

KBC Social Report 2023



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CEO Statement

KBC is playing an important role in supporting social inclusion by aligning our sustainable investment objectives with the issuance of two Social Bonds. The completion of these two issuances demonstrates our commitment to responsible banking and sustainable development, and our desire for investors to join us on our path to a sustainable future. The decision to use a portfolio of hospitals for KBC's first issue was not a matter of chance or coincidence. Healthcare is central to our business as a banking and insurance provider. This sector is facing a huge transition in Belgium, including the reform of hospital financing and widespread staff shortages. Our goal is to support the sector in facing these challenges. Our second issuance focused on hospitals and education, with the latter sector also facing significant challenges, e.g., staff shortage and educational gaps among students.

I hope you will read this report with interest and continue to support KBC on its journey towards Social Bonds!



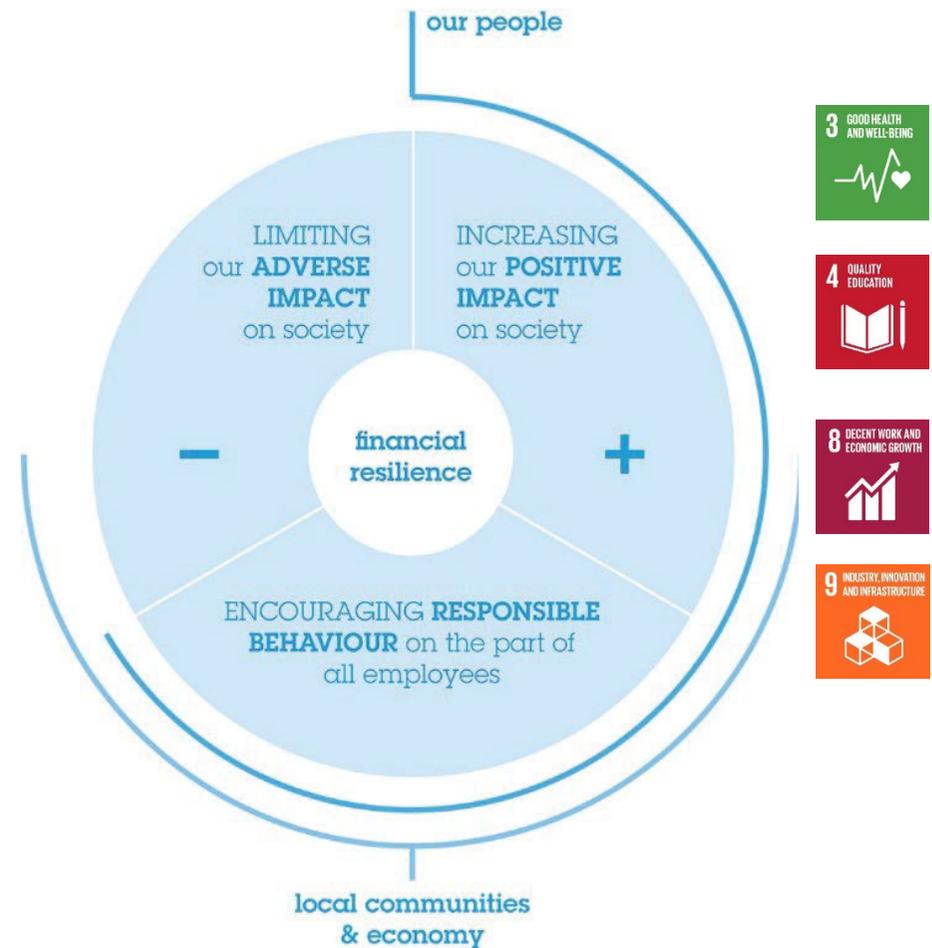
Johan Thijs

Chief Executive Officer KBC Group

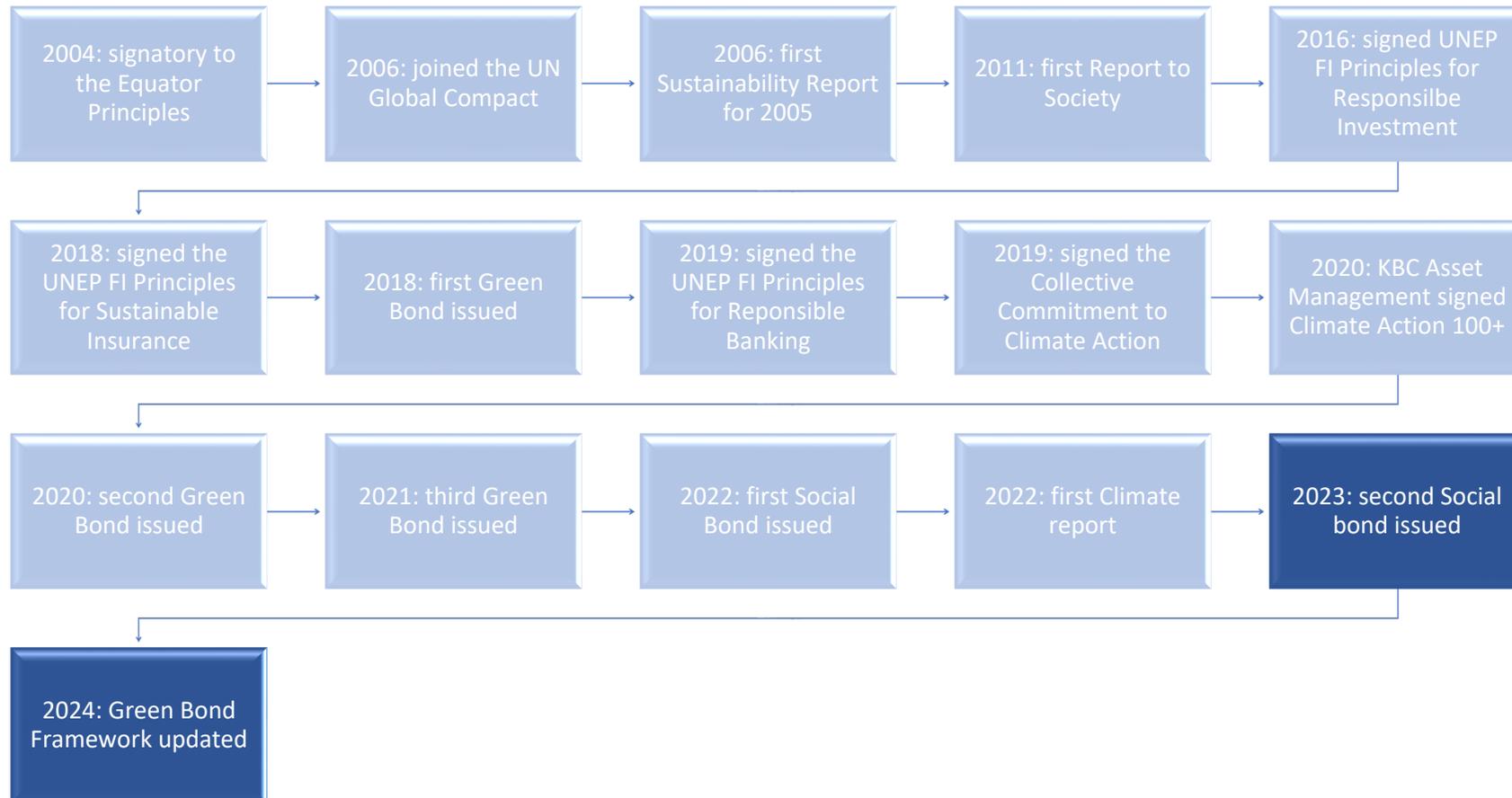
The KBC Sustainability Strategy

The KBC Sustainability Strategy is embedded in our strategic decision-making and core business operations across the entire group. At the heart of this sustainability strategy lies the responsibility to ensure financial resilience and run a strict risk management system. This ensure that we can do business sustainably into the future. We have strict policies in place for our business activities in respect of environmental and social topics, and we focus on responsible behaviour as the basis for sustainability at KBC. In addition, we maximise the positive impact of our products and services by focussing on four areas: environmental responsibility, financial literacy, entrepreneurship and health and longevity. For more information, please refer to [the KBC Sustainability Framework](#), [the KBC Social Bond Framework](#), our recently updated [KBC Green Bond Framework](#) and the [KBC Group Sustainability Report 2023](#).

Supporting sectors with a positive societal impact is at the heart of all our core activities. We protect our clients from the financial consequences of healthcare risks with the insurance products we provide. We are an important financier of different social sectors, such as healthcare, senior living, education, basic infrastructure and affordable housing. We also have dedicated departments that are specialised in helping social profit institutions and local authorities navigate their finances. KBC contributes to the UN's 17 Sustainable Development Goals (SDGs), all of which are interconnected and relevant. Among the five SDGs identified by KBC as a priority goal, two are of particular relevance to the issuance of our two social bonds: SDG 3 and SDG 4. KBC also aims to have a positive impact on SDG 8 and 9.



Sustainability milestones

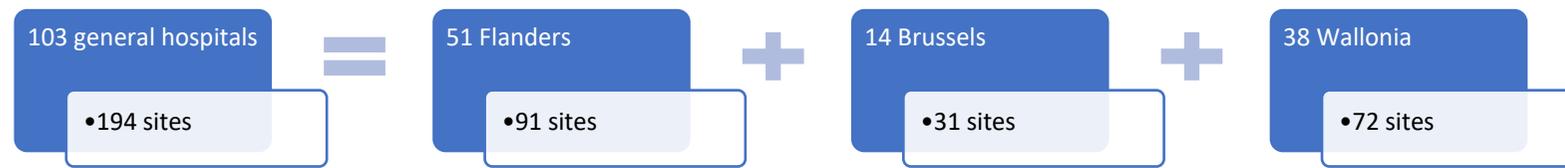


The healthcare sector in Belgium¹

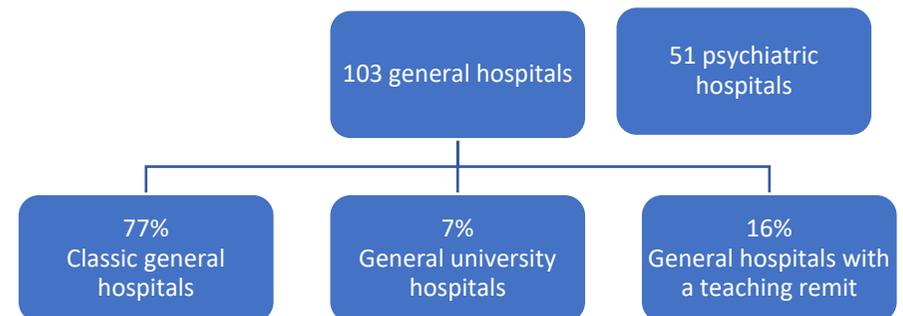
General

The healthcare sector in Belgium is heavily regulated by public authorities. Both Federal and Regional Governments are responsible for healthcare in Belgium. The Regions and Communities (Federated Entities) are the main competent authorities in the fields of care for the elderly and disabled. The Federal State (Federal Authorities) is competent for matters in the general interest of all Belgians, such as compulsory national health insurance, setting hospital budgets and general organisational rules.

In 2023, 30% of the 103 general hospitals in Belgium were public, i.e. managed by a public authority and 70% are private non-profit organisations. Historically, the latter owe their existence to religious orders, mutual societies, free universities or former company hospitals. However, given the large number of hospital mergers in recent decades, many current institutions are a legacy of both the public and private sectors. The funding mechanisms and legislation are the same for all hospitals (The Hospital Act).



The hospitals are divided into general hospitals (63.4%) and psychiatric hospitals (36.6%). A total of 76.6% of general hospitals are traditional general hospitals, 6.8% are general university hospitals and 16.5% are general hospitals with a teaching remit.



¹ Gerkens S., Merkur S. (2020). Belgium: Health Systems Review. Health Systems in Transition. (ISSN 1817-6127), accessed on 1 February 2023 at <https://apps.who.int/iris/bitstream/handle/10665/339168/HiT-22-5-2020-eng.pdf>

Federal Public Service Health Food Chain Safety and Environment (2023). Key Data in Healthcare. (Legal deposit: D/2023/2196/33), accessed on 26 January 2024 at https://www.healthybelgium.be/images/HEALTH/Algemene%20ziekenhuizen_2023/FOD%20Volksgezondheid%20-%20Blikvanger%2001%20-%20EN%20-%20Interactive%202%201.pdf

Funding of public healthcare

The funding of public healthcare in Belgium is characterised by the principle of solidarity between all Belgian residents. This allows all residents to access subsidised services, such as doctors, hospitals. The compulsory health insurance covers 99% of all Belgian residents. The Federal Authorities are responsible for the regulation of this compulsory health insurance and for hospital budgets. The Federated Entities (communities and regions) are responsible for funding hospital infrastructure and heavy medical equipment.

In order of importance, the main sources of hospital financing are:

- the Financial Resources Budget (operating funds provided by government);
- contributions from physicians (deductions from the physicians' fees);
- margins, on pharmaceutical products administered to patients, amongst others.

Challenges confronting the healthcare sector

Belgian residents enjoy good health and long-life expectancy. This is mainly thanks to good access to a wide range of high-quality services. However, some challenges remain in terms of:

- the appropriateness of pharmaceutical care;
- reduced accessibility of mental care and dental care;
- socioeconomic inequalities in health status;
- the need for further strengthening of prevention policies.

Lastly, the health system needs to continue to evolve in order to address:

- an ageing population and the associated increase in chronic diseases;
- the shortage of nurses and other healthcare professionals and the associated war for talent;
- the development of new treatments and technologies and the associated increase in healthcare costs for society.

The education sector in Belgium

General

In Belgium, the three Communities (the Flemish, French and German-speaking Communities) are responsible for matters such as culture, language and educational matters. Each of these Communities have their own, autonomous education systems. The Flemish Community is responsible for education in the Flemish Region and education is provided in Dutch as the main instructional language in the Brussels Capital Region. The French Community manages the education in the French Community of Belgium including the Brussels Capital Region (French-speaking schools). Likewise, the German-speaking Community manages education in German.

The Federal Government only handles a small number of educational matters (e.g., age range of compulsory education, retirement systems for teaching and non-teaching staff, etc.)

Every school is governed by a legally recognised authority, referred to as a school board. This board oversees the implementation of legislation and regulations in the school.

To ensure equal opportunities for all families, schooling is free and compulsory from ages six to eighteen². In certain cases, the Communities award scholarships to Belgian students at the university or college (higher education) level. Families have the freedom to choose from various schooling options such as subsidized public schools, subsidized private schools and non-subsidized private schools.

Schools managed by the Flemish Community

The students in Flanders are distributed across three educational networks: the Community Education network (*Onderwijs van de Vlaamse Gemeenschap GO!*), the subsidized public education network (*Officieel gesubsidieerd onderwijs*) and the subsidized private education network (*Vrij gesubsidieerd onderwijs*). Both the publicly and privately managed schools receive public funding. Schools led by the Flemish Community receive 100% of their funding through the Community, while funding to grant-aided public and private schools is between 60%-70%. The salaries of teaching and non-teaching staff in all three educational networks are handled by the Flemish Ministry of Education and Training.

Funding for infrastructure depends on the educational network. For the Community Education, the Flemish Community directly finances real estate investments. For the subsidized public and private educational networks, school boards can apply to the Flemish Community for capital grants of up to 60%-70% of the investment. The remainder is financed by bank loans, often guaranteed by the *Agentschap voor infrastructuur in het onderwijs* and benefitting from interest subsidies. In all networks, the Flemish Community of Belgium finances teachers' salaries.

² There are no tuition fees in pre-primary, primary and secondary education. Certain costs of schooling may arise (e.g. learning material and extra-mural activities ...)

Schools managed by the French Community

In the French Community, there are three educational networks: the public education network is the official education organised by the French Community (*le réseau de la Fédération Wallonie-Bruxelles*); the subsidized public education network is run by the municipal or provincial authorities (*le réseau officiel subventionné*); and the subsidized private education network is organised by a private person or organisation (*le réseau libre subventionné*). These networks consist primarily of catholic schools.

Funding for infrastructure depends on the educational network. For the officially organized network, the French Community directly finances real estate investments. For the subsidized official and private educational networks, the organizing authorities can apply to the French Community for capital grants of up to 80% of the investment. The remainder is financed by bank loans, often guaranteed by the Fonds de Garantie des Bâtiments Scolaires and benefitting from interest subsidies. In all networks, the French Community of Belgium finances teachers' salaries.

Challenges and actions taken in Belgian schools

The main challenges are: ³

- reducing the rate of young adults not in education, employment or training (NEET). NEET face worse labour-market outcomes later in life than peers who remained in education or training at this age;
- staffing shortage affecting students learning and morale;
- reducing the educational gap among students, especially when it comes to their socioeconomic and immigration status;
- destigmatize vocational education to better connect it to the labour market.

The main actions taken are:

- reducing inequalities (e.g. additional financial and non-financial support to disadvantaged schools, language bridging for newly arrived migrant children);
- taking targeted measures to reduce the early school leaving (especially for vulnerable pupils);
- strengthening the teaching profession and changes to school organisation to counter the growing shortage of teachers.

³ European Commission. Education and Training Monitor 2022. Accessed on 28 February 2024 at <https://op.europa.eu/webpub/eac/education-and-training-monitor-2022/en/country-reports/belgium.html>

KBC Social bond

Use of proceeds

	KBC Social Bond 1 (August 2022)	KBC Social Bond 2 (June 2023)
Social Bond Category	<p>Access to Essential Services – Health</p> <p>Objectives: Increase access to healthcare</p> <p>Social benefits: Reduce health-related inequalities</p> <p>All assets selected for the first Social Bond are hospitals.</p>	<p>Access to Essential Services – Health</p> <p>Objectives: Increase access to healthcare</p> <p>Social benefits: Reduce health-related inequalities</p> <p>Access to Essential Services – Education</p> <p>Objectives: Increase access to good quality education</p> <p>Social benefits: Reduce education inequalities</p>
Social Bond Eligibility Criteria	(Re-)financing the development, acquisition, construction, extension or refurbishment of buildings, equipment, infrastructures and general corporate purposes related to hospitals	(Re-)financing the development, acquisition, construction, extension or refurbishment of buildings, equipment, infrastructures and general corporate purposes related to hospitals (Re-)financing of activities for public schools, including kindergarten and universities: Construction, extension or refurbishment of equipment and infrastructures and dedicated programmes, furniture, learning materials and other equipment
Target Population	General public	General public General public access to state/public schools and free private schools
Alignment with SDGs	 	   

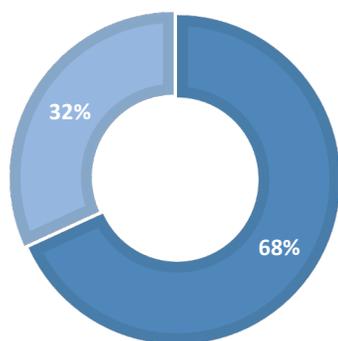
Passport of the two KBC Social Bonds

	Passport of the KBC Social Bond 1	Passport of the KBC Social Bond 2
Issuer	KBC Group NV	KBC Group NV
ISIN	BE0002875566	BE0002951326
Issue rating (S&P/M/F)	A-/Baa1/A	A-/Baa1/A
Status	Active	Active
Issue amount	750 000 000 EUR	750 000 000 EUR
Coupon	3% p.a.	4,375% p.a.
Settlement date	25 August 2022	6 June 2023
Maturity date	25 August 2030	6 December 2031
Use of Proceeds	An amount equal to the issue amount is used to fully or partially (re-)finance social investments in the category 'Access to essential services' – subcategory 'Financing of hospitals'	An amount equal to the issue amount is used to fully or partially (re-)finance social investments in the category 'Access to essential services' – subcategory 'Financing of hospitals' and in the category 'Access to essential services' – subcategory 'Financing of education'
Project evaluation and selection	The Green and Social Bond Committee will verify the compliance of the projects with the Use of Proceeds requirements and select projects as Eligible Assets. The Green and Social Bond Committee will also verify that all selected Eligible Assets comply with the standards of the KBC Group Sustainability Framework and will consider perceived environmental and social risks associated with each of the projects under consideration as part of the approval and monitoring of Eligible Asset allocation.	
Management of Proceeds	The Green and Social Bond Committee will review and approve allocations of bond proceeds to Eligible Assets on a quarterly basis and will ensure that the aggregate amount is equal to or greater than the net proceeds from the issued amount.	
Reporting	Annually or more often, as required, KBC will publish the allocation of the net proceeds of the Social Bond(s) to Eligible Assets (Allocation of Proceeds Reporting) and the associated estimated social output (the Social Report).	

Portfolio of Eligible Assets as at 31 December 2023

The Green and Social Bond Committee approved the selection and allocation of 1 524 million euros of Eligible Assets⁴ to the two Social Bonds issued of in total 1 500 million euros. The pool of loans focused on the financing of hospitals and schools in Belgium.

Education sector versus healthcare sector



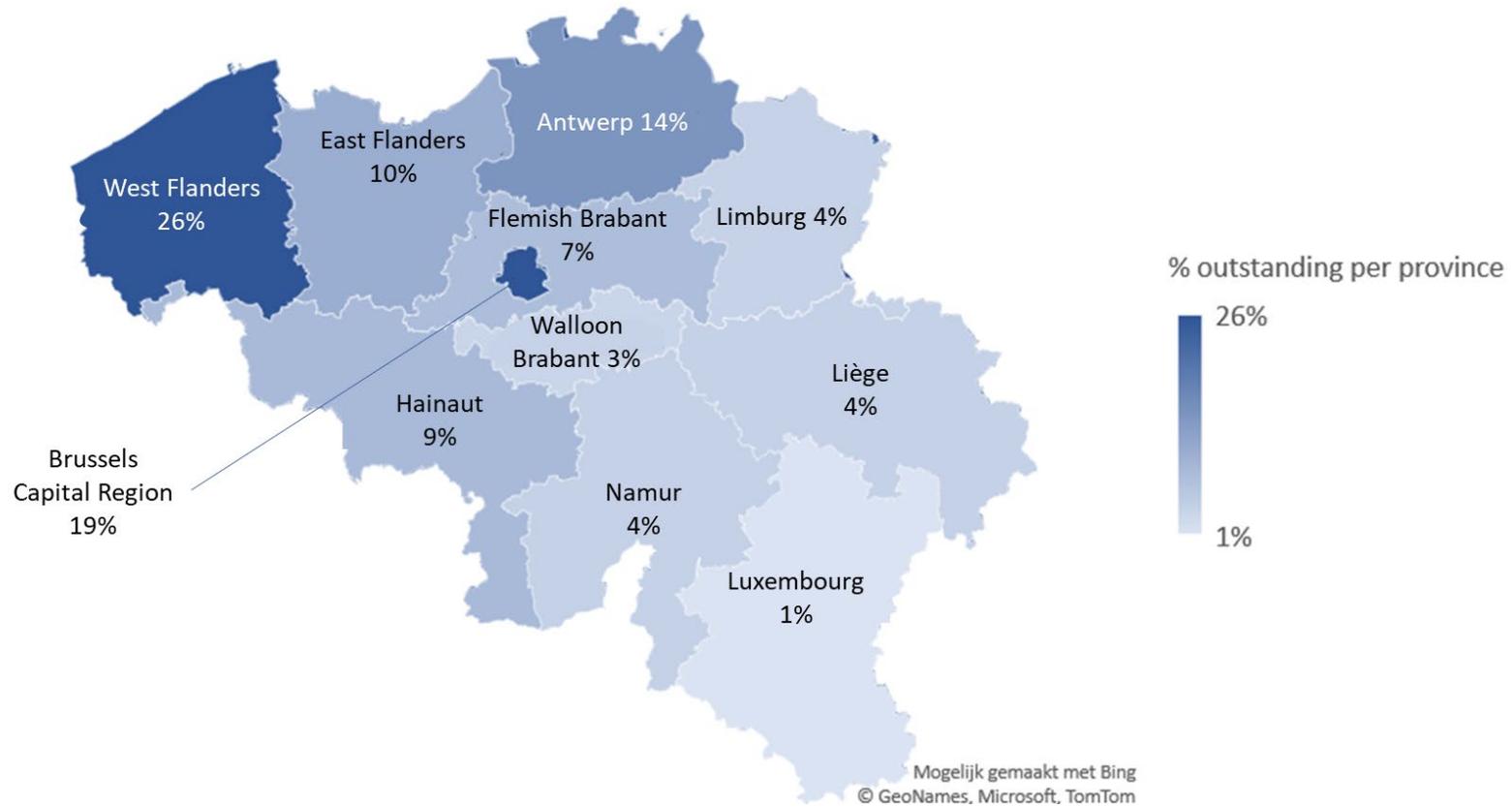
■ healthcare sector ■ education sector

Portfolio of eligible assets						
Province/Region	Total		Education		Healthcare	
	Volume (m euros)	%	Volume (m euros)	%	Volume (m euros)	%
West Flanders	401,01	26%	70,89	14%	330,13	31%
East Flanders	155,20	10%	56,54	11%	98,66	9%
Antwerp	225,01	14%	65,85	13%	159,16	15%
Limburg	55,27	4%	45,65	9%	9,62	1%
Walloon Brabant	49,05	3%	34,20	7%	14,85	1%
Flemish Brabant	112,08	7%	24,58	5%	87,50	8%
Brussels Capital Region	297,88	19%	81,88	16%	216,00	20%
Hainaut	147,49	9%	55,56	11%	91,92	9%
Liège	57,97	4%	28,40	6%	29,58	3%
Namur	59,88	4%	26,14	5%	33,73	3%
Luxembourg	9,51	1%	9,51	2%	0,00	0%
Total	^(A) 1570,35	100%	499,19	100%	1071,16	100%

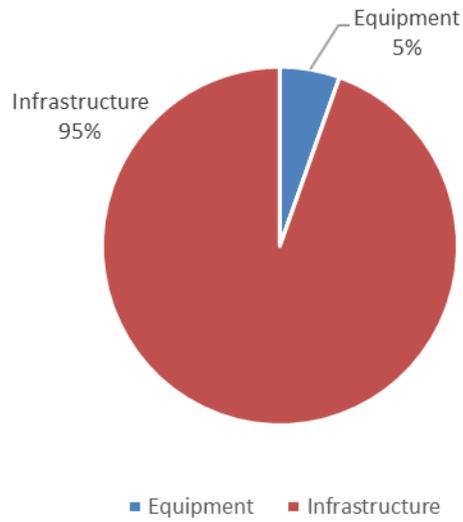
⁴ The total outstanding among the allocated assets as per 31 December 2023.

Geographical distribution of the assets related to the healthcare and education sector

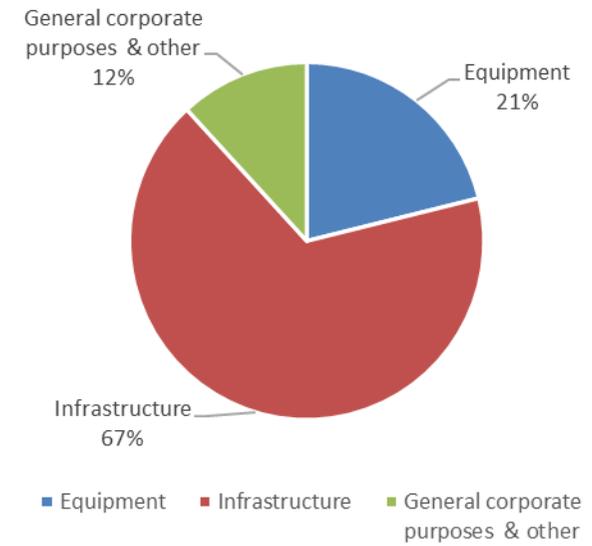
Geographical distribution of the eligible assets



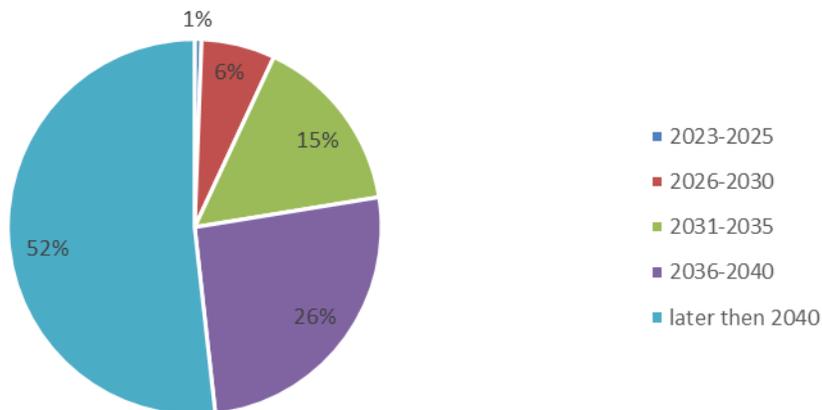
Education sector allocation per purpose



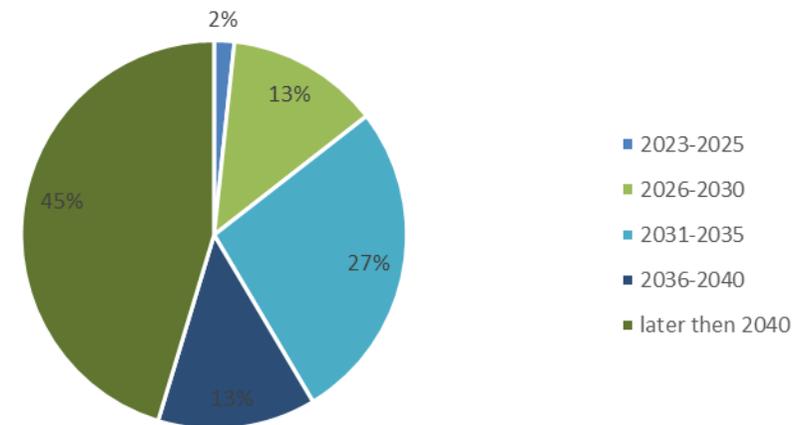
Healthcare sector allocation per purpose



% of outstanding amount per maturity buckets education sector



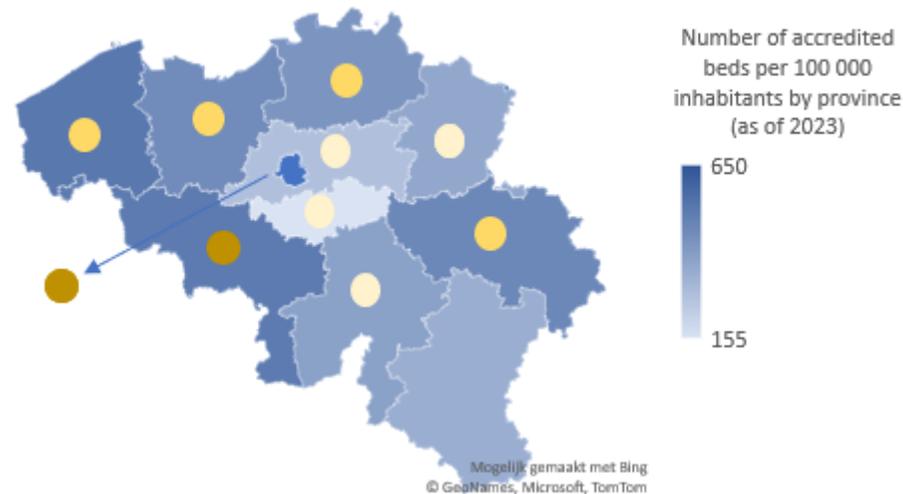
% of outstanding amount per maturity buckets healthcare sector



Geographical spread of the assets related to the healthcare sector

KBC's loan book of public hospitals covers almost all Belgian provinces. The assets selected for the Social Bond are located in the Flemish Region, the Walloon Region and the Brussels Capital Region. The graph below shows the distribution of the co-financed assets in our Social Bonds, represented by the total number of hospital beds⁵. The colour coding of the provinces reflects the density of accredited hospital beds per 100 000 inhabitants⁶: where the density is low, there are fewer beds per inhabitant. Brussels Capital Region has the highest number of beds per 100 000 inhabitants. Walloon Brabant has the lowest number of authorised beds in Belgium.

Geographical distribution of our healthcare portfolio



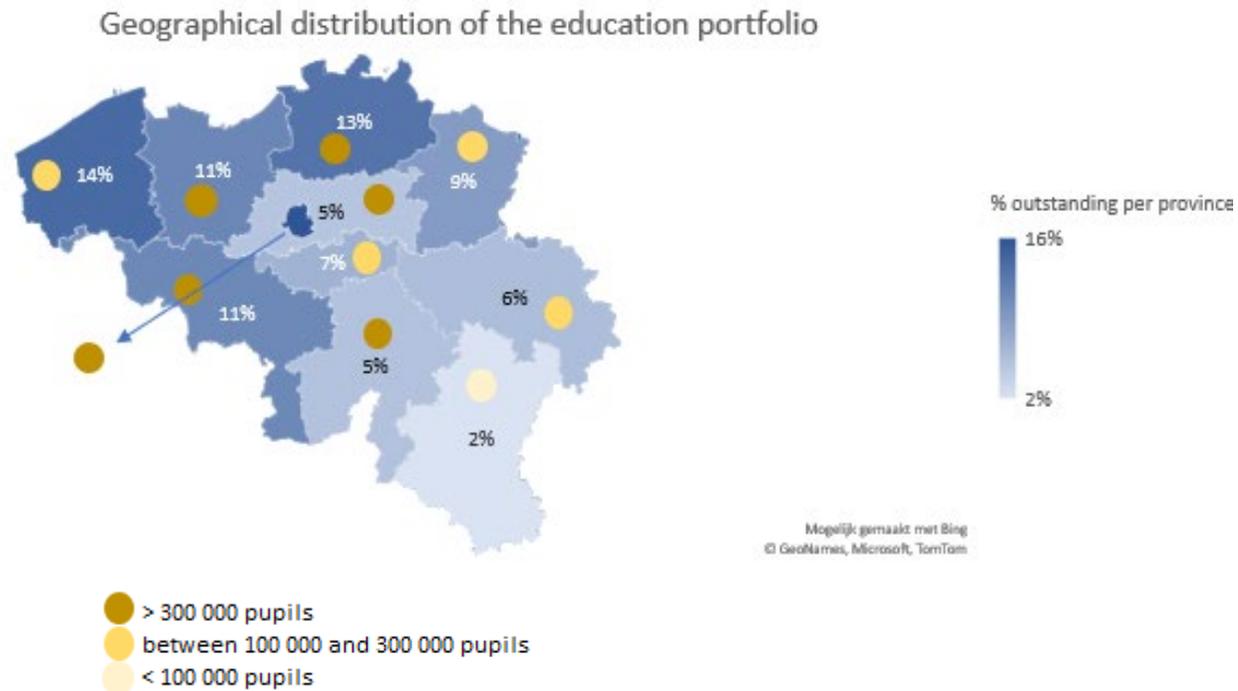
- > 4000 hospital beds financed
- Between 4000 and 2000 hospital beds financed
- < 2000 hospital beds financed

⁵ The hospital beds relate to projects which have been financed partly, but not necessarily fully, by KBC loans.

⁶ Federal Public Service Health Food Chain Safety and Environment (2023). Key Data in Healthcare. (Legal deposit: D/2023/2196/33), accessed on 26 January 2024 at https://www.healthybelgium.be/images/HEALTH/Algemene%20ziekenhuizen_2023/FOD%20Volksgezondheid%20-%20Blikvanger%2001%20-%20EN%20-%20Interactive%202%201.pdf

Geographical spread of the assets related to the education sector

KBC's loan book of the education sector covers all Belgian provinces. The assets selected for the Social Bond are located in the Flemish Region, the Walloon Region and the Brussels Capital Region. The graph below shows the distribution of the co-financed assets in our Social Bonds, represented by the total number of pupils. The colour coding of the provinces reflects the outstanding per province, the dots stand for the number of pupils enrolled.



Output indicators related to the assets partially financed with KBC Social Bonds in the healthcare sector

Table 1: Output indicators 2022 distributed over the provinces in Belgium

	Hospital beds	Consultations	Admissions	Day admissions	Emergency contacts
West Flanders	3 317	1 425 110	109 863	170 461	144 020
East Flanders	2 083	1 520 974	69 387	122 018	122 115
Antwerp	2 991	1 570 395	107 316	192 050	204 906
Limburg	326	112 322	9 080	19 494	18 929
Flemish Brabant	1 055	1 158 394	84 002	200 729	99 041
Brussels Capital Region	4 391	1 424 522	182 401	458 525	389 284
Liège	2 949	1 710 215	160 717	50 7917	230 807
Namur	1 938	1 054 109	86 183	509 837	96 221
Hainut	6 034	2 151 137	189 746	262 062	540 366
Walloon Brabant	425	573 880	19 550	35 025	52 061
	25 509	12 701 058	1 018 245	247 8118	1 897 750

Output indicators related to the assets partially financed with KBC Social bonds in the education sector

In 2021-2022 schoolyear the number of pupils enrolled in elementary (nursery and primary) and secondary (full-time and regular) in Flemish-speaking schools amounted to over 1.5 million pupils, over 1.2 million pupils in French-speaking schools and over 12 000 pupils in German-speaking schools. These numbers include pupils enrolled in Community education and Grant-aided education (private and public). KBC channels funds to finance Grant-aided education. Fee-paying private schools are excluded (ineligible according to the criteria defined in the Social Bond Framework).

Table 2: Number of pupils in 2021-2022 distributed over provinces in Belgium by level⁷

	Number of pupils in nursery school per province	Number of pupils in primary school per province	Number of pupils in secondary school per province	Number of pupils in higher education ⁸
West Flanders	41 942	75 469	83 288	28 115
East Flanders	56 951	104 351	113 099	99 299
Antwerp	73 566	132 036	136 939	74 444
Limburg	30 641	58 144	64 309	24 950
Flemish Brabant	42 570	75 465	69 315	60 575
Brussels Capital Region	55 074	98 529	107 521	131 637
Hainaut	48 197	97 009	115 341	71 369
Walloon Brabant	14 374	27 738	31 104	33 985
Namur	17 376	34 540	43 986	30 587
Liège	43 225	84 227	92 529	68 290
Luxembourg	11 383	22 763	26 947	20 391
TOTAL	435 299	810 271	884 378	643 642

⁷ Perspective Brussels. Projections de population scolaire, accessed on 28 February 2024 at <https://beecole.brussels/fr/be-ecole/panorama-de-lecole-bruxelles/levolution-de-la-population-scolaire-bruxelles/projections-de-population-scolaire>

WalStat. Catalogue des indicateurs, accessed on 28 February 2024 at https://walstat.iweps.be/walstat-catalogue.php??catalogue_infra=0&theme_id=7&sel_niveau_catalogue=P

Provincies in cijfers. Leerlingenaantallen, accessed on 28 February 2024 at <https://provincies.incijfers.be/databank>

Fédération Wallonie-Bruxelles, Chiffres clés. Accessed on 14 March 2024 at <https://statistiques.cfwb.be/enseignement/superieur/>

⁸ The number of pupils in higher education in French-speaking schools is based on the number of pupils per residence and not per location of the school.

Case studies in the spotlight

Case study 1: Egied Van Broeckhoven School

One of the assets in our second Social Bond is the financing of the land on which the Egied Van Broeckhoven School is built. The school is the first project in the DBFM (Design, Build, Finance and Maintain) schools programme of the Flemish government. In total, this programme consists of 42 projects. KBC took part in the financing of this project.

The school opened its doors in 2023 and is an initiative by the non-profit Jesuit organisation called 'Ignatius Schools in Motion'. It offers Dutch-speaking, secondary school education in the multicultural district around the West station in Sint-Jans-Molenbeek, Brussels.

Its students can follow courses within two fields of study: STEM (Science, Technology, Engineering and Mathematics) and 'Welfare and Society'. The courses specifically focus on getting the students ready for the job market. The school thus aims to address local youth unemployment.

During the first academic year, 100 students attended the school. In total, around 860 students will be able to attend courses.

The classrooms and outdoor spaces of the school will also be open for non-school activities outside of school hours. In this way, it will serve as a meeting place for young people in a neighbourhood that is known as a melting pot for different cultures and religions. The project thus also contributes to community building.



Case study 2: Grand Hôpital de Charleroi (GHdC)

As part of its strategic development project, the Grand Hôpital de Charleroi (GHdC) has decided to build a brand-new hospital to bring together five of its six current old hospital sites.

The beautiful 17-hectare "Les Viviers" site will be landscaped to respect the environment and the neighbourhood. Acquired in 2012, it is close to both the city and major transport links such as the R3 and RN90.

This new project is designed to be sustainable, and numerous factors have been taken into account throughout the construction process to minimize its ecological footprint. Built as a NZEB (Nearly Zero Energy Building), the GHdC uses the BREEAM method as a sustainability design and assessment tool.

GHdC's ambition is to offer its patients a range of top-quality care in an exceptional environment. Inauguration is scheduled for end-2024.

Since 2019, the CBC, as a member of the banking consortium, has contributed almost 20% of the financing (bank part) for this exciting project. Recently, and given GHdC's excellent financial health, the banks have also agreed to finance the very substantial budget overrun caused by inflation and rising material prices.

The bank is proud to be one of the key partners in this ambitious, sustainable project in the heart of Wallonia.



Assurance report



INDEPENDENT LIMITED ASSURANCE REPORT ON THE SUBJECT MATTER INFORMATION OF THE ANNUAL SOCIAL BOND IMPACT REPORT 2023 OF KBC GROEP NV

To the Board of Directors of KBC Groep NV

This report has been prepared in accordance with the terms of our engagement contract dated 12 January 2024 (the "Agreement"), whereby we have been engaged to issue an independent limited assurance

report in connection with the Subject Matter Information marked with a symbol ^(A) in the Social Bond Impact Report as of and for the year ended 31 December 2023 (the "Report").

The Directors' responsibility

The Directors of KBC Groep NV ("the Company") are responsible for the preparation and presentation of the information and data in the allocation of the KBC Social Bond proceeds to Eligible Assets, marked with

the symbol ^(A) (the "Subject Matter Information"), in accordance with the Social Bond Framework of KBC Group NV (the "Criteria").

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Directors includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we have obtained.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable engagement been performed.



The selection of such procedures depends on our professional judgment, including the assessment of the risks of material misstatement of the Subject Matter Information in accordance with the Criteria. The scope of our work comprised the following procedures:

- assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject Matter Information as of and for the year ended 31 december 2023 presented in the Report;
- conducting interviews with responsible officers;
- reviewing, on a limited test basis, relevant internal and external documentation;
- considering the disclosure and presentation of the Subject Matter Information.

The scope of our work is limited to assurance over the Subject Matter Information. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Report.

Our independence and quality management

We have complied with the independence and other ethical requirements in the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (IESBA Code) together with the legal Belgian requirements in respect of the auditor independence, particularly in accordance with the rules set down in articles 12, 13, 14, 16, 20, 28 and 29 of the Belgian Act of 7 December 2016 organising the audit profession and its public oversight of registered auditors.

Our firm applies International Standard on Quality Management n°1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Related Services Engagements, and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information within your Social Bond Impact Report as of and for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the KBC's Social Bond Framework



Other ESG related information

The other information comprises all of the ESG related information in the Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other ESG related information. As explained above, our assurance conclusion does not extend to the other ESG related information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other ESG related information and, in doing so, consider whether the other ESG related information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Other matter - restriction on use and distribution of our report

Our report is intended solely for the use of the Company, to whom it is addressed, in connection with their Report as of and for the year ended 31 December 2023 and should not be used for any other purpose. We do not accept or assume and deny any liability or duty of care to any other party to whom this report may be shown or into whose hands it may come.

Diegem, 28 March 2024

The Statutory Auditor

PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

DocuSigned by:

A handwritten signature in black ink, appearing to read 'M. Daelman', enclosed within a blue DocuSigned signature box.

BCCBA40B2A5E4FB...

Marc Daelman*

Bedrijfsrevisor/Réviser d'entreprises

*Acting on behalf of Marc Daelman BV