code's 'safe harbor' and 'good defenses' rules to subsequent transferees (as is the case for KBC Investments Ltd). KBC Investments Ltd, together with numerous other defendants, filed motions for dismissal. District court Judge Jed Rakoff has made several intermediate rulings in this matter, the most important of which are the rulings on extraterritoriality and good faith defences.

On 27 April 2014, Judge Rakoff issued an opinion and order regarding the 'good faith' standard and pleading burden to be applied in the Picard/SIPA proceeding based on sections 548(b) and 559(b) of the Bankruptcy Code. As such, the burden of proof that lies on Picard/SIPA is that KBC Investments Ltd should have been aware of the fraud perpetrated by Madoff. On 7 July 2014, Judge Rakoff ruled that Picard/SIPA's reliance on section 550(a) does not allow for the recovery of subsequent transfers received abroad by a foreign transferee from a foreign transferor (as is the case for KBC Investments Ltd.). Therefore, the trustee's recovery claims have been dismissed to the extent that they seek to recover purely foreign transfers. In June 2015, the trustee filed a petition against KBC Investments Ltd to overturn the ruling that the claim fails on extraterritoriality grounds. In this petition, the trustee also amended the original claim including the sum sought. The amount has been increased to USD 196 million.

On 21 November 2016, Judge Bernstein issued a memorandum decision regarding claims to recover foreign subsequent transfers, including the transfers which the trustee seeks to recover from KBC Investments Ltd. In this memorandum decision, Judge Bernstein concluded that the trustee's claims based on foreign transfers should be dismissed out of concern for international comity and ordered a dismissal of the action against KBC Investments Ltd.on 3 March 2017, the Bankruptcy Court issued an order denying the Madoff Trustee's request for leave to amend his Complaint and dismissing the complaint. On 16 March 2017 the trustee Picard filed an appeal of dismissal, on 27 September 2017 the Second Circuit granted trustee Picard's petition for a direct appeal, on 10 January 2018 trustee Picard filed his opening brief in appeal to the Second Circuit.

Briefing in the appeal was completed on 8 May 2018, and the Second Circuit held oral argument on 16 November 2018.

On 28 February 2019 the Second Circuit reversed the Bankruptcy Court's dismissal of the actions against KBC Investments Ltd on extraterritoriality and international comity grounds. The action against KBC Investments Ltd has therefore been remanded back to the Bankruptcy Court for further proceedings. KBC believes it has substantial and credible defences to this action and will continue to defend itself vigorously.

In April 2019 a request for rehearing was denied.

On 30 August 2019, a petition for writ of certiorari was filed with the U.S. Supreme Court to consider the appeal and reverse the Second Circuit decision by the joint defence group.

On 10 December 2019, the U.S. Supreme Court entered a brief order inviting the U.S. Solicitor General to file a brief expressing the views of the United States Government.

On 10 April 2020, the United States Solicitor General filed a brief recommending that the Supreme Court deny the Madoff defendants' petition for a writ of certiorari.

On 2 June 2020, the U.S. Supreme Court denied the petition. As a consequence, the merits of the case will be handled by the Bankruptcy Court.

On 1 August 2022, the Bankruptcy Court judge issued a stipulation and order regarding the filing of an amended complaint and subsequent scheduling of proceedings. As a result, the Trustee amended his complaint on 5 August 2022 by reducing his claim to U.S.$86,000,000, consisting of subsequent transfers received by KBC Investments Ltd from Harley (a feeder fund). On 18 November 2022, KBC filed a motion to dismiss the amended complaint for lack of specific jurisdiction of the US court.

On 26 April 2023, the court dismissed this motion contesting jurisdictional and proceeded to establish a case management plan for the proceedings, which provides for a term for the investigation of the facts that has ended on 21 August 2026. Both parties have released the first factual documents. The next step is to select certain persons named in the disclosures already made and who are likely to be heard by one or both parties in the proceedings. KBC Investments Ltd still believes, although the burden of proof has been increased, it has

good and credible defences, both procedurally and on the merits including demonstrating its good faith. The procedure may still take several years.

VII. TERMS AND CONDITIONS OF THE WARRANTS AND THE HEDGING OPTIONS

1. Warrant Conditions

*The following are the terms and conditions of the Warrants (the "**Warrant Conditions**") which will apply to each Series of Warrants issued under the Programme. Certain information which is applicable to each Series of Warrants will be set out in a final terms document (the "**Final Terms**"). Since the Final Terms that are applicable to a particular Series of the Warrants (the "**Applicable Final Terms**") may only be determined when such Series of Warrants is issued, the Warrant Conditions set out below should be read in conjunction with the relevant Applicable Final Terms which will be published upon each issue of Warrants in accordance with Article 21 of the Prospectus Regulation.*

KBC Bank NV and CBC Banque SA (together the "**Issuers**" and each individually an "**Issuer**") have established a programme (the "**Programme**") for the issuance of call warrants (*koopwarranten/warrants d'achat*) linked to an Underlying (as defined in Warrant Condition (1) below) (in the case of warrants issued by KBC Bank NV, "**KBC Bank Warrants**", in the case of warrants issued by CBC Banque SA, "**CBC Banque Warrants**", together "**Warrants**").

The Warrants are one of a Series of Warrants issued by the relevant Issuer pursuant to a Warrant Agreement originally dated on or about 21 December 2021 (such Warrant Agreement as amended and/or supplemented and/or restated from time to time, the "**Warrant Agreement**") between, *inter alia*, the Issuer and KBC Bank NV as Warrant Agent. In accordance with the provisions of the Warrant Agreement, additional Warrant Agents may be appointed from time to time in respect of a particular Series as set out in the Applicable Final Terms of such Series. KBC Bank NV shall also, in accordance with the provisions of the Warrant Agreement, undertake the duties of Calculation Agent as set out in these Warrant Conditions and in the Applicable Final Terms. In accordance with the provisions of the Warrant Agreement, additional Calculation Agents may be appointed from time to time in respect of a particular Series as set out in the Applicable Final Terms of such Series (in which case a separate calculation agency agreement will be concluded between the Issuer and such Calculation Agent in the form set out in the schedule to the Warrant Agreement, the "**Calculation Agency Agreement**"). The expression Calculation Agent shall, in relation to the relevant Warrants, include such other specified calculation agent.

The Final Terms for a particular Series of Warrants (or the relevant provisions thereof) are set out in Part A of the Final Terms and are attached hereto and complete these Warrant Conditions for the purposes of such particular Series of Warrants.

As used herein, a "**Series**" means Warrants which are identical in all respects (including, for the avoidance of doubt, as to the Issue Date and Issue Price (such terms as defined below)) (other than the Hedging Fee which may vary for Warrant Holders based on criteria such as number of Warrants bought and investor profile).

Certain provisions of these Warrant Conditions include summaries of, and are subject to, the detailed provisions of the Warrant Agreement. The Warrant Agreement and the Applicable Final Terms (and, if applicable in respect of a particular Series, any Calculation Agency Agreement) are available for inspection at and copies thereof may be obtained from the specified office of the Warrant Agent set out at the end of these Warrant Conditions during normal business hours, save that if the relevant Warrants are offered pursuant to an offer that is not a Non-exempt Offer (as specified in the Final Terms), the Applicable Final Terms will only be obtainable by a Warrant Holder (as defined below) holding one or more Warrants and such Warrant Holder must produce evidence satisfactory to the Warrant Agent as to its identity.

Where applicable, the Issuer and the Calculation Agent undertake to comply with Book VI of the Belgian Code of Economic Law in respect of Warrants issued under the Programme and subscribed to by Consumers.

To the extent the Warrant Holder is a Consumer, the Issuer may not unilaterally modify an essential feature of the Warrants, unless: (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not

attributable to the Issuer, (b) any such modification does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuer does not charge costs to the Warrant Holder for any such modification.

Furthermore, to the extent the Warrant Holder is a Consumer, the cancellation of the Warrants provided for in the Warrant Conditions is only possible upon a decision of the Issuer or the Calculation Agent: (a) if (i) a force majeure event has occurred and (ii) the Issuer does not charge additional costs to the Warrant Holder for such cancellation; or (b) if (i) an event has occurred which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, (ii) such cancellation does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, (iii) the Issuer does not charge costs to the Warrant Holder for such cancellation, and (iv) the Issuer reimburses the Warrant Holder the costs (other than the Actual Exercise Price, the Exercise Costs and the Exercise Expenses) already paid by such Warrant Holder pro rata in the following proportion: (total initial term MINUS the period elapsed at the time of such cancellation) / total initial term.

The Warrants are instruments that allow the Warrant Holder to gain an exposure on an Underlying ETF Share or an Underlying Share. Their value may fluctuate based on, *inter alia*, fluctuations in the Value of the Underlying.

The Warrants grant the Warrant Holder:

a right of Exercise of the Warrants (see Warrant Conditions (6)a), (7) and (8)); and

a right to offer the Warrants for sale to the Issuer (see Warrant Conditions (6) and (9)).

Subject to the applicable costs and expenses as referred to in these Warrant Conditions, in case of an Exercise of the Warrants, the Warrant Holder may realise a return by selling the relevant Underlying it receives upon Exercise provided the Warrants have an Intrinsic Value at such time.

Subject to the applicable costs and expenses as referred to in these Warrant Conditions, in case of a sale of the Warrants, the Warrant Holder can make a return if the Sale Price at which it is able to Sell its Warrant(s) to the Issuer, is higher than the Issue Price (as applicable) at which the relevant Warrant(s) was (were) acquired.

As set out above, a number of Warrant Conditions grant or may grant the Issuer, the Calculation Agent and/or the Warrant Agent a unilateral right to modify certain features of the Warrants (including, but not limited to, the postponement of the Delivery Date, provide for a cash settlement rather than a physical delivery of the Underlying or making adjustments to the Entitlement and/or the Exercise Price, which are to be considered as substantial features of the Warrants):

(b) Warrant Condition (7)d (*Settlement Disruption*);

- Warrant Condition (7)e (*Failure to Deliver*), if specified in the Applicable Final Terms;
- Warrant Condition (11)d (*Modification*);
- Warrant Condition (18)a (*Potential Adjustment Events*) (for Share Linked Warrants);
- Warrant Condition (18)b (*De-Listing, Merger Event, Tender Offer (if specified in the Applicable Final Terms), Insolvency and Nationalisation*) (for Share Linked Warrants);
- Warrant Condition (19)a (*Potential Adjustment Events*) (for ETF Linked Warrants);
- Warrant Condition (19)b (*De-listing, Merger Event, Tender Offer (if specified in the Applicable Final Terms), Insolvency and Nationalisation*) (for ETF Linked Warrants);

- Warrant Condition (20) (*Additional Disruption Events*): "Change in Law", "Hedging Disruption", "Increased Cost of Hedging", "Increased Cost of Stock Borrow", "Loss of Stock Borrow", "Insolvency Filing", "ETF Cross-contamination" (for ETF Linked Warrants), "ETF Insolvency Event" (for ETF Linked Warrants), "ETF Modification" (for ETF Linked Warrants), "ETF Regulatory Action" (for ETF Linked Warrants) and/or "ETF Strategy Breach" (for ETF Linked Warrants), in each case if specified in the Applicable Final Terms.

The sole purpose of these provisions is to allow the Issuer, the Calculation Agent and/or the Warrant Agent, as the case may be, upon the occurrence of certain events (i) which are outside of the control of the Issuer, the Calculation Agent and/or the Warrant Agent, (ii) which were not reasonably foreseeable at the time of issuance of the relevant Warrants, and (iii) to the extent that the Warrant Holder is a consumer (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*) in Belgium (a "**Consumer**"), which significantly alters the economics of the contract as initially agreed between the parties, to make modifications to the Warrants that would allow the rights and obligations under the Warrants to be exercised and performed by the Warrant Holders in view of realising a return to the extent possible in accordance with the initially agreed terms and contractual equilibrium.

Furthermore, a number of Warrant Conditions grant or may grant the Issuer, the Calculation Agent and/or the Warrant Agent a right to terminate and cancel the Warrants under certain circumstances:

- Warrant Condition (10) (*Illegality*);

- Warrant Condition (18)b (*De-Listing, Merger Event, Tender Offer (if specified in the Applicable Final Terms), Insolvency and Nationalisation*) (for Share Linked Warrants);

- Warrant Condition (19)b (*De-listing, Merger Event, Tender Offer (if specified in the Applicable Final Terms), Insolvency and Nationalisation*) (for ETF Linked Warrants);

- Warrant Condition (20) (*Additional Disruption Events*): "Change in Law", "Hedging Disruption", "Increased Cost of Hedging", "Increased Cost of Stock Borrow", "Loss of Stock Borrow", "Insolvency Filing", "ETF Cross-contamination" (for ETF Linked Warrants), "ETF Insolvency Event" (for ETF Linked Warrants), "ETF Modification" (for ETF Linked Warrants), "ETF Regulatory Action" (for ETF Linked Warrants) and/or "ETF Strategy Breach" (for ETF Linked Warrants), in each case if specified in the Applicable Final Terms.

Such termination and cancellation rights are only intended to be invoked by the Issuer, the Calculation Agent and/or the Warrant Agent, as the case may be, upon the occurrence of certain events (i) which are outside of the control of the Issuer, the Calculation Agent and/or the Warrant Agent, (ii) which were not reasonably foreseeable at the time of issuance of the relevant Warrants, and (iii) to the extent that the Warrant Holder is a Consumer, which significantly alters the economics of the contract as initially agreed between the parties, and provided that all reasonable efforts were otherwise made that would allow the rights and obligations under the Warrants to be exercised and performed by the Warrant Holders in view of realising a return to the extent possible in accordance with the initially agreed terms and contractual equilibrium. In case of cancellation, the Issuer is required to indemnify the Warrant Holder for the loss suffered by the Warrant Holder because of the cancellation. An amount based on the Fair Market Value of the Warrant (*plus*, if already paid, the Actual Exercise Price, the Exercise Cost and the Exercise Expenses) will be paid as a minimum to compensate the Warrant Holder. To the extent the Warrant Holder is a Consumer, if the Issuer cancels the Warrants as a result of the occurrence of an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, the Issuer may not charge costs to the Warrant Holder for such cancellation, and the Issuer will reimburse the Warrant Holder the costs (other than the Actual Exercise Price, the Exercise Costs and the Exercise Expenses) already paid by such Warrant Holder *pro rata* in the following proportion: (total initial term MINUS the period elapsed at the time of such cancellation) / total initial term.

(1) Definitions

For the purpose of these Warrant Conditions, the following definitions have the following meanings:

"**Actual Exercise Date**" has the meaning set out in Warrant Condition (7)a.

"**Actual Exercise Price**" has the meaning set out in Warrant Condition (7)b.

"**Actual Sale Date**" has the meaning set out in Warrant Condition (9)a(ii).

"**Additional Disruption Event**" means any of Change in Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow, Insolvency Filing, ETF Cross-contamination (in the case of ETF Linked Warrants), ETF Insolvency Event (in the case of ETF Linked Warrants), ETF Modification (in the case of ETF Linked Warrants), ETF Regulatory Action (in the case of ETF Linked Warrants) and/or ETF Strategy Breach (in the case of ETF Linked Warrants), in each case if specified in the Applicable Final Terms. To the extent that the Warrant Holder is a Consumer, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow and/or ETF Modification will not be deemed to be an Additional Disruption Event.

"**Additional ETF Documents**" means, in respect of an ETF, any documents of such ETF which are determined to be Additional ETF Documents by the Calculation Agent.

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For those purposes "**Control**" means ownership of a majority of the voting power of an entity.

"**Agent**" means any of the Warrant Agent or the Calculation Agent.

"**Applicable Final Terms**" has the meaning set out in the introduction to these Warrant Conditions.

"**Belgian Civil Code**" means the Belgian Civil Code (*Burgelijk Wetboek/Code Civil*) dated 13 April 2019.

"**Belgian Code of Economic Law**" means the Belgian code of economic law (*Wetboek Economisch Recht / Code de Droit Économique*) dated 28 February 2013.

"**Business Day**" means (i) a day (other than Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Brussels (Belgium) and in the relevant Business Day Centre(s) and Euroclear SA/NV is open for business and (ii) for the purpose of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

"**Business Day Centre**" means the city or cities specified as such in the Applicable Final Terms.

"**Calculation Agency Agreement**" has the meaning set out in the introduction of these Conditions.

"**Calculation Agent**" means KBC Bank NV in respect of any Series of respectively KBC Bank or CBC Banque Warrants issued under their Programmes (as applicable), unless, in respect of a particular Series of Warrants, another party is appointed as the Calculation Agent in the Applicable Final Terms for such Series, and any successor Calculation Agent from time to time.

"CBC Banque" means CBC Banque SA.

"**Change in Law**" means that, on or after the Issue Date (as specified in the Applicable Final Terms) due to:

(i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law); or

(ii) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

(A) it has become illegal to hold, acquire or dispose of any relevant Underlying or Warrant; or

(B) the Issuer will incur a materially increased cost in performing its obligations in relation to the Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates),

and, for the purposes of this definition, sub-paragraph (B) will not be considered as a "Change in Law" if the Warrant Holder is a Consumer.

"**Closing Price**" means, in respect of an Underlying ETF Share and a Scheduled Trading Day, the official Value in respect of the relevant Underlying ETF Share at the Valuation Time on such day, as determined by the Calculation Agent, subject as provided in Valuation Date below.

"**Dealer(s)**" means KBC Bank respectively CBC Banque (as applicable) and any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis.

"**Delivery Date**" means, in case of Exercise of a Warrant, the date for delivery of the Entitlement in the relevant Underlying as set out in Warrant Conditions (7)c and (8)d.

"**Delivery Valuation Date**" means the Delivery Date, provided that the Delivery Valuation Date shall be deemed to be a Valuation Date and the provisions of that definition shall apply.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session.

"**Disruption Cash Settlement Price**" in respect of any relevant Warrant shall be the Fair Market Value of such Warrant (taking into account, where the Settlement Disruption Event affected some but not all of the Underlyings comprising the Entitlement and such non-affected Underlyings have been duly delivered, the value of such affected Underlyings), as determined by the Calculation Agent plus, if already paid, the Actual Exercise Price, the Exercise Cost and Exercise Expenses (or, where some Underlyings have been delivered, and a *pro rata* portion of the Actual Exercise Price, the Exercise Cost and/or Exercise Expenses has been paid, such *pro rata* portion).

"**Electronic Sale Notice**" means a notice given by the Warrant Holder for the sale of the Warrants to the Issuer in accordance with Warrant Condition 9(a).

"**END Warrant**" means a Warrant identified in the Applicable Final Terms as an END Warrant (i.e. a Warrant whose Sale Price is formed and determined once intra-day by the Issuer in accordance with Warrant Condition (9)a(i)).

"**Entitlement**" means, in respect of a Warrant of a Series, the number of the Underlyings (including, in the case of Share Linked Warrants, fractions of the Underlying) which a Warrant Holder is entitled to receive upon Exercise of such Warrant, provided that, in the case of ETF Linked Warrants, fractions of the relevant Underlying ETF Share shall not be delivered and in lieu thereof a cash adjustment, calculated in accordance with Warrant Condition (7)g, shall be paid.

"**ETF**" means any exchange traded fund specified in the Applicable Final Terms.

"**ETF Administrator**" means, in respect of an Underlying ETF Share and the related ETF, any person so specified in the Applicable Final Terms or, if no person is so specified, the fund administrator, manager, trustee or similar person with the primary administrative responsibilities for such ETF according to the ETF Documents.

"**ETF Adviser**" means, in respect of an Underlying ETF Share and the related ETF, any person so specified in the Applicable Final Terms or, if no person is so specified, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser) for such ETF.

"**ETF Cross-contamination**" means, in respect of an Underlying ETF Share and the related ETF, the occurrence of a cross-contamination or other failure to segregate effectively assets between different classes, series or sub-funds of such ETF, and such event is expected to continue, in the determination of the Calculation Agent, for the foreseeable future.

"**ETF Documents**" means, in respect of an Underlying ETF Share and the related ETF, the constitutive and governing documents, subscription agreements and other agreements of the ETF specifying the terms and conditions relating to such Underlying ETF Share and any Additional ETF Documents, in each case, as amended from time to time.

"**ETF Insolvency Event**" means, in respect of an Underlying ETF Share and the related ETF, that the ETF or any other entity specified in the Applicable Final Terms as an "ETF Insolvency Entity" (a) is dissolved or has a resolution passed for its dissolution, winding up, official liquidation (other than pursuant to a consolidation, amalgamation or merger), (b) makes a general assignment or arrangement with or for the benefit of its creditors, (c)(i) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (ii) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (i) above and either (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation, or (B) is not dismissed, discharged, stayed or restrained in each case within fifteen days of the institution or presentation thereof, (d) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (e) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within fifteen days thereafter, or (f) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) through (e) above.

"**ETF Linked Warrants**" means Warrants in respect of which "Underlying ETF Share" is specified as the Underlying in the Applicable Final Terms.

"**ETF Modification**" means, in respect of an Underlying ETF Share and the related ETF, any change or modification of the ETF Documents of such ETF which could reasonably be expected to affect (a) the value of such Underlying ETF Share, or (b) the rights or remedies of any holder of any Underlying ETF Share as compared with those rights and remedies prevailing on the Trade Date, in each case, as determined by the Calculation Agent.

"**ETF Regulatory Action**" means, in respect of an Underlying ETF Share and the related ETF, (a) the cancellation, suspension, revocation of the registration or approval of such ETF or such Underlying ETF Share by any governmental, legal or regulatory entity with authority over such ETF or such Underlying ETF Share, (b) any change in the legal, tax, accounting or regulatory treatment of such Underlying ETF Share, such ETF or its ETF Adviser which is reasonably likely, in the determination of the Calculation Agent, to have an adverse impact on the value of such Underlying ETF Share or on any investor in such Underlying ETF Share, or (c) such ETF or any of its ETF Administrator or its ETF Adviser becomes subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activity relating to or resulting from the operation of such ETF, ETF Administrator or ETF Adviser.

"**ETF Strategy Breach**" means, in respect of an Underlying ETF Share and the related ETF, any breach or violation of any strategy or investment guidelines stated in the ETF Documents of such ETF in respect of such Underlying ETF Share which is reasonably likely, in the determination of the Calculation Agent, to affect (a) the value of such Underlying ETF Share, or (b) the rights or remedies of any holder of any such Underlying ETF Share as compared with those rights or remedies prevailing on the Trade Date.

"**Euro**", "**EUR**" or "**€**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty, as amended.

"**Exchange**" means each exchange or quotation system, any successor or any substitute exchange or quotation system, including for the avoidance of doubt but without limitation, any regulated market.

"**Exercise** or **Exercise of a Warrant**" has the meaning set out in Warrant Condition (7).

"**Exercise Cost**" means the administrative cost that will be borne by the Warrant Holder upon its exercise of a Warrant as set out in Warrant Condition (7)f.

"**Exercise Expenses**" has the meaning set out in Warrant Condition (8)a(v).

"**Exercise Notice**" has the meaning set out in Warrant Condition (8)a.

"**Exercise Period**" means, in respect of a Warrant of a Series, the period specified in the Applicable Final Terms during which the Warrant Holder has the right to acquire the Entitlement in the Underlying at the Exercise Price.

"**Exercise Price**" means, in respect of a Warrant of a Series, the price specified in the Applicable Final Terms at which the Warrant Holder is entitled to acquire the Entitlement during the Exercise Period (whereby such Exercise Price is expressed by reference to an entire share or unit of the relevant Underlying).

"**Expiration Date**" means, in respect of a Warrant of a Series, 15:00h (CET) on the last Business Day falling within the Exercise Period.

"**Failure to Deliver**" has the meaning set out in Warrant Condition (7)e.

"**Failure to Deliver Notice**" means a written notice sent by the Calculation Agent to the relevant Warrant Holder(s) informing that a Failure to Deliver has occurred.

"**Failure to Deliver Settlement Price**" in respect of any relevant Warrant shall be the Fair Market Value of such Warrant on the Actual Exercise Date (taking into account, the Underlying(s) comprising the Entitlement which have been duly delivered), plus, if already paid, the Actual Exercise Price, the Exercise Cost and Exercise Expenses (or, where some Underlyings have been delivered, and a *pro rata* portion of the Actual Exercise Price, the Exercise Cost and/or Exercise Expenses has been paid, such *pro rata* portion).

"**Fair Market Value**", in respect of a Warrant, means the fair market value determined by KBC Bank or the Warrant Agent on behalf of CBC Banque (as applicable) based on a Cox Binomial Tree numerical method

generated via Black & Scholes methodology. The Fair Market Value is the result of the Intrinsic Value and the Time Value of the Warrant. The model is a generally accepted valuation model and is in scope of different internal and external control processes at the KBC Bank's or the Warrant Agent's (acting on behalf of CBC Banque) side (as applicable); where the Issuer will be the only provider of Warrants on an Underlying, the Issuer bears the risk to hedge the market exposure via proxy hedging.

"**Final Terms**" has the meaning set out in the introduction of these Warrant Conditions.

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates is unable, after using all commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it seems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Hedging Fee**" means the fee equal to a maximum of 3 per cent of the Issue Price payable by a Warrant Holder to the relevant Issuer upon purchase of the Warrants as set out in the agreement between the relevant Issuer and Warrant Holder.

"**Hedging Shares**" means the number of Underlyings that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Warrants.

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Warrants, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

"**Increased Cost of Stock Borrow**" means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Underlying that is greater than the Initial Stock Loan Rate.

"**Issue Date**" means, in respect of a Series of Warrants, the Business Day on which such Series of Warrants is issued as specified in the Applicable Final Terms.

"**Issue Price**" means, in respect of a Warrant of a Series, the amount per Warrant as specified in the Applicable Final Terms.

"**Issuer**" has the meaning set out in the introduction to these Conditions.

"**Initial Stock Loan Rate**" means, in respect of an Underlying, the Initial Stock Loan Rate specified in relation to such Underlying in the Applicable Final Terms.

"**Initial Warrant Value**" has the meaning set out in Warrant Condition (7)b.

"**Insolvency Filing**" means, in respect of an Underlying and the related Share Company or ETF, that such Share Company or ETF, as the case may be, institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or ETF, as the case may be, shall not be deemed an Insolvency Filing.

"**Intrinsic Value**", in respect a Warrant, the value that is based on the difference between the Value of the Underlying and the Exercise Price of the Warrant.

"**KBC Bank**" means KBC Bank NV.

"**KBC Bank Group**" means KBC Bank and all its subsidiaries.

"**KBC Group**" means KBC Group NV and its subsidiaries.

"**Loss of Stock Borrow**" means that the Issuer and/or any Affiliate is unable, after using all commercially reasonable efforts, to borrow (or maintain a borrowing of) any Underlying in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"**Market Disruption Event**" means, in respect of an Underlying when such Underlying is listed:

- the occurrence or existence at any time during the one hour period that ends at the relevant Valuation Time of:

  (i) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:

  (A) relating to the Underlying on the Exchange; or

  (B) in futures or options contracts relating to the Underlying on any relevant Related Exchange; or

  (ii) any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, the Underlying on the Exchange, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Underlying on any relevant Related Exchange,

  which in either case the Calculation Agent determines is material; or

- the closure on any Scheduled Trading Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Scheduled Trading Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Scheduled Closing Time on such Scheduled Trading Day.

"**Maximum Stock Loan Rate**" means, in respect of an Underlying, the Maximum Stock Loan Rate specified in the Applicable Final Terms.

"**Net Asset Value**" means, in respect of any Underlying Share, the value of such Underlying Share determined on the basis of the value of the relevant fund's assets minus the relevant fund's liabilities and as made available by the provider of financial services in respect of the relevant fund.

"**Programme**" has the meaning set out in the introduction of these Conditions.

"**Related Exchange**" means, in respect of the Underlying, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Underlying.

"**Resolution Authority**" means the Single Resolution Board ("**SRB**") (established pursuant to the Regulation 806/2014 of the European Parliament and the Council of 15 July 2014 relating to the Single Resolution Mechanism) and, where relevant, the resolution college of the National Bank of Belgium (within the meaning of Article 21ter of the Act of 22 February 1998 establishing the organic statute of the National Bank of Belgium) or any successor or replacement entity having responsibility for the recovery and resolution of the Issuer.

"**Sale Expenses**" has the meaning set out in Warrant Condition 9(e).

"**Sale of a Warrant**" or "**Sale**" has the meaning set out Warrant Condition (9).

"**Sale Price**" means the price at which the Issuer may purchase a Warrant if offered to it for Sale by the Warrant Holder, as determined in accordance with Warrant Condition (9)a(i).

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Trading Day**" means (i) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session.

"**Securities Act**" means the United States Securities Act of 1933 as amended.

"**(to) Sell**" means, in respect of a Warrant, performing the transaction of a Sale of a Warrant.

"**Series**" has the meaning set out in the introduction to these Conditions.

"**Settlement Disruption Event**" means following the Exercise of the Warrant an event beyond the control of the Issuer as a result of which the Issuer cannot make delivery of the Entitlement to the Underlying (using the method for delivery of such Entitlement in the Underlying as specified in the Applicable Final Terms).

"**Settlement Disruption Event Notice**" means a written notice sent by the Warrant Agent to the Warrant Holder(s) informing that a Settlement Disruption Event has occurred.

"**Share Company**" means the fund which issues the Underlying Shares.

"**Share Linked Warrants**" means Warrants in respect of which "Underlying Share" is specified as the Underlying in the Applicable Final Terms.

"**SICAV**" means an investment company with variable capital (*beleggingsvennootschap met veranderlijk kapitaal/société d'investissement à capital variable*) within the meaning of the Law of 3 August 2012 regarding collective investment undertakings that comply with the conditions of Directive 2009/65/EC and the undertakings for the investment in receivables.

"**Taxes**" means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or deliveries of assets), profits or capital gains) together with any interest, additions to tax or penalties.

"**Time Value**" means, in respect of a Warrant, the value that reflects the upward potential of the Value of the Underlying before the end of the Exercise Period; it reflects the possibility that the Value the Underlying at the end of the Exercise Period exceeds the Exercise Price of the Warrant.

"**Trade Date**" means the date specified as such in the Applicable Final Terms.

"**Underlying**" means, in respect of a Warrant of a Series, the Underlying Share or Underlying ETF Share specified as such in the Applicable Final Terms.

"**Underlying ETF Share**" means, in respect of a Warrant of a Series, the underlying ETF share specified in the Applicable Final Terms, that can be acquired by the Warrant Holder upon Exercise.

"**Underlying Share**" means, in respect of a Warrant of a Series, the underlying share in a SICAV managed by KBC Asset Management SA/NV, as specified in the Applicable Final Terms, that can be acquired by the Warrant Holder upon Exercise.

"**U.S. Person**" means a U.S. person as defined in Rule 902(k) promulgated under the Securities Act.

"**Valuation Date**" means each date specified as such in the Applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) unless if any such date is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day (such eighth day, the "**Eighth Scheduled Trading Day**"). In that case, the Calculation Agent shall determine in its absolute discretion that the Valuation Date shall be the earlier of: (a) the Eighth Scheduled Trading Day, in which case the Calculation Agent shall determine the relevant Value using its good faith estimate of such Value as of the Valuation Time on the Eighth Scheduled Trading Day; and (b) the first succeeding Scheduled Trading Day on which there is no Market Disruption Event.

"**Valuation Time**" means, unless an alternative Valuation Time is specified in the Applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date in relation to the Underlying to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Value**" means, in respect of an Underlying, the value of such Underlying based on (a) the price quoted on such exchange or trading venue as specified in the Applicable Final Terms or (b) in case of an Underlying Share, the Net Asset Value.

"**Warrant**" has the meaning set out in the introduction to these Warrant Conditions.

"**Warrant Agent**" means KBC Bank NV in respect of any Series of respectively KBC Bank or CBC Banque Warrants issued under their Programmes, unless, in respect of a particular Series of Warrants, another party is appointed as the warrant agent in the Applicable Final Terms for such Series, and any successor Warrant Agent from time to time.

"**Warrant Agreement**" has the meaning set out in the introduction of these Warrant Conditions.

"**Warrant Holder**" means any holder of a Warrant from time to time (being an employee who has been offered by, and accepted the offer of the Warrants, by its employer which has purchased the Warrant from the relevant Issuer).

"**Warrants Register**" has the meaning set out in Warrant Condition (2).

"**Warrant Value**" means, in respect of a Warrant of a Series, the value of such Warrant.

(2) Form

The Warrants will be issued in registered form and be represented by a registration in a register held by the Issuer or by the Warrant Agent on its behalf (the "**Warrants Register**") in the name of the relevant Warrant Holder(s)). No registration will be made in the Warrants Register in the name of any employer which has acquired the Warrants from the relevant Issuer for the purpose of offering these to the Warrant Holders as part of an incentive scheme.

(3) Title and Transfer

An electronic platform managed by (or on behalf of) KBC Bank or CBC Banque (the "**Electronic Platform**") has been implemented through which the Warrants are registered in the name of and assigned to the individual Warrant Holders (who have accepted the offer of Warrants from their respective employer as part of an incentive scheme).

The Warrant Holders will need to use individual two-factor authentication in case they wish to sell their Warrants to the relevant Issuer pursuant to Warrant Condition (9) through the Electronic Platform. The Warrant Holders will not be entitled to transfer the Warrants to any party other than the relevant Issuer (unless such transfer would be to successors in the context of an inheritance).

KBC Bank and CBC Banque do not charge any fees for the creation and maintenance of the Warrants Register.

Title to and transfer of Warrants shall pass by registration of the transfer by the Issuer (or by the Warrant Agent on its behalf) in the Warrants Register. Upon a sale or transfer of Warrants, which will take place on the Electronic Platform, the parties to such sale or transfer will be required to complete the relevant transfer documents and certificates which can be obtained for free from the Warrant Agent.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Warrants shall be deemed to be and may be treated as its absolute owner for all purposes and regardless of any notice of ownership, trust or an interest in it, or its theft or loss and no person shall be liable for so treating the holder.

(4) Currency

Subject to compliance with all relevant laws, regulations and directives, a Warrant may be issued, and its Warrant Value (and its Issue Price, Exercise Price and Actual Exercise Price) may be expressed, in euro or in any other currency agreed between the Issuer and the relevant Dealer(s) or subscriber of the relevant Series as specified in the Applicable Final Terms. Such currency in which a Warrant is issued and the Exercise Price at which the Warrant can be exercised can be different from the currency of the Underlying to which the Warrant is linked.

(5) Status

The Warrants constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank at all times *pari passu* with all present and future unsecured obligations of the Issuer, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, any currency or payment or otherwise, subject to any exceptions as from time to time under applicable law.

The Warrants will not be secured by the Underlying to which such Warrant is linked. Prior to the Exercise of a Warrant, the Warrant does not confer on the Warrant Holder any rights (whether in respect of voting, distributions or otherwise) attaching to the relevant Underlying (except for the right to acquire an Entitlement in the Underlying at the Exercise Price).

The Warrant Holders are qualified as senior preferred creditors under article 389/1, 1° of the Banking Law, and such creditors have a higher priority ranking than the so-called senior non-preferred creditors defined under article 389/1, 2° of the Banking Law.

The Warrants will not bear any interest.

(6) Exercise and Sale

Prior to the Expiration Date, a Warrant grants the Warrant Holder a right of (i) Exercise of the Warrant; or (ii) Sale of the Warrant to the Issuer in accordance with Warrant Condition (9). The Sale of Warrants to the Issuer

is initiated through the Electronic Platform, while the Exercise of Warrants cannot be initiated through the Electronic Platform. For further information on the initiation of the Exercise of Warrants please refer to Warrant Condition (8)a *juncto* Warrant Condition (7)a.

(a) Exercise of Warrants

The Warrants of each Series are call warrants (*koopwarranten/warrants d'achat*) linked to an Underlying providing the relevant Warrant Holder a contractual right (*schuldvordering/créance*) against the relevant Issuer to acquire an Entitlement at a predetermined Exercise Price during a predetermined Exercise Period. For further information on the right to Exercise a Warrant and the procedure governing such Exercise, please refer to Warrant Condition (7) and Warrant Condition (8) hereinafter.

(b) Sale of Warrants to the Issuer

The Warrant Holder may offer its Warrant(s) for sale to the Issuer and the Issuer has the right, without this being an obligation, to accept such offer as provided in Warrant Condition (9).

A Warrant which is not Exercised prior to or on the Expiration Date by the Warrant Holder, shall become void and expire worthless.

(7) Exercise Rights

On the basis of a Warrant, the Warrant Holder may on any Business Day during the Exercise Period exercise the right to acquire an Entitlement in the Underlying at a predetermined Exercise Price ("**Exercise of a Warrant**" or "**Exercise**").

Prior to the Exercise of a Warrant, the Warrant does not confer on the Warrant Holder any rights (whether in respect of voting, distributions or otherwise) attaching to the relevant Underlying (except for the right to acquire an Entitlement in the Underlying at the Exercise Price).

Following the Exercise of a Warrant in accordance with the Warrant Conditions, the Warrant Holder who is acquiring the Entitlement in the Underlying by Exercising the Warrant will have full title to the Entitlement in the Underlying and all rights attached thereto.

a. <u>Exercise Period</u>

A Warrant is Exercisable on any Business Day during the Exercise Period (until the Expiration Date).

A Warrant Holder can autonomously choose to Exercise its Warrants of a particular Series at once or in multiple transactions.

In order to Exercise a Warrant, the Warrant Holder will need to provide an Exercise Notice to the Warrant Agent and respect the other Exercise procedures as specified in Warrant Condition (8). Any Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Warrant Condition (8) prior to the Expiration Date shall become void and expire worthless.

The Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 15:00h (CET) to the Warrant Agent (by e-mail or physically at the address set out in Warrant Condition (12)), is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the Warrant Agent after 15:00h (CET) on any Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the immediately succeeding Business Day (which Business Day shall in such case be deemed to be the Actual Exercise Date, provided that any Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Warrant Condition (8) prior to the Expiration Date shall become void).

The Exercise Notice will be deemed to have been delivered at such time it is personally delivered by the Warrant Holder at the KBC branch or the CBC branch (as applicable) where the Warrant Holder holds its securities account.

Any damage due to the Exercise Notice being sent outside the agreed Exercise Period cannot be recovered in any way from the relevant Issuer save in case of gross negligence or wilful misconduct of the Issuer or its agents.

b. Exercise Price, Entitlement and Actual Exercise Price

The Exercise Price for a Warrant of a given Series will be set by the relevant Issuer (or the Warrant Agent on its behalf) on the relevant Issue Date based on the Value of the Underlying (and will hence be expressed by reference to an entire share or unit in the Underlying). The Issuer (or the Warrant Agent on its behalf) will also set an initial value for a Warrant of such Series, which is equal to the Issue Price excluding any hedging costs, commission and other costs related to the issuance of the Warrant) (the "**Initial Warrant Value**"). The Issuer (or the Warrant Agent on its behalf) will then determine the Entitlement in the Underlying that can be acquired upon Exercise of such Warrant (by calculating the proportion of the Initial Warrant Value compared to the Issue Price on the Issue Date). The "**Actual Exercise Price**" is the actual proportion of the Exercise Price that needs to be paid by the Warrant Holder upon Exercise of a single Warrant for the acquisition of the Entitlement.

c. Physical Delivery of the Underlying following Exercise

A Warrant entitles its Warrant Holder, upon due Exercise of such Warrant, to receive from the relevant Issuer on the third Business Day following the Actual Exercise Date the Entitlement per Warrant subject to payment of the relevant Actual Exercise Price and any other sums payable in accordance with Warrant Condition (7)f. The method of delivery of the Entitlement is set out in the Applicable Final Terms.

Warrants of the same Series Exercised at the same time by the same Warrant Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants.

In the case of Share Linked Warrants, the exact aggregate Entitlements of the same Warrant Holder will be delivered without any rounding up or down to the nearest whole share or unit of the relevant Underlying Share.

In the case of ETF Linked Warrants, the Entitlement or the aggregate Entitlements of the same Warrant Holder will be rounded down to the nearest whole unit of the relevant Underlying ETF Share, in such manner as the Calculation Agent shall determine acting in good faith. Fractions of the Underlying ETF Share will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in accordance with Warrant Condition (7)g below shall be paid to the Warrant Holder.

A Warrant can only be Exercised by the Warrant Holder and the relevant Issuer is only required to deliver the Entitlement to the Warrant Holder provided the Warrant Holder pays the full amount of Actual Exercise Price and any other sums payable and any other sums payable in accordance with Warrant Condition (7)f to the Issuer. In order to be able to pay such amounts, a Warrant Holder will need to dispose of a cash account held with KBC Bank or CBC Banque (as applicable) credited with sufficient funds which can be debited by the Issuer on the Actual Exercise Date.

Following Exercise of a Warrant, all dividends relating to the relevant Underlying to be delivered will be payable to the party that would be entitled to receive such dividends in accordance with market practice applicable to a sale of the Underlying executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Underlying. Any such dividends to be paid to a Warrant Holder will be paid to the account specified by the Warrant Holder in the relevant Exercise Notice as referred to in Warrant Condition (8)a.

The Warrant Conditions do not provide for a cash settlement of the Warrants following their Exercise, only for a physical delivery of the Entitlement to the Underlying. Following Exercise of its Warrant and physical

delivery of its Entitlement to the Underlying, the investor will be exposed to fluctuations in the Value of the Underlying and will have to sell such Underlying in the open market in order to receive cash, which will entail certain costs.

d. Settlement Disruption

If, following the Exercise of a Warrant, delivery of the Entitlement is not possible by reason of a Settlement Disruption Event having occurred and continuing prior to such Delivery Date, then the Delivery Date for such Warrant shall be postponed until the Business Day falling three (3) Business Days after the date in respect of which no such Settlement Disruption Event applies, provided that the relevant Issuer shall make all commercially reasonable efforts to satisfy its obligations in respect of the relevant Warrant by delivering the Entitlement using such other commercially reasonable manner as is available to it and in such event the Delivery Date shall be such day on which the Issuer is able to proceed with the delivery of the Entitlement in such other commercially reasonable manner.

For so long as delivery of the Entitlement is not possible by reason of a Settlement Disruption Event and it is not reasonably to be expected that the Issuer shall be able to satisfy its obligations in respect of the relevant Warrant by delivering the Entitlement using such other commercially reasonable manner as are available to it, then *in lieu* of physical delivery and notwithstanding any other provision hereof, the Issuer may also elect satisfy its obligations in respect of the relevant Warrant by payment to the relevant Warrant Holder of the Disruption Cash Settlement Price on the fifth (5^{th}) Business Day following the date that notice of such election is given to the relevant Warrant Holder(s) in accordance with Warrant Condition (12)a. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the relevant Warrant Holder(s) in accordance with Warrant Condition (12)a.

The Calculation Agent shall give the Settlement Disruption Event Notice to the relevant Warrant Holder(s) in accordance with Warrant Condition (12)a as soon as practicable after that a Settlement Disruption Event has occurred. No Warrant Holder shall be entitled to any payment in respect of the relevant Warrant(s) in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

e. Failure to Deliver

If "**Failure to Deliver**" is specified as applying in the Applicable Final Terms and, following the Exercise of relevant Warrant(s), the Calculation Agent establishes it is impossible to deliver, when due, some or all of the Underlyings comprising the Entitlement (the "**Affected Underlyings**"), then:

(i) subject as provided elsewhere in these Warrant Conditions, any Underlyings which are not Affected Underlyings, will be delivered on the originally designated Delivery Date and the Calculation Agent shall determine the Actual Exercise Price to be paid by the relevant Warrant Holder(s) in respect of that partial delivery; and

(ii) in respect of any Affected Underlyings, *in lieu of* physical delivery and notwithstanding any other provision hereof, the Issuer will satisfy its obligations in respect of the relevant Warrant(s) by payment to the relevant Warrant Holder(s) of the Failure to Deliver Settlement Price on the fifth (5^{th}) Business Day following the date that notice of such election is given to the Warrant Holders in accordance with Warrant Condition (12)a.

The Calculation Agent shall give a Failure to Deliver Notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a.

f. Costs and Expenses

In case of Exercise of a Warrant, an administrative cost will be due by the Warrant Holder (the "**Exercise Costs**"), as well as a flat fee. Such Exercise Costs will be based on the tariffs applicable at the Actual Exercise

Date and which are set out (and updated from time to time) in the tariff card published by the relevant Issuer on the Issuer's website under page: https://kbc-pdf.kbc.be/vermogensopbouw/tarieven_effecten_nl.pdf regarding KBC Bank Warrants and https://www.cbc.be/particuliers/fr/informations-legales/tarifs-2020.html regarding CBC Banque Warrants.[7]

Furthermore, the Warrant Holder will be liable for any Exercise Expenses (as defined in Warrant Condition (8)a)) that would become due.

g. Cash Adjustment for ETF Linked Warrants

In the case of ETF Linked Warrants where the Entitlement or aggregate Entitlements of the same Warrant Holder comprise a fraction of the relevant Underlying ETF Share (the "**Fractional Entitlement**"), the Calculation Agent shall determine the cash adjustment due to the relevant Warrant Holder upon Exercise of the relevant ETF Linked Warrant(s) by multiplying the Fractional Entitlement by the result of (x) the Closing Price on the Delivery Valuation Date (y) less the Exercise Price.

(8) Exercise Procedure

a. Exercise Notice

Warrants may only be Exercised by the delivery of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Warrant Agreement (copies of which form may be obtained from the Warrant Agent at the KBC Bank office or CBC Banque office where the cash account of the Warrant Holder is held (or at such other places as would be notified to the Warrant Holders in accordance with Warrant Condition (12)) to the Warrant Agent, in accordance with the provisions set out in Warrant Condition (7) and this Warrant Condition. The Exercise Notice cannot be delivered through the Electronic Platform (but contact details to obtain the Exercise Notice are available on the Electronic Platform).

The Exercise Notice shall:

(i) specify the Series number of the Warrants and the number of Warrants being Exercised;

(ii) specify the number of the Warrant Holder's cash account at KBC Bank or CBC Banque (as applicable) to be debited with the Actual Exercise Price, Exercise Costs and Exercise Expenses in accordance with Warrant Condition (7)c;

(iii) irrevocably instruct the Warrant Agent to deregister on or before the Delivery Date the Warrants Register with the Warrants being Exercised;

(iv) irrevocably instruct the Issuer to debit on the Actual Exercise Date, the Actual Exercise Price, the Exercise Costs and the Exercise Expenses in respect of the Warrants that are being Exercised from the cash account of the Warrant Holder;

(v) include an undertaking to pay, in addition to the Actual Exercise Price and the Exercise Costs, all taxes, duties and/or expenses, as applicable, including, without limitation, any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registrations, securities transfer and/or other taxes or duties arising from the Exercise of such Warrants and/or the delivery or transfer of the Entitlement pursuant to the terms of such Warrants ("**Exercise Expenses**") and an authority to the Issuer to debit a specified account of the Warrant Holder at KBC Bank or CBC Banque (as applicable) to pay such Actual Exercise Price, Exercise Costs and Exercise Expenses;

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[7] These documents are not incorporated by reference and do not form part of this Base Prospectus and have hence not been scrutinised or approved by the FSMA.

(vi) specify the name and the number of the Warrant Holder's securities account with KBC Bank or CBC Banque (as applicable) for the delivery of the Entitlement, or any dividends relating to the Entitlement, and the name and the number of the Warrant Holder's cash account with KBC Bank or CBC Banque (as applicable) for any cash amount as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or, in the case of ETF Linked Warrants, for any cash amount due as a result of the relevant Entitlement or aggregate Entitlements comprising a fraction of the relevant Underlying ETF Share;

(vii) certify, *inter alia*, that the beneficial owner of each Warrant being Exercised is not a U.S. Person; and

(viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Warrant Agreement.

b. Verification of Exercise Notice and Warrant Holder

To Exercise Warrants, the Warrant Holder must duly complete an Exercise Notice and must own and be able to dispose of Warrants in the amount being Exercised, as reflected in the Warrants Register on the Actual Exercise Date. The Warrant Agent will, in accordance with its normal operating procedures, verify that each person Exercising such Warrants is the holder of the corresponding Warrants (by verifying the Warrants Register).

If the Exercise Notice is, in the determination of the Warrant Agent, improperly completed, or sufficient Warrants are not available as reflected in the Warrants Register on the Actual Exercise Date, the Exercise Notice will be treated as null and void and the Warrant Agent will inform the Warrant Holder, as soon as reasonably practicable, that a new duly completed Exercise Notice must be submitted if Exercise of the Warrant Holder's Warrants is still desired.

c. Notification to the Issuer

The Warrant Agent shall notify the Issuer in writing not later than the Actual Exercise Date of the effectiveness of the Exercise Notice, as well as the number of the cash account and securities account of the Warrant Holder.

d. Delivery of the Underlying

Subject to payment of the aggregate Actual Exercise Price(s) and payment of any Exercise Costs and Exercise Expenses with regard to the relevant Warrants and subject to Warrant Condition (7)c, the relevant Issuer shall on the Delivery Date deliver, or procure the delivery of, the Entitlement for each duly Exercised Warrant pursuant to the details specified in the Exercise Notice to a securities account held with KBC Bank or CBC Banque (as applicable).

The Issuer may refuse to comply with an Exercise Notice and deliver the Entitlement of the Underlying if the necessary amounts required to settle the aggregate amount of the Actual Exercise Price(s), the Exercise Expenses and the Exercise Costs, payable upon Exercise by the Warrant Holder are not available in the designated account with KBC Bank or CBC Banque (as applicable) on the Actual Exercise Date. In such the Warrant Agent will inform the Warrant Holder of the missing amounts that must still be made available in the designated account if Exercise of the Warrant Holder's Warrants is still desired or indicate that alternatively the Warrant Holder can Sell its Warrants in accordance with Warrant Condition (9).

e. Determinations

Any determination as to whether an Exercise Notice is duly completed shall be made by the Warrant Agent, and shall be conclusive and binding on the Issuer, the Warrant Agent and the relevant Warrant Holder. Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, shall be null and void.

If such Exercise Notice is subsequently corrected to the satisfaction of the Warrant Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the Warrant Agent. If any such corrected Exercise Notice is received after the Expiration Date specified in Warrant Condition (7)a, it shall still be accepted provided that the Warrant Agent receives such corrected Exercise Notice at the latest on the Business Day following the day of receipt by the Warrant Holder of the request by the Warrant Agent in accordance with Warrant Condition (8)b that a new Exercise Notice is to be submitted.

In the absence of negligence or wilful misconduct on its part, none of the Issuer or the Warrant Agent, shall be liable to any person (except to any Warrant Holder which is a Consumer) with respect to any action taken or omitted to be taken by it in connection with the determination whether the Exercise Notice was duly completed or the notification of such determination to a Warrant Holder. In respect of any Warrant Holder that is a Consumer, the Issuer shall be responsible for any action taken or omitted to be taken by it or its agents in connection with the determination whether the Exercise Notice was duly completed or the notification of such determination to a Warrant Holder, save in case of force majeure.

f. Exercise Risk

Exercise of the Warrants and delivery of the Entitlement to the Underlying by the relevant Issuer is subject to all applicable laws, regulations and practices in force on the relevant Actual Exercise Date and none of the Issuer, the Warrant Agent or the Calculation Agent shall incur any liability whatsoever if it is unable in case of force majeure to effect the transactions contemplated as a result of any such laws, regulations or practices. Notwithstanding such applicable laws, regulations and practices in force on the relevant Actual Exercise Date which would affect the Exercise of the Warrants and delivery of the Entitlement on the Actual Exercise Date, the Warrants will in such case however remain valid and exercisable on a later date until the Expiration Date.

g. Effect of Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the Warrant Holder to Exercise the Warrant(s) specified herein, provided that the person Exercising and delivering such Exercise Notice is the person then appearing in the Warrants Register. If the person Exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become null and void and shall be deemed not to have been so delivered.

After the delivery of an Exercise Notice (other than an Exercise Notice delivered after the Expiration Date), the Warrant Holder specified in such Exercise Notice may not otherwise transfer such Warrants. Notwithstanding this, if any Warrant Holder does so transfer or attempt to transfer such Warrants, the Warrant Holder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence thereof.

(9) Sale of Warrants to the Issuer

a. Sale

A Warrant Holder has the right to offer its Warrants for sale to the Issuer in accordance with the terms of this Warrant Condition (9) and the Issuer has the right, without this being an obligation, to accept such offer ("**Sale of a Warrant**" or "**Sale**").

A Warrant Holder wishing to sell its Warrants to the relevant Issuer will need to use the Electronic Platform accessible by every Warrant Holder using two-factor authentication.

Any Warrants so purchased may be held or surrendered for cancellation.

The relevant Issuer may agree to purchase the Warrants (without this being an obligation) at the sale price indicatively mentioned on the website: https://warrant.esop.kbc.be/[8] at such time as determined in accordance with the table set out in paragraph a(i) of this Warrant Condition (9). The sale price of the Warrants is subject to stock exchange fluctuations throughout the day. The sale price of the Warrants shall be formed and determined (a) for Warrants other than END Warrants, twice intra-day by KBC Bank or the Warrant Agent on behalf of CBC Banque (as applicable), a first time at 9:00h (CET) in the morning and the second time at 12:00h (CET) noon; or (b) for END Warrants, once intra-day by KBC Bank or CBC Banque (as applicable), at or about 23:30 CET (CET), and posted on the website https://warrant.esop.kbc.be[9] respectively at 09:00h (CET) and 12:00h (CET) noon (for Warrants other than END Warrants) and at 09:00h (CET) on the Scheduled Trading Day after the Scheduled Trading Day on which the price was calculated (for END Warrants). The applicable Sale Price shall depend on the time the Warrant Agent receives a duly completed Electronic Sale Notice, as further specified in the following section (9)a(i).

Such sale price will be based on KBC Bank's or the Warrant Agent's on behalf of CBC Banque (as applicable) own pricing models (see valuation principles laid down in Warrant Condition (11)e below). The Issuer (or the Warrant Agent on its behalf) shall ensure that at any time as long as Warrants are outstanding under the Programme in respect of which the Exercise Period has not lapsed, such sale price will continue to be posted.

A sale notice in relation to a Warrant offered for sale to the Issuer through the Electronic Platform is deemed to be given at the time confirmed by the Electronic Platform (an "**Electronic Sale Notice**").

(i) Determination of the sale price

An Electronic Sale Notice received by the Warrant Agent through the Electronic Platform on any Business Day during the Exercise Period (prior to the Expiration Date) will be executed (if accepted by the Issuer) at the price posted on the website https://warrant.esop.kbc.be/[10] at the following times:

(a) for Warrants other than END Warrants:

	Time of receipt of Electronic Sale Notice	**Sale Price at** https://warrant.esop.kbc.be/[11]
1.	00.00h (CET) to 12.00h (CET)	Sale Price at 9.00h (CET) of the same Scheduled Trading Day
2.	12.00h (CET) to 16.00h (CET)	Sale Price at 12.00h (CET) of the same Scheduled Trading Day
3.	16.00h (CET) to 24.00 (CET)	Sale Price at 9.00h (CET) on the immediately following Scheduled Trading Day during the Sale Period

The Issuer expressly reserves the right to deviate from the aforementioned prices in the event of significant market fluctuations (for these purposes a 2.5% move of the Euro Stoxx 50 index

[8] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[9] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[10] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[11] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

occurring on the actual sale date will be deemed a significant market fluctuation). In such case, the Issuer has the right to increase the frequency of Sale Price calculations and publications. Revised Sale Prices as posted on the website https://warrant.esop.kbc.be/[12] will only apply to sales for which the Electronic Sale Notice has been received following publication of the revised Sale Price.

(b) for END Warrants:

	Time of receipt of Electronic Sale Notice	**Sale price at** https://warrant.esop.kbc.be/[13]
1.	9.00h (CET) to 16.00h (CET)	Sale Price calculated at or about 23:30 (CET) of the same Business Day, published at 9.00h (CET) on the immediately following Scheduled Trading Day during the sale period
2.	16.00h (CET) to 09.00h (CET) (on the following Scheduled Trading)	Sale Price calculated at or about 23:30 (CET) on the immediately following Scheduled Trading Day during the sale period, published at 9.00h (CET) on the Scheduled Trading Day following the Scheduled Trading on which the Sale Price is calculated

(ii) Actual Sale Date

The "**Actual Sale Date**" of a Warrant offered for sale to the Issuer through the Electronic Platform is the Scheduled Trading Day on which the Sale Price is determined as in accordance with paragraph a(i) above of this Warrant Condition (9).

Any damage due to the Electronic Sale Notice being received after the Expiration Date (i.e. at or after 15:00 (CET)) cannot be recovered in any way from the Issuer (save in case of gross negligence or wilful misconduct of the Issuer or its agents).

The relevant Issuer may, in the future, foresee, without this being an obligation, the possibility for the Warrant Holders of Warrants other than END Warrants to give an instruction for the sale of their Warrants to the Issuer as soon as the Sale Price of the Warrants during a Scheduled Trading Day reaches an amount specified by the Warrant Holder (limit order). If and when available, this possibility of giving limit orders for the sale of Warrants other than END Warrants to the Issuer will be published on the website: https://warrant.esop.kbc.be/[14]. Once the possibility of such limit orders for the sale of Warrants other than END Warrants to the Issuer is available and the Warrant Holder has given an instruction for the sale of its Warrants, if the Sale Price of the Warrants reaches a specified amount during the Scheduled Trading Date, the Issuer may accept the limit offer of the Warrant Holder, without this being an obligation, once the Sale Price of the Warrants reaches the amount of the limit order. In such case, the Warrants will be deemed to have been sold on the Scheduled Trading Date on which the Sale Price of the Warrants has reached the specified limit order.

b. Payment of the Sale Price

[12] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[13] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[14] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

In the case of a sale of Warrants to the Issuer through the Electronic Platform, the Sale Price as determined in accordance with paragraph a(i) above of this Warrant Condition (9) shall be deposited in the specified account of the Warrant Holder as communicated by the Warrant Holder in the Electronic Sale Notice. The sum will be made available with value date three (3) Scheduled Trading Days after the Actual Sale Date as determined in accordance with paragraph a(ii) above of this Warrant Condition (9).

c. Sale Risk

Sale of the Warrants to the Issuer through the Electronic Platform is subject to (i) all applicable laws, regulations and practices and (ii) the applicable user guidelines of the Electronic Platform, in each case, in force on the relevant the Actual Sale Date of the Warrants as determined in accordance with paragraph a(ii) above of this Warrant Condition (9). None of the Issuer, the Warrant Agent or the Calculation Agent shall incur any liability whatsoever if it is unable in case of force majeure to effect the transactions contemplated as a result of (i) any such laws, regulations or practices or (ii) any such user guidelines of the Electronic Platform. Notwithstanding (i) such laws, regulations or practices or (ii) such user guidelines of the Electronic Platform, in each case, in force on the relevant the Actual Sale Date of the Warrants as determined in accordance with paragraph a(ii) above of this Warrant Condition (9), which would affect the Sale of the Warrants, the Warrants will in such case however remain valid and exercisable and can be sold on a later date until the Expiration Date.

d. Effect of Electronic Sale Notice

Giving of an Electronic Sale Notice using the Electronic Platform shall constitute an irrevocable election and undertaking by the Warrant Holder to sell the Warrants to the Issuer, provided that the person giving such Electronic Sale Notice is the Warrant Holder of the relevant Warrant. If the person giving the Electronic Sale Notice is not the person appearing in the Warrants Register such Electronic Sale Notice shall for all purposes become null and void and shall be deemed not to have been so given.

e. Costs

In case of sale of the Warrants to the Issuer through the Electronic Platform, no additional costs will be due by the Warrant Holder.

However, the Warrant Holder undertakes to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the sale of Warrants through the Electronic Platform ("**Sale Expenses**), and it authorises KBC Bank or CBC Banque (as applicable) to deduct an amount in respect thereof from the Sale Price, as determined in accordance with paragraph a(i) above of this Warrant Condition (9), due to such Warrant Holder and/or to debit any specified account of the Warrant Holder at KBC Bank or CBC Banque (as applicable) in respect thereof and to pay such taxes, duties and/or expenses, all as provided in the Warrant Agreement.

(10) Illegality

a. In the case of a Warrant Holder who is not a Consumer, if the performance by the Issuer of its obligations under the Warrants or any arrangements made to hedge the Issuer's obligations under the Warrants has or will become unlawful, illegal or otherwise prohibited in whole or in part for any duly documented reason, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power, the Issuer (or the Warrant Agent on its behalf) may terminate and cancel the Warrants held by Warrant Holders who are not Consumers by giving notice to such Warrant Holders in accordance with Warrant Condition (12)a.

b. In the case of a Warrant Holder who is a Consumer, if the performance by the Issuer of its obligations under the Warrants has or will become unlawful, illegal or otherwise prohibited for any duly documented

reason, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power, the relevant Issuer (or the Warrant Agent on its behalf) may terminate and cancel the Warrants held by Warrant Holders who are Consumers by giving notice to such Warrant Holders in accordance with Warrant Condition (12)a.

c. If the Issuer (or the Warrant Agent on its behalf) terminates and cancels the Warrants then the relevant Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrant Holder in respect of each Warrant held by such holder, which amount shall be the Fair Market Value of a Warrant notwithstanding such illegality plus, if already paid by or on behalf of the Warrant Holder (when such illegality occurs or is established after the initiation of the Exercise by the Warrant Holder), the Actual Exercise Price, the Exercise Cost and the Exercise Expenses, as determined by the Calculation Agent. Payment will be made in such manner as shall be notified to the Warrant Holders in accordance with Warrant Condition (12)a.

(11) Agents, Determinations and Modifications

a. Warrant Agent

The specified office of KBC Bank as initial Warrant Agent is as set out on the back of the Base Prospectus (or, in case of additional Warrant Agents appointed in respect of a specific Series, as set out in the Applicable Final Terms).

The Issuer reserves the right at any time to vary or terminate the appointment of the Warrant Agent and to appoint further or additional warrant agents, provided that no termination of appointment of the Warrant Agent shall become effective until a replacement Warrant Agent shall have been appointed. Notice of any termination of appointment and of any changes in the specified office of the Warrant Agent will be given to Warrant Holders in accordance with Warrant Condition (12)a.

In acting under the Warrant Agreement, the Warrant Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrant Holders and any determinations and calculations made in respect of the Warrants by the Warrant Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrant Holder.

b. Calculation Agent

In relation to each issue of Warrants, the Calculation Agent (KBC Bank or another entity) acts solely and its sole discretion as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrant Holders. All calculations and determinations made in respect of the Warrants by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrant Holder.

Whenever the Calculation Agent is required to act or exercise judgement, it will do so in good faith. The Calculation Agent shall, as soon as practicable after making any determination pursuant to these Warrant Conditions, notify the Issuer and the Warrant Holder of such determination. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Warrants including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent or the Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

c. Determinations and calculations

Any determination made by the Issuer pursuant to these Warrant Conditions shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrant Holders.

None of the Issuer, the Calculation Agent and the Warrant Agent shall have any responsibility to any person (except to any Warrant Holder which is a Consumer) for any errors or omissions in the calculation of any Entitlement, save in case of negligence or wilful misconduct. In case the Warrant Holder is a Consumer, the Issuer shall be responsible for any errors or omissions in the calculation of any Entitlement, save in case of force majeure.

d. Modifications

The Issuer (or the Warrant Agent acting on its behalf) may modify these Warrant Conditions and/or the Warrant Agreement without the consent of the Warrant Holders provided that (i) such modification is not materially prejudicial to the interests of the Warrant Holders as a whole; or (ii) such modification is of a formal, minor or technical nature or to correct a manifest or proven error, to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law; or (iii) such modification is made to correct an inconsistency between the final terms and the conditions of the Warrant issue (comprising these Warrant Conditions as completed by the Applicable Final Terms) and the relevant term sheet relating to the Warrants.

Any such modification shall furthermore only be binding on the Warrant Holders if it allows the rights and obligations under the Warrants to be exercised and performed by the Warrant Holders in accordance with the initially agreed terms and contractual equilibrium.

Any such modification shall be binding on the Warrant Holders and a notice of any such modification will be given to the Warrant Holder in accordance with Warrant Condition (12)a as soon as practicable thereafter.

To the extent the Warrant Holder is a Consumer, any modification pursuant to this Warrant Condition (11)d may not relate to an essential feature of the Warrants, unless: (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, (b) any such modification does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuer does not charge costs to the Warrant Holder for any such modification.

Any such modification may trigger the need to publish a supplement to the Base Prospectus in accordance with Article 8 of the Prospectus Law *juncto* Article 23 of the Prospectus Regulation.

e. Determination of value and pricing models

The value of the Warrants is determined by the Cox Binomial Tree numerical model. This model makes use of the following parameters:

- The exercise price (strike) of the Warrant: the Warrants are issued "at the money" i.e. the strike price equals the value of the underlying product at the time of the issue of the Warrants.
- The value of the underlying product at the time of calculating the value of the Warrant (as published on Bloomberg): the value of the Warrant increases or decreases if the value of the underlying product increases or decreases in relation to the exercise price.
- The volatility (estimated based on market prices and broker quotes): the value of the Warrants varies as a function of the expected volatility of the underlying share until maturity.
- Interest rates (based on the interpolation of ESTR OIS swaps and US Fed Funds swaps, as published on Bloomberg): the value of the Warrants is determined by the rates for funding the expected delta hedge as well as discount rates for the cash flows.
- The (remaining) term: the longer the (remaining) term of the Warrant the higher the time value of its optionality.
- Dividends: as the underlying products are capitalised (total return), there are no dividends that impact the value of the Warrant.

- The repo rate: the market-implied financing rate applicable to the Underlying, reflecting the cost or benefit associated with borrowing, lending or financing the Underlying in the market and is a standard market parameter used in the valuation of equity derivatives.

The Warrant value is determined by the combined effect of those parameters.

(12) Notices and Addresses

a. Notices

In order to receive any communication from, and execute any transaction with, the Issuer, the Warrant Holder will need to hold at all times a cash account with KBC Bank or CBC Banque (as applicable).

All notices to Warrant Holders will be mailed by regular post to the holders at their respective addresses appearing in the Warrants Register or through any other means of communication agreed between an Issuer and the relevant Warrant Holder. If sent by post, notices will be deemed to have been given on the fourth Business Day (being a day other than a Saturday or a Sunday) after the date of mailing.

Financial information in respect of the Warrants may also be made available by the Issuer on the website https://warrant.esop.kbc.be/ (or such other website as may be communicated to the Warrant Holders in the future). The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

b. Addresses

Any notifications in relation to the offer, acceptance or Sale of the Warrants by or to the Warrant Agent, the Issuer or the Warrant Holder shall be made via the webtool KBC ESOP Online.

Any notifications in relation to the Exercise to the Warrant Agent or the Issuer by the Warrant Holder shall be made via an email sent to kbcoptionplan@kbc.be or by phone (+ 32 2 429 96 00).

(13) Expenses and Taxation

A Warrant Holder must pay all Exercise Expenses and Sale Expenses relating to such Warrants as provided above (see Warrant Condition (7)f).

The Issuer shall deduct from amounts payable or from assets deliverable to Warrant Holders all Exercise Expenses and/or Sale Expenses not previously paid by, or deducted from amounts paid to Warrant Holders as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the Warrants.

The Issuer shall not be liable for any Exercise Expenses, Sale Expenses or any other applicable costs and/or expenses that may arise in relation of Selling, Exercising or holding the Warrant by the Warrant Holders (except as provided otherwise in these Warrant Conditions in relation to unilateral modifications made to the terms of the Warrants or in case of cancellation of the Warrants) and the Warrant Holders shall be liable to bear such cost and/or expenses.

The Warrant Holder shall also be liable for any and all present, future, prospective, contingent or anticipated Taxes.

Warrant Holders should finally note that the original Issue Price of a Warrant may include certain commissions or fees charged by the Issuer and/or the Dealer(s) in respect of a Series of Warrants but does not include distribution fees which may be payable from time to time to the distributor or broker of the Warrants (such distribution fees, if applicable, with a maximum of 5% of the relevant Issue Price).

(14) Entirety of the Conditions

Should any one or more of the provisions contained in these Warrant Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

(15) Governing law and Jurisdiction

a. Applicable law

The Warrants, the Warrant Agreement and all matters arising from or connected with the Warrants and the Warrant Agreement (and any non-contractual obligations arising out of or in connection with the Warrants) are governed by, and shall be construed in accordance with, Belgian law.

b. Jurisdiction

The courts of Brussels, Belgium (Dutch speaking chambers) are to have exclusive jurisdiction to settle any dispute, arising from or connected with the Warrants (including any disputes relating to any non-contractual obligations arising out of or in connection with the Warrants), without prejudice to any party's rights under article 624, 1°, 2° and 4°, of the Belgian Judicial Code and without restricting the competence of any court which is competent under article 624, 1°, 2° and 4°, of the Belgian Judicial Code.

(16) Acknowledgement of the bail-in power

Notwithstanding and to the exclusion of any other term of the Warrants or any other agreements, arrangements or understanding between the Issuer and any Warrant Holder (which, for the purposes of this Warrant Condition, includes each holder of a beneficial interest in the Warrants), by its acquisition of the Warrants, each Warrant Holder acknowledges and accepts that any liability arising under the Warrants may be subject to the exercise of the Bail-in Power by the Resolution Authority and acknowledges, accepts, consents to and agrees:

(a) to be bound by the effect of the exercise of any Bail-in Power by the Resolution Authority, which exercise may (without limitation) include and result in any of the following, or a combination thereof:

i. the reduction of all, or a portion, of the Relevant Amounts in respect of the Warrants;

ii. the conversion of all, or a portion, of the Relevant Amounts in respect of the Warrants into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Warrant Holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Warrants;

iii. the cancellation of the Warrants or the Relevant Amounts in respect of the Warrants; and

iv. the amendment or alteration of the maturity of the Warrants or amendment of the amount of interest payable on the Warrants, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(b) to the variation of the terms of the Warrants, as deemed necessary by the Resolution Authority, to give effect to the exercise of any Bail-in Power by the Resolution Authority.

For the purpose of this Condition:

"**Bail-in Power**" means any power existing from time to time under applicable Loss Absorption Regulations or under applicable laws, regulations, requirements, guidelines, rules, standards and policies relating to the

transposition of the BRRD pursuant to which the obligations of the Issuer (or an affiliate of the Issuer) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or converted into shares, other securities or other obligations of the Issuer or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise;

"**Loss Absorption Regulations**" means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Kingdom of Belgium, the Relevant Regulator, the Resolution Authority, the Financial Stability Board and/or of the European Parliament or of the Council of the European Union then in effect in the Kingdom of Belgium including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Relevant Regulator and/or the Resolution Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer or to the KBC Bank Group); and

"**Relevant Amounts**" the amounts payable by the Issuer or (in the case of an Exercise) the Entitlement to be delivered on exercise of each Warrant.

(17) Market Disruption

If the Underlying of the Warrant is a listed financial instrument, the Warrant Holders are subject to the risk that a Market Disruption Event will occur.

If the Issuer or the Calculation Agent determines that a Market Disruption Event has occurred, a valuation in the relevant Underlying may consequentially be postponed or adjusted which may have an adverse effect on the value of such Warrant.

(18) Events affecting the Underlying Share

If "Underlying Share" is specified as the Underlying in the Applicable Final Terms, then the provisions of this Warrant Condition (18) shall apply.

To the extent that the Warrant Holder is a Consumer, any adjustment pursuant to this Warrant Condition (18) may not relate to an essential feature of the Warrants, unless (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, (b) any such adjustment does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuer does not charge costs to the Warrant Holder for such adjustment.

a. Potential Adjustment Event

Following the declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Underlying Shares and if so, will (i) make the corresponding adjustment, if any, to any one or more of the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (which adjustment may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Underlying Share) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a, stating the adjustment to the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms and giving brief details of the Potential Adjustment Event.

For the purposes of this Warrant Condition (18):

"**Potential Adjustment Event**" means any of the following events (in each case, provided that such event falls outside of the control of the Issuer and was not reasonably foreseeable at the time of issuance of the relevant Warrant):

(i) a subdivision, consolidation or reclassification of relevant Underlying Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the Applicable Final Terms, a Tender Offer), or a free distribution or dividend of any such Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Underlying Shares of (a) such Underlying Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company, as the case may be, equally or proportionately with such payments to holders of such Underlying Shares or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company, as the case may be, as a result of a spin-off or other similar transaction or (d) any other type of securities, rights and warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(iv) a call by a Share Company in respect of relevant Underlying Shares that are not fully paid;

(v) a repurchase by a Share Company or any of its subsidiaries of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(vi) breach by the relevant Share Company of any applicable provisions of its operating documents, including any strategy or investment guidelines;

(vii) partial or non-execution of a redemption or subscription order of a hypothetical investor in the Share Company;

(viii) dissolution, winding up, liquidation or analogous proceedings being commenced in respect of the Share Company;

(ix) investment manager, manager or custodian of the Share Company ceases to act in such capacity;

(x) material modification of the investment programme, objectives, policies, strategy, process or guidelines of the Share Company;

(xi) failure by the fund to comply with its reporting obligations;

(xii) material modification of the Share Company's operating documents or articles of association or other constitutional documents;

(xiii) material modification of the type of assets in which the Share Company invests or the trading practices of the Share Company;

(xiv) suspensions or redemptions of shares in the Share Company, repurchase or compulsory redemption of shares in the Share Company or analogous restrictions;

(xv) loss of authorisation or registration in respect of the Share Company or its investment manager;

(xvi) the Share Company or its investment manager or administration agent being subject to regulatory or legal proceedings or investigations;

(xvii) cancellation, suspension or revocation of the registration or approval of the Share Company or change in tax, legal or regulatory treatment of the Share Company; or

(xviii) expropriation of the shares or the assets of the Share Company; or

(xix) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Underlying Shares.

b. <u>De-listing, Merger Events, Tender Offer, Insolvency and Nationalisation</u>

If (x) a De-listing, Merger Event, Nationalisation, Insolvency and/or (y) if Tender Offer is specified as applying in the Applicable Final Terms, a Tender Offer occurs in relation to a Underlying Share, the Issuer (or the Warrant Agent acting on its behalf) may take the action described in (i) or (ii) below:

(i) *in the first instance*, require the Calculation Agent to determine the appropriate adjustment, if any, to be made to the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms to account for the De-listing, Merger Event, Insolvency, Tender Offer or Nationalisation, as the case may be, and determine the effective date of that adjustment. The relevant adjustment may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Shares or to the Warrants. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the De-listing, Merger Event, Tender Offer or Nationalisation made by any options exchange to options on the shares traded on that options exchange; or

(ii) *if the adjustment under (i) would not reasonably result in a repair of the contractual equilibrium (in line with the initially agreed terms of the Warrants)*, cancel the Warrants by giving notice to Warrant Holders in accordance with Warrant Condition (12)a. If the Warrants are so cancelled the Issuer will pay an amount to each Warrant Holder in respect of each Warrant held by him which amount shall be the Fair Market Value of a Warrant taking into account the De-Listing, Merger Event, Insolvency, Tender Offer or Nationalisation, as the case may be, *plus*, if already paid, the Actual Exercise Price, the Exercise Cost and the Exercise Expenses, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrant Holders in accordance with Warrant Condition (12)a.

For the purposes of this Warrant Condition (18):

"**De-listing**" means, in respect of any Underlying Shares, that the Exchange announces that pursuant to the rules of the Exchange such Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or if the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting a Share Company (A) all the Underlying Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Underlying Shares of that Share Company become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any Underlying Shares, any (i) reclassification or change of such Underlying Shares that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Share Company, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Shares (other than such Underlying Share owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all of such Underlying Shares outstanding but results in the outstanding Underlying Share (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Shares immediately following such event, in each case if the Merger Date is on or before the relevant Delivery Date or Actual Sale Date.

"**Nationalisation**" means that all the Underlying Shares or all or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Company as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

c. Notice

Upon the occurrence of a De-listing, Merger Event, Insolvency, Nationalisation, or, if applicable, a Tender Offer, the Issuer shall give notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a stating the occurrence of the De-listing, Merger Event, Insolvency, Nationalisation or, as the case may be, Tender Offer, giving details thereof and the action proposed to be taken in relation thereto.

(19) Events affecting the Underlying ETF Share

If "Underlying ETF Share" is specified as the Underlying in the Applicable Final Terms, then the provisions of this Warrant Condition (19) shall apply.

To the extent that the Warrant Holder is a Consumer, any adjustment pursuant to this Warrant Condition (19) may not relate to an essential feature of the Warrants, unless (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, (b) any such adjustment does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuer does not charge costs to the Warrant Holder for such adjustment.

a. Potential Adjustment Event

Following the declaration by the ETF of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Underlying ETF Share and if so, will (i) make the corresponding adjustment, if any, to any one or more of the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (which adjustment may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Underlying ETF Share) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETF shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a, stating the adjustment to the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms, giving brief details of the Potential Adjustment Event.

For the purposes of this Warrant Condition (19):

"**Potential Adjustment Event**" means any of the following events (in each case, provided that such event falls outside of the control of the Issuer and was not reasonably foreseeable at the time of issuance of the relevant Warrant):

(i) a subdivision, consolidation or reclassification of relevant Underlying ETF Shares (unless resulting in a Merger Event or, if Tender Offer is specified as applying in the Applicable Final Terms, a Tender Offer), or a free distribution or dividend of any such Underlying ETF Shares to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Underlying ETF Shares of (a) an additional amount of such Underlying ETF Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant ETF, as the case may be, equally or proportionately with such payments to holders of such Underlying ETF Shares or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the relevant ETF, as the case may be, as a result of a spin-off or other similar transaction or (d) any other type of securities, rights and warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an extraordinary dividend as determined by the Calculation Agent;

(v) a repurchase by an ETF or any of its subsidiaries of relevant Underlying ETF Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise (excluding any redemption of Underlying ETF Shares initiated by an investor on terms consistent with the relevant ETF Documents); or

(vi) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Underlying ETF Shares.

b. De-listing, Merger Events, Tender Offer, Insolvency and Nationalisation

If (x) a De-listing, Merger Event, Insolvency, Nationalisation and/or (y) if Tender Offer is specified as applying in the Applicable Final Terms, a Tender Offer occurs in relation to an Underlying ETF Share, the Issuer may take the action described in (i) or (ii) below:

(i) *in the first instance*, require the Calculation Agent to determine the appropriate adjustment, if any, to be made to the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms to account for the De-listing, Merger Event, Tender Offer, Insolvency or Nationalisation, as the case may be, and determine the effective date of that adjustment. The relevant adjustment may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying ETF Shares or to the Warrants. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the De-listing, Merger Event, Tender Offer or Nationalisation made by any options exchange to options on the ETF shares traded on that options exchange; or

(ii) *if the adjustment under (i) would not reasonably result in a repair of the contractual equilibrium (in line with the initially agreed terms of the Warrants)*, cancel the Warrants by giving notice to Warrant Holders in accordance with Warrant Condition (12)a. If the Warrants are so cancelled the Issuer will pay an amount to each Warrant Holder in respect of each Warrant held by him which amount shall be the Fair Market Value of a Warrant taking into account the De-Listing, Merger Event, Tender Offer, Insolvency or Nationalisation, as the case may be, plus, if already paid, the Actual Exercise Price, the Exercise Cost and the Exercise Expenses, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrant Holders in accordance with Warrant Condition (12)a.

For the purposes of this Warrant Condition (19):

"**De-listing**" means, in respect of any Underlying ETF Shares, that the Exchange announces that pursuant to the rules of the Exchange such Underlying ETF Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or if the Exchange is within the European Union, in a member state of the European Union).

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting an ETF (A) all the Underlying ETF Shares of that ETF are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Underlying ETF Shares of that ETF become legally prohibited from transferring them.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any Underlying ETF Shares, any (i) reclassification or change of such Underlying ETF Shares that results in a transfer of or an irrevocable commitment to transfer all of such Underlying ETF Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of an ETF, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such ETF is the continuing entity and which does not result in a reclassification or change of all such Underlying ETF Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying ETF Shares of the relevant ETF that results in a transfer of or an irrevocable commitment to transfer all such Underlying ETF Shares (other than such Underlying ETF Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the ETF or its subsidiaries with or into another entity in which the ETF is the continuing entity and which does not result in a reclassification or change of all of such Underlying ETF Shares outstanding but results in the outstanding Underlying ETF Shares (other than Underlying ETF Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying ETF Shares immediately following such event, in each case if the Merger Date is on or before the relevant Delivery Date or Actual Sale Date.

"**Nationalisation**" means that all the Underlying ETF Shares or all or substantially all the assets of the ETF are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Tender Offer**" means, in respect of an ETF, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the ETF as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

c. Notice

Upon the occurrence of a De-listing, Merger Event, Insolvency, Nationalisation, or, if applicable, a Tender Offer, the Issuer shall give notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a stating the occurrence of the De-listing, Merger Event, Insolvency, Nationalisation or, as the case may be, Tender Offer, giving details thereof and the action proposed to be taken in relation thereto.

(20) Additional Disruption Events

If an Additional Disruption Event occurs, the Issuer may take the action described in (i) or (ii) below:

(i) *in first instance*, require the Calculation Agent to determine the appropriate adjustment, if any, to be made to the Entitlement and/or the Exercise Price (and/or the Actual Exercise Price) and/or any of the other terms of these Warrant Conditions and/or the Applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) *if the adjustment under (i) would not reasonably result in a repair of the contractual equilibrium (in line with the initially agreed terms of the Warrants)*, cancel the Warrants by giving notice to Warrant Holders in accordance with Warrant Condition (12)a. If the Warrants are so cancelled the Issuer will pay an amount to each Warrant Holder in respect of each Warrant held by him which amount shall be the Fair Market Value of a Warrant taking into account the Additional Disruption Event, as the case may be, *plus*, if already paid (when such Additional Disruption Event occurs after the initiation of the Exercise by the Warrant Holder), the Actual Exercise Price, the Exercise Cost and the Exercise Expenses, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrant Holders in accordance with Warrant Condition (12)a.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Warrant Holders in accordance with Warrant Condition (12)a stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

To the extent that the Warrant Holder is a Consumer, any adjustment pursuant this Warrant Condition (20) may not relate to an essential feature of the Warrants, unless: (a) in the case of the occurrence of (i) a force majeure event or (ii) an event which substantially alters the economics of the contract as initially agreed between the parties and which is not attributable to the Issuer, (b) any such adjustment does not create an obvious imbalance between the rights and obligations of the parties to the detriment of the Warrant Holder, and (c) the Issuer does not charge costs to the Warrant Holder for any such adjustment.

(21) Remedies

(a) To the fullest extent permitted by law, each Warrant Holder expressly and irrevocably waives (for itself and on behalf of any of its affiliates) any extra-contractual claim and right it may have against any Auxiliaries of the Issuer pursuant to article 6.3, §2 of the Belgian Civil Code in connection with these Warrant Conditions.

For the purposes of the Warrant Conditions, "**Auxiliary**" means any person or entity who performs (in whole or in part) any obligation of the Issuer, is engaged in relation to the performance of any obligation under these Warrant Conditions, or represents the Issuer in connection with these Warrant Conditions and the Warrants (whether in its own name and/or for its own account, or in the name and/or for the account of the Issuer), including auxiliaries (*hulppersonen/auxiliaires*) of the Issuer as referred to in article 6.3, § 2 of the Belgian Civil Code. This includes any affiliate, director, officer, board member, manager, employee, founder, member, partner, shareholder, associate, volunteer, agent, attorney, advisor or contractor of the Issuer. For the avoidance of doubt, this definition also includes any subsequent tiers of such auxiliaries, including any secondary, tertiary, or further removed auxiliaries, irrespective of their level or order in the chain of appointment.

(b) To the fullest extent permitted by law, each Warrant Holder expressly and irrevocably waives (for itself and on behalf of any of its affiliates) any extra-contractual claim or right it may have against the Issuer pursuant to article 6.3, §1 of the Belgian Civil Code in respect of any breach by the Issuer of any of its obligations under these Warrant Conditions.

2. Hedging Option Conditions

*The following are the terms and conditions of the Hedging Options (the "**Hedging Option Conditions**") which will apply to each Series of Hedging Options issued under the Programme. Certain information which is applicable to each Series of Hedging Options will be set out in a final terms document (the "**Final Terms**"). Since the Hedging Option Final Terms that are applicable to a particular Series of the Hedging Options (the "**Applicable Final Terms**") may only be determined when such Series of Hedging Options is issued, the Hedging Option Conditions set out below should be read in conjunction with the relevant Applicable Final Terms which will be published upon each issue of Hedging Options in accordance with Article 21 of the Prospectus Regulation.*

Each of KBC Bank NV and CBC Banque SA (each an "**Issuer**") has established a programme (the "**Programme**") for the issuance of call options (*koopopties/options d'achat*) linked to an Underlying (as defined in Hedging Option Condition (1) below) (the "**Hedging Options**"). References to "the Issuer" must be interpreted as to the relevant Issuer of the respective Hedging Option.

The Hedging Options are one of a Series of Hedging Options issued by an Issuer pursuant to a Hedging Option Agreement dated on or about 21 December 2021 (such Hedging Option Agreement as amended and/or supplemented and/or restated from time to time, the "**Hedging Option Agreement**") between an Issuer and KBC Bank NV as Hedging Option Agent. In accordance with the provisions of the respective Hedging Option Agreement, additional Hedging Option Agents may be appointed from time to time in respect of a particular Series as set out in the Applicable Final Terms of such Series (in which case a separate calculation agency agreement will be concluded between the relevant Issuer and such Calculation Agent in the form set out in the schedule to the relevant Hedging Option Agreement, the "**Calculation Agency Agreement**"). KBC Bank NV shall also, in accordance with the provisions of the respective Hedging Option Agreement, undertake the duties of Calculation Agent as set out in these Hedging Option Conditions and in the Applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant Hedging Options, include such other specified calculation agent.

The Hedging Option Final Terms for a particular Series of Hedging Options (or the relevant provisions thereof) are attached hereto and complete these Hedging Option Conditions for the purposes of such particular Series of Hedging Options.

As used herein, a "**Series**" means Hedging Options which are identical in all respects (including, for the avoidance of doubt, as to the Issue Date and Issue Price (such terms as defined below)) other than the Hedging Fee which may vary for Hedging Option Holders based on criteria such as number of Hedging Options bought and investor profile)).

Certain provisions of these Hedging Option Conditions include summaries of, and are subject to, the detailed provisions of the Hedging Option Agreement. The Hedging Option Agreement and the Applicable Final Terms (and, if applicable in respect of a particular Series, any Calculation Agency Agreement) are available for inspection at and copies thereof may be obtained from the specified office of the Hedging Option Agent set out at the end of these Hedging Option Conditions during normal business hours.

The Hedging Options are instruments that allow the Hedging Option Holder to gain an exposure on an Underlying. Their value may fluctuate based on, *inter alia*, fluctuations in the Value of the Underlying.

Hedging Option Condition (12)d (*Modification*) grants or may grant the relevant Issuer (or the Hedging Option Agent acting on its behalf) a unilateral right to modify certain features of the Hedging Options.

The sole purpose of this provision is to allow the relevant Issuer (or the Hedging Option Agent acting on its behalf), under certain circumstances, to make modifications to the Hedging Options.

Furthermore, Hedging Option Condition (11) (*Illegality*) grants or may grant the relevant Issuer (or the Hedging Option Agent acting on its behalf) a right to terminate and cancel the Hedging Options under certain circumstances.

In case of cancellation, the relevant Issuer is required to, if and to the extent permitted by applicable law, pay an amount to each Hedging Option Holder in respect of each Hedging Option held by such holder, which amount shall be the Fair Market Value of a Hedging Option notwithstanding such illegality, as determined by the Calculation Agent.

(1) Definitions

For the purpose of these Hedging Option Conditions, the following definitions have the following meanings:

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For those purposes "**Control**" means ownership of a majority of the voting power of an entity.

"**Agent**" means any of the Hedging Option Agent or the Calculation Agent.

"**Applicable Final Terms**" has the meaning set out in the introduction to these Hedging Option Conditions.

"**Belgian Civil Code**" means the Belgian Civil Code (*Burgelijk Wetboek/Code Civil*) dated 13 April 2019.

"**BestOf Options**" means the options granted by the Hedging Option Holder to its employees under its BestOf Share Option Plan.

"**BestOf Option Holder**" means the holder of any BestOf Options.

"**BestOf Share Option Plan**" means an employee benefit scheme pursuant to which an employer issues and offers BestOf Options on Underlyings defined in the BestOf Share Option Plan to beneficiaries as an incentive for the performance of their professional activities.

"**Business Dashboard**" means the business portal that provides access to certain services and dashboard functionalities and that can be used by the Hedging Option Holder that has entered into a Business Dashboard Agreement, to launch a BestOf Share Option Plan. A description of the main features and functions and the applicable tariffs (if applicable) is always available and can be consulted at respectively www.kbc.be or www.cbc.be.[15]

"**Business Day**" means (i) a day (other than Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Brussels (Belgium) and in the relevant Business Day Centre(s) and (ii) for the purpose of making payments in Euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

"**Business Day Centre**" means the city or cities specified as such in the Applicable Final Terms.

"**Cash Settlement Amount**" has the meaning given in Hedging Option Condition (8)b.

"**Calculation Agent**" means KBC Bank in respect of any Series of Hedging Options issued under such Programme unless, in respect of a particular Series of Hedging Options, another party is appointed as the

[15] These websites are not incorporated by reference and do not form part of this Base Prospectus and have hence not been scrutinised or approved by the FSMA

Calculation Agent in the Applicable Final Terms for such Series, such other party, and any successor Calculation Agent from time to time.

"**Calculation Agency Agreement**" has the meaning set out in the introduction of these Hedging Option Conditions.

"**CBC Banque**" means CBC Banque SA.

"**Change in Law**" means that, on or after the Issue Date (as specified in the Applicable Final Terms) due to:

(xx) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law); or

(xxi) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

(A) it has become illegal to hold, acquire or dispose of any relevant Underlying or Hedging Option; or

(B) the relevant Issuer will incur a materially increased cost in performing its obligations in relation to the Hedging Options (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

"**Closing Price**" means, in respect of an Underlying and a Scheduled Trading Day, the official Value in respect of the relevant Underlying at the Valuation Time on such day, as determined by the Calculation Agent, subject as provided in Valuation Date below.

"**Cut-off Time**" means 95 minutes before the close of the Exchange on which the Underlying is listed.

"**Dealer(s)**" means the relevant Issuer (i.e. KBC Bank and CBC Banque) and any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis.

"**Disrupted Day**" means any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session.

"**Eligibility Criteria**" means the following criteria to be met in order to be eligible to purchase the Hedging Options: (i) the purchaser shall be a legal person (such as a company) and not an individual or a consumer (including "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law) and (ii) it has set up a BestOf Share Option Plan.

"**Entitlement**" means, in respect of a Hedging Option of a Series, the number of the Underlyings (including a Fraction) which a Hedging Option Holder is entitled to receive upon Exercise of such Hedging Option, provided that the relevant Underlying shall not be delivered and in lieu thereof a cash adjustment, calculated in accordance with Hedging Option Condition (8), shall be paid.

"**Euro**, **EUR** or **€**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty, as amended.

"**Exchange**" means, in respect of the Underlying, the exchange or quotation system, any successor or any substitute exchange or quotation system, including for the avoidance of doubt but without limitation, any regulated market where such Underlying is listed and/or traded.

"**Exercise**" or "**Exercise of a Hedging Option**" means the automatic exercise of the Hedging Options as set out in Hedging Option Condition (7)a.

"**Exercise Period**" means, in respect of a Hedging Option of a Series, the period specified in the Applicable Final Terms.

"**Exercise Price**" means, in respect of a Hedging Option of a Series, the price specified in the Applicable Final Terms of a single Underlying, to which the Hedging Option relates.

"**Expiration Date**" means, in respect of a Hedging Option of a Series, the last Scheduled Trading Day falling within the Exercise Period.

"**Fair Market Value**", in respect of a Hedging Option, means the fair market value determined by KBC Bank or the Hedging Option Agent on behalf of CBC Banque (as applicable) based on a Cox Binomial Tree numerical method generated via Black & Scholes methodology (such model is a generally accepted valuation model and is in scope of different internal and external control processes at the KBC Bank's or the Hedging Option Agent's (acting on behalf of CBC Banque) side (as applicable)).

"**Final Settlement Payment**" has the meaning set out in Hedging Option Condition (8)d.

"**Final Terms**" means has the meaning set out in the introduction of these Hedging Option Conditions.

"**Fraction**" means the fraction of the Underlying which is established by the relevant Issuer in the Applicable Final Terms.

"**Guaranteed Benefit**" has the meaning set out in Hedging Option Condition (8)c.

"**Hedging Fee**" means the fee equal to a maximum of 5 per cent of the Issue Price payable by a Hedging Option Holder to the relevant Issuer upon purchase of the Hedging Options as set out in the agreement between the relevant Issuer and Hedging Option Holder.

"**Hedging Option**" has the meaning set out in the introduction to these Hedging Option Conditions.

"**Hedging Option Agent**" means KBC Bank NV unless, in respect of a particular Series of Hedging Options, another party is appointed as the Hedging Option agent in the Applicable Final Terms for such Series, and any successor Hedging Option Agent from time to time.

"**Hedging Option Agreement**" has the meaning set out in the introduction of these Hedging Option Conditions.

"**Hedging Option Holder**" means any holder of a Hedging Option from time to time.

"**Hedging Options Register**" has the meaning set out in Hedging Option Condition (2).

"**Intrinsic Value**", in respect of a Hedging Option, the value that is based on the difference between the Closing Price of the Fraction of the Underlying and the Fraction of the Exercise Price.

"**Issue Date**" means, in respect of a Series of Hedging Options, the Business Day on which such Series of Hedging Options is issued as specified in the Applicable Final Terms.

"**Issue Price**" means, in respect of a Hedging Option of a Series, the amount per Hedging Option as specified in the Applicable Final Terms.

"**Issuer**" has the meaning set out in the introduction to these Hedging Option Conditions.

"**KBC Bank**" means KBC Bank NV.

"**KBC Bank Group**" means KBC Bank and all its subsidiaries (including CBC Banque).

"**Market Disruption Event**" means, in respect of an Underlying when such Underlying is listed:

(a) the occurrence or existence at any time during the one hour period that ends at the relevant Valuation Time of:

(i) any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise relating to the Underlying on the Exchange; or

(ii) any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, the Underlying on the Exchange,

which in either case the Calculation Agent determines is material; or

(b) the closure on any Scheduled Trading Day of the relevant Exchange (s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) on such Scheduled Trading Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Scheduled Closing Time on such Scheduled Trading Day.

"**Programme**" has the meaning set out in the introduction of these Hedging Option Conditions.

"**Resolution Authority**" means the Single Resolution Board ("**SRB**") (established pursuant to the Regulation 806/2014 of the European Parliament and the Council of 15 July 2014 relating to the Single Resolution Mechanism) and, where relevant, the resolution college of the National Bank of Belgium (within the meaning of Article 21ter of the Act of 22 February 1998 establishing the organic statute of the National Bank of Belgium) or any successor or replacement entity having responsibility for the recovery and resolution of the Issuer.

"**Scheduled Closing Time**" means, in respect of an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Trading Day**" means any day on which the relevant Exchange is scheduled to be open for trading for its respective regular trading sessions notwithstanding any such Exchange closing prior to its Scheduled Closing Time.

"**Series**" has the meaning set out in the introduction to these Hedging Option Conditions

"**Taxes**" means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or deliveries of assets), profits or capital gains) together with any interest, additions to tax or penalties.

(to) "**Terminate**" means, in respect of a Hedging Option, performing the transaction of the Termination of a Hedging Option.

"**Termination Order**" means, a notice given by the Hedging Option Holder to the Issuer by email or other communication means as agreed with the relevant Issuer, for the termination of the Hedging Options to the relevant Issuer in accordance with Hedging Option Condition (9).

"**Termination of a Hedging Option**" or "**Termination**" means the termination of the Hedging Option as set out in Hedging Option Conditions (7)b, (9) and (16).

"**Termination Value**" means the price (payable by the relevant Issuer) at which the relevant Issuer may terminate a Hedging Option if offered to it for Termination by the Hedging Option Holder, as determined in accordance with Hedging Option Condition (9).

"**Underlying**" means, in respect of a Hedging Option of a Series, the underlying share specified as such in the Applicable Final Terms.

"**Valuation Date**" means each date specified as such in the Applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) unless if any such date is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day (such eighth day, the "**Eighth Scheduled Trading Day**"). In that case, the Calculation Agent shall determine in its absolute discretion that the Valuation Date shall be the earlier of: (aa) the Eighth Scheduled Trading Day, in which case the Calculation Agent shall determine the relevant Value using its good faith estimate of such Value as of the Valuation Time on the Eighth Scheduled Trading Day; and (bb) the first succeeding Scheduled Trading Day on which there is no Market Disruption Event.

"**Valuation Time**" means, unless an alternative Valuation Time is specified in the Applicable Final Terms, the Scheduled Closing Time on the Exchange on the relevant Valuation Date in relation to the Underlying to be valued. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Value**" means, in respect of an Underlying, the value of such Underlying based on the price quoted on such Exchange as specified in the Applicable Final Terms.

(2) Form

The Hedging Options of a Series will be issued to each Hedging Option Holder on the Issue Date. A register of Hedging Options will be kept and held by the relevant Issuer or by the relevant Hedging Option Agent on such Issuer's behalf (the **Hedging Options Register**) in the name of the relevant Hedging Option Holder(s).

(3) Title and Transfer

Hedging Options can only be transferred: (i) to the Issuer in accordance with Hedging Option Condition (9); and (ii) to any third party other than the Issuer in accordance with Hedging Option Condition 10. No Hedging Options can be transferred to any party that is a BestOf Option Holder or a "consumer" (*consommateur/consument*) within the meaning of the Belgian Code of Economic Law. If any Hedging Option Holder does transfer or attempt to transfer Hedging Options other than in accordance with Hedging Option Condition (9) or Hedging Option Condition 10, such transfer will not be registered and will not be enforceable against the relevant Issuer.

Title to and transfer of Hedging Options shall pass by registration of the transfer by the Issuer (or by the Hedging Option Agent on its behalf) in the Hedging Options Register.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Hedging Options shall be deemed to be and may be treated as its absolute owner for all purposes and regardless of any notice of ownership, trust or an interest in it, or its theft or loss and no person shall be liable for so treating the holder.

(4) Eligibility of Holder and Title

Without prejudice to Hedging Option Condition 10, the Hedging Option is only available to purchase by any entity which satisfies the Eligibility Criteria, and subject to payment to the relevant Issuer of the Issue Price and a Hedging Fee (comprised of a percentage that is based on the Issue Price of the Hedging Options and determined by the relevant Issuer based on certain criteria such as number of Hedging Options bought and

investor profile). The Issue Price for each Series of Hedging Options is contained in the Applicable Final Terms and the Hedging Fee for the purchase of the Hedging Options will be set out in the agreement between the relevant Issuer and each Hedging Option Holder.

The relevant Issuer will provide a confirmation of the purchase of Hedging Options to each Hedging Option Holder.

Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Hedging Option shall be deemed to be and may be treated as absolute owner of such Hedging Option for all purposes and regardless of any notice of ownership, trust or an interest in it, or its theft or loss and no person shall be liable for so treating the holder.

(5) Currency

Subject to compliance with all relevant laws, regulations and directives, a Hedging Option may be issued, and its value (and its Hedging Fee and Exercise Price) may be expressed, in euro or in any other currency agreed between the Issuer and the relevant Dealer(s) or subscriber of the relevant Series as specified in the Applicable Final Terms. Such currency in which a Hedging Option is issued and the Exercise Price at which the Hedging Option can be exercised can be different from the currency of the Underlying to which the Hedging Option is linked.

(6) Status

The Hedging Options constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and rank and will rank at all times *pari passu* with all present and future unsecured obligations of the relevant Issuer, without any preference among themselves and without any preference one above the other by reason of priority of date of issue, any currency or payment or otherwise, subject to any exceptions as from time to time under applicable law.

The Hedging Options will not be secured by the Underlying to which such Hedging Option is linked. The Hedging Option does not confer on the Hedging Option Holder any rights (whether in respect of voting, distributions, conversion or otherwise) attaching to the relevant Underlying (except for the right to acquire an Entitlement in the Underlying at the Fraction of the Exercise Price).

The Hedging Option Holders are qualified as senior preferred creditors under article 389/1, 1° of the Banking Law, and such creditors have a higher priority ranking than the so-called senior non-preferred creditors defined under article 389/1, 2° of the Banking Law.

The Hedging Options will not bear any interest.

The Hedging Options will not be listed on any exchange.

(7) Exercise and Termination

a. <u>Exercise</u>

The Hedging Options are call options linked to an Underlying providing the relevant Hedging Option Holder with a contractual right (*schuldvordering/créance*) against the relevant Issuer to acquire an Entitlement at a predetermined Fraction of the Exercise Price on a predetermined Expiration Date.

The Hedging Options are European-style options, automatically exercisable on the Expiration Date. On the Expiration Date, any Hedging Options not yet effectively terminated by any Hedging Option Holder will be automatically exercised and settled in cash provided that they have a positive Intrinsic Value in accordance with Hedging Option Condition (8). A Guaranteed Benefit can be provided to the relevant Hedging Option Holder in accordance with Hedging Option Condition (8).

A Hedging Option which is not Exercised on the Expiration Date by the Hedging Option Holder, shall become void and will cease to have any value.

b. Termination

The Hedging Option Holder may also offer its Hedging Options for Termination to the relevant Issuer and such Issuer has the right, without this being an obligation, to accept such offer as provided in Hedging Option Condition (9) if such Issuer has been notified that the conditions under Hedging Option Condition (9) are satisfied.

(8) Exercise Procedure

a. Exercise Price

The Exercise Price for a Hedging Option of a given Series will be set by the relevant Issuer (or the Hedging Option Agent on its behalf) on the relevant Issue Date and set out in the Applicable Final Terms based on the Value of the Underlying (and will hence be expressed by reference to an entire share or unit in the Underlying) on such date.

b. Cash Settlement Amount

On the Expiration Date, the Hedging Options that have not been effectively terminated by the relevant Hedging Option Holder will be automatically Exercised at the Valuation Time of the relevant Scheduled Trading Day. If, at the Valuation time of the relevant Scheduled Trading Day, the Intrinsic Value of the Hedging Option is positive, the relevant Issuer shall pay such Intrinsic Value to the Hedging Option Holder (the "**Cash Settlement Amount**").

None of the Issuer or the Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount.

c. Guaranteed Benefit

The Hedging Option Holder has the benefit of a conditional guaranteed amount in respect of each applicable Hedging Option that has not been effectively terminated prior to the Expiration Date and that is equal to (Exercise Price x Fraction) x 23% x 53.5% per Hedging Option (the "**Guaranteed Benefit**") as specified in the Applicable Final Terms.

d. Final Settlement Payment

The final settlement payment payable by the relevant Issuer to a Hedging Option Holder in respect of each Hedging Option that has not been effectively terminated prior to the Expiration Date is the higher of (i) the Cash Settlement Amount and (ii) the Guaranteed Benefit (the "**Final Settlement Payment**").

Final Settlement Payment shall be made by the relevant Issuer to each Hedging Option Holder no later than 7 Business Days after the Expiration Date to the specified account of each relevant Hedging Option Holder as communicated by the relevant Hedging Option Holder.

(9) Termination Procedure

a. Termination Value

The Hedging Option Holder may offer its Hedging Options for Termination to the relevant Issuer and such Issuer has the right, without this being an obligation, to accept such offer as provided in Hedging Option Condition (9). Other than for the purpose of offering to the relevant Issuer for Termination or a transfer in accordance with Hedging Option Condition 10, the Hedging Options are not transferable.

A Hedging Option Holder has the right to offer its Hedging Options for Termination to the relevant Issuer in accordance with the terms of this Hedging Option Condition (9) if it notifies the relevant Issuer that:

(i) a BestOf Option Holder of the Hedging Option Holder's BestOf Share Option Plan terminates an identical number of BestOf Share Options; or

(ii) an offeree of a BestOf Share Option Plan refuses the BestOf Share Options or a BestOf Option Holder loses the Bestof Options due to termination of employment with the relevant Hedging Option Holder (unless expressly agreed otherwise),

and the relevant Issuer has the right, without this being an obligation, to accept such offer.

A Hedging Option Holder may submit a Termination Order by email to kbcoptionplan@kbc.be or through other communication channels agreed with the relevant Issuer specifying the details and amounts of Hedging Options to be Terminated and confirming that the conditions for such Termination have been satisfied.

The relevant Issuer may agree to Terminate the Hedging Options offered for Termination by a Hedging Option Holder (without this being an obligation) at the Termination Value, determined in accordance with the table set out in paragraph a of this Hedging Option Condition (9).

The Termination Value is calculated each Scheduled Trading Day using an objective international model on the basis of the Closing Price of the Underlying (see valuation principles laid down in Hedging Option Condition (12)e below). If, due to force majeure or other events during a Scheduled Trading Day, it is not possible to calculate the Termination Value of the Termination Orders, the Termination Value for the Termination Orders submitted during that Scheduled Trading Day will be calculated on the basis of the Closing Price of the next Scheduled Trading Day on which the Calculation Agent is able to calculate the Termination Value.

A Termination Value of Hedging Options shall be determined each Scheduled Trading Day by the Hedging Option Agent and will be posted on the following website at: https://option.esop.kbc.be/[16] for indicative purposes only. The Termination Value applicable for a specific Termination Order of a Hedging Option Holder shall depend on the time at which the relevant Issuer receives the Termination Order. It shall only be determined at the end of the Scheduled Trading Day on which the Issuer receives the Termination Order (or at the end of the following Scheduled Trading Day, if it receives the Termination Order after the Cut-Off Time CET). The relevant Issuer shall ensure that at any time as long as Hedging Options are outstanding under the Programme in respect of which the Exercise Period has not lapsed, Termination Value will continue to be posted for indicative purposes on the above website.

	Time of receipt of Termination Order	**Termination Value at https://option.esop.kbc.be/[17]**
1.	Any time before the Cut-Off Time (CET) on a Scheduled Trading Day	Termination Value calculated using objective international model on the basis of the Closing Price of the same Scheduled Trading Day, published at 9.00h (CET) on the immediately following Scheduled Trading Day

[16] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[17] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

2.	Any time on or after the Cut-Off Time (CET) on a Scheduled Trading Day	Termination Value calculated using objective international model on the basis of the Closing Price on the immediately following Scheduled Trading Day, published at 9.00h (CET) on the Scheduled Trading Day following the Scheduled Trading Day on which the Termination Value is calculated

The actual Termination date of a Hedging Option offered for Termination to the relevant Issuer is the Scheduled Trading Day on which the Termination Value is determined in accordance with paragraph a of this Hedging Option Condition (9).

To ensure that Termination takes place within the Exercise Period, the Termination Order must be submitted before the Cut-off Time on the second last Scheduled Trading Day of the Exercise Period.

Any loss of the Hedging Option Holder resulting from the Termination Order being received after the Cut-Off Time on the second last Scheduled Trading Day prior to the Expiration Date cannot be recovered in any way from the Issuer (save in case of gross negligence or wilful misconduct of the Issuer or its agents).

b. Payment of the Termination Value

After the effective Termination of the relevant Hedging Options based on the Termination Order submitted by a Hedging Option Holder, the relevant Issuer shall transfer the Termination Value as determined in accordance with paragraph a above of this Hedging Option Condition (9) to the specified account of the Hedging Option Holder as communicated by the Hedging Option Holder no later than 7 Business Days after the Termination Date.

c. Termination Risk

Termination of the Hedging Options is subject to all applicable laws, regulations and practices in force on the relevant actual Termination date of the Hedging Options as determined in accordance with paragraph a above of this Hedging Option Condition (9). None of the Issuer, the Hedging Option Agent or the Calculation Agent shall incur any liability whatsoever if it is unable in case of force majeure to effect the transactions contemplated. This does not affect the right of the Hedging Option Holder to the Hedging Options, or its ability to offer for Termination of the Hedging Options on a later date until the Cut-Off time on the second last Scheduled Trading Day of the Expiration Date.

d. Effect of Termination Orders

Termination Orders shall constitute an irrevocable election and undertaking by the Hedging Option Holder to offer the Hedging Options to the relevant Issuer for Termination.

Any Hedging Options which are terminated effectively will be removed from the Hedging Option Register under the name of the relevant Hedging Option Holder by the relevant Hedging Option Agent and be cancelled.

e. Costs

In case of Termination of the Hedging Options, no additional costs will be due by the Hedging Option Holder.

However, the Hedging Option Holder undertakes to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the Termination of Hedging Options, and it authorises the relevant Issuer to deduct an amount in respect thereof from the Termination Value due to such Hedging Option Holder.

(10) Sale of Hedging Options to a party other than the Issuer

The Hedging Options are only transferable to parties other than the Issuer in the situations referred to in Hedging Option Condition (9)a)ii), provided that such party is not a BestOf Option Holder and not a "consumer" (*consommateur/consument*) within the meaning of the Belgian Code of Economic Law. A Hedging Option Holder intending to sell its Hedging Options to any party other than the Issuer will need to submit evidence of the sale and transfer in the form of a copy of the agreement between itself as seller and the purchaser, to the relevant Issuer. This agreement must include (i) the identification of the relevant Hedging Option; (ii) the date of the sale and transfer; (iii) the Sale Price; (iv) the identification details of the purchaser (including at least name, address, e-mail address, telephone number and bank account details); and (v) the signatures of the seller and the purchaser.

Subject to the agreement complying with the conditions set out under (i) through (v) above, the Issuer shall register the transfer on the Hedging Options Register as per the date of sale and transfer set out in the agreement submitted to it, in accordance with Hedging Option Condition (3) (*Title and Transfer*). The Issuer shall not be obliged to record the transfer if these conditions are not met and it will in such case promptly inform the relevant Hedging Option Holder.

(11) Illegality

a. If the performance by an Issuer of its obligations under the Hedging Options or any arrangements made to hedge such Issuer's obligations under the Hedging Options has or will become unlawful, illegal or otherwise prohibited in whole or in part for any duly documented reason, including, without limitation, as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive or with any requirement or request of any governmental, administrative, legislative or judicial authority or power, such Issuer may terminate and cancel the Hedging Options held by Hedging Option Holders by giving notice to such Hedging Option Holders in accordance with Hedging Option Condition (14).

b. If an Issuer terminates and cancels the Hedging Options then such Issuer will, if and to the extent permitted by applicable law, pay an amount to each Hedging Option Holder in respect of each Hedging Option held by such holder, which amount shall be the Fair Market Value of a Hedging Option notwithstanding such illegality, as determined by the Calculation Agent. Payment will be made in such manner as shall be notified to the Hedging Option Holders in accordance with Hedging Option Condition (14).

(12) Agents, Determinations and Modifications

a. <u>Hedging Option Agent</u>

The specified office of KBC Bank as initial Hedging Option Agent is as set out on the back of the Base Prospectus (or, in case of additional Hedging Option Agents appointed in respect of a specific Series, as set out in the Applicable Final Terms).

The Issuers reserves the right at any time to vary or terminate the appointment of the Hedging Option Agent and to appoint further or additional Hedging Option agents, provided that no termination of appointment of the Hedging Option Agent shall become effective until a replacement Hedging Option Agent shall have been appointed. Notice of any termination of appointment and of any changes in the specified office of the Hedging Option Agent will be given to Hedging Option Holders in accordance with Hedging Option Condition (16)1).

In acting under the Hedging Option Agreement, the Hedging Option Agent acts solely as agent of the relevant Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Hedging Option Holders and any determinations and calculations made in respect of the Hedging Options by the Hedging Option Agent shall (save in the case of manifest error) be final, conclusive and binding on the relevant Issuer and the Hedging Option Holder.

b. Calculation Agent

In relation to each issue of Hedging Options, the Calculation Agent (whether it be KBC Bank or another entity) acts solely and its sole discretion as agent of the relevant Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Hedging Option Holders. All calculations and determinations made in respect of the Hedging Options by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the relevant Issuer and the Hedging Option Holder.

Whenever the Calculation Agent is required to act or exercise judgement, it will do so in good faith and in a commercially reasonable manner. The Calculation Agent shall, as soon as practicable after making any determination pursuant to these Hedging Option Conditions, notify the relevant Issuer and the Hedging Option Holder of such determination. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Hedging Options including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent or the relevant Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

c. Determinations and calculations

Any determination made by an Issuer, Calculation Agent and/or Hedging Option Agent pursuant to these Hedging Option Conditions shall (save in the case of manifest error) be final, conclusive and binding on the relevant Issuer and Hedging Option Holders.

None of the Issuer, the Calculation Agent and the Hedging Option Agent shall have any responsibility to any person for any errors or omissions in any calculation in respect of the Hedging Options, save in case of negligence or wilful misconduct.

d. Modifications

An Issuer (or the Hedging Option Agent acting on its behalf) may modify these Hedging Option Conditions and/or the Hedging Option Agreement without the consent of the Hedging Option Holders provided that (i) such modification is not materially prejudicial to the interests of the Hedging Option Holders as a whole; or (ii) such modification is of a formal, minor or technical nature or to correct a manifest or proven error, to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law; or (iii) such modification is made to correct an inconsistency between the final terms and the conditions of the Hedging Option issued (comprising these Hedging Option Conditions as completed by the relevant Hedging Option Final Terms) and the relevant term sheet relating to the Hedging Options. Any such modification may trigger the need to publish a supplement to the Base Prospectus in accordance with Article 8 of the Prospectus Law *juncto* Article 23 of the Prospectus Regulation.

Any such modification shall be binding on the Hedging Option Holders and a notice of any such modification will be given to the Hedging Option Holder in accordance with Hedging Option Condition (14) as soon as practicable thereafter.

e. Determination of value and pricing models

The value of the Hedging Options is determined by the Cox Binomial Tree numerical model. This model makes use of the following parameters:

- The exercise price (strike) of the Hedging Option: the Hedging Options are issued "at the money" i.e. the strike price equals the value of the underlying product at the time of the issue of the Hedging Options.
- The value of the underlying product at the time of calculating the value of the Hedging Option (as published on Bloomberg): the value of the Hedging Option increases or decreases if the value of the underlying product increases or decreases in relation to the exercise price.

- The volatility (estimated based on market prices and broker quotes): the value of the Hedging Options varies as a function of the expected volatility of the underlying share until maturity.
- Interest rates (based on the interpolation of ESTR OIS swaps and US Fed Funds swaps, as published on Bloomberg): the value of the Hedging Options is determined by the rates for funding the expected delta hedge as well as discount rates for the cash flows.
- The (remaining) term: the longer the (remaining) term of the Hedging Option the higher the time value of its optionality.
- Dividends: as the underlying products are capitalised (total return), there are no dividends that impact the value of the Hedging Option.
- The repo rate: the market-implied financing rate applicable to the Underlying, reflecting the cost or benefit associated with borrowing, lending or financing the Underlying in the market and is a standard market parameter used in the valuation of equity derivatives. The Hedging Option value is determined by the combined effect of those parameters.

(13) Liability

An Issuer is not liable for any loss the Hedging Option Holder may suffer due to price losses on specific purchases of Hedging Options. More specifically, an Issuer cannot be held liable if the tax treatment of the Hedging Options changes.

Other than in the case of evidence of willful act or omission or gross negligence on the part of an Issuer, its employees or its agents, the Hedging Option Holder bears full and unconditional liability for any and all direct and indirect consequences suffered by the relevant Issuer as a result of acquiring Hedging Options.

(14) Notices

All notices to holders of Hedging Options will be done by e-mail, via the Business Dashboard, by registered letter or letter with acknowledgement of receipt or through any other means of communication agreed between an Issuer and the relevant Hedging Option Holder.

Notices effected by e-mail or via the Business Dashboard before 4 p.m. on a Business Day will be deemed to have been received immediately. If such notices are sent after 4 p.m. on a Business Day, they will be deemed to have been received at 10 a.m. on the following Business Day. Notices sent by registered letter or letter with acknowledgement of receipt are deemed to have been received at 10 a.m. on the first Business Day following their first offer.

Where these Hedging Option Conditions provide that a period shall begin on or after a notification, such period shall begin to run from the time the notification is received or is deemed to have been received, whichever event occurs first.

Financial information in respect of the Hedging Options may also be made available by the relevant Issuer on the website https://option.esop.kbc.be (or such other website as may be communicated to the Hedging Option Holders in the future). This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

(15) Expenses and Taxation

No Issuer shall be liable for any applicable costs and/or expenses that may arise in relation to Termination, the automatic Exercise or holding the Hedging Option by the Hedging Option Holders (except as provided otherwise in these Hedging Option Conditions in relation to unilateral modifications made to the terms of the Hedging Options or in case of cancellation of the Hedging Options) and the Hedging Option Holders shall be liable to bear such cost and/or expenses.

The Hedging Option Holder shall also be liable for any and all present, future, prospective, contingent or anticipated Taxes.

Hedging Option Holders should note that the Issue Price of a Hedging Option may include certain commissions or fees charged by the relevant Issuer and/or the Dealer(s) in respect of a Series of Hedging Options but does not include any fees payable to a distributor or broker of the Hedging Options.

Payments arising from acquiring Hedging Options that could result in the levying of withholding tax will be reduced by the amount of this withholding tax. Any Issuer or the Hedging Option Agent that is obliged to deduct withholding tax will take the necessary measures to that end and at the request of any relevant Hedging Option Holder provide the documents required to substantiate the deduction of withholding tax and the payment thereof to the tax authorities. Withholding tax is understood for the purposes of this Hedging Option Condition (15) to refer to all current or future taxes, levies, duties or deductions of any nature that will be levied or withheld.

If, following the acquisition by a Hedging Option Holder of Hedging Options, as a result of

1) the introduction or amendment of any legislation or regulations,

2) the publication of an interpretation by the competent government or as a result of a legal ruling, or

3) a different status applying to the Hedging Option Holder from that which was originally communicated to the Issuer,

an additional levy is imposed on the proceeds or the payment flows resulting from the acquisition to the disadvantage of the relevant Issuer, such Issuer (or the Hedging Option Agent acting on its behalf) will have the right, without prejudice to any other rights of such Issuer pursuant to the applicable legislation, to unilaterally amend these terms and conditions after notifying the Hedging Option Holder to adapt it to the new regulations so that such Issuer receives the same payments that it would receive if such additional tax had not been applied.

(16) Default by the Hedging Option Holder

Should the Hedging Option Holder;

1) fail to perform any obligation it owes to the relevant Issuer;

2) be in default under any other agreement with the relevant Issuer, including agreements unconnected with the Hedging Options issued under the Programme, or such Issuer has cancelled or terminated an agreement with such Hedging Option Holder in accordance with the conditions of such Hedging Option Holder;

3) be in a situation where a creditor attaches all or part of its assets in custody or in execution;

4) becomes legally incapacitated or loses its legal personality, is wound-up or liquidated;

5) enters into a merger, is demerged or transfers a substantial part of its assets and/or liabilities or acquires such assets and/or liabilities from another company without the prior approval of the relevant Issuer; or

6) is in a situation of changed creditworthiness or of imminent non-compliance with any commitment with such relevant Issuer that impacts the relationship of trust between the Hedging Option Holder and such relevant Issuer in any manner;

such relevant Issuer is entitled, without prejudice to any other rights of such Issuer under applicable law, after notifying the Hedging Option Holder, to terminate the Hedging Option(s) of such Hedging Option Holder and cease to provide any and all additional services in connection with its Hedging Options and, in general, to take all measures that such Issuer, in its sole discretion, considers necessary to safeguard its interests, all without prejudice to such Issuer's right to compensation for any losses it may incur.

Notwithstanding the above, (i) should the Hedging Option Holder be no longer able to meet its obligations under its Bestof Share Option Plan, the relevant Issuer is entitled, without prejudice to any other rights of such Issuer under applicable law, after notifying the Hedging Option Holder, to Terminate the Hedging Option(s) of the Hedging Option Holder and (ii) the Hedging Option(s) of the Hedging Option Holder will be automatically Terminated in case of bankruptcy of the relevant Hedging Option Holder.

If Hedging Options of the Hedging Option Holder are Terminated by the relevant Issuer pursuant to this Hedging Option Condition (16), the Termination Value (as determined pursuant to Hedging Option Condition (9) on the basis that the Hedging Option Holder shall be deemed to have submitted a Termination Order in respect of all of the relevant Hedging Options) will be paid by the relevant Issuer to the Hedging Option Holder.

(17) Entirety of the Hedging Option Conditions

Should any one or more of the provisions contained in these Hedging Option Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

(18) Governing law and Jurisdiction

a. Applicable law

The Hedging Options, the Hedging Option Agreement and all matters arising from or connected with the Hedging Options and the Hedging Option Agreement (and any non-contractual obligations arising out of or in connection with the Hedging Options) are governed by, and shall be construed in accordance with, Belgian law.

b. Jurisdiction

The courts of Brussels, Belgium (Dutch speaking chambers) are to have exclusive jurisdiction to settle any dispute, arising from or connected with the Hedging Options (including any disputes relating to any non-contractual obligations arising out of or in connection with the Hedging Options), without prejudice to any party's rights under article 624, 1°, 2° and 4°, of the Belgian Judicial Code and without restricting the competence of any court which is competent under article 624, 1°, 2° and 4°, of the Belgian Judicial Code.

(19) Acknowledgement of the bail-in power

Notwithstanding and to the exclusion of any other term of the Hedging Options or any other agreements, arrangements or understanding between an Issuer and any Hedging Option Holder (which, for the purposes of this Hedging Option Condition, includes each holder of a beneficial interest in the Hedging Options), by its acquisition of the Hedging Options, each Hedging Option Holder acknowledges and accepts that any liability arising under the Hedging Options may be subject to the exercise of the Bail-in Power by the Resolution Authority and acknowledges, accepts, consents to and agrees:

a) to be bound by the effect of the exercise of any Bail-in Power by the Resolution Authority, which exercise may (without limitation) include and result in any of the following, or a combination thereof:

    i. the reduction of all, or a portion, of the Relevant Amounts in respect of the Hedging Options;

ii. the conversion of all, or a portion, of the Relevant Amounts in respect of the Hedging Options into shares, other securities or other obligations of an Issuer or another person, and the issue to or conferral on the Hedging Option Holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Hedging Options;

iii. the cancellation of the Hedging Options or the Relevant Amounts in respect of the Hedging Options; and

iv. the amendment or alteration of the maturity of the Hedging Options or amendment of the amount of interest payable on the Hedging Options, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

b) to the variation of the terms of the Hedging Options, as deemed necessary by the Resolution Authority, to give effect to the exercise of any Bail-in Power by the Resolution Authority.

For the purpose of this Hedging Option Condition:

Bail-in Power means any power existing from time to time under applicable Loss Absorption Regulations or under applicable laws, regulations, requirements, guidelines, rules, standards and policies relating to the transposition of the BRRD pursuant to which the obligations of an Issuer (or an affiliate of such Issuer) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or converted into shares, other securities or other obligations of such Issuer or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise;

Loss Absorption Regulations means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Kingdom of Belgium, the Relevant Regulator, the Resolution Authority, the Financial Stability Board and/or of the European Parliament or of the Council of the European Union then in effect in the Kingdom of Belgium including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Relevant Regulator and/or the Resolution Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to an Issuer or to the KBC Bank Group); and

Relevant Amounts the amounts payable by an Issuer with respect to each Hedging Option.

(20) Market Disruption

The Hedging Option Holders are subject to the risk of a Market Disruption Event.

If an Issuer or the Calculation Agent determines that a Market Disruption Event has occurred, a valuation in the relevant Underlying may consequentially be postponed or adjusted which may have an adverse effect on the value of such Hedging Option.

(21) Events affecting the Underlying

If an Issuer or the Calculation Agent determines that an event occurs (such as a material change to the composition of the Underlying or corporate actions) which materially and adversely impacts on the ability of the Hedging Option Holders to hedge their exposures under their respective BestOf Share Option Plan with their Hedging Options, the relevant Issuer, or the Calculation Agent or Hedging Option Agent on its behalf, may, but shall not be under an obligation to, use commercially reasonable efforts, but without additional cost

for the Issuer, to make changes to the Underlying in order to mitigate such adverse impact for the Hedging Option Holders.

(22) Remedies

(a) To the fullest extent permitted by law, each Hedging Option Holder expressly and irrevocably waives (for itself and on behalf of any of its affiliates) any extra-contractual claim and right it may have against any Auxiliaries of the Issuer pursuant to article 6.3, §2 of the Belgian Civil Code in connection with these Hedging Option Conditions.

For the purposes of the Hedging Option Conditions, "Auxiliary" means any person or entity who performs (in whole or in part) any obligation of the Issuer, is engaged in relation to the performance of any obligation under these Hedging Option Conditions, or represents the Issuer in connection with these Hedging Option Conditions and the Hedging Options (whether in its own name and/or for its own account, or in the name and/or for the account of the Issuer), including auxiliaries (*hulppersonen/auxiliaires*) of the Issuer as referred to in article 6.3, §2 of the Belgian Civil Code. This includes any affiliate, director, officer, board member, manager, employee, founder, member, partner, shareholder, associate, volunteer, agent, attorney, advisor or contractor of the Issuer. For the avoidance of doubt, this definition also includes any subsequent tiers of such auxiliaries, including any secondary, tertiary, or further removed auxiliaries, irrespective of their level or order in the chain of appointment.

(b) To the fullest extent permitted by law, each Hedging Option Holder expressly and irrevocably waives (for itself and on behalf of any of its affiliates) any extra-contractual claim or right it may have against the Issuer pursuant to article 6.3, §1 of the Belgian Civil Code in respect of any breach by the Issuer of any of its obligations under these Hedging Option Conditions.

VIII. FORM OF FINAL TERMS

1. Form of final terms for the Warrants

Set out below is the form of Final Terms which will be completed for each Series of Warrants issued under the Programme. Text in this section appearing in italics does not form part of the Final Terms but denotes directions for completing the Final Terms.

[*Date*]

[*Issuer*]

Issue of [*Number of Warrants*]

[*Title of Warrants*] Warrants under the KBC Bank and CBC Banque Warrants and Hedging Options Programme

PART A – CONTRACTUAL TERMS

[MiFID II product governance / retail investors, professional investors and ECPs target market – Solely for the purposes of the Issuer's product approval process, the target market assessment in respect of the Warrants has led to the conclusion that: (i) the target market for the Warrants is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU ("**MiFID II**"); (ii) all the channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) all the channels for distribution to retail clients are appropriate subject to the appropriateness obligations under MiFID II.]

[**PRIIPS Regulation** – A key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Warrants or otherwise making them available to retail investors in Belgium has been prepared and is available on [●].]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [*date*] [and the supplement to the Base Prospectus dated [*date*]] which [together] constitute[s] a base prospectus for the purposes of Article 8 of the Belgian Prospectus Law *juncto* Prospectus Regulation (the "**Base Prospectus**"). This document constitutes the Final Terms of the Warrants described herein for the purposes of Article 8 of the Belgian Prospectus Law *juncto* Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all relevant information. The Base Prospectus has been published on the Issuer's website www.kbc.com/www.cbc.be[18].

GENERAL DESCRIPTION OF THE WARRANTS

1.	Issuer	[*KBC Bank/CBC Banque*]

[18] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

2.	END Warrants	[*Yes/No*]
3.	Series Number	[•]
4.	Number of Warrants being issued	[[•]/[The maximum number of Warrants being issued in this Series is [•]]
5.	Issue Date	[•]
6.	Trade Date	[●/Not applicable] (*specify a Trade Date if ETF Modification and/or ETF Strategy Breach is Applicable*)
7.	Exercise Period	From (and including) [•] until (and including) [•]
8.	Business Day Centre(s)	[•]
9.	Currency of the Warrant (of the Warrant Value, Initial Warrant Value, Exercise Price and Actual Exercise Price)	[•]
10.	Underlying	[Underlying Share/Underlying ETF Share]
11.	Details of the Underlying to which the Warrants relate	
	[Underlying Share:	
	a. Identification code Underlying Share (if applicable)	[*ISIN/other identification code*]
	b. Share Company	[_____]
	c. Exchange	[_____]
	d. Related Exchange	[_____]
	e. Currency	[_____]
	f. Scheduled Trading Day	[_____]

	g. Source for determining Value of the Underlying Share	[_____]]
	[Underlying ETF Share:	[*name and description of the Underlying ETF Share*]
	a. Identification code of the Underlying ETF Share (if applicable)	[*ISIN/other identification code*]
	b. ETF	[_____]
	c. Exchange	[_____]
	d. Related Exchange	[_____]
	e. Currency	[_____]
	f. Scheduled Trading Day	[_____]
12.	Initial Warrant Value per Warrant	[●]
13.	Issue Price per Warrant	[●] (excluding Hedging Fee)
14.	Hedging Fee per Warrant	Maximum 3 % of Issue Price
15.	Exercise Price per Warrant	[●] [subject to adjustment in accordance with Warrant Condition (14)]
16.	Entitlement per Warrant	[*fraction/number*] of the Underlying
17.	Actual Exercise Price per Warrant	[●]
18.	Method for delivery of the Entitlement	[____]
19.	Details as to how the Entitlement will be evidenced	[____]
20.	Details of the Warrant Agent (if not KBC Bank NV)	[____]
21.	Details of the Calculation Agent (if not KBC Bank NV)	[____]

22.	Whether Failure to Deliver applies (as defined in Condition (7)e)	[*Applicable/Non Applicable*]
23.	Whether Tender Offer (for the purposes of Condition (18)b or Condition (19)b applies)	[*Applicable/Non Applicable*]
24.	For the purpose of Condition (20) (Additional Disruption Events)	
	(i) Details of any Additional Disruption Event Change in Law Hedging Disruption Increased Cost of Hedging Increased Cost of Stock Borrow Loss of Stock Borrow Insolvency Filing (*the following may be specified only if "Underlying ETF Share" is specified as the Underlying*) ETF Cross-contamination ETF Insolvency Event ETF Modification ETF Regulatory Action ETF Strategy Breach	(*specify each of the following which applies*)
	(ii) If Loss of Stock Borrow is applicable, the Maximum Stock Loan rate in respect of each relevant Underlying; and	[•]
	(iii) If Increased Cost of Stock Borrow is applicable, the Initial Stock Loan Rate in respect of each relevant Underlying	[•]
25.	Valuation Date(s)	[_____]
26.	Valuation Time	[•]
27.	ISIN Code	[•]/Not Applicable

Signed on behalf of the Issuer:

By:_____ By:

Duly authorised *Duly authorised*

PART B – OTHER INFORMATION

1. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:

[Save for any fees payable to the Dealer(s)(if any) so far as the Issuer is aware, no person involved in the issue of the Warrants has an interest material to the offer. The Dealer(s) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and their affiliates in the ordinary course of business. - *Amend as appropriate if there are other interests*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 8 of the Belgian Prospectus Law juncto Article 23 of the Prospectus Regulation.*)]

2. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES:

(i)	[Reasons for the offer:	[●]] (*See "Use of Proceeds" wording in Base Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*)
(ii)	[Estimated net proceeds:	[●]] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)
(iii)	[Estimated total expenses:	[●]] (*Expenses such as hedging costs, commissions,… are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".*)

3. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	(A) If Syndicated, give names and addresses of Dealers	(A)Applicable/Not Applicable (*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the dealers. Describe underwriting*)

	(B) Date of Subscription Agreement	(B)[●]
(iii)	If non-syndicated, name and address of the relevant Dealer	[●]
(iv)	Details of any total commission and concession	[●]
(v)	Non-exempt Offer	[Applicable/Non Applicable]
(vi)	Offer Period	[*Specify date*] until [*specify date*]

4. TERMS AND CONDITIONS OF THE OFFER

(i)	Offer Price	Issue Price per Warrant
(ii)	Conditions to which the offer is subject	[Not Applicable/*give details*]
(iii)	Description of the application process	[Not Applicable/*give details*]
(iv)	Details of the minimum and/or maximum amount of the application	[Not Applicable/*give details*]
(v)	Manner in and date on which results of the offer are to be made public	[Not Applicable/*give details*]
(vi)	Amount of any expenses and taxes charged to the subscriber or purchaser	[Not Applicable/*give details*]

5. PERFORMANCE OF THE UNDERLYING, EXPLANATION OF THE EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS [AND OTHER INFORMATION CONCERNING THE UNDERLYING]

[The details of past and future performance and volatility of the Underlying can be obtained on [*insert relevant Bloomberg page*].

[*Need to include the name of [the/each] issuer of the relevant Underlying and the ISIN or other identification code*]

[*Include other information concerning the underlying required by Annex 17 of the Prospectus Commission Delegated Regulation (EU) 2019/980.*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 8 of the Belgian Prospectus Law juncto Article 23 of the Prospectus Regulation.*)]][Not Applicable]

[ANNEX TO THE FINAL TERMS
SUMMARY OF THE WARRANTS]

2. Form of final terms for the Hedging Options

Set out below is the form of Final Terms which will be completed for each Series of Hedging Options issued under the Programme. Text in this section appearing in italics does not form part of the Final Terms but denotes directions for completing the Final Terms.

[*Date*]

[*Issuer*]

Issue of [*Number of Hedging Options*]

[*Title of Hedging Options*] Hedging Options under the KBC Bank and CBC Banque Warrants and Hedging Options Programme

PART A – TERMS

[MiFID II product governance / retail investors, professional investors and ECPs target market – Solely for the purposes of the Issuer's product approval process, the target market assessment in respect of the Hedging Options has led to the conclusion that: (i) the target market for the Hedging Options is eligible counterparties, professional clients and retail clients, each meeting the Eligibility Criteria and as defined in Directive 2014/65/EU ("**MiFID II**"); (ii) all the channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) all the channels for distribution to retail clients are appropriate subject to the appropriateness obligations under MiFID II.]

[Prohibition of sales to consumers in Belgium – The Hedging Options are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law.]

[**PRIIPs Regulation** – A key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Hedging Options or otherwise making them available to retail investors in Belgium has been prepared and is available on [●].]

Terms used herein shall be deemed to be defined as such for the purposes of the Hedging Option Conditions set forth in the Base Prospectus dated [*date*] [and the supplement to the Base Prospectus dated [*date*]] which [together] constitute[s] a base prospectus for the purposes of Article 8 of the Belgian Prospectus Law *juncto* the Prospectus Regulation (the "**Base Prospectus**"). This document constitutes the Final Terms of the Hedging Options described herein for the purposes of the Artiocle 8 of the Belgian Prospectus Law *juncto* Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all relevant information. The Base Prospectus has been published on the Issuer's website www.kbc.be/www.cbc.be[19].

GENERAL DESCRIPTION OF THE HEDGING OPTIONS

1.	Issuer	[*KBC Bank/CBC Banque*]

[19] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

2.	Series Number	[●]
3.	Number of Hedging Options being issued	[[•]/[The maximum number of Hedging Options being issued in this Series is [•]]
4.	Issue Date	[●]
5.	Exercise Period	From (and including) [•] until (and including) [•]
6.	Business Day Centre(s)	[●]
7.	Currency of the Hedging Options (of the Termination Value and Exercise Price)	[●]
8.	Underlying	[ETF share]
9.	Details of the Underlying to which the Hedging Options relate	
	[Underlying:	[*name and description of the Underlying*]
	a. Identification code of the Underlying	[*ISIN/other identification code*]
	b. Exchange	[_____]
	c. Currency	[_____]
	d. Scheduled Trading Day	[_____]
	e. Source for determining Value of the Underlying	[_____]
10.	Issue Price per Hedging Option	[●] (excluding Hedging Fee)
11.	Hedging Fee per Hedging Option	Maximum 5 % of Issue Price
12.	Exercise Price per Hedging Option	[●]
13.	Entitlement per Hedging Option	[●]

14.	Fraction of Exercise Price	[[fraction of] Exercise Price]
15.	Details as to how the Entitlement will be evidenced	[____]
16.	Details of the Hedging Option Agent (if not KBC Bank NV)	[____]
17.	Details of the Calculation Agent (if not KBC Bank NV)	[____]
18.	Valuation Date(s)	[_____]
19.	Valuation Time	[●]
20.	ISIN Code	[●]

Signed on behalf of the Issuer:

By:_____
Duly authorised

By:
Duly authorised

PART B – OTHER INFORMATION

1. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:

[Save for any fees payable to the Dealer(s)(if any) so far as the Issuer is aware, no person involved in the issue of the Hedging Options has an interest material to the offer. The Dealer(s) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and their affiliates in the ordinary course of business. - *Amend as appropriate if there are other interests*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)]

2. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES:

(i) [Reasons for the offer: [●]]

(*See "Use of Proceeds" wording in Base Prospectus - if reasons for offer different from making profit*

		and/or hedging certain risks will need to include those reasons here.)
(ii)	[Estimated net proceeds:	[●]] (*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)
(iii)	[Estimated total expenses:	[●]] (*Expenses such as hedging costs, commissions,… are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".*)

3. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	(A) If Syndicated, give names and addresses of Dealers	(A)Applicable/Not Applicable (*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the dealers. Describe underwriting*)
	(B) Date of Subscription Agreement	(B)[●]
(iii)	If non-syndicated, name and address of the relevant Dealer	[●]
(iv)	Details of any total commission and concession	[●]
(v)	Non-exempt Offer	[Applicable/Non Applicable]

4. TERMS AND CONDITIONS OF THE OFFER

(i)	Offer Price	Issue Price per Hedging Option
(ii)	Conditions to which the offer is subject	[Not Applicable/*give details*]
(iii)	Description of the application process	[Not Applicable/*give details*]
(iv)	Details of the minimum and/or maximum amount of the application	[Not Applicable/*give details*]
(v)	Manner in and date on which results of the offer are to be made public	[Not Applicable/*give details*]
(vi)	Amount of any expenses and taxes charged to the subscriber or purchaser	[Not Applicable/*give details*]

5. PERFORMANCE OF THE UNDERLYING, EXPLANATION OF THE EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS [AND OTHER INFORMATION CONCERNING THE UNDERLYING]

[The details of past and future performance and volatility of the Underlying can be obtained on [*insert relevant Bloomberg page*].

[*Need to include the name of [the/each] issuer of the relevant Underlying and the ISIN or other identification code*]

[*Include other information concerning the Underlying required by Annex 17 of the Prospectus Commission Delegated Regulation (EU) 2019/980.*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)]][Not Applicable]

[ANNEX TO THE FINAL TERMS
SUMMARY OF THE HEDGING OPTIONS]

IX. USE OF PROCEEDS

This section explains what the net proceeds from the sale of the Warrants and Hedging Options issued under the Programme will be used for.

The net proceeds from each issue of Warrants or Hedging Options will be used by the Issuer for such Issuer's general corporate purposes and for risk hedging purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

X. TAXATION

This section provides a general description of the main Belgian tax aspects of acquiring, holding and/or disposing of the Warrants or Hedging Options and upon the transfer of the Underlying (ETF) Shares by corporations and legal entities. In addition, this section also provides a general description of the Belgian tax aspects of exercising or disposing of the Warrants or the Underlying (ETF) Shares by Warrant Holders who are individuals. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of the Belgian tax treatment related to or resulting from any of the above-mentioned transactions.

This general description is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. Potential investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below.

Potential investors are recommended to consult their tax or other advisers and to make any assessment regarding the purchase of the Warrants or Hedging Options on the basis of their own particular situation.

1. General

For the purposes of the below summary, (i) a Belgian resident individual is an individual subject to Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) (i.e., an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (ii) a Belgian resident corporation is a legal entity subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*) (i.e., a company that has its main establishment or place of effective management in Belgium), and (iii) a Belgian resident legal entity is a legal entity subject to Belgian legal entities tax (*rechtspersonenbelasting/impôt des personnes morales*) (i.e., an entity other than a legal entity subject to corporate income tax, having its main establishment or place of effective management in Belgium). A non-resident is a person who is not a Belgian resident.

2. Income tax regime applicable to Belgian resident corporations

The purchase or Exercise of the Warrants or the Hedging Options by a Belgian resident corporation does in principle not give rise to any Belgian corporate income tax.

Any capital gains realized by a Belgian resident corporation upon the transfer of the Warrants or the termination of Hedging Options will be taxable at the ordinary corporate income tax rate of, as a rule, 25% (with, subject to certain conditions, a reduced rate of 20% applying to the first tranche of EUR 100,000 of taxable income of qualifying small corporations (as defined by Article 1:24, §1 to §6 of the Belgian Code of Companies and Associations)). Any capital losses realized upon the transfer of the Warrants or termination of Hedging Options are, in principle, tax deductible.

Any capital gains realized by a Belgian resident corporation upon the transfer of the Underlying Shares or Underlying ETF Shares are in principle taxable at the ordinary corporate income tax rate of 25% (with, subject to certain conditions, a reduced rate of 20% applying to the first tranche of EUR 100,000 of taxable income of qualifying small corporations (as defined by Article 1:24, §1 to §6 of the Belgian Code of Companies and Associations)). Capital gains on shares may however be exempt from Belgian corporate income tax, provided that certain conditions are fulfilled. Capital losses realized by a Belgian resident corporation upon the transfer of the Underlying Shares or the Underlying ETF Shares, as the case may be, are not tax deductible.

3. Income tax regime applicable to Belgian resident legal entities

Capital gains realized by Belgian resident upon a transfer for consideration of the Warrants, the Hedging Options, the Underlying Shares or the Underlying ETF Shares are in principle subject to a 10% capital gains

tax, unless such non-corporate legal entity qualifies as an exempt entity within the meaning of Article 145[33], §1 of the Belgian Income Tax Code 1992. Certain exemptions are available, including an annual exemption up to EUR 4,855, which may be increased by up to EUR 480 for each year in which the exemption is not (fully) utilized, up to a maximum of EUR 2,426 (amounts to be indexed).

Capital losses on the disposal of the Warrants, the Hedging Options, the Underlying Shares or Underlying ETF Shares are deductible from capital gains realised by the same taxpayer, during the same taxable period and within the same 'category' of taxable capital gains on financial assets.

Belgian resident legal entities are themselves responsible for the deduction and payment of any withholding tax due on such capital gains.

4. Income tax regime applicable to non-resident corporations

Capital gains realized on the Warrants or the Hedging Options, the Underlying Shares or Underlying ETF Shares by a non-resident corporation that has not acquired the Warrants or the Hedging Options in connection with a business conducted in Belgium through a permanent establishment in Belgium are not subject to Belgian income tax.

Capital gains realized on the Warrants, the Hedging Options, the Underlying Shares or Underlying ETF Shares by a non-resident corporation that has acquired the Warrants or the Hedging Options in connection with a business conducted in Belgium through a permanent establishment in Belgium are subject to practically the same income tax treatment as Belgian resident companies (see above).

5. Income tax regime applicable to Belgian resident individuals (Warrants)

Capital gains realised by a Belgian resident individual upon a transfer for consideration of the Warrants, the Underlying Shares or the Underlying ETF, or upon Exercise of the Warrants, as the case may be, and to the extent that those capital gains are realised within the framework of the normal management of the individual's private estate, are in principle subject to the Belgian capital gains tax on financial assets at a rate of 10%.

Certain exemptions are available, including an annual exemption up to EUR 4,855, which may be increased by up to EUR 480 for each year in which the exemption is not (fully) utilized, up to a maximum of EUR 2,426 (amounts to be indexed).

Capital losses realised on the disposal of the Warrants, the Underlying Shares or Underlying ETF Shares are deductible from capital gains realised by the same taxpayer during the same taxable period and within the same 'category' of taxable capital gains on financial assets.

In principle, such capital gains tax will be levied by means of a withholding mechanism applied at the level of Belgian financial intermediaries in any way involved in the disposal of the Warrants, the Underlying Shares or Underlying ETF Shares. Where withholding tax is applied in this way, it fully discharges the individual's personal income tax liability in respect of those capital gains, and the individual is not required to report them in their personal income tax return. It should be noted, however, that the financial intermediary will not apply any exemptions or set off any available capital losses when deducting the withholding tax.

Belgian tax resident individuals may, however, elect to apply an opt-out mechanism, in which case the relevant financial intermediary will no longer be obliged to deduct withholding tax. Where an individual has elected to opt out, or where no withholding tax has otherwise been deducted, the individual is required to report the capital gains on the Warrants, the Underlying Shares or Underlying ETF Shares in their personal income tax return. In addition, Belgian tax resident individuals may elect to declare the capital gains in their personal income tax return even where withholding tax has been applied by the financial intermediary, in order to claim certain available exemptions or the set-off of capital losses.

Different rules apply to Belgian resident individuals holding the Warrants and/or the Underlying Shares or the Underlying ETF Shares, as the case may be, as a professional investment.

Pursuant to Article 42, §1 of the Law of 26 March 1999 on the Belgian action plan for employment 1999 and containing various provisions (the **Option Law**), the benefits in kind obtained by virtue of or as a result of the professional activity of the beneficiary (the Warrant Holder), in the form of an option (Warrant) that may or may not be granted free of charge, constitute for the beneficiary (the Warrant Holder) a professional income that is taxable at the time of its grant, if he has not used the option (Warrant) for the exercise of his professional activity. In accordance with Article 43, §2 of the Option Law, the taxable benefit will be determined at their full value, on the basis of the last closing price of the option (Warrant) preceding the day of the offer and therefore not on a lump sum basis as referred to in Article 43, §3 of the Option Law.

6. Income tax regime applicable to non-resident individuals (Warrants)

Non-resident individuals who do not use the Warrants, the Underlying Shares or Underlying ETF Shares for professional purposes and who have their fiscal residence in a country with which Belgium has not concluded a tax treaty or with which Belgium has concluded a tax treaty that confers the authority to tax capital gains on the Warrants or the Underlying Shares or Underlying ETF Shares to Belgium, will be subject to tax in Belgium if the capital gains are obtained or received in Belgium and are deemed to be realized outside the scope of the normal management of the individual's private estate. Capital losses are generally not deductible.

7. Tax on stock exchange transactions

A tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be levied on the purchase and sale of the Underlying Shares or Underlying ETF Shares on the secondary market if entered into or settled in Belgium through a professional intermediary. The tax is due at a rate of, in principle, 0.35% of the consideration on each purchase and sale separately, with a maximum amount of EUR 1,600 per transaction and per party and is collected by the professional intermediary.

No tax will be due on the issuance of the Warrants or the Hedging Options (primary market), nor will any tax be due in case the Issuer repurchases the Warrants (secondary market) for its own account with the intention of cancelling them. The Issuer intends to instigate in the future a cancellation process for all the Warrants that are to be repurchased, so that in principle no tax should be due on any future repurchase of the Warrants. Holders of Warrants should enquire prior to offering Warrants for repurchase to the Issuer whether such Warrants will be repurchased with the intention of cancelling them.

Transactions that are entered into or carried out by an intermediary that is not established in Belgium are considered to be entered into or carried out in Belgium if the order to execute the transaction is directly or indirectly given by either a natural person that has its habitual residence (*gewone verblijfplaats/residence habituelle*) in Belgium or by a legal entity on behalf of a seat or establishment (*zetel of vestiging*/*siège ou établissement*) in Belgium. In such a scenario, foreign intermediaries have the possibility to appoint a Belgian tax representative that is responsible for collecting the stock exchange tax due and for paying it to the Belgian treasury on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below). If no such permanent representative is appointed, the relevant parties themselves are, as a general rule, responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due.

No tax on stock exchange transactions will however be payable by exempt persons acting for their own account including investors who are not Belgian residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors as defined in article 126.1, 2° of the Code of miscellaneous duties and taxes (*wetboek diverse rechten en taksen/code des droits et taxes divers*).

8. Annual tax on securities accounts

An annual tax on securities accounts (*jaarlijkse taks op de effectenrekeningen/taxe annuelle sur les comptes-titres*) (the **Annual Tax on Securities Accounts**) is levied on securities accounts of which the average value during the reference period (i.e. a period of twelve consecutive months beginning on 1 October and ending, in

principle, on 30 September of the next year), exceeds EUR 1 million. The Annual Tax on Securities Accounts is applicable to securities accounts that are held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary in Belgium or abroad. The Annual Tax on Securities Accounts also applies to securities accounts held by non-resident individuals, companies and legal entities with a financial intermediary in Belgium. However, the Annual Tax on Securities Accounts is not levied on securities accounts held by specific types of regulated entities in the context of their own professional activity and for their own account.

As the case may be, assuming that the Underlying (ETF) Shares following an Exercise will be held on a securities account, the value thereof will be subject to the Annual Tax on Securities Accounts, if the average value of the taxable securities (all types of financial securities are in scope, including cash) held in the securities account during the reference period amounts to more than EUR 1 million.

The applicable tax rate is equal to the lowest amount of either 0.30% of the average value of the account or 10% of the difference between the average value of the financial instruments and the funds held on the account and EUR 1 million. The tax base is the sum of the values of the taxable financial instruments on the securities account at the different reference points in time (i.e. 31 December, 31 March, 30 June and 30 September) divided by the number of those reference points in time.

The Annual Tax on Securities Accounts needs to be withheld, declared and paid by the Belgian intermediary. Intermediaries not established or incorporated in Belgium have the possibility, when managing a securities account subject to the tax, to appoint a representative in Belgium approved by or on behalf of the Minister of Finance (the "**Annual Tax on Securities Accounts Representative**"). The Annual Tax on Securities Accounts Representative is jointly and severally liable vis-à-vis the Belgian State to declare and pay the tax and to fulfil all other obligations for intermediaries related to the Annual Tax on Securities Accounts, such as compliance with certain reporting obligations. In cases where no intermediary has withheld, declared and paid the Annual Tax on Securities Accounts, the holder of the securities account needs to declare and pay the tax himself, unless he can prove that the tax has already been withheld, declared and paid by either a Belgian intermediary or an Annual Tax on Securities Accounts Representative of a foreign intermediary.

The law also provides for a general anti-abuse provision.

Investors should be aware that, as of 29 July 2025, two rebuttable presumptions of abuse apply to certain transactions involving securities accounts with a value exceeding EUR 1 million prior to the transaction. Both (i) the conversion of dematerialized financial instruments into registered instruments, and (ii) the transfer of (part of) financial instruments to another securities account held (alone or jointly) by the same person, will in principle not be opposable to the Belgian tax administration unless the taxpayer can demonstrate that such conversion or transfer was principally justified by motives other than tax avoidance.

Investors who are in any doubt as to their position in relation to the Annual Tax on Securities Accounts should consult their professional advisers.

9. Exchange of information – Common Reporting Standard

The exchange of information is governed by the Common Reporting Standard ("**CRS**").

As of 13 March 2025, 126 jurisdictions have signed the multilateral competent authority agreement ("**MCAA**"), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations)

with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (the "**DAC2**"), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU, and replaces the EC Council Directive 2003/48/EC on the taxation of savings income (commonly referred to as the "**Savings Directive**") as from 1 January 2016.

On 27 May 2015, Switzerland signed an agreement with the European Union in order to implement, as from 1 January 2017, an automatic exchange of financial information based on the CRS. This new agreement replaces the agreement on the taxation of savings that entered into force in 2005. As of 1 January 2017, financial institutions in the EU and Switzerland apply the due diligence procedures envisaged under the new agreement to identify customers who are reportable persons, i.e., for Switzerland residents of any EU Member State. This data was exchanged for the first time in autumn 2018.

The first mandatory automatic exchange of financial information by EU Member States as foreseen in DAC2 had to take place at the latest as of 30 September 2016, except with regard to Austria. However, Austria has been allowed to exchange information under DAC2 as from 1 January 2017.

The Belgian government has implemented said Directive 2014/107/EU, respectively the Common Reporting Standard, per the law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the "**Law of 16 December 2015**").

As a result of the Law of 16 December 2015, the mandatory exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States, (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of a date to be further determined by Royal Decree.

In a Royal Decree of June 14, 2017, as amended, it was determined that the automatic provision of information has to be provided as from (i) 2017 (for the 2016 financial year) for a first list of eighteen foreign jurisdictions, (ii) as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions, (iii) as from 2019 (for the 2018 financial year) for another jurisdiction, (iv) as from 2020 (for the 2019 financial year) for a list of six jurisdictions, (v) as from 2023 (for the 2022 financial year) for a fifth list of two jurisdictions, (vi) as from 2024 (for the 2023 financial year) for a sixth list of four jurisdictions, (vii) as from 2025 (for the 2024 financial year) for a seventh list of two jurisdictions, (viii) as from 2026 (for the 2025 financial year) for an eighth list of five jurisdictions.

Investors who are in any doubt as to their position should consult their professional advisers.

XI. SELLING RESTRICTIONS

Each Dealer appointed under the Programme will be required to agree that it will not offer, sell or otherwise make available any Warrants or Hedging Options outside of Belgium.

In order to be eligible to purchase the Hedging Options the following criteria must be met: (i) the purchaser shall be a legal person (such as a company) and not an individual or a consumer and (ii) it has set up a BestOf Share Option Plan.

The Hedging Options are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law.

Furthermore, no Warrants can be offered to investors in Belgium unless the relevant Underlying ETF Share or underlying Share (as applicable) is registered in Belgium with the Belgian FSMA in accordance with Articles 33 or 149 of the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables, as amended or replaced from time to time (the "**UCITS Law**") or Articles 200 or 260 of the Belgian law of 19 April 2014 on alternative collective investment undertakings and their managers, as amended or replaced from time to time (the "**AIFM Law**"), as applicable, and the shares of such fund can be offered to investors in Belgium in compliance with the UCITS Law or the AIFM law, as applicable.

XII. DOCUMENTS INCORPORATED BY REFERENCE

This section incorporates by reference selected publicly available information regarding the Issuers that should be read in conjunction with this Base Prospectus.

The following documents, which have previously been published or are published simultaneously with this Base Prospectus, shall be incorporated by reference in, and form part of, this Base Prospectus:

KBC Bank's annual report for the financial year ended 31 December 2025 (FY 2025)[20] and KBC Bank's annual report for the financial year ended 31 December 2024 (FY 2024)[21], which includes the following information (without limitation):

	FY 2025	FY 2024
Report of the Board of Directors		
Group profile	p. 6 – 25	p. 6 – 24
Review of the consolidated financial statements	p. 26 – 29	p. 25 – 28
Review of the business units	p. 30 – 36	p. 28 – 33
Risk management	p. 37 – 63	p. 34 – 60
Capital adequacy	p. 64 – 67	p. 61 – 64
Corporate governance statement	p. 68 – 73	p. 65 – 70
Consolidated financial statements (IFRS)		
Consolidated income statement	p. 174	p. 159
Consolidated statement of comprehensive income	p. 174 – 176	p. 160 – 161
Consolidated balance sheet	p. 177	p. 162
Consolidated statement of changes in equity	p. 178 – 179	p. 163 – 164
Consolidated cashflow statement	p. 180 – 182	p. 165 – 166
Explanatory notes on the accounting policies, segment reporting, income statement, financial assets and liabilities on the balance sheet, other balance sheet items, and other notes	p. 183 – 255	p. 167 – 240
Statutory auditor's report on the consolidated accounts	p. 256 – 264	p. 241 – 248
Non-consolidated statutory annual accounts (Belgian GAAP)		
Balance sheet after profit appropriation	p. 271 – 273	p. 253 – 255
Income statement	p. 274 – 275	p. 256 – 257
Appropriation account	p. 276	p. 258
Explanatory notes	p. 277 – 344	p. 259 – 326
Social balance sheet	p. 345 – 347	p. 327 – 329

[20] https://wcmassets.kbc.be/content/dam/kbccom/doc/investor-relations/Results/jvs-2025/jvs-2025-bank-en.pdf.cdn.res/last-modified/1774777773420/jvs-2025-bank-en.pdf. The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[21] https://wcmassets.kbc.be/content/dam/kbccom/doc/investor-relations/Results/jvs-2024/jvs-2024-bank-en.pdf.cdn.res/last-modified/1743056005625/jvs-2024-bank-en.pdf. The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Statutory auditor's report on the non-consolidated statutory annual accounts	p. 360 – 367	p. 342 – 349
Ratios used	p. 174	p. 159

Page references are to the English language PDF version of the relevant documents incorporated by reference.

CBC Banque's annual report for the financial year ended 31 December 2025 (FY 2025)[22] and CBC Banque's annual report for the financial year ended 31 December 2024 (FY 2024)[23], which includes the following information (without limitation):

	FY 2025	FY 2024
CBC, en bref (*CBC in brief*)	p. 7 – 11	p. 7 – 11
CBC, côté clients	p. 12 – 17	p. 12 – 17
CBC, côté valeurs	p. 18 – 28	p. 18 – 28
CBC, côté collaborateurs	p. 29 – 37	p. 29 – 37
Rapport de Gestion (*Management Report*)	p. 38 – 46	p. 38 – 46
La gestion des risques et les structures de contrôle (*Risk management and control structure*)	p. 47 – 63	p. 47 – 63
Renseignements concernant l'administration, la direction et la surveillance de CBC Banque (*Information concerning administration, management and supervision*)	p. 64 – 72	p. 64 – 72
Données complémentaires (*Additional data*)	p. 73 – 75	p. 73 – 75
Comptes annuels (*Annual Accounts*)	p. 76 – 124	p. 76 – 126
Bilan social (*Social Report*)	p. 125 – 129	p. 127 – 131
Résumé des règles d'évaluation (*Summary of the valuation rules*)	p. 130 – 133	p. 132 – 135
Rapports du Commissaire Agréé (*Independent Auditor's Report*)	p. 134 – 142	p. 136 - 142
Annexes (*Appendices*)	p. 143 – 149	p. 143-149

Page references are to the French language PDF version of the relevant document incorporated by reference.

Copies of documents incorporated by reference in this Base Prospectus can also be obtained from the registered office of the relevant Issuer.

The documents incorporated by reference into this Base Prospectus may contain further references or hyperlinks to other documents or websites. Such further references or hyperlinks are not incorporated by reference and do not form part of this Base Prospectus, and have not been scrutinised or approved by the FSMA. In case there is only reference to certain parts of a document in the above mentioned documents, the non-incorporated parts, to the extent they are not explained elsewhere in the Base Prospectus, are not relevant for investors.

Incorporation by reference of future annual financial information

[22] https://multimediafiles.kbcgroup.eu/ng/published/CBC/PDF/cbc-rapport-annuel-AA-fr-2025.pdf. The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[23] https://multimediafiles.kbcgroup.eu/ng/published/CBC/PDF/cbc-rapport-annuel-AA-fr-2024.pdf. The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Pursuant to Article 8 of the Belgian Prospectus Law *juncto* article 19 (1b) of the Prospectus Regulation, the Issuers are not required to publish supplements under Article 23 (1) of the Prospectus Regulation for annual financial information published during the validity period of the Base Prospectus.

In addition to the above, the information set out in the following sections (or any similarly worded sections) of the audited annual report for financial year ended 31 December 2026 published by the relevant Issuer shall be incorporated into, and form part of, this Base Prospectus as and when it is published by the relevant Issuer on the website https://www.kbc.com/en/investor-relations/information-on-kbc-bank/annual-and-interim-reports.html[24] and after the date of this Base Prospectus and provided that this Base Prospectus is still valid pursuant to Article 12(1) of the Prospectus Regulation:

(a) in respect of KBC Bank:

Report of the Board of Directors

Consolidated financial statements (IFRS)

Statutory auditor's report on the consolidated accounts

Non-consolidated statutory annual accounts (Belgian GAAP)

Statutory auditor's report on the non-consolidated accounts

Ratio's used

(b) in respect of CBC Banque:

Rapport de Gestion (*Management Report*)

La gestion des risques et les structures de contrôle (*Risk management and control structure*)

Renseignements concernant l'administration, la direction et la surveillance de CBC Banque (*Information concerning administration, management and supervision*)

Données complémentaires (*Additional data*)

Comptes annuels (*Annual Accounts*)

Bilan social (*Social Report*)

Résumé des règles d'évaluation (*Summary of the valuation rules*)

Rapports du Commissaire Agréé (*Independent Auditor's Report*)

Annexes (*Appendices*)

The aforementioned financial statements, notes and auditor's reports are expected to be published in accordance with the relevant Issuer's financial calendar which can be consulted on the Issuer's websites https://www.kbc.com/en/investor-relations/information-on-kbc-bank/financial-calendar.html and https://www.cbc.be/particuliers/fr/informations-legales/chiffres-financiers.html. As at the date of this Base Prospectus, the tentative date of publication of the Issuers' annual report for financial year ended 31 December 2026 is 31 March 2027. Prospective investors should consult the Issuers' websites (https://www.kbc.com/en/investor-relations/information-on-kbc-bank/annual-and-interim-reports.html and https://www.cbc.be/particuliers/fr/informations-legales/chiffres-financiers.html) for the exact date of such publication. The information on these websites is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[24] The information on this website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Future information incorporated by reference pursuant to (a) and (b) above shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus to the extent that a statement contained in such later document incorporated by reference modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Investors should note that the future financial information that will be incorporated by reference will not be the subject of a review nor an approval by the FSMA.

XIII. SUPPLEMENTS TO THIS BASE PROSPECTUS

1. Obligation to publish a supplement

Every significant new factor, material mistake or material inaccuracy relating to the information included in this Base Prospectus which may affect the assessment of the Warrants or the Hedging Options (as applicable) and which arises or is noted between the time when this Base Prospectus is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to this Base Prospectus without undue delay, in accordance with Article 8 of the Prospectus Law *juncto* Article 23 of the Prospectus Regulation.

The obligation to supplement this Base Prospectus shall no longer apply after the expiry of the validity period of this Base Prospectus as specified on the front cover of this Base Prospectus.

2. Investors' right of withdrawal

In case of an offer of Warrants or the Hedging Options (as applicable) to the public, investors who have already agreed to purchase or subscribe for the Warrants or the Hedging Options before the supplement is published shall have the right, exercisable within three working days after the publication of the supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred above arose or was noted before the closing of the offer period or the delivery of the Warrants or the Hedging Options, whichever occurs first. That period may be extended by the Issuer.

Where the Issuer prepares a supplement concerning information in the Base Prospectus that relates to only one or several individual issues of Warrants or the Hedging Options, the right of investors to withdraw their acceptances shall only apply to the relevant issue(s) and not to any other issue of Warrants or the Hedging Options under the Base Prospectus.

The supplement shall specify to which issue(s) of Warrants or the Hedging Options the right to withdraw applies (if any) and the final date on which investors can exercise their right of withdrawal.

3. Where the supplement will be published

Following approval by the FSMA, the supplement shall be published in accordance with at least the same arrangements as were applied when this Base Prospectus was published. See Section "WHERE MORE INFORMATION CAN BE FOUND" on page 163 below for information on where copies of any supplements can be obtained.

XIV. WHERE MORE INFORMATION CAN BE FOUND

1. The websites of the Issuers

The following documents and information can be obtained from the website of KBC Bank www.kbc.com[25] for a period of ten years after their publication on that website:

1. This Base Prospectus.

2. All documents containing information incorporated by reference into this Base Prospectus as set out in Section "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158 above.

3. Any supplements to this Base Prospectus published from time to time by KBC Bank after approval by the FSMA, as set out in Section "SUPPLEMENTS TO THIS BASE PROSPECTUS" on page 162 above (including any documents containing information that may be incorporated by reference into those supplements).

4. The Final Terms for each Series of Warrants or Hedging Options that is offered to the public in Belgium. These documents are not incorporated by reference and have not been scrutinised or approved by the FSMA.

5. A separate copy of the issue-specific summary for each Series of Warrants or Hedging Options that is offered to the public in Belgium. This document is not incorporated by reference and has not been scrutinised or approved by the FSMA.

6. The up to date articles of association of KBC Bank. This document is not incorporated by reference and has not been scrutinised or approved by the FSMA.

The following documents and information can be obtained from the website of CBC Banque www.cbc.be[26] for a period of ten years after their publication on that website:

1. This Base Prospectus.

2. All documents containing information incorporated by reference into this Base Prospectus as set out in Section "*DOCUMENTS INCORPORATED BY REFERENCE*" on page 158 above.

3. Any supplements to this Base Prospectus published from time to time by CBC Banque after approval by the FSMA, as set out in Section "Supplements to this Base Prospectus" on page 162 above (including any documents containing information that may be incorporated by reference into those supplements).

4. The Final Terms for each Series of Warrants or Hedging Options that is offered to the public in Belgium. These documents are not incorporated by reference and have not been scrutinised or approved by the FSMA.

5. A separate copy of the issue-specific summary for each Series of Warrants or Hedging Options that is offered to the public in Belgium. This document is not incorporated by reference and has not been scrutinised or approved by the FSMA.

The up-to-date articles of association of CBC Banque can be found on the following website: https://statuten.notaris.be/stapor_v1/enterprise/0403211380/statutes?enterpriseNumber=0403211380&statute

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[25] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[26] This website is not incorporated by reference into, and does not form part of, this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Start=0&statuteCount=5. This document is not incorporated by reference and has not been scrutinised or approved by the FSMA.

2. Copies of the Base Prospectus on a durable medium on request

Any potential investor in Warrants or Hedging Options offered to the public in /Belgium, can request a copy of the Base Prospectus on a durable medium (including an electronic copy by e-mail or a copy printed on paper) to be delivered free of charge to that potential investor. Such requests can be made by e-mail to IR4U@kbc.be in case of KBC Bank Warrants and Hedging Options, and by e-mail to info@cbc.be in case of CBC Banque Warrants and Hedging Options.

3. Post-issuance information

Subject to any periodic or *ad hoc* reporting obligations under applicable laws if applicable, the Issuers do not intend to provide any post-issuance information in relation to any issues of Warrants or Hedging Options.

4. Warrant Agreement

The Warrant Agreements will, so long as any Warrants are outstanding, be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Warrant Agent.

5. Hedging Option Agreement

The Hedging Option Agreements will, so long as any Hedging Options are outstanding, be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Hedging Option Agent.

6. Other information

No person is or has been authorised to give any information or to make any representation other than those contained in the documents referred to in paragraphs 1 to 5 above in connection with the issue or sale of the Warrants or the Hedging Options and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger.

XV. RESPONSIBILITY STATEMENT

1. The Issuers

The Issuers, severally and not jointly, accept responsibility for the information contained in this Base Prospectus and each Applicable Final Terms. To the best of the knowledge of the Issuers (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Market data and other statistical information used in this Base Prospectus has been extracted from a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications (each an "**Independent Source**"). The Issuers confirm that such information has been accurately reproduced and that, so far as they are aware, and are able to ascertain from information published by the relevant Independent Source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

2. KBC Group NV

Neither KBC Group NV nor any other member of the KBC Group (other than the Issuers) has approved or authorised this Base Prospectus, or accepts any responsibility in connection with this Base Prospectus.

The Issuers are solely responsible for the information in this Base Prospectus relating to KBC Group NV as set out above.

XVI. COSTS RELATING TO WARRANTS AND HEDGING OPTIONS

1. Warrants

Without prejudice to the costs referred to in the Warrant Conditions, Warrants shall also entail certain costs for the employers acquiring Warrants to offer to employees:

- maximum[27] 3% on the Issue Price per Warrant. This is the one-off hedging fee for the Warrant; and
- in case a financial service agreement is concluded: 1,5% on the Issue Price per Warrant (minimum 250 euro) plus VAT. This is the one financial service[28] fee for the Warrant.

Warrants also entail the following costs for the Warrant Holders in case of Exercise of the Warrants:

- Administrative cost of 0,25% of the Exercise Price + flat fee of 7,5 euro per exercise (+VAT)
- Stock market tax 1,32% of the Exercise Price (for the Exercise Price, see Condition 7(b))
- Costs related to the underlying fund (which will be specified as Underlying in the Final Terms). Such costs will be made available in the documentation of the Underlying, including the KID for the Underlying which will be available for consultation at https://www.kbc.be/retail/en/processes/investments/fund-finder.html.[29]
- Opening and maintaining a custody account with the Issuer is free of charges for the employee

No costs are applicable in case of a Sale of the Warrants to the Issuer.

2. Hedging Options

Without prejudice to the costs referred to in the Hedging Options Conditions, Hedging Options shall also entail certain costs for the employers starting a BestOf Stock Option Plan:

- maximum[30] 5% on the Issue Price per Hedging Option. This is the one-off hedging fee;
- in case a financial service agreement is concluded: maximum 2.500 EUR per BestOf Stock Option Plan + 100 EUR per Beneficiary in the BestOf Stock Option Plan plus VAT. This is the one-off financial service fee for the Hedging Options.

No costs are applicable in case of a Termination of the Hedging Option to the Issuer.

The Hedging Options are European-style options and are not exercisable. They are exercised automatically on the Expiration Date at no cost to the Hedging Option Holder.

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27 The actual cost may be lower in function of the number of Warrants acquired by an employer.

28 The financial services offered by the Issuer to the employers and employees (beneficiaries) at the start of a warrant or option plan include the following services:
1. Provision of the digital platform KBC Esop Online. Through this digital platform, the employer can make the offer of warrants to its employees, acceptances by employees are registered and a database of warrant holders and their warrants is set up and maintained.
2. Making the financial data of the warrants available in the digital tool and
3. Executing sale orders through the digital tool or exercise orders via kbcoptionplan@kbc.be

29 This website is not incorporated by reference and does not form part of this Base Prospectus, and has not been scrutinised or approved by the FSMA.

30 The actual cost may be lower in function of the total Hedging Options purchased.

XVII. GENERAL INFORMATION

1. Authorisation

The update of the Programme and the issue of the Warrants and the Hedging Options thereunder have been duly authorised by resolutions of persons mandated by KBC Bank's Executive Committee (*directiecomité/comité de direction*) dated [●] 2026 respectively resolutions of CBC Banque's Executive Committee (*directiecomité/comité de direction*) dated [●] 2026.

2. Approval of this Base Prospectus

The English version of this Base Prospectus has been approved by the FSMA on 27 October 2026 in its capacity as competent authority under the Belgian Prospectus Law to approve this document as a base prospectus. The Warrants and the Hedging Options will not be listed/admitted to trading.

The FSMA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Article 8 of the Belgian Prospectus Law *juncto* the Prospectus Regulation. Approval by the FSMA should not be considered as an endorsement of the Issuers or of the quality of the Warrants or the Hedging Options. Investors should make their own assessment as to the suitability of investing in the Warrants or the Hedging Options.

3. Documents Available

See Section "WHERE MORE INFORMATION CAN BE FOUND" on page 163 for information on where you can find the available documents.

4. Conditions for determining Price

The Exercise Price of the Warrant, the Initial Warrant Value, the Entitlement and the Actual Exercise Price, and the Issue Price of Warrants to be issued under the Programme will be determined by the Issuer (or the Warrant Agent on its behalf) at the time of issue in accordance with prevailing market conditions.

The Exercise Price of the Hedging Option, the Entitlement, the Fraction and the Issue Price of Hedging Options to be issued under the Programme will be determined by the Issuer (or the Warrant Agent on its behalf) at the time of issue in accordance with prevailing market conditions.

5. Significant or Material Change

There has been:

(i) no significant change in the financial or trading position of the Issuers or the KBC Bank Group since 30 June 2026; and

(ii) no material adverse change in the business or prospects of the Issuers since 30 June 2026.

THE ISSUERS

KBC Bank NV
Havenlaan 2
B-1080 Brussels
Belgium
RPR 0462.920.226

CBC Banque SA
Avenue Albert 1er
B-5000 Namur
Belgium
RPR 0403.211.380

LISTING AGENT, WARRANT AGENT, HEDGING OPTION AGENT

KBC Bank NV
Havenlaan 2
B-1080 Brussels
Belgium
RPR 0462.920.226

LEGAL ADVISER

as to Belgian law

Allen Overy Shearman Sterling (Belgium) LLP

Tervurenlaan 268A avenue de Tervueren

B-1150 Brussels

Belgium

STATUTORY AUDITOR

To the Issuers

KPMG **Bedrijfsrevisoren**

Luchthaven Brussel Nationaal 1K

B-1930 Zaventem

Belgium