KBC Group
Company presentation
2Q 2025

More information: www.kbc.com

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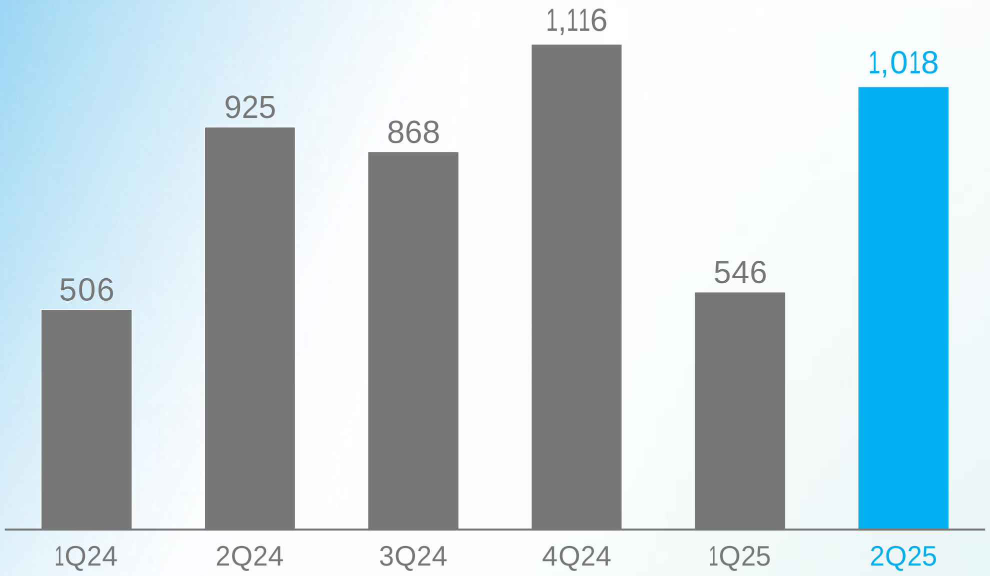
Highlights

- Commercial bank-insurance franchises performed excellently
- Customer loans and customer deposits increased q-o-q in almost all our core countries (on a comparable basis). Core customer money inflow of 5.0bn EUR in 2Q25 with a shift from term deposits to savings accounts
- KBC Group is well-positioned being an integrated bank-insurer with tailored AM business that has a highly diversified income (49% NII and 51% non-NII of 1H25 total income)
- Excellent net interest income, leading to increased FY25 NII guidance (from initial 'at least 5.7bn EUR' to 'at least 5.85bn EUR')
- Good net fee and commission income; higher net inflows in direct client money y-o-y
- Q-o-q higher net result from financial instruments at fair value & IFIE and net other income above the normal run rate
- Higher sales of non-life insurance y-o-y, sales of life insurance down q-o-q and up y-o-y
- FY25 total income guidance increased to at least +7.0% y-o-y (from initial guidance of at least 5.5% y-o-y), leading to jaws of +4.5% (from initial guidance of at least 3.0%)
- Costs down q-o-q due entirely to lower bank & insurance taxes; Costs excl. bank & insurance taxes up q-o-q
- Higher net loan loss impairment charges, entirely driven by a 40m EUR increase of the ECL buffer (for geopolitical and macroeconomic uncertainties) in 2Q25 versus a 45m EUR decrease of the ECL buffer in 1Q25. Excellent credit cost ratio
- Solid solvency and liquidity position
- Interim dividend of 1 EUR per share in November 2025

Net result of 1,018m EUR over 2Q25

Net result

in m EUR



YTD ratios

- Return on Equity 15%*
- Cost-income ratio 45%**
- Combined ratio 85% (versus below 91% guided)
- Credit cost ratio 0.15% (versus well below TTC of 25-30bps guided)
- CET1 ratio 14.6%*** (B4, DC, unfloored fully loaded)
- Leverage ratio 5.6% (fully loaded)
- NSFR 135% & LCR 157%

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

** When excluding certain non-operating items. See glossary for the exact definition

*** Unfloored fully loaded CET1 ratio = fully loaded Basel 4 CET1 ratio excluding output floor impact

Wrap-up: digital-first, data-driven and AI-led integrated bank-insurer with tailored AM
Well-positioned in a decreasing (policy) rate environment

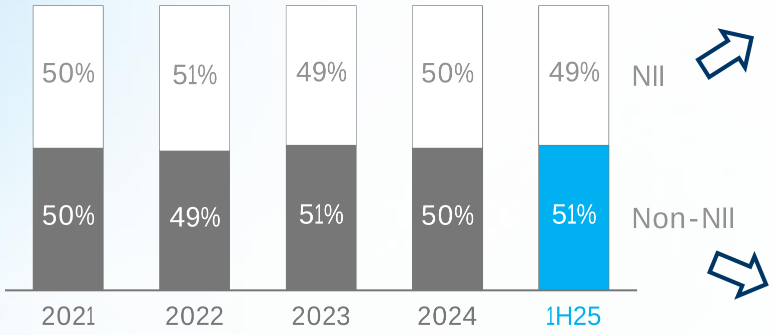
Well-diversified, both geographically and from a business point of view

- **geographically ...**
  - Mature markets (BE, CZ) combined with growth markets (SK, HU, BG)
  - Robust market position in all key markets & strong trends in loan and deposit growth
  - Wealth levels are and will continue to gradually converge towards W-European standards
- ... and from a business point of view
  - Unique integrated, digital-first, data-driven and AI-led bank-insurer with a strongly developed & tailored AM business
  - Unique selling proposition: in-depth knowledge of local markets and profound relationships with clients
  - Our fully integrated distribution model and increasingly straight-through processes allow for sustainable efficiency gains in tandem with a full range of products and services that go beyond banking and insurance through ecospheres
  - Global recognition for our digital-first approach through Kate, fueled by the number 1 banking app worldwide in 2024

Successful digital-first approach through KATE

KBC Group topline diversification: roughly 49% NII and 51% non-NII

in %

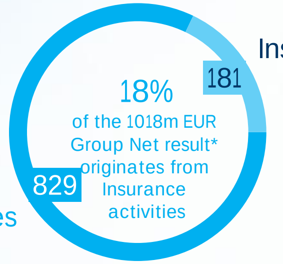


- CAGR24-27 NII of at least +5%, even in decreasing (policy) rate environment
  - Longer average duration of the replication portfolio will generate a further NII increase, even in a decreasing interest rate environment
  - The negative impact from the State Note in Belgium is likely to disappear
  - In a decreasing (policy) rate environment, the trend noticed in non-EUR denominated countries (CZ & HU), namely shifts from TD to CASA, will highly likely also happen in EUR denominated countries
- Implicit CAGR24-27 non-NII of roughly +7%
  - Insurance revenues (before reinsurance) CAGR '24-'27 of at least +7%
  - Sustained fee income growth, propelled by record net sales year after year thanks to success of Regular Investment Plans and the gradual convergence of wealth levels in Central Europe towards Western European standards

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

Unique integrated bank-insurance+ model

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



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

Successful digital-first approach through KATE

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

5.7 million users in contact with Kate

KATE autonomy

71% BE
71% CZ

Firmly embedded sustainability strategy

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

see climate targets on Slide 55

Strategic focus | The reference

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

Profitability

With a Return on Equity of 15% in 1H25 **KBC** is one of the most profitable EU financial institutions

Solvency

With an unfloored fully loaded CET1 ratio of 14.6% at end 1H25 KBC is amongst the better capitalised EU banks

Sustainability

Sustainalytics ranks KBC in the 3rd percentile of 254 diversified banks assessed
(last full update November 29, 2024)

Digitalisation

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

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

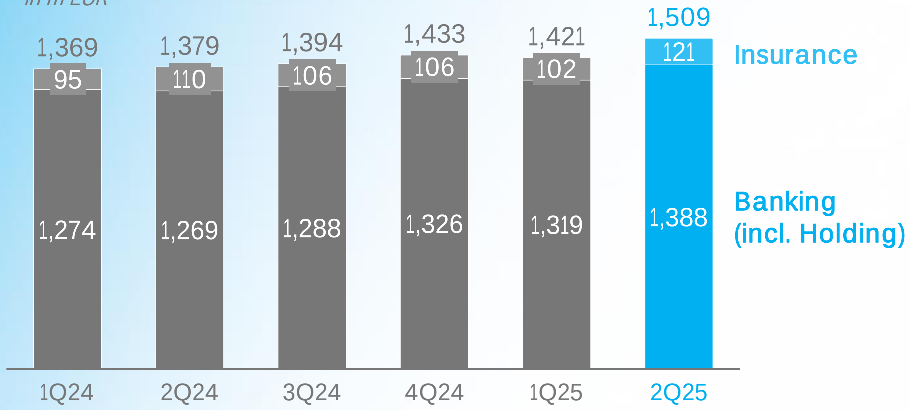
Main exceptional items

		2Q25	1Q25	2Q24
BU IM	HU – BK & INS TAX – Temporary extra (windfall/DGS) bank and insurance tax	+7m EUR	-53m EUR	
	HU – Impairments – Modification losses	-4m EUR		-5m EUR
	BG – Opex – Integration costs Raiffeisenbank Bulgaria	-2m EUR	-2m EUR	-3m EUR
	BG – Opex – EUR adoption costs			-1m EUR
	Total Exceptional items BU International Markets	*+1m EUR*	*-55m EUR*	*-9m EUR*
	Total Exceptional items	*+1m EUR*	*-55m EUR*	*-9m EUR*
	Total Exceptional items (post-tax)	*+1m EUR*	*-50m EUR*	*-8m EUR*

Excellent net interest income, leading to increased FY25 guidance (see slide 19)

Net interest income

in m EUR

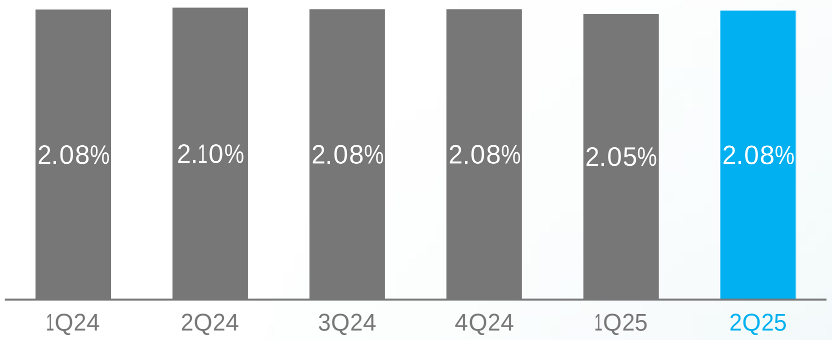


- NII increased by 6% q-o-q and by 9% y-o-y
- Q-o-q change was driven primarily by:
  - Higher commercial transformation result (due to continued increasing reinvestment yields, higher benchmarked deposit volumes and lower external rates)
  - Higher lending income (strong loan volume growth partly offset by lower loan margins in some core markets)
  - higher NII on inflation-linked bonds (+29m EUR q-o-q, from -5m EUR in 1Q25 to +24m EUR in 2Q25)
  - Higher dealing room NII
  - Higher number of days (+7m EUR q-o-q)
  - Lower subordination costs

  partly offset by:
  - Lower NII on term deposits (shift from term deposits to savings accounts)
  - Lower short-term cash management
- Y-o-y increase was driven primarily by significantly higher commercial transformation result, higher lending income, lower costs on the minimum required reserves held with central banks, lower subordination costs and higher dealing room NII, partly offset by much lower NII on term deposits, lower NII on inflation-linked bonds (-4m EUR y-o-y, from 27m EUR in 2Q24 to 24m in 2Q25) and lower short-term cash management

Net interest margin*

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



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

Organic volume trend

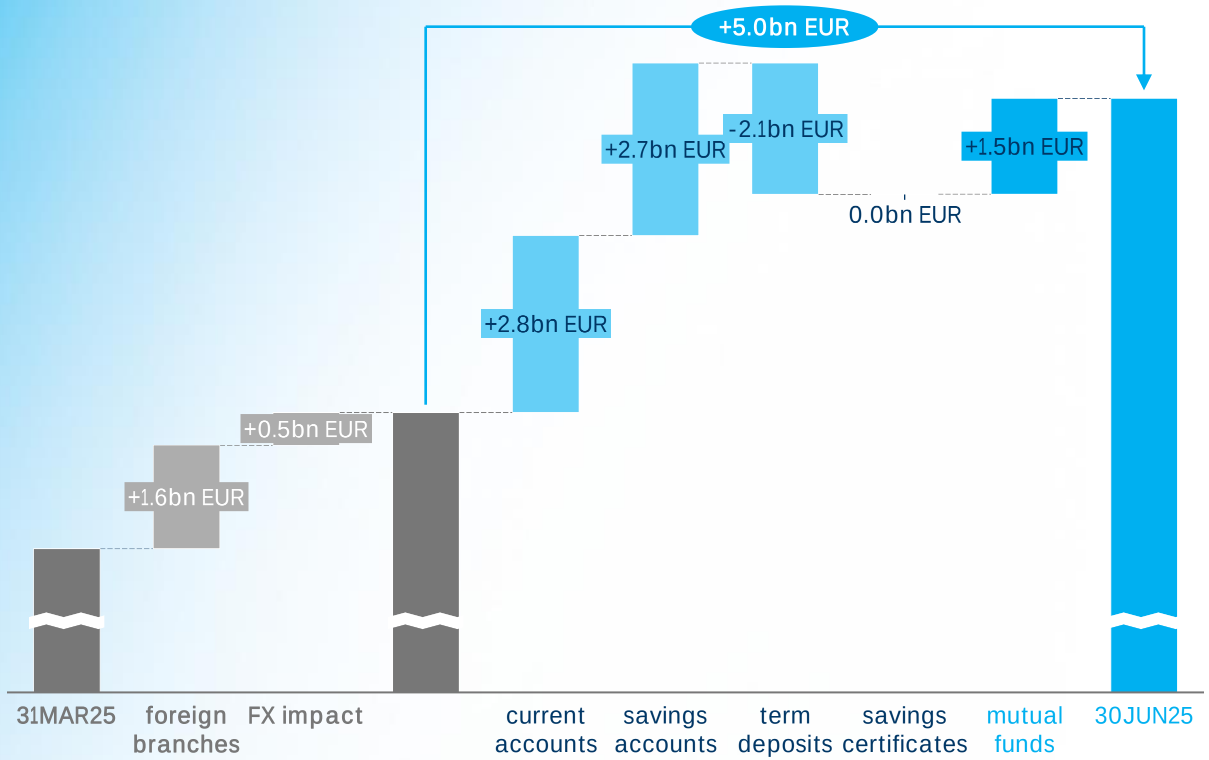
	Total loans**	o/w retail mortgages	Customer deposits***
Volume	202bn	81bn	237bn
Growth q-o-q*	+2%	+2%	+2%
Growth y-o-y	+7%	+6%	+6%

* Non-annualised ** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos, but including customer savings certificates.
Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), core customer deposits rose by 2% q-o-q and by 7% y-o-y
Growth figures are excluding FX, consolidation adjustments and reclassifications.

Inflow of core customer money

Customer money dynamic over 2Q25

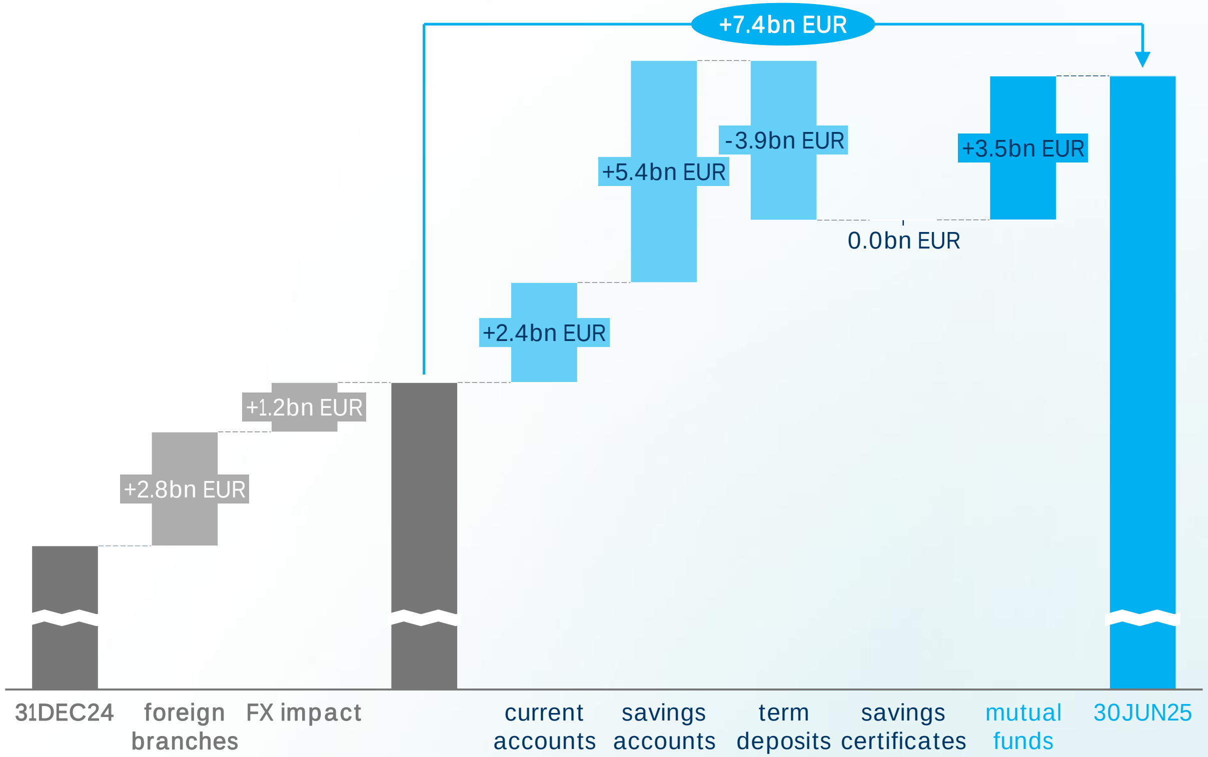
in bn EUR



- 2Q25 saw an inflow of core customer money of +5.0bn EUR (+5.5bn EUR incl. FX impact)

Customer money dynamic over 1H25

in bn EUR

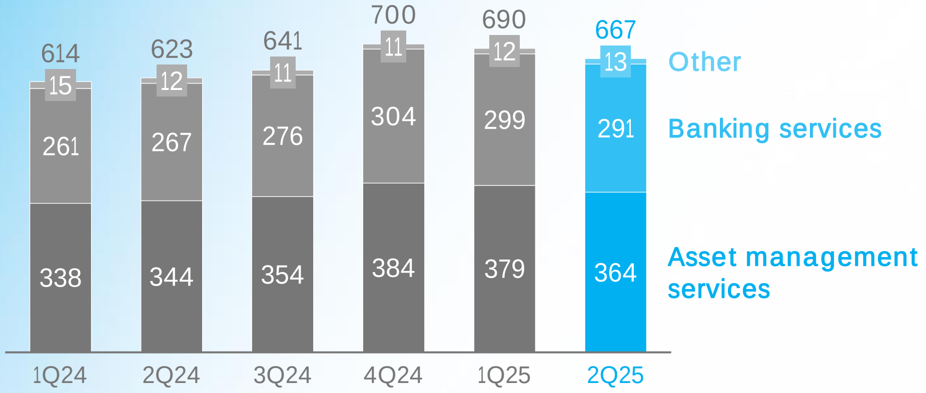


- 1H25 saw an inflow of core customer money of +7.4bn EUR (+8.6bn EUR incl. FX impact)

Good net fee and commission income, Higher net inflows in direct client money y-o-y

Net fee & commission income

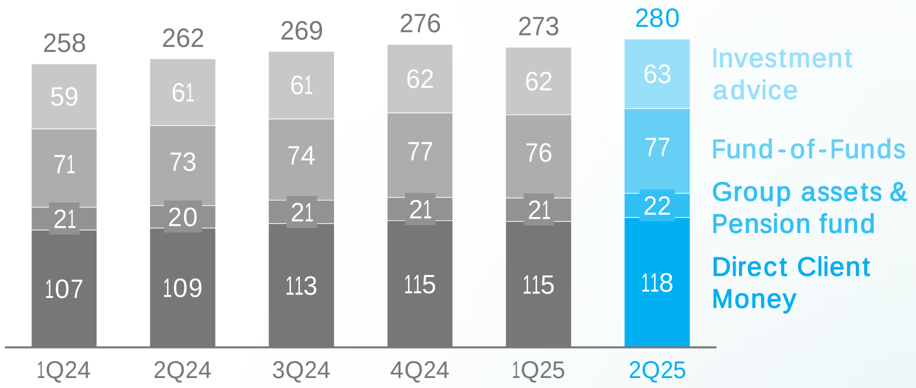
in m EUR



- Down by 3% q-o-q and up by 7% y-o-y
- Q-o-q decrease was driven primarily by:
  - Net F&C income from Asset Management Services decreased by 4% q-o-q due mainly to lower management fees (good net inflows more than offset by the impact of a lower average asset base during the quarter) and seasonally lower entry fees
  - Net F&C income from banking services fell by 2% q-o-q due chiefly to higher distribution commissions paid for banking products, lower network income and lower securities-related fees
- Y-o-y increase was mainly the result of:
  - Net F&C income from Asset Management Services rose by 6% y-o-y due mainly to higher management & entry fees
  - Net F&C income from banking services increased by 9% y-o-y due mainly to higher fees from payment services, higher network income and higher securities-related fees, partly offset by higher distribution commissions paid for banking products

Assets under management

in bn EUR

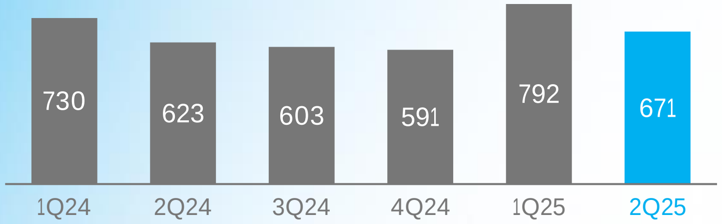


- Increased by 3% q-o-q due to net inflows (+1%) and positive market performance (+2%)
- Increased by 7% y-o-y due to net inflows (+4%) and positive market performance (+3%)
- The mutual fund business has seen good net inflows this quarter, both in higher-margin direct client money (1.5bn EUR in 2Q25 versus 2.0bn in 1Q25 and 0.7bn EUR in 2Q24) as well as in lower-margin assets

Non-life sales up y-o-y, life sales down q-o-q and up y-o-y

Non-life sales

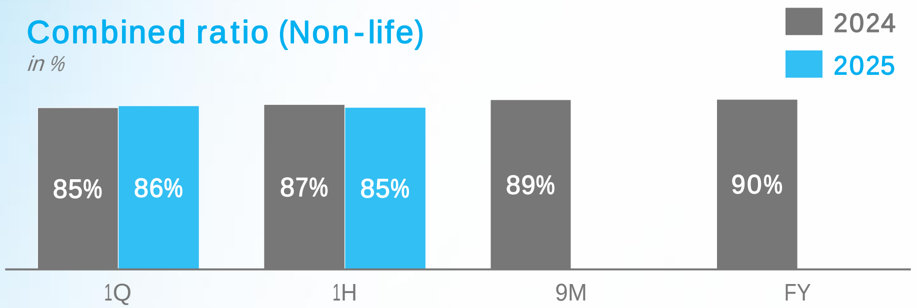
in m EUR



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

Combined ratio (Non-life)

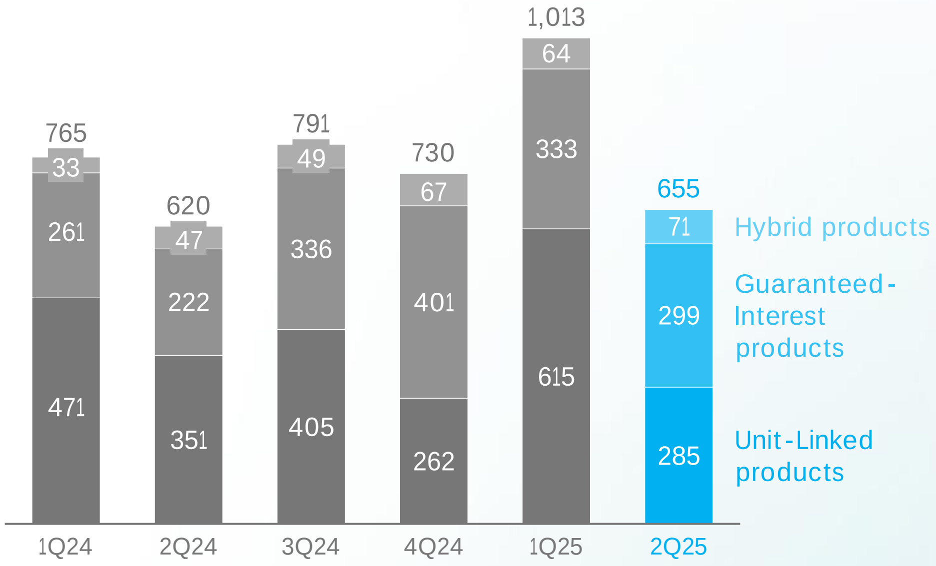
in %



- Non-life combined ratio for 1H25 amounted to an excellent 85% (87% in 1H24). This is mainly the result of:
  - 9% y-o-y higher insurance revenues before reinsurance
  - 8% y-o-y higher insurance service expenses before reinsurance
  - Higher net result from reinsurance contracts held (up by 16m EUR y-o-y)

Life sales

in m EUR



- Decreased by 35% q-o-q due to lower sales of unit-linked products (as the result of a successful launch of structured emissions in Belgium in 1Q25) and lower sales of guaranteed-interest products (due chiefly to traditionally higher volumes in tax-incentivised pension savings products in Belgium during 1Q and 4Q), partly offset by higher sales of hybrid products
- Increased by 6% y-o-y due to higher sales of guaranteed-interest products and hybrid products, partly offset by lower sales of unit-linked products
- Sales of guaranteed-interest products and unit-linked products accounted for 46% and 43% of total life insurance sales in 2Q25 respectively, with hybrid products (mainly in Belgium and the Czech Republic) accounting for the remainder

FIFV & IFIE result up q-o-q and net other income above the normal run rate

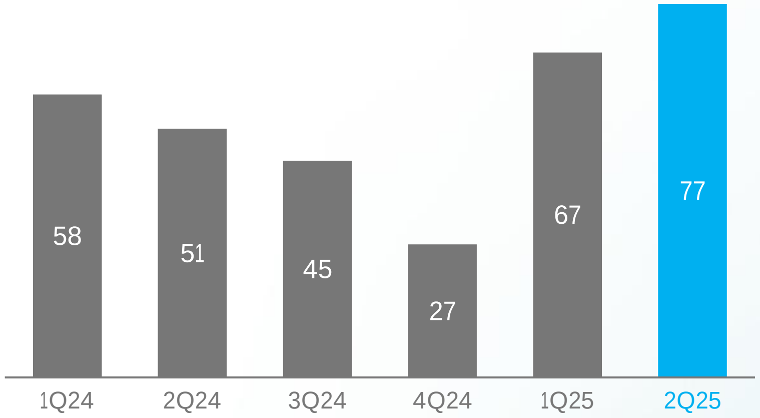
FIFV & IFIE

in m EUR

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Dealing room	102	62	64	66	77	60
MVA/CVA/FVA	5	1	-24	-6	-1	0
IFIE – mainly interest accretion	-60	-60	-63	-66	-67	-67
M2M ALM derivatives and other	-102	0	-19	-68	-55	-27
FIFV & IFIE	-55	3	-42	-74	-45	-34

Net other income

in m EUR



- FIFV & IFIE result up q-o-q, attributable mainly to:
  - Positive change in 'ALM derivatives and other'

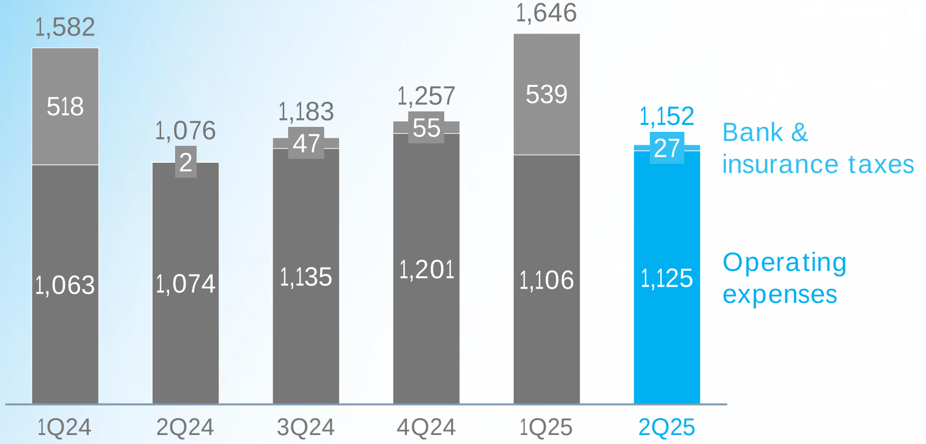
  partly offset by:
  - Lower dealing room result

- Higher than the normal run rate of 50m EUR per quarter in 2Q25
  - Due mainly to higher-than-average gains on the sale of real estate

Costs excluding bank & insurance taxes increased q-o-q

Operating expenses (including costs directly attributable to insurance)

in m EUR



- Operating expenses excluding bank & insurance taxes rose by 2% q-o-q and by 5% y-o-y
  - The q-o-q increase was due mainly to higher staff costs, higher ICT costs, seasonally higher marketing costs and higher professional fee expenses
  - The y-o-y increase was due to, amongst others, higher staff costs, higher ICT costs, higher depreciations and slightly higher facility & professional fee expenses
- Note that opex excluding bank & insurance taxes was low in 1H24… therefore we feel comfortable with our FY25 guidance for opex excluding bank & insurance taxes of below +2.5% y-o-y
- 1H25 cost/income ratio
  - 45% when excluding certain non-operating items* (47% in FY24)
  - 41% excluding all bank & insurance taxes (43% in FY24)

Bank and insurance tax spread 2025 (preliminary)

in m EUR

	Total	Upfront		Spread out over the year			
	2Q25	1Q25	2Q25	1Q25	2Q25	3Q25e	4Q25e
BE BU	0	356	0	0	0	0	0
CZ BU	-4	25	-4	0	0	0	0
Hungary	38	83	0	45	38	46	48
Slovakia	2	0	0	4	2	4	4
Bulgaria	-9	22	-9	0	0	0	0
Group Centre	0	4	0	0	0	0	0
Total	27	490	-13	49	40	51	52

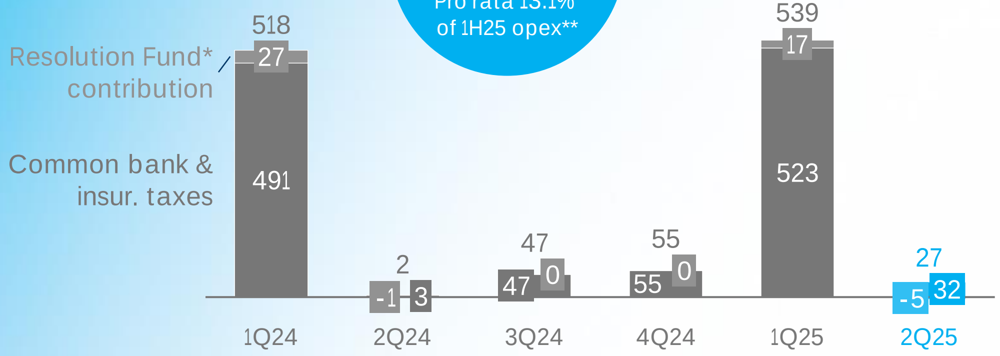
- Regarding bank & insurance taxes in 2Q25, note that:
  - 38m additional national bank taxes in Hungary (lower than expected due to a 7m EUR reversal of windfall tax related to previous years)
  - 2m EUR additional national bank taxes in Slovakia
  - 4m EUR decrease in the Czech Republic, mainly due to lower than anticipated Resolution Fund contribution
  - 9m EUR decrease of the contribution to the Deposit Guarantee Scheme in Bulgaria
- Total bank & insurance taxes are expected to increase by 7% y-o-y to 669m EUR in 2025 (623m EUR in 2024)

* See glossary for the exact definition

Overview of bank & insurance taxes*

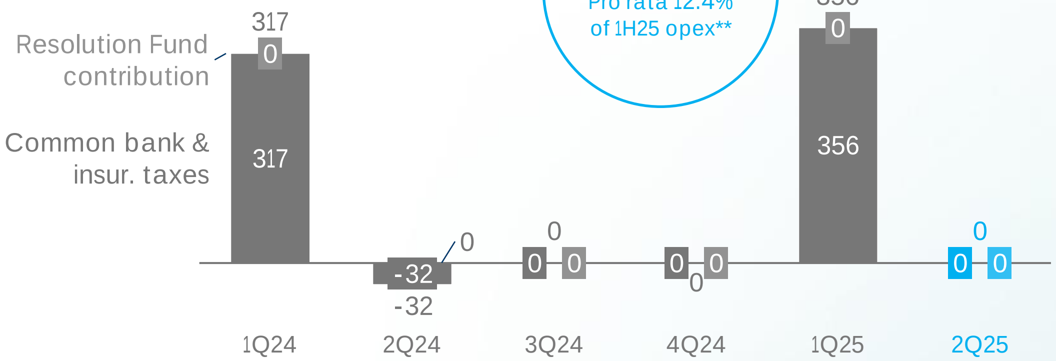
KBC Group
in m EUR

KBC Group
566m EUR
Pro rata 13.1% of 1H25 opex**



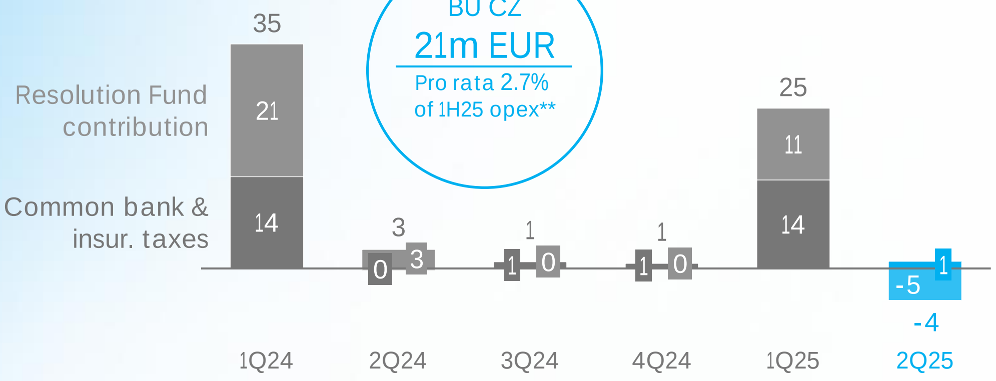
Belgium BU
in m EUR

BU BE
356m EUR
Pro rata 12.4% of 1H25 opex**



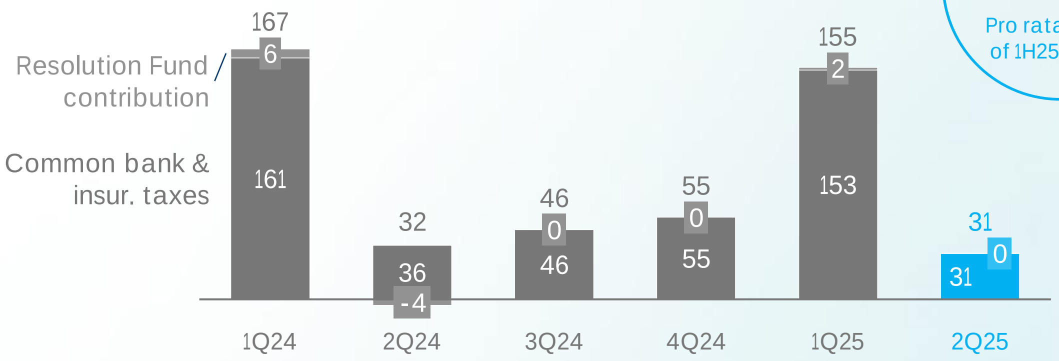
Czech Republic BU
in m EUR

BU CZ
21m EUR
Pro rata 2.7% of 1H25 opex**



International Markets BU
in m EUR

BU IM
185m EUR
Pro rata 25.0% of 1H25 opex**

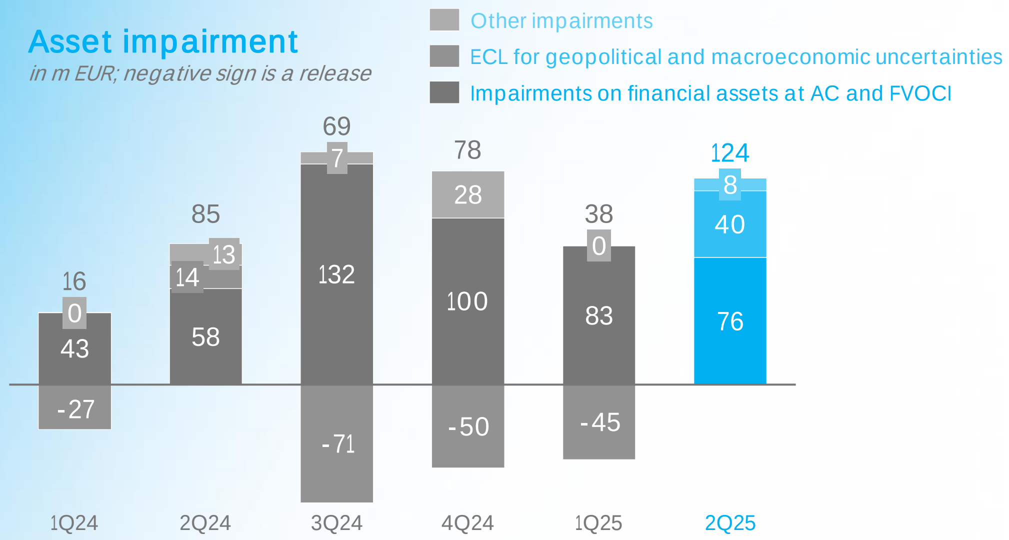


* This refers solely to the bank & insurance taxes recognised in opex, and as such it does not take account of income tax expenses, non-recoverable VAT, etc.
** Including directly attributable costs to insurance

Higher net loan loss impairment charges & excellent credit cost ratio

Asset impairment

in m EUR; negative sign is a release

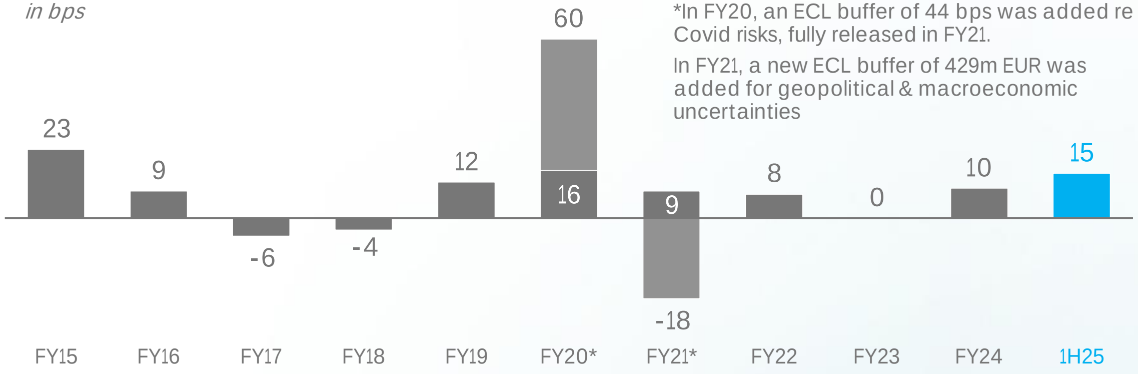


- Net loan loss impairment charges of 116m EUR in 2Q25 (compared with net loan loss impairment charges of 38m EUR in 1Q25) due to:
  - 76m EUR net loan loss impairment charges on lending book (compared with 83m EUR in 1Q25)
  - An increase of 40m EUR of the ECL buffer due to a management overlay (versus a decrease of 45m EUR of the ECL buffer in 1Q25)
  - Total outstanding ECL for geopolitical & macroeconomic uncertainties now stands at 112m EUR

- 8m EUR impairment on **'other',** of which:
  - 4m EUR modification losses, related to the extension of the interest cap regulation in Hungary (until year-end 2025)
  - 2m EUR impairment on software

Credit cost ratio

in bps



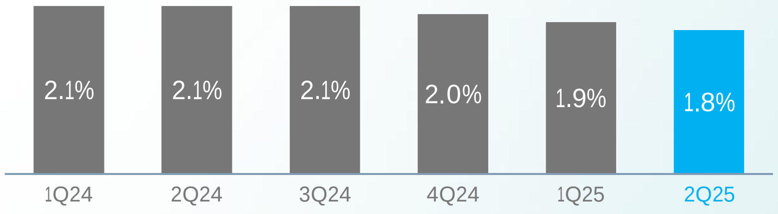
*In FY20, an ECL buffer of 44 bps was added re Covid risks, fully released in FY21.

In FY21, a new ECL buffer of 429m EUR was added for geopolitical & macroeconomic uncertainties

- The credit cost ratio in 1H25 amounted to:
  - 15 bps (16 bps in FY24) without ECL for geopolitical & macroeconomic uncertainties
  - 15 bps (10 bps in FY24) with ECL for geopolitical & macroeconomic uncertainties

Impaired loans ratio

in %

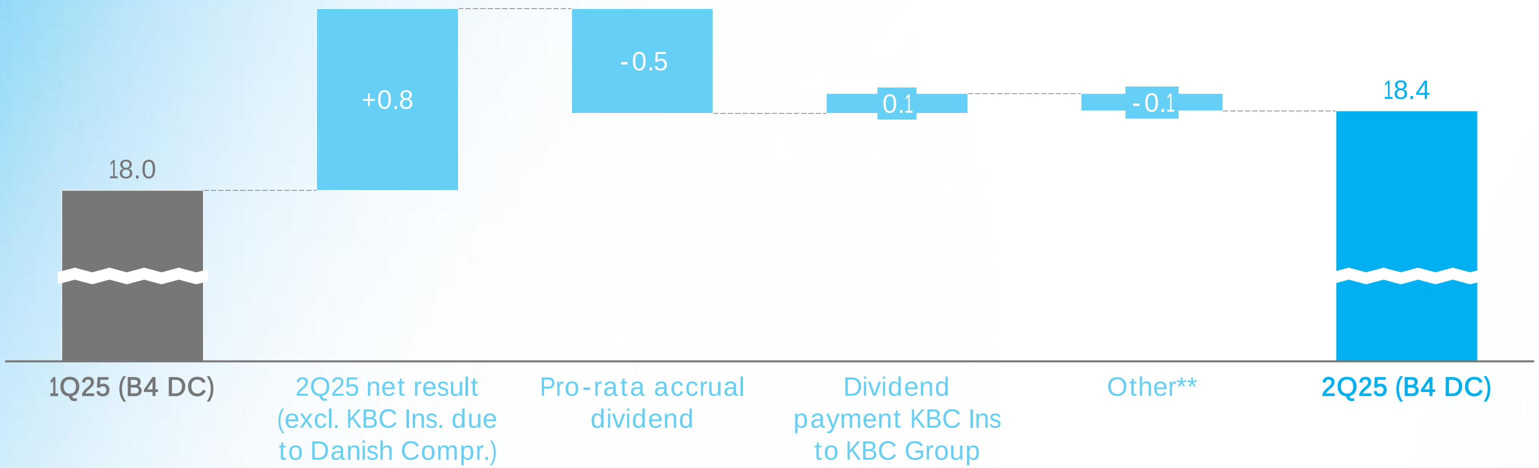


- The impaired loans ratio improved to 1.8% (1.0% of which over 90 days past due)

Unfloored* fully loaded Basel 4 CET1 ratio from 1Q25 to 2Q25

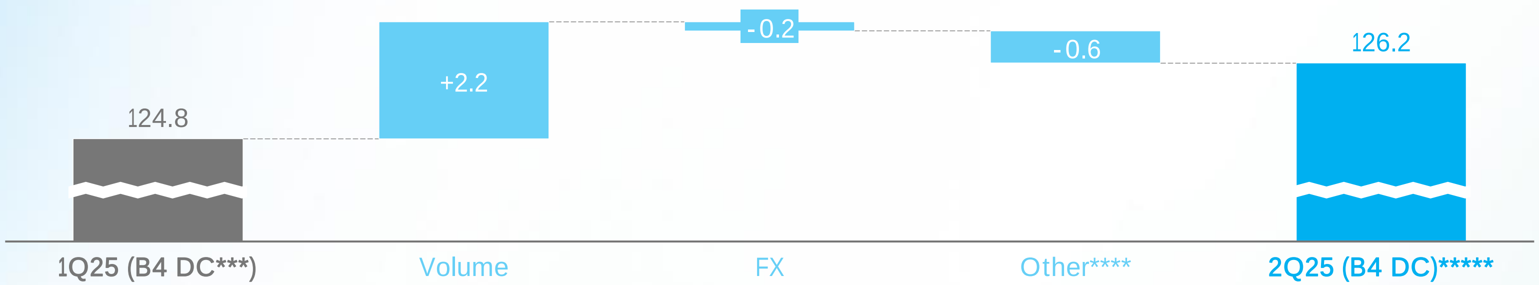
Q-o-q variance of CET1 capital

in bn EUR



Q-o-q variance of RWA

in bn EUR



Unfloored fully loaded B4 common equity ratio increased from 14.5% to 14.6% at the end of 2Q25 based on the Danish Compromise

Going forward,

- the quarterly upstreaming of BGAAP insurance profit to KBC Group, a positive impact from the DTA usage related to the liquidation of KBC Bank Ireland (expected in 3Q25) and active capital management (e.g. SRTs as of 4Q25 at the earliest) will be tailwinds for the unfloored fully loaded CET1 ratio
- the 365.bank acquisition (closing expected by the end of this year) and the risk-weighting of 500m T2 at KBC Insurance instead of deduction (intention to include it as of the moment it is effective in 2026) will be headwinds for the unfloored fully loaded CET1 ratio

* Fully loaded Basel 4 CET1 ratio excluding output floor impact

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

*** Includes the RWA equivalent for KBC Insurance based on DC, calculated as the historical book value of KBC Insurance multiplied by 250% under B4

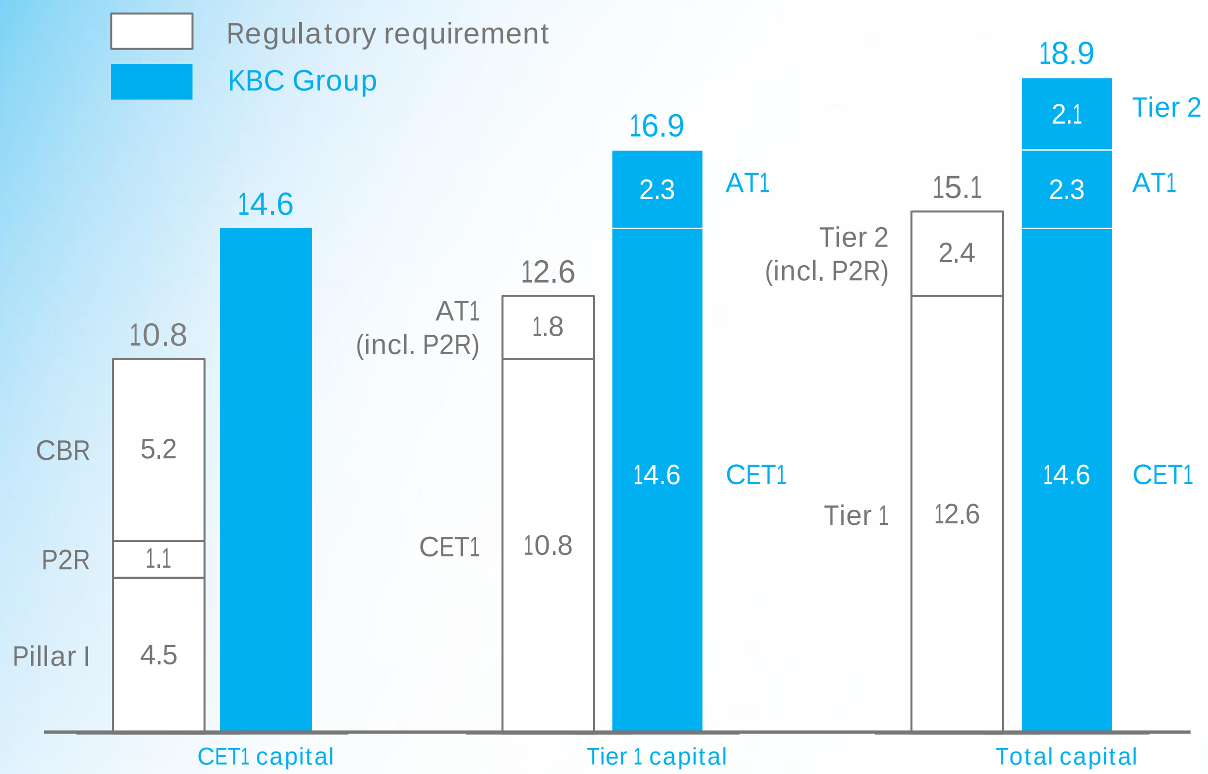
**** Includes asset quality, market risk, model changes, …

***** Delta with transitional RWAs is the phased-in B4 impact and the impact of the transitional rule regarding Standardised RW for EUR sovereign exposure issued by non-EUR EU countries

Strong capital position with substantial buffer to MDA

Capital requirements and distance to Maximum Distributable Amount (MDA) restrictions as at 30 June 2025 (fully loaded, B4)

in %



- P2R 1.83% (= Pillar II requirement)
  1.06% to be met with CET1, 33bps eligible for AT1 and 44bps for Tier 2
- CBR 5.26% (= Combined buffer requirement)
  2.50% Capital conservation buffer
  1.50% O-SII buffer
  1.15% Countercyclical buffer
  0.10% Systemic risk buffer
- OCR (10.8%) buffer 3.8%
- MDA buffer 3.8%
  lowest of the buffers between available and required (i) CET1 capital, (ii) Tier 1 capital and (iii) Total capital
- MDA 10.8%
  i.e. the net of the CET1 ratio (14.6%) and the MDA buffer (3.8%)

	CET1 capital	Tier 1 capital	Total capital
Distance to MDA restrictions	3.8%	4.2%	3.9%
	4,765m EUR	5,321m EUR	4,882m EUR

Leverage ratio, Solvency II ratio and liquidity ratios

Leverage ratio | KBC Group

fully loaded

Leverage ratio
5.6% 1H25
5.5% FY24

Q-o-q higher leverage ratio (from 5.4% to 5.6%) due mainly to higher AT1 capital and higher profit recognition

Liquidity ratios | KBC Group

in %

LCR
157% 1H25
158% FY24

NSFR
135% 1H25
139% FY24

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

Solvency II ratio | KBC Group

in %

Solvency II ratio
213% 1H25
200% FY24

Q-o-q higher Solvency II ratio due mainly to a steepening of the EUR interest rate curve and the 2Q25 IFRS P&L result, partly offset by the estimated dividend

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

Looking forward I Economic outlook

- Notwithstanding the US-EU tariff agreement of 27 July, uncertainty around economic policy and trade relations are likely to keep economic growth in the euro area subdued in the next few quarters. Meanwhile, the medium-term growth outlook has improved somewhat on the back of expected defence spending and infrastructure investments

- GDP growth in CEE is still substantially above Western-Europe. A crucial element in favor of CEE countries is the cost competitiveness within Europe. Therefore, **KBC's** geographical diversification remains supportive for **KBC's** growth

- Thanks to KBC's well-diversified loan book, focused on retail and SMEs, the potentially directly impacted sectors (including pharma & chemicals) by currently known US tariff increases is limited to roughly 7% of **KBC's** total granted loan portfolio

- KBC has very limited USD exposure

Our bank-insurance+ model is firing on all cylinders

Note: all growth figures are based on reported 2024 figures

	2025
Total income	at least +7.0% y-o-y
Net interest income*	at least 5.85bn EUR
Organic loan volume growth	*at least +6.5%*
Insurance revenues (before reinsurance)	at least +7% y-o-y
Operating expenses (excl. bank/insurance tax)	below +2.5% y-o-y *below FY24 growth excl. Ireland***
Combined ratio	below 91%
Credit cost ratio	well below TTC of 25-30bps

FY25 NII guidance increased from at least 5.7bn EUR to at least 5.85bn EUR, Organic loan volume growth increased from +4% to at least +6.5% y-o-y

FY25 Total income guidance increased from at least +5.5% to at least 7.0%, consequently Jaws guidance from at least +3% to +4.5%

Jaws of +4.5%

* Based on following assumptions: (i) market forward rates of early August, (ii) no speculation on potential measures of any government and (iii) conservative pass-through rates on savings accounts; Every 25bps rate deviation from the market forward rates (across all currencies) generates roughly 50m EUR NII variance on an annual basis
** FY24 growth excl. Ireland at +2.7% (OpEx excl. BIT for Ireland was 107m EUR in FY23 and 25m EUR in FY24)

Our bank-insurance+ model is firing on all cylinders

Note: all growth figures are based on reported 2024 figures

	2027
Total income	CAGR24-27 at least +6%
Net interest income*	CAGR24-27 at least +5%
Insurance revenues (before reinsurance)	CAGR24-27 at least +7%
Operating expenses (excl. bank/insurance tax)	CAGR24-27 below +3%
Combined ratio	below 91%
Credit cost ratio	well below TTC of 25-30bps

Jaws at least +3%

* Based on following assumptions: (i) market forward rates of early February, (ii) no speculation on potential measures of any government and (iii) conservative pass-through rates on savings accounts

Wrap-up

Excellent financial performance

net result
1,018m
2Q25
3415m
FY24

return on equity
15%*
YTD

combined ratio
85%
YTD

Outstanding solvency and liquidity

CET1 ratio
14.6%
3.8% buffer vs MDA

NSFR
135%
LCR
157%

SII ratio
213%

Kate convinces customers

5.7 million users in contact with Kate

414k converted Kate leads (during last 12 months)

KATE autonomy
71% BE
71% CZ

Franchise is growing

loan volumes
+7%
y-o-y

customer deposits
+6%
y-o-y

AM net inflows of direct client money
+1.5bn
2Q25

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

life sales
+6%
y-o-y

* Excluding one-offs

Supplemental information & disclosures

BU view (slide 23-36)

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

Annexes (slide 37-64)

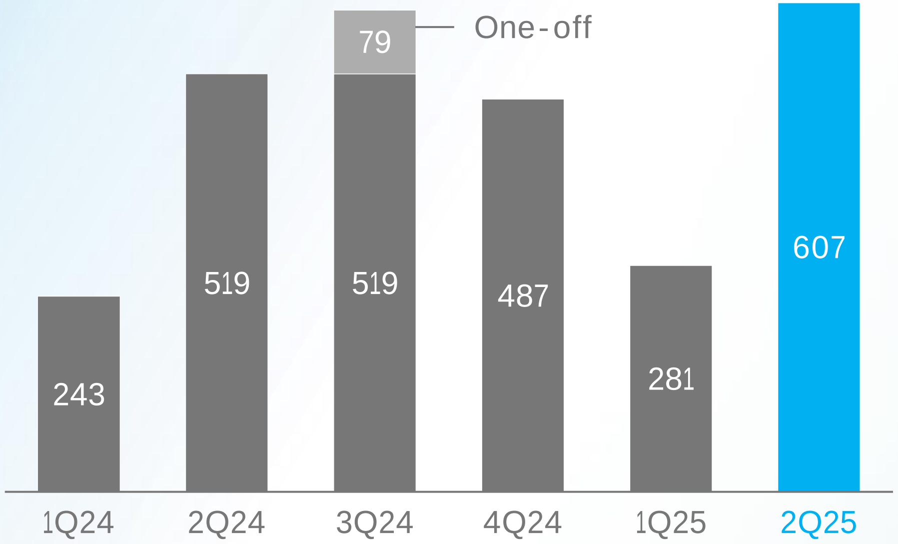
- Company profile
- KBC strategy
- Sustainability
- Asset quality
- MREL & funding

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

Belgium BU (1) | Net result

Net result

in m EUR



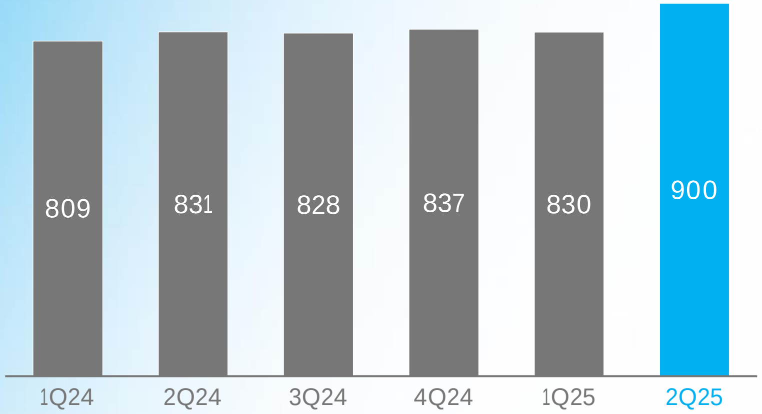
ROAC
1H25
19%
64% of
Allocated Capital

- The quarter was characterised by higher net interest income, lower net fee and commission income, lower sales of life and non-life insurance products, lower net result from financial instruments at fair value & IFIE, seasonally higher dividend income, higher net other income, lower operating expenses (due mainly to lower bank & insurance taxes), lower insurance service expenses after reinsurance and higher net impairment charges

Belgium BU (2) | Net interest income

Net interest income

in m EUR

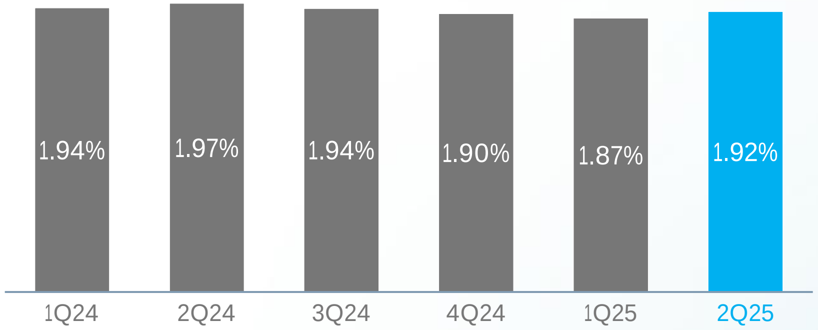


- Rose by 8% q-o-q, as
  - Higher commercial transformation result
  - Higher lending income (loan volume growth more than offset margin pressure on the outstanding loan portfolio)
  - Higher NII on inflation-linked bonds (+29m EUR q-o-q, from -5m EUR in 1Q25 to +24m EUR in 2Q25)
  - Higher dealing room NII
  - Higher number of days

  partly offset by
  - Lower short-term cash management
- +8% y-o-y as continued increasing reinvestment yields, higher lending income (loan volume growth more than offset margin pressure on the outstanding loan portfolio), lower costs on the minimum required reserves held with the central bank and higher dealing room NII were partly offset by lower NII on term deposits, lower short-term cash management and lower NII on inflation-linked bonds (-4m EUR y-o-y, from +27m EUR in 2Q24 to +24m EUR in 2Q25)

Net interest margin

in %



- Increased by 4 bps q-o-q and decreased by 6 bps y-o-y for the reasons mentioned on net interest income and an increase in the interest-bearing assets (denominator), both q-o-q and y-o-y

Organic volume trend

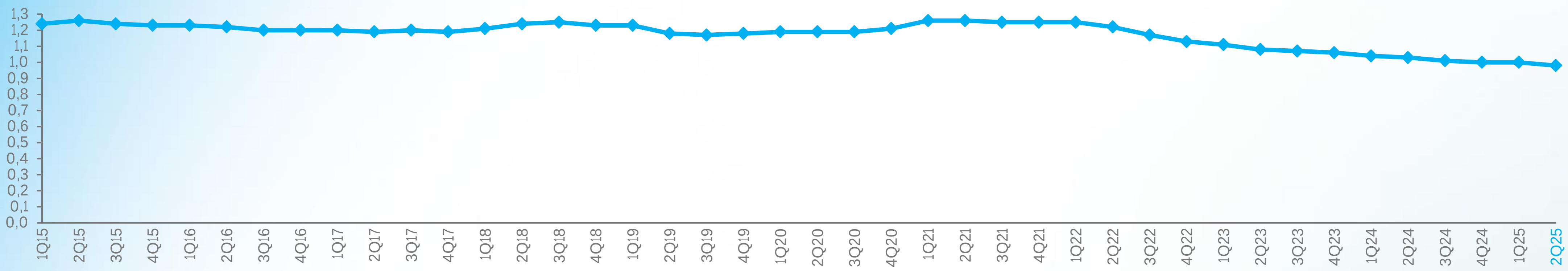
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	129bn	47bn	151bn
Growth q-o-q*	+2%	+1%	+3%
Growth y-o-y	+6%	+4%	+8%

* Non-annualised
** Loans to customers, excluding reverse repos (and bonds).
*** Customer deposits, excluding debt certificates and repos, but including customer savings certificates.
Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), customer deposits rose by 2% q-o-q and by 10% y-o-y
Growth figures are excluding FX, consolidation adjustments and reclassifications

Belgium BU (3) | Credit margins in Belgium

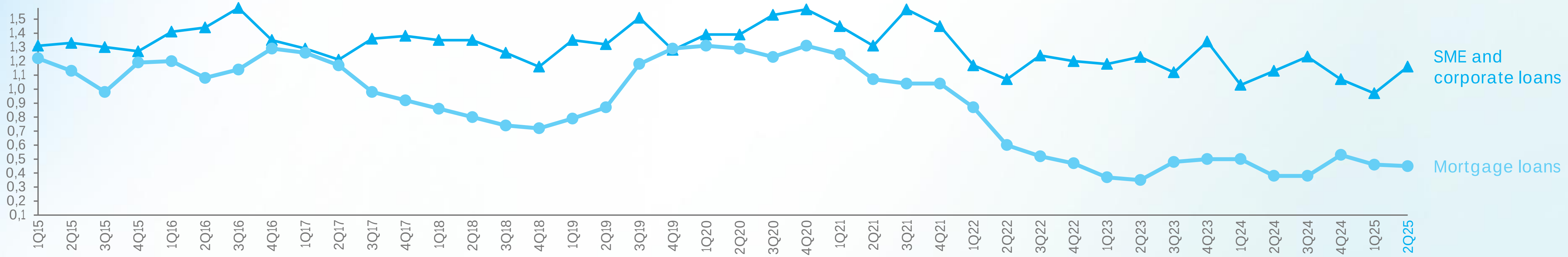
Product spread on customer loan book | Outstanding

in %



Product spread | New production

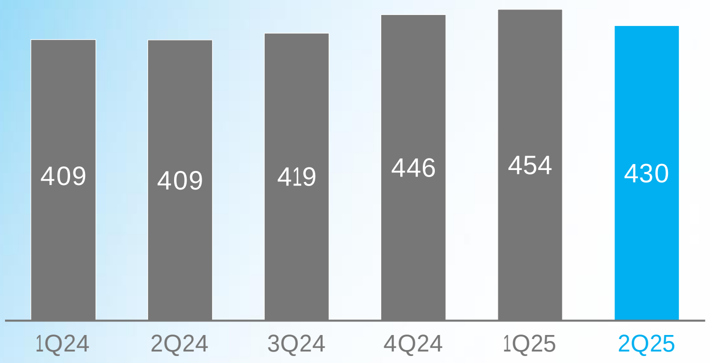
in %



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

Net fee & commission income

in m EUR



- The 5% lower q-o-q net F&C income was mainly the result of lower management fees (lower average asset base), seasonally lower entry fees, lower network income and lower securities-related fees
- The 5% higher y-o-y net F&C income was driven chiefly by higher management & entry fees, higher securities-related fees, higher network income, higher payment-related fees and higher fees from credit files & bank guarantees partly offset by higher distribution fees paid for mutual funds

Assets under management

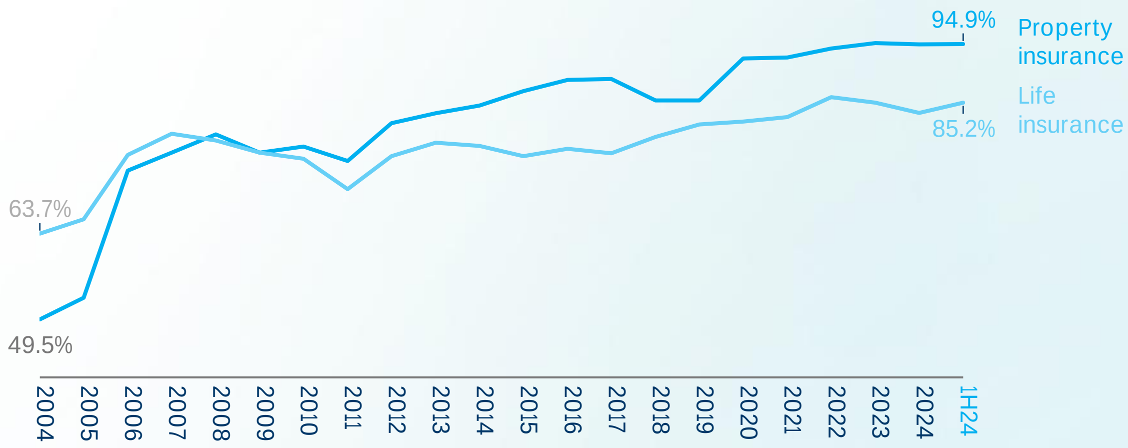
- 248bn EUR
- Increased by 3% q-o-q due to net inflows (+1%) and positive market performance (+2%)
- Increased by 6% y-o-y due to net inflows (+4%) and positive market performance (+3%)

Insurance

- Insurance sales: 899m EUR
  - Non-life sales (386m EUR) +5% y-o-y, due to premium growth in all classes, due to a combination of volume and tariff increases
  - Life sales (513m EUR) fell by 43% q-o-q and rose by 4% y-o-y
    - The q-o-q decrease was due mainly to lower sales of unit-linked products (as the result of a successful launch of structured emissions in 1Q25) and lower sales of guaranteed-interest products (attributable chiefly to traditionally higher volumes in tax-incentivised pension savings products in 1Q and 4Q)
    - The y-o-y increase was driven by higher sales of guaranteed-interest products and hybrid products, partly offset by lower sales of unit-linked products
- Combined ratio amounted to an excellent 86% in 1H25 (86% in 1H24)

Mortgage-related cross-selling ratios

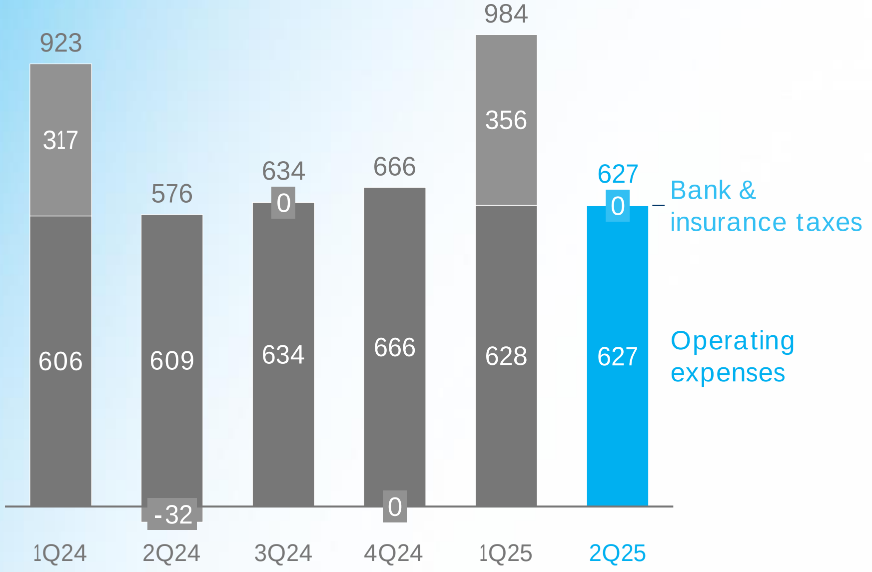
in %



Belgium BU (5) | Opex & impairments

Operating expenses

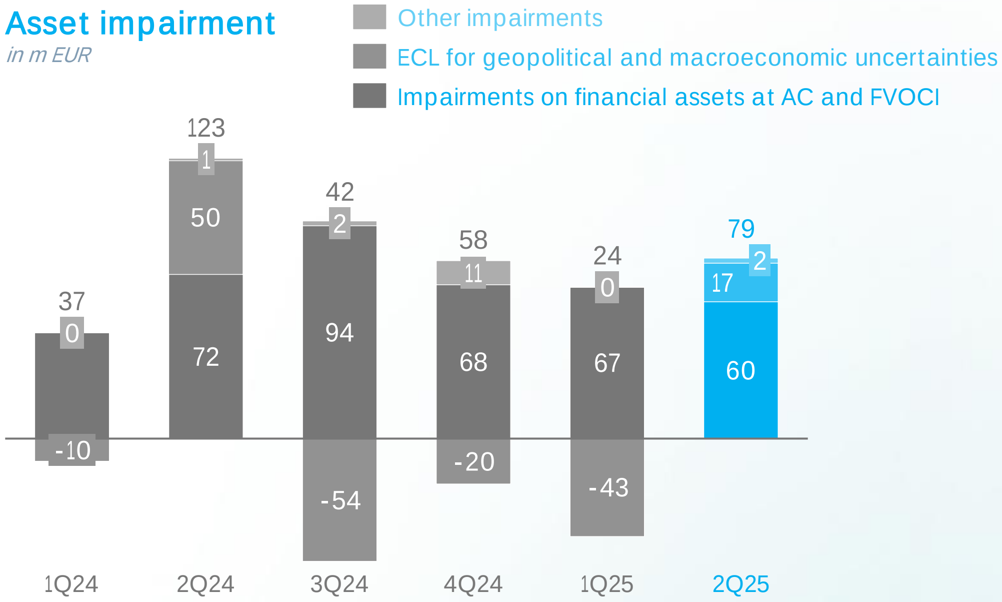
in m EUR



- Opex (including costs directly attributable to insurance, but excluding bank & insurance taxes): stable q-o-q and +3% y-o-y
- Stable q-o-q as seasonally higher marketing expenses and professional fee expenses, higher staff costs and higher facility costs were offset by various smaller items
- +3% y-o-y due chiefly to higher staff costs, higher ICT costs and higher facility costs, partly offset by lower marketing costs
- Cost/income ratio adjusted for specific items: 43% in 1H25 (44% in FY24)

Asset impairment

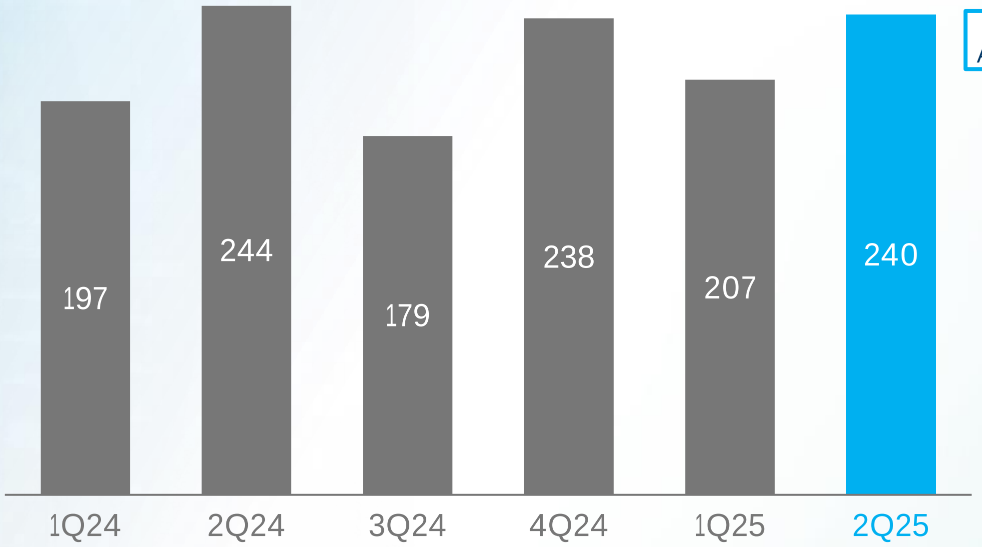
in m EUR



- Net loan loss impairment charges of 77m EUR in 2Q25 (compared with 24m EUR in 1Q25) due to 60m EUR net loan loss impairment charges on lending book (versus 67m EUR in 1Q25) and a 17m EUR net impairment charge for geopolitical & macroeconomic uncertainties (versus a 43m release in 1Q25). Credit cost ratio amounted to 14 bps in 1H25 (19 bps in FY24)
- 2m EUR impairment on 'other' (mainly software)
- Impaired loans ratio amounted to 1.9%, 0.9% of which over 90 days past due

Czech Republic BU (1) | Net result

Net result
in m EUR



ROAC
1H25
37%

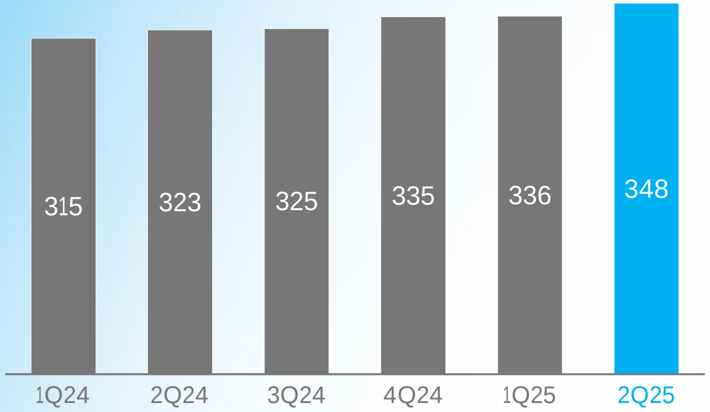
16% of
Allocated Capital

- The quarter was characterised by higher net interest income, lower net fee & commission income, higher sales of non-life and life insurance products, higher net result from financial instruments at fair value & IFIE, lower costs (due entirely to lower bank & insurance taxes), higher insurance service expenses after reinsurance and lower net loan loss impairment charges

Czech Republic BU (2) | Net interest income

Net interest income

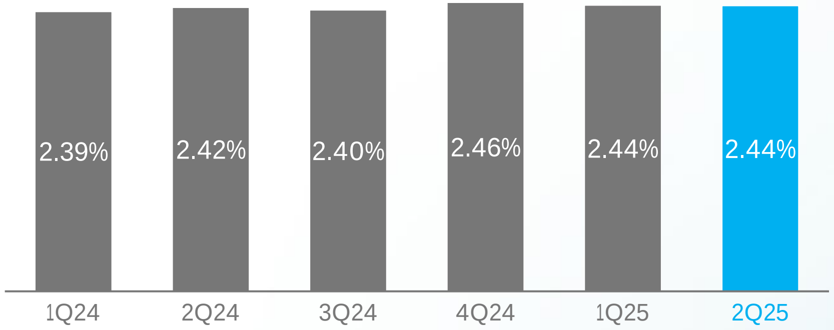
in m EUR



- +3% q-o-q and +7% y-o-y (both excl. FX effect)
- Q-o-q increase as higher commercial transformation result and higher lending income (mainly driven by higher loan volumes) were partly offset by higher costs on the minimum required reserves held with the central bank and higher funding costs
- Y-o-y increase, as much higher commercial transformation result and higher lending income were only partly offset by higher funding costs, lower ALM result and higher costs on the minimum required reserves held with the central bank

Net interest margin

in %



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

Organic volume trend

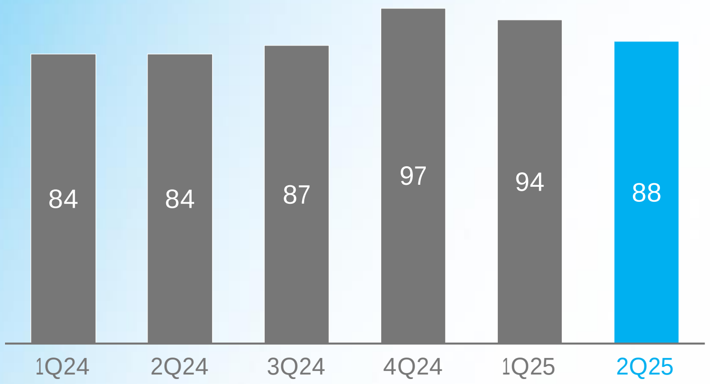
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	42bn	21bn	52bn
Growth q-o-q*	+2%	+2%	0%
Growth y-o-y	+9%	+6%	+2%

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

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

Net fee & commission income

in m EUR



- The 7% lower q-o-q net F&C income excl. FX effect was mainly the result of lower management & entry fees, lower payment-related fees and higher commissions paid linked to banking products, partly offset by higher network income fees and higher distribution fees received for mutual funds
- The 4% higher y-o-y net F&C income excl. FX effect was driven chiefly by higher distribution fees received for mutual funds, higher securities-related fees, higher fees from payment services and lower client incentives, partly offset by higher commissions paid linked to banking products and lower entry fees

Assets under management

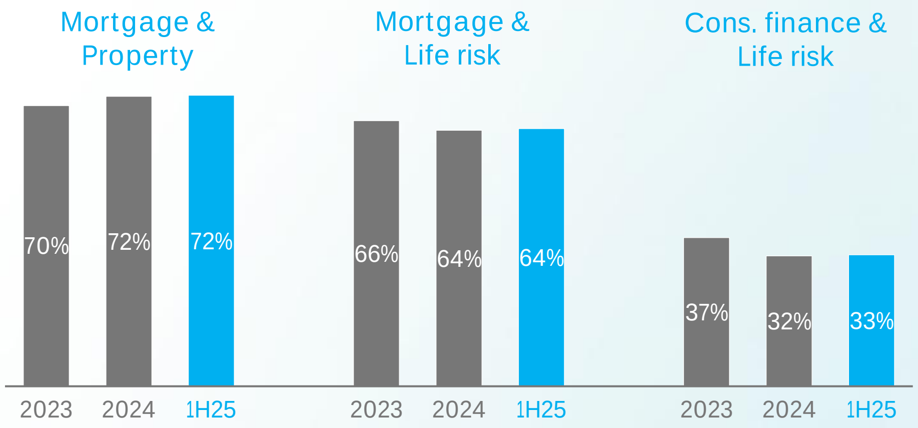
- 20.7bn EUR
- +5% q-o-q due to net inflows (+2%) and positive market performance (+2%)
- +13% y-o-y due to net inflows (+9%) and positive market performance (+4%)

Insurance

- Insurance sales: 214m EUR
  - Non-life sales (150m EUR) +15% y-o-y excl. FX, due to premium and volume growth in almost all classes
  - Life sales (64m EUR) increased by 14% q-o-q and by 27% y-o-y (excl. FX). The q-o-q and y-o-y increase were both driven mainly by higher sales of hybrid products
- An excellent combined ratio of 83% in 1H25 (80% in 1H24)

Mortgage-related cross-selling ratios*

in %

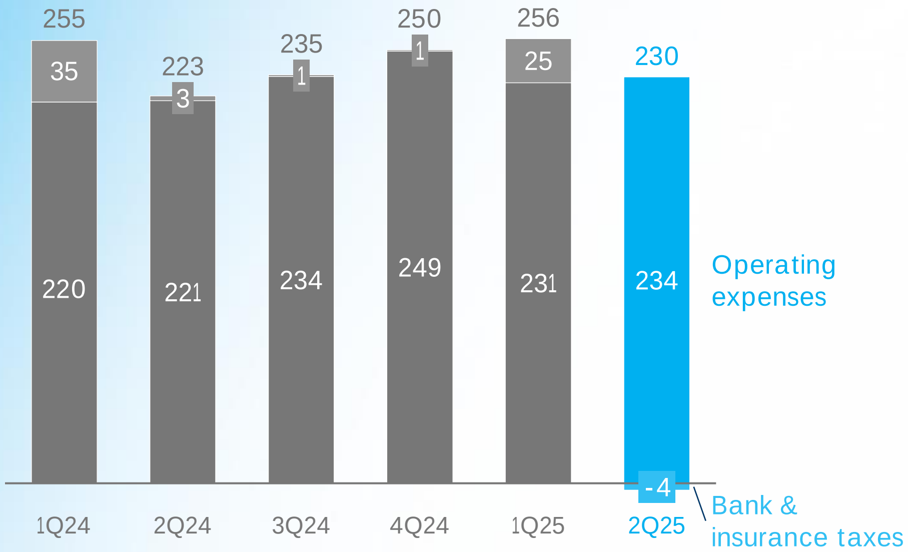


* Restated numbers due to methodology change: external broker channels are excluded

Czech Republic BU (4) | Opex & impairments

Operating expenses

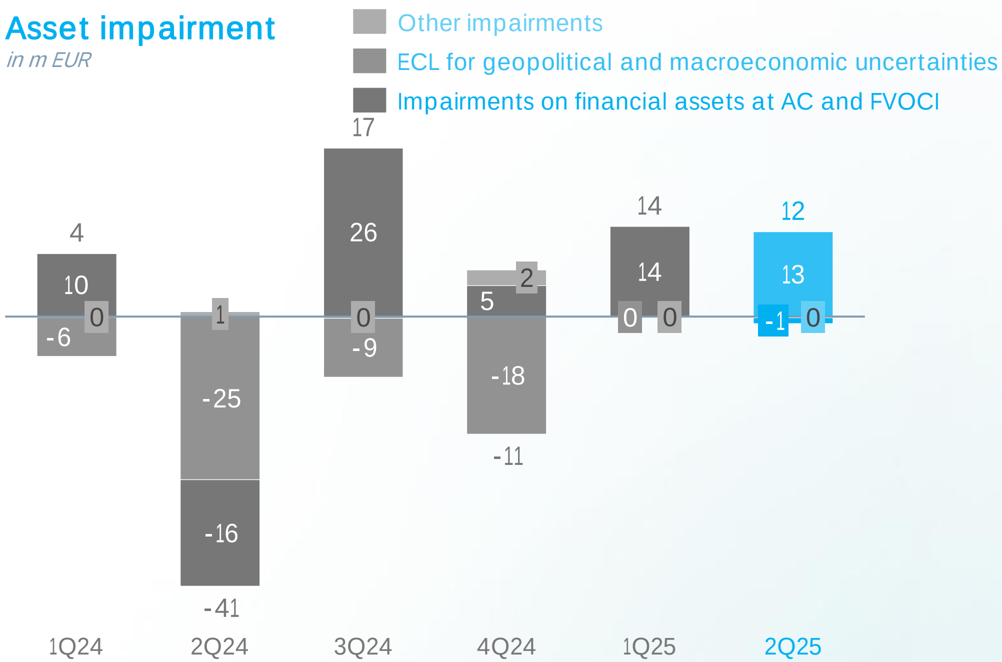
in m EUR



- Opex (incl. costs directly attributable to insurance and excl. bank & insurance taxes): +1% q-o-q and +6% y-o-y, excl. FX effect
- Q-o-q increase was due mainly to higher distribution expenses and higher staff costs, partly offset by lower ICT costs and lower professional fee expenses
- Y-o-y increase was chiefly the result of higher staff costs, higher ICT costs, higher marketing costs and higher distribution expenses, partly offset by lower professional fee expenses
- Adjusted for specific items, C/I ratio amounted to roughly 42% in 1H25 (45% in FY24)

Asset impairment

in m EUR

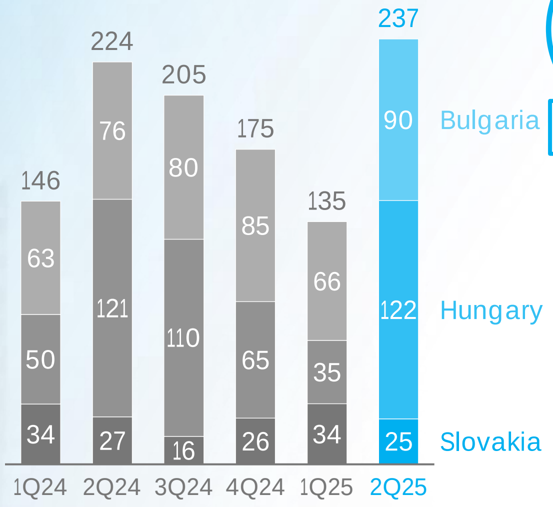


- Net loan loss impairment charges of 12m EUR in 2Q25 (compared with 14m EUR in 1Q25) due entirely to a 13m EUR net impairment charge for geopolitical & macroeconomic uncertainties (versus 0m EUR in 1Q25), partly offset by a 1m EUR net loan loss impairment reversal on lending book (versus a 14m EUR net loan loss impairment charge on lending book in 1Q25)
- Credit cost ratio amounted to 0.12% in 1H25 (-0.09% in FY24)
- Impaired loans ratio amounted to 1.3%, 0.8% of which over 90 days past due

International markets BU (1) | Highlights

Net result

in m EUR



ROAC 1H25 27%

19% of Allocated Capital

Highlights (q-o-q)

- Higher net interest income. NIM of 3.01% in 2Q25 (-12 bps q-o-q and -26 bps y-o-y)
- Higher net fee and commission income
- Higher FIFV & IFIE result and higher net other income
- Lower non-life insurance sales and higher life insurance sales
- A combined ratio of 89% in 1H25 (100% in 1H24). Excluding the significant windfall tax on insurance in Hungary, the combined ratio amounted to 85% in 1H25 (92% in 1H24)
- Lower operating expenses (including directly attributable costs to insurance) due entirely to lower bank & insurance taxes
- Higher net impairment charges

Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	32bn	13bn	33bn
Growth q-o-q*	+3%	+4%	+1%
Growth y-o-y	+11%	+12%	+4%

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

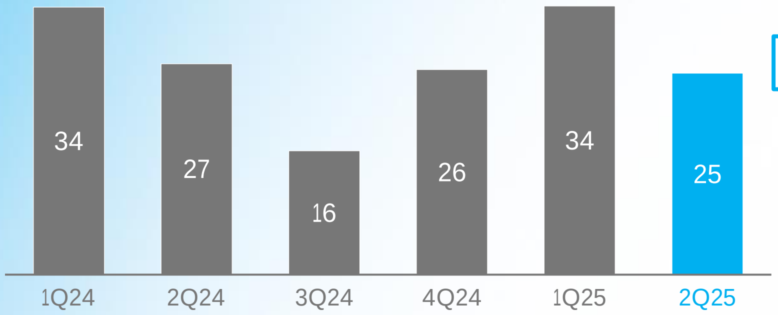
Assets under management

- 11.5bn EUR (+4% q-o-q and +16% y-o-y)

International markets BU (2) | Slovakia

Net result

in m EUR



ROAC 1H25
14%
6% of Allocated Capital

Highlights (q-o-q)

- Lower net interest income due mainly to higher funding costs
- Higher net fee & commission income driven mainly by securities-related fees
- Lower non-life insurance sales and higher life insurance sales
- An improvement of the combined ratio (from 120% in 1H24 to 94% in 1H25) as higher MTPL claims (due to inflation) were offset by higher tariffs, next to a very positive claims evolution in SME
- Higher operating expenses excluding bank & insurance taxes due mainly to higher staff costs
- 10m EUR net impairment charges in 2Q25 (2m EUR impairment releases in 1Q25) due to 3m EUR net loan loss impairment charges on lending book and a 7m EUR net impairment charge for geopolitical & macroeconomic uncertainties. Credit cost ratio of 0.12% in 1H25 (-0.14% in FY24)
- 1m EUR impairment on ‘other’ (software)

Volume trend

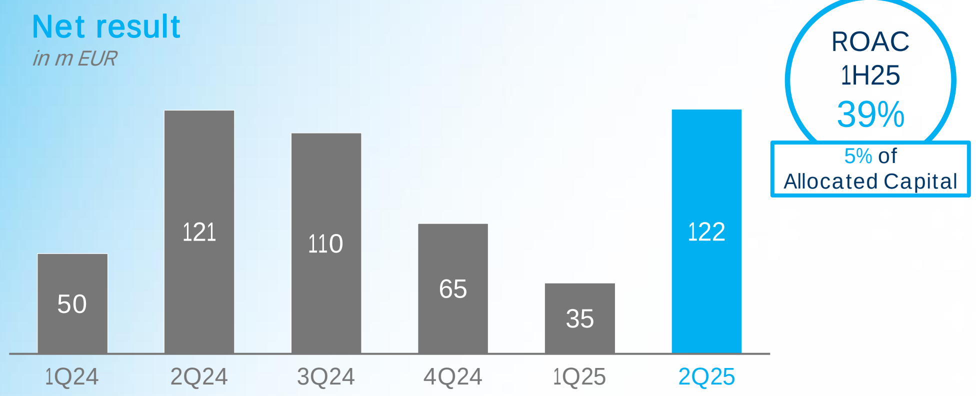
- Total customer loans rose by 2% q-o-q and by 7% y-o-y (the latter due mainly to good growth in all segments, except SMEs)
- Total customer deposits rose by 1% q-o-q and fell by 2% y-o-y (both due mainly to the corporate segment)

Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	12bn	7bn	9bn
Growth q-o-q*	+2%	+3%	+1%
Growth y-o-y	+7%	+7%	-2%

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

International markets BU (3) | Hungary



Highlights (q-o-q)

- Higher net interest income excluding FX effect due mainly to higher commercial transformation result and higher ALM result, partly offset by lower lending income
- Higher net fee and commission income driven mainly by higher fees from payment services and lower commissions paid linked to banking products
- Higher FIFV & IFIE result (due mainly to higher dealing room result)
- Lower non-life and life insurance sales
- A combined ratio of 94% in 1H25 (109% in 1H24) due mainly to windfall tax on insurance. Excluding this windfall tax, the combined ratio amounted to 84% in 1H25 (90% in 1H24)
- Lower operating expenses due entirely to lower bank & insurance taxes. Operating expenses excluding FX effect and bank & insurance taxes rose by 4% q-o-q due mainly to higher staff costs and higher ICT costs, partly offset by lower depreciations

- 3m EUR net loan loss impairment charges in 2Q25 (versus 0m EUR in 1Q25) due to a 2m EUR net impairment charge for geopolitical & macroeconomic uncertainties and 1m EUR net loan loss impairment charges on lending book. Credit cost ratio of 0.09% in 1H25 (-0.27% in FY24)
- 5m EUR impairment on 'other' due mainly to 4m EUR modification losses (related to the extension of the interest cap regulation in Hungary until year-end 2025)

Volume trend

- Total customer loans rose by:
  - +4% q-o-q driven by growth in all segments
  - +9% y-o-y, due to growth in all segments, except SMEs
- Total customer deposits evolved by:
  - -2% q-o-q driven by lower corporate & SME deposits
  - +6% y-o-y due to growth in retail and SME deposits

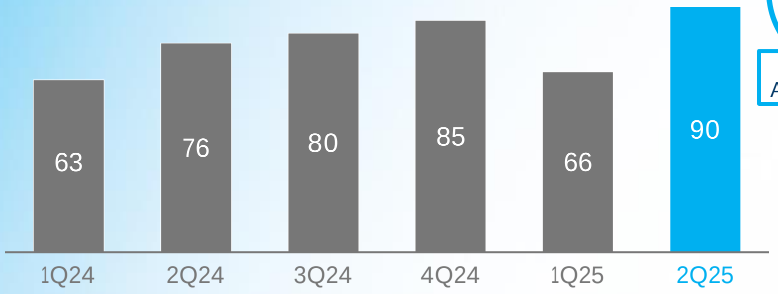
Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	7bn	2bn	10bn
Growth q-o-q*	+4%	+3%	-2%
Growth y-o-y	+9%	+12%	+6%

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

International markets BU (4) | Bulgaria

Net result
in m EUR



ROAC 1H25
28%
8% of Allocated Capital

Volume trend

- Total customer loans rose by 3% q-o-q and by 16% y-o-y due to growth in all segments (except for corporate loans q-o-q)
- Total customer deposits rose by 3% q-o-q and by 7% y-o-y due to growth in all segments

Highlights (q-o-q)

- Higher net interest income due mainly to higher ALM result and lower costs on the minimum required reserves held with the central bank
- Higher net fee and commission income driven mainly by higher management fees, higher payment-related fees and higher network income fees
- Higher non-life and life insurance sales
- An excellent combined ratio of 83% in 1H25 (83% in 1H24)
- Lower operating expenses due entirely to lower bank & insurance taxes. Excluding bank & insurance taxes, operating expenses increased due mainly to higher staff costs
- 15m EUR net loan loss impairment charges (versus 6m EUR in 1Q25), of which a 1m EUR net impairment charge for geopolitical & macroeconomic uncertainties and 13m EUR net loan loss impairment charges on lending book. Credit cost ratio of 0.33% in 1H25 (0.14% in FY24)

Organic volume trend

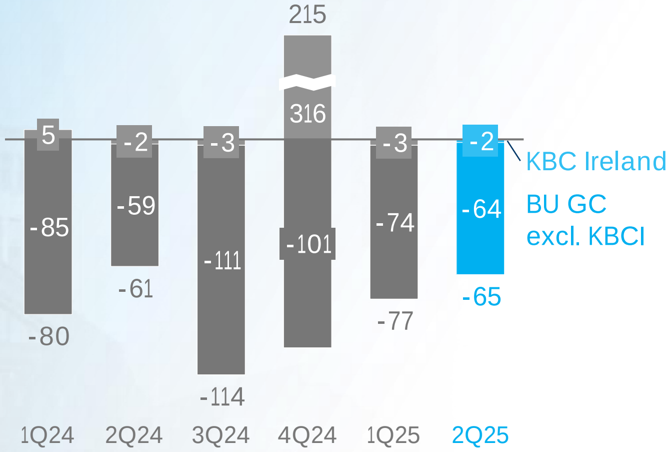
	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	12bn	3bn	14bn
Growth q-o-q*	+3%	+7%	+3%
Growth y-o-y	+16%	+27%	+7%

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

Group Centre BU | Highlights

Net result

in m EUR



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

Highlights (q-o-q), excluding Ireland

- Excluding KBC Bank Ireland, the q-o-q less negative result of Group Centre was attributable mainly to:
  - Higher FIFV & IFIE result
  - Higher net interest income

  partly offset by
  - Higher operating expenses excluding bank & insurance taxes
  - Lower net other income

Company profile | KBC Group in a nutshell (1)

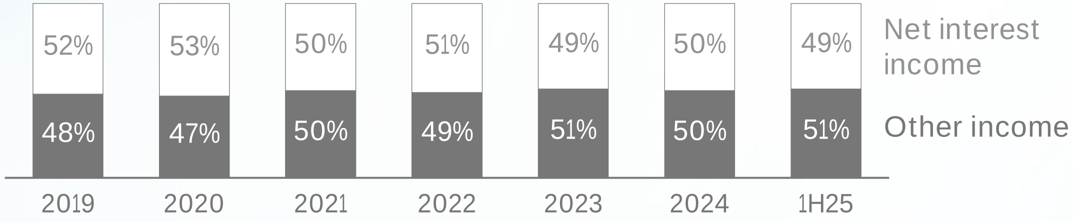
Diversified and strong business performance

- **geographically …**
  - Mature markets (BE, CZ) combined with growth markets (SK, HU, BG)
  - Robust market position in all key markets & strong trends in loan and deposit growth

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

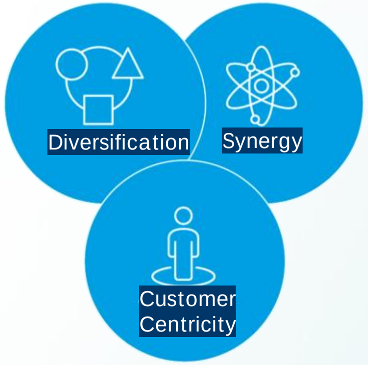
KBC Group topline diversification

in %



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

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



Firmly embedded sustainability strategy

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

Company profile | KBC Group in a nutshell (2)

High profitability (IFRS 17 figures)

C/I ratio*
47% FY24
45% 1H25

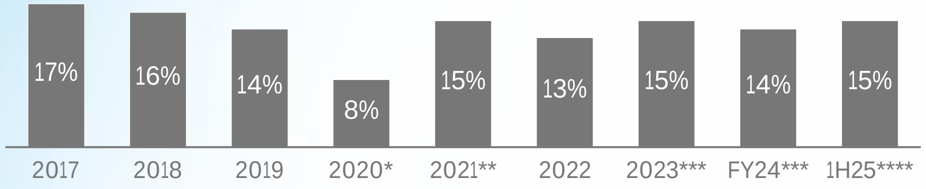
combined ratio
90% FY24
85% 1H25

net result
3,415m FY24
1,564m 1H25

* Adjusted for specific items

Return on Equity

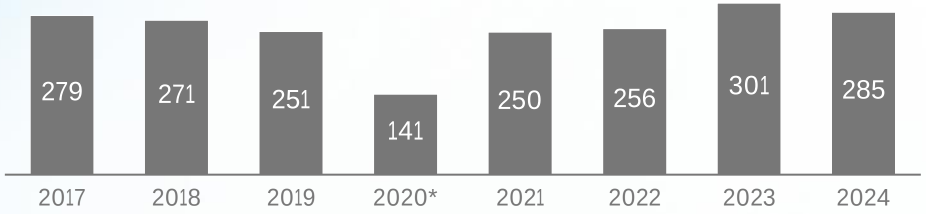
in %



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

CET1 generation before any capital deployment

in bps

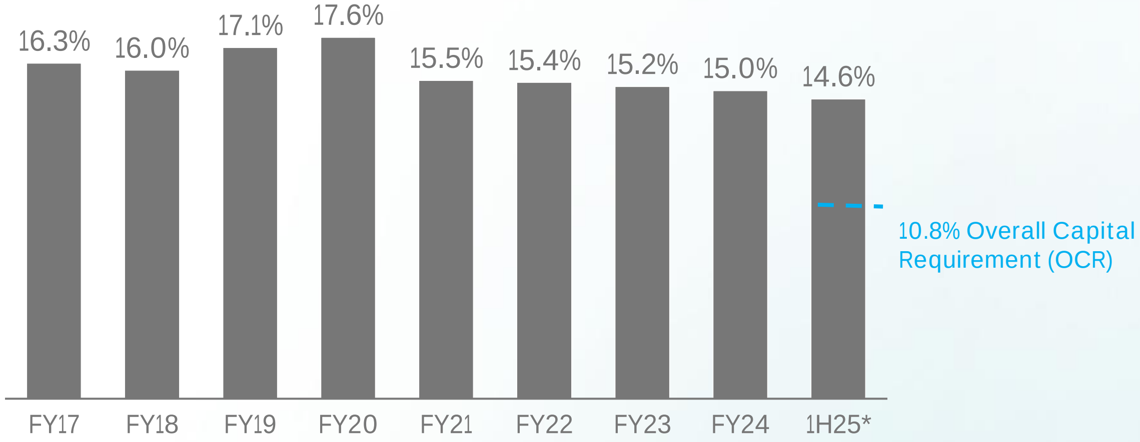


* 202bps when adjusted for the collective Covid-19 impairments

Solid capital position

CET 1 ratio (fully loaded, Danish compromise)

in %



* As of 2025, unfloored fully loaded CET1 ratio under Basel 4

Robust liquidity

NSFR
139% FY24
135% 1H25

LCR
158% FY24
157% 1H25

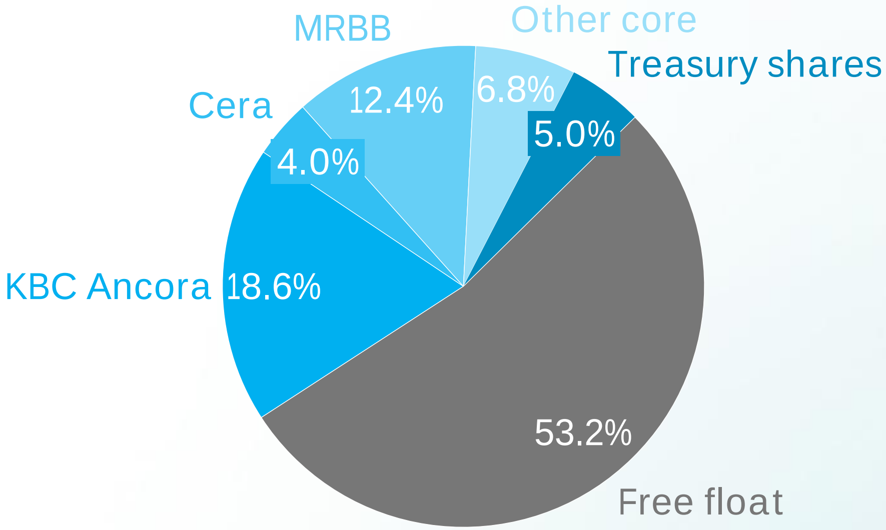
Company profile | KBC Group in a nutshell (3)

Dividend policy & capital distribution

The Board of Directors decided:

- the dividend policy as from 2025:
  - A payout ratio (including AT1 coupon) between 50%-65% of consolidated profit of the accounting year.
  - An interim dividend of 1 EUR per share in November of each accounting year as an advance on the total dividend
- the capital deployment policy as from 2025:
  - KBC aims to be amongst the better capitalised financial institutions in Europe
  - Each year (when announcing the full year results), the Board of Directors will take a decision, at its discretion, on the capital deployment. The focus will predominantly be on further organic growth and M&A
  - KBC sees a 13% unfloored fully loaded CET1 ratio (*) as the minimum
  - KBC will fill up the AT1 and Tier 2 buckets within P2R and will start using SRTs (as part of RWA optimisation program)

Shareholder structure
(as at end 2Q25)



- Roughly 42% of KBC shares are owned by a syndicate of core shareholders, providing continuity to pursue long-term strategic goals. Committed shareholders include the Cera/KBC Ancora Group (co-operative investment company), the Belgian farmers' association (MRBB) and a group of Belgian industrialist families
- The free float is held mainly by a large variety of international institutional investors

(*) fully loaded Basel 4 CET1 ratio excluding output floor impact

KBC will acquire 365.bank in Slovakia (as announced together with the 1Q25 results in May)

365 bank

KBC has agreed to acquire (in cash) 98.45% of 365.bank in Slovakia, based on a total value for 365.bank of 761m EUR

Indisputable strategic rationale

- Enhancing the footprint in Slovakia by strengthening the operating size in the market and reaching a 16% market share (total assets), closing the gap with the top 3 competitors
- In line with KBC's strategy to achieve reference positions in its core markets, the increase in critical market mass and the complementary business mix of 365.bank and ČSOB SK will allow KBC to further benefit from cross-selling potential
- KBC will particularly strengthen its reach in retail banking as well as benefit from access to the unique client base and distribution network of 365.bank (and exclusive partnership with Slovak Post)

Strong financial rationale

- EPS accretive from year 1 onwards
- Purchase price represents a 1.4x Book Value[1] and 9.4x P/E[2] multiple
- Leveraging on the combined entity, the cross-selling potential and KBC's expertise:
    - Synergies (incl. integration and restructuring costs) will quickly increase to at least 75m EUR as of 2028 onwards (pre-tax)
    - Return on investment is estimated at 16%, while the RoE of the pro-forma combined Slovakian entity is uplifted to roughly 15% (both by 2028, i.e. after a two-year integration period), substantially above the cost of equity
- Estimated capital impact on KBC Group's unfloored fully loaded CET1 ratio will be limited to approximately -50bps upon closing
- This transaction is fully in line with the updated capital deployment plan as from 2025, with focus predominantly on further organic growth and M&A
- The transaction is subject to relevant regulatory and anti-trust approvals and expected to close by the end of this year

Notes: [1] based on the equity position of 365.bank at year-end 2024; [2] based on the average 2022-2024 net profit of 365.bank

Company profile | Well-defined core markets

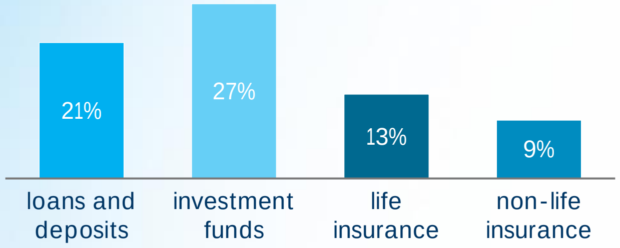
Belgium BU

63% of assets
4.0m clients
427 branches

129bn EUR loans

151bn EUR deposits

Market share
in %, end 2024



GDP growth
in %, KBC Economics

105% debt-to-GDP ratio

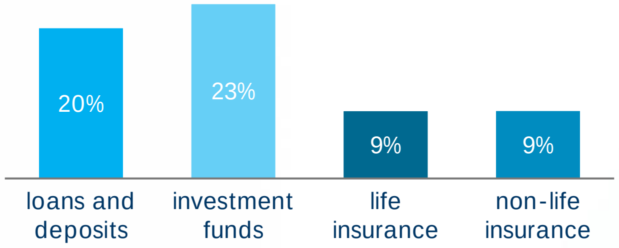
Czech Republic BU

23% of assets
4.3m clients
197 branches

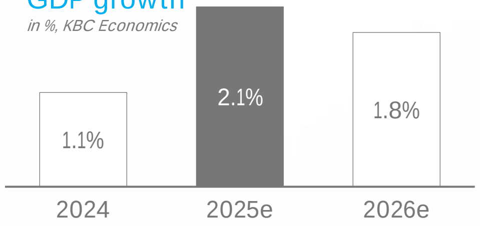
42bn EUR loans

52bn EUR deposits

Market share
in %, end 2024



GDP growth
in %, KBC Economics



44% debt-to-GDP ratio

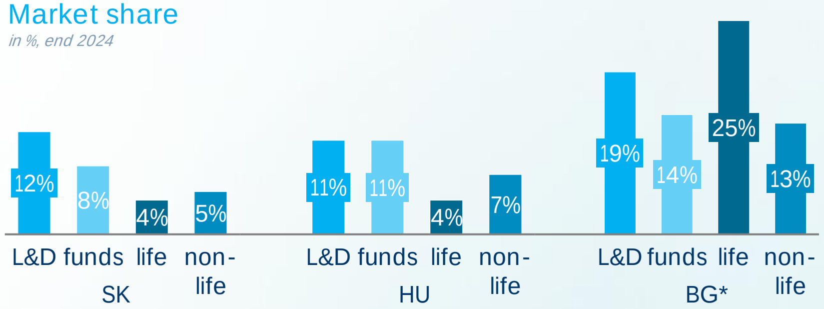
International Markets BU

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

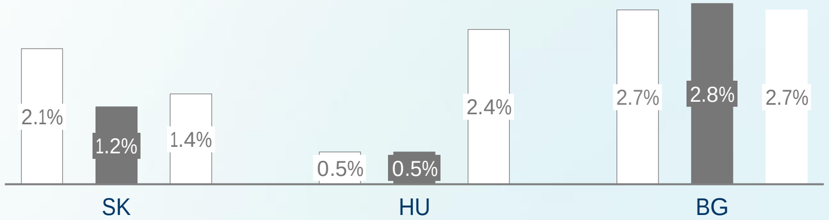
HU
4% of assets
1.7m clients
193 branches
7bn EUR loans
10bn EUR deposits

BG
5% of assets
2.2m clients
174 branches
12bn EUR loans
14bn EUR deposits

Market share
in %, end 2024



GDP growth
in %, KBC Economics

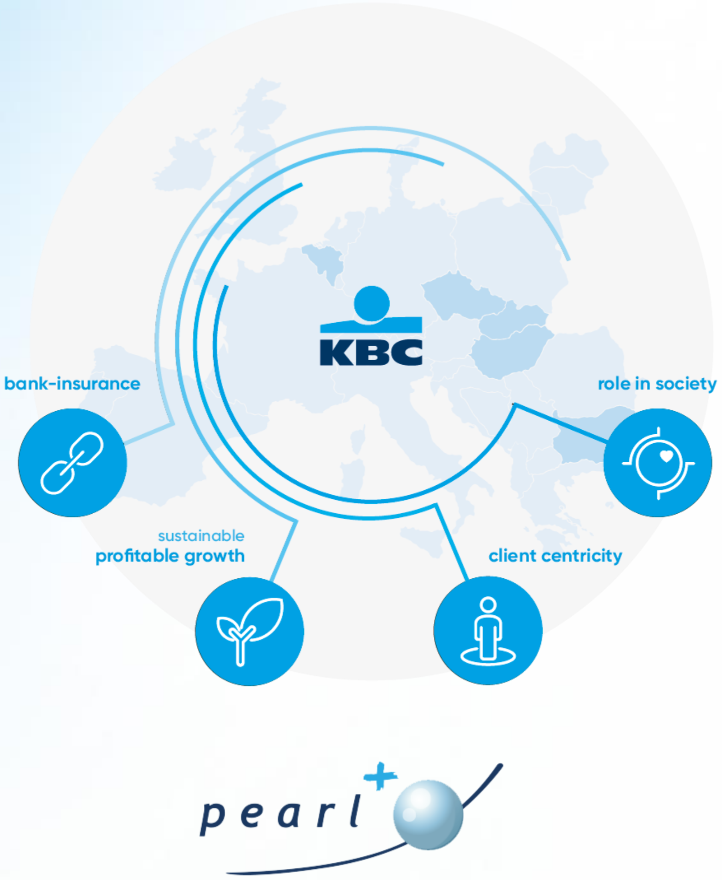


59% debt/GDP

74% debt/GDP

24% debt/GDP

Strategy | S.T.E.M.: the ecosphere

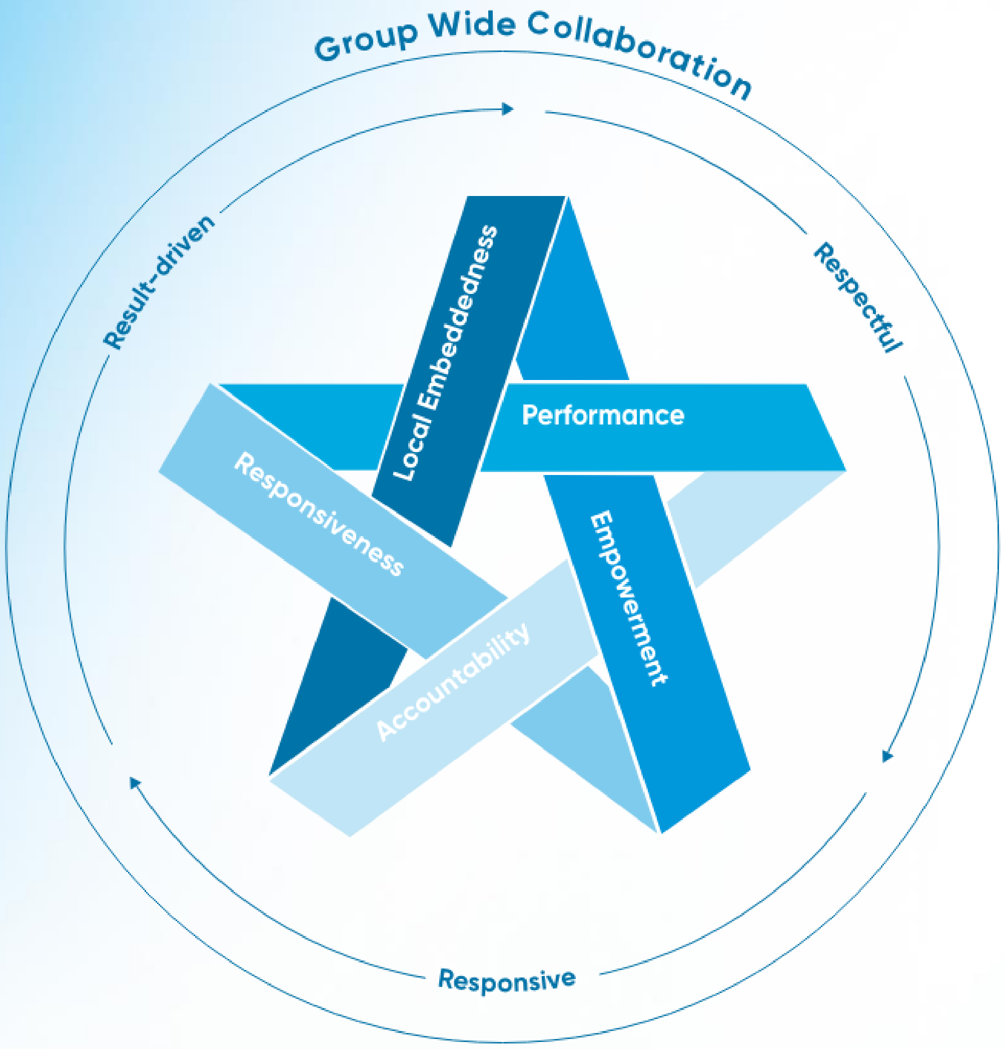


Our strategy rests on the following principles:

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

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

Strategy | Powered by PEARL

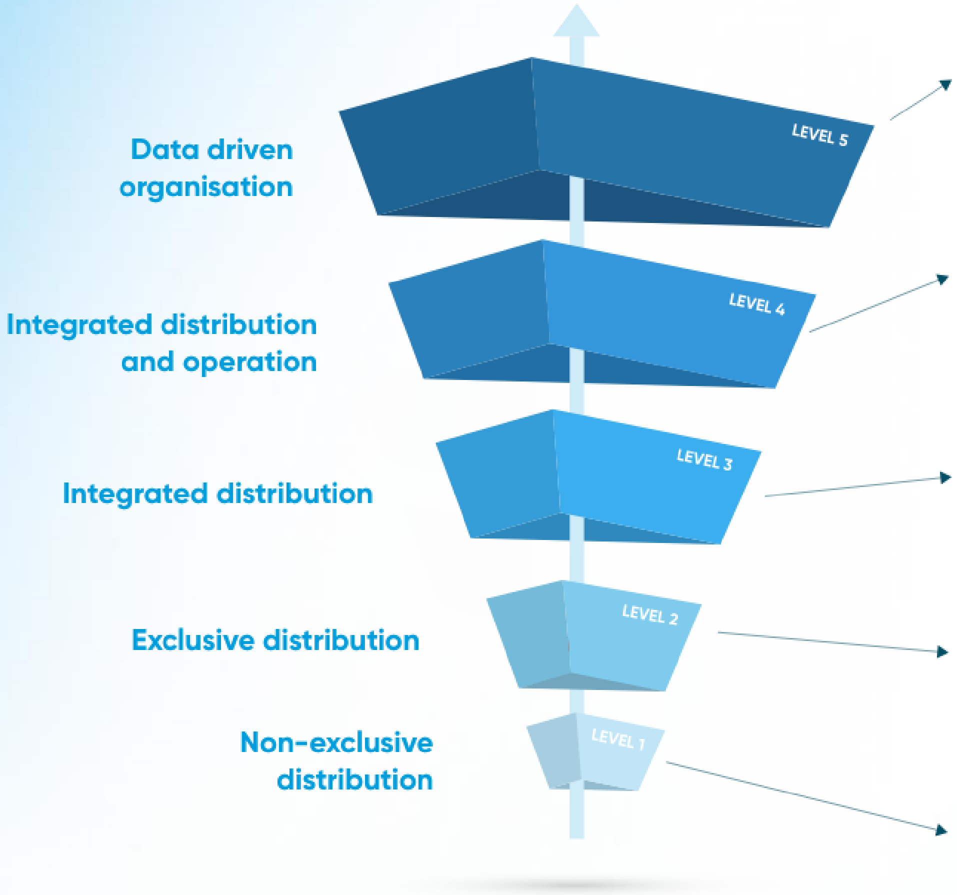


'Why would you build exactly the same thing in your country, when you have the solution **next door?'**

Johan Thijs

Strategy | Bank-insurance+

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



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

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

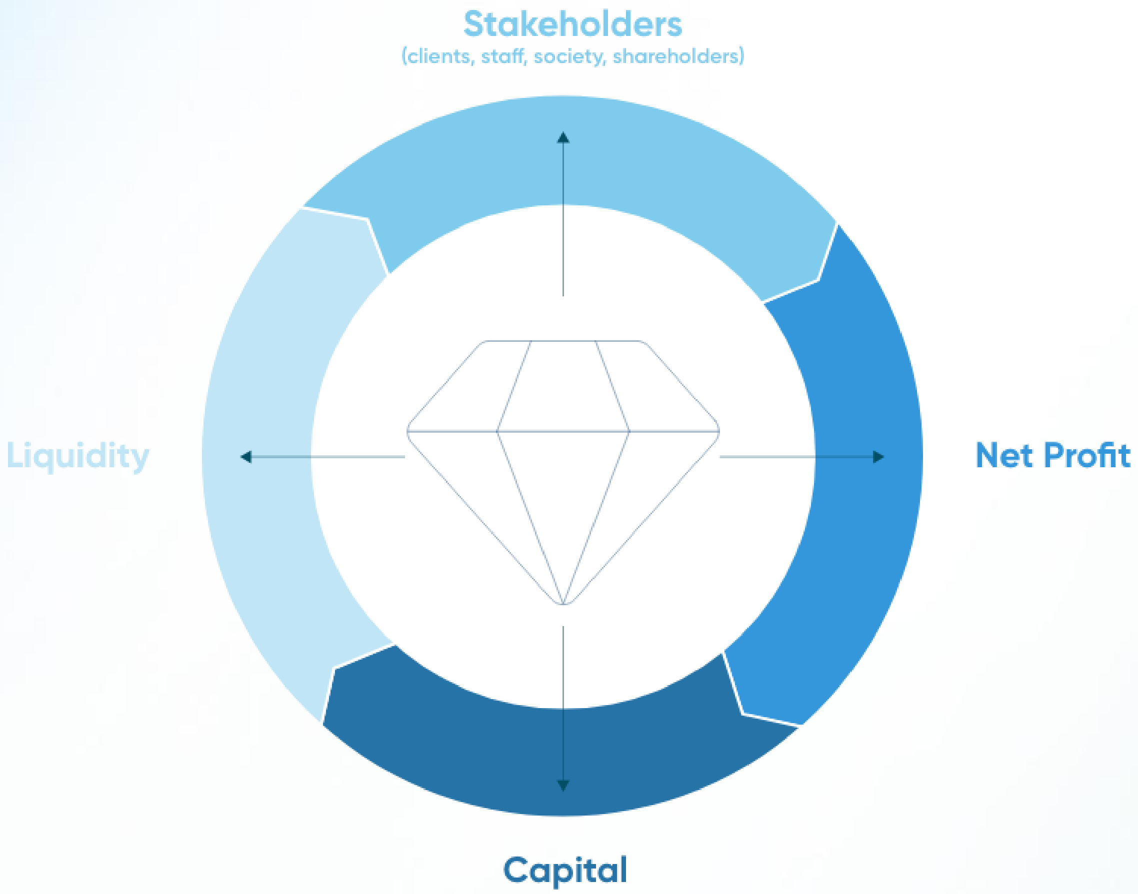
Acting as a single operational company: bank and insurance company working under unified governance, realizing commercial synergies

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

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

Strategy | The KBC performance diamond

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



Kate | KBC's hyper personalised and trusted digital assistant

Personalised & data driven

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

Digital first & E2E

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

Relevant & valuable offer

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

Serving: secure & frictionless

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

At the right time

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

Volume

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

'No hassle, no friction, zero delay'

Johan Thijs

Kate | Four flavours, one Kate

Kate4Retail & mSME

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

Kate is available in all KBC's core countries!

KATE autonomy

71% BE
71% CZ

5.7 million users in contact with Kate

Kate4Business

Kate also engages with our SME and corporate clients and provides them relevant support and actionable insights.

Already available in BE, CZ and BG. Further roll-out planned in SK and HU.

Kate Group Platform

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

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

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

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

'KATE IN A BOX' delivered to all core countries

Kate4Commercial Employees

Kate also has an impact on our employees: Kate provides commercial steering towards our workforce, she augments them to better serve our clients and supports them in their administrative tasks.

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

Kate gives tools to management to better coach employees and plan ahead.

414k converted Kate leads (1y)

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

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

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

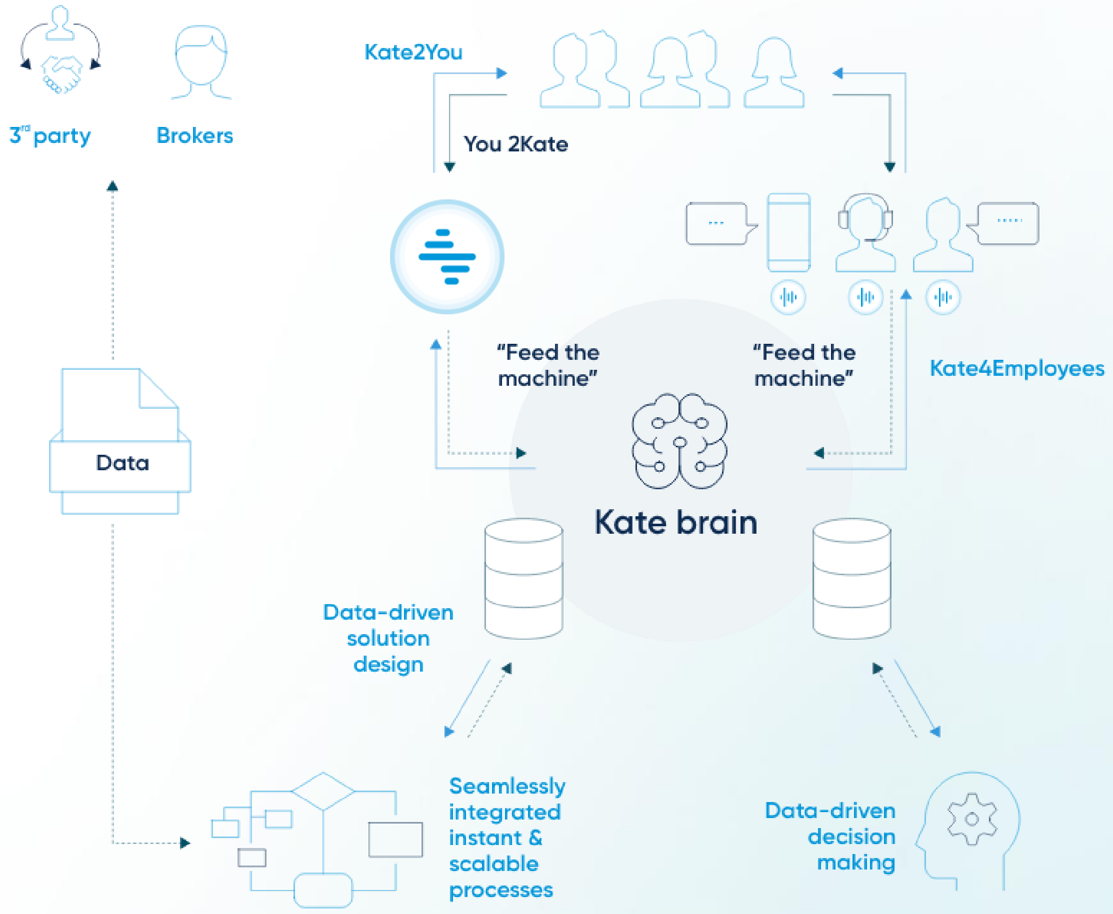
So, Kate is not only steering the interaction with customer-facing touchpoints (digital, physical, remote) but also the product factories and decision makers by providing relevant insights.

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

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

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

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



Kate | From basic chatbot to hyper-personal digital assistant

LEVEL 1
Basic Q&A

LEVEL 2
End2end solutions

LEVEL 3
Proactive & relevant

LEVEL 4
Hyper-personal & contextual

…

Sales effectiveness, operational efficiency, customer experience ↗
Powered by AI driven and automated lead life cycle management

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

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

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

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

Strategy | Translating strategy into non-financial targets

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

PEARL+

Data Driven

Maximise customer experience

Customer NPS ranking

Go for Digital First

Digital sales

Outperform on operational efficiency

STP score

Further enhance bank-insurance

Bank-insurance customers

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

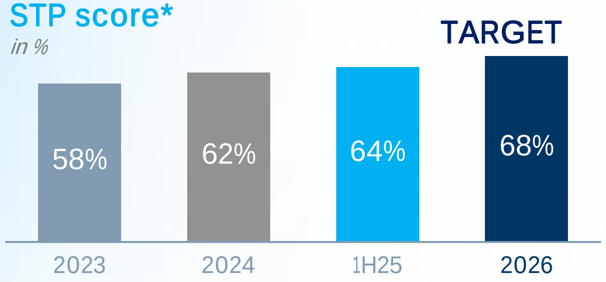
Customer ranking

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

Straight-through processing

STP score*

in %



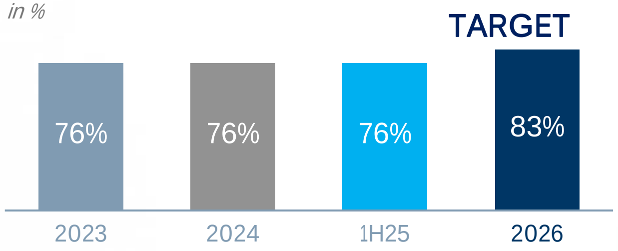
The STP ratio measures how many of the services that can be offered digitally are processed without any human intervention and this from the moment of interaction by a client until the final approval by KBC.

* Based on analysis of all retail processes.

Bank-insurance (BI) clients

BI clients

in %

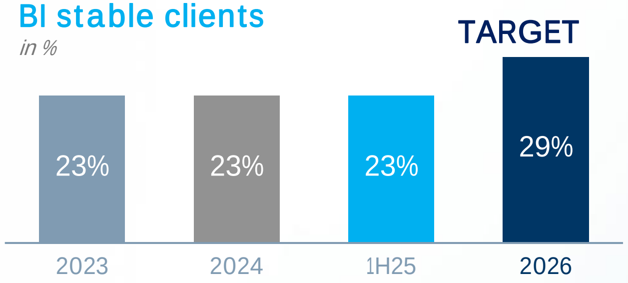


BI customers have at least 1 bank + 1 insurance product of our group.

* Slightly changed due to allignment of definitions

BI stable clients

in %



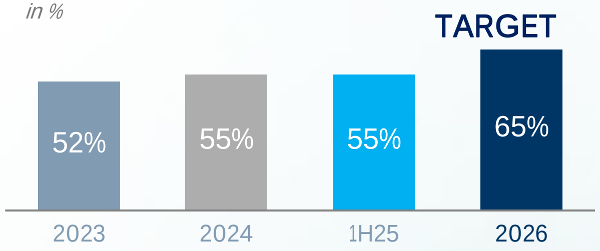
Stable BI customers: at least 2 bank + 2 insurance products (Belgium: 3+3)

* Slightly changed due to allignment of definitions

Digital sales

Digital sales banking products*

in %

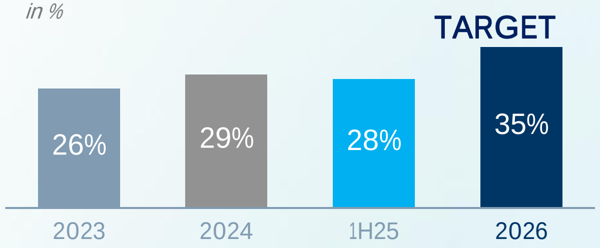


Target: Digital sales 65% of banking sales

* Based on weighted average of selected core products.

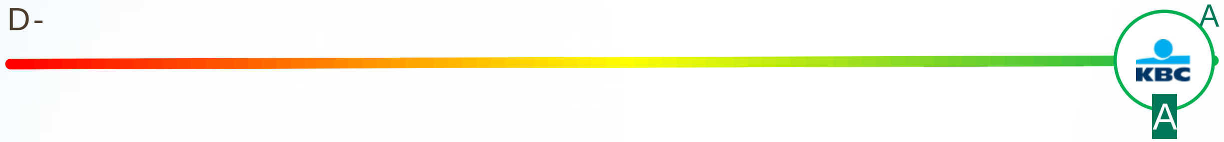
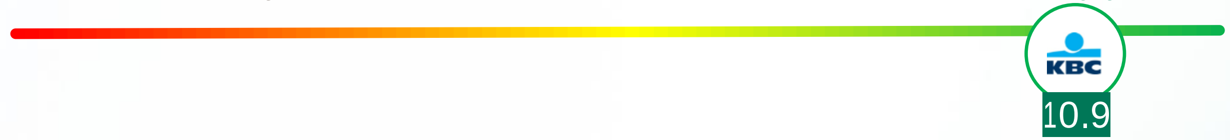
Digital sales insurance products

in %



Target: Digital sales 35% of insurance sales

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

Agency	ESG rating end of July 2025	Position versus industry
CDP (Disclosure Insight Action)		• Leader in addressing climate change • CDP's A list
Sustainalytics		• 3rd percentile of 254 diversified banks assessed *[Last Full Update Nov 29, 2024]*
S&P Dow Jones Indices (A Division of S&P Global)		• Top 8% • 92nd percentile of 601 banks assessed *[Note that S&P is currently still in the process of updating CSA scores for a significant part of the benchmarking group. Once finalized, these updates might still impact KBC's relative position as expressed by the above percentile.]*

Sustainability highlights (FY2024)

Commitment to the environment

Two new thematic White Papers
This year, we developed two new internal thematic White Papers: one on plastics and one on deforestation.

12 climate targets for our lending portfolio
KBC's Climate Progress Dashboard shows that, overall, we are on track to meet our climate targets, with nine out of twelve targets being in line with our climate alignment benchmarks.

25 billion euros to loans with environmental objectives
In 2024, KBC financed 3.2 billion euros in the renewable energy and biofuel sector, 21 billion euros in mortgages for energy-efficient housing and 1.3 billion euros for low carbon vehicles.

750-million-euro Green Bond issue
KBC Group successfully issued a new eight-year Green Bond under the recently updated Green Bond Framework, through which we support energy efficient buildings, renewable energy transactions and clean transportation.

Sustainable business

CSRD Reporting
We published our first Sustainability Statement in our 2024 Annual Report. These new disclosures align with CSRD requirements and detail how we integrate sustainability into our business.

50.8 billion euros in Responsible Investing funds
Responsible Investing funds account for 44% of total direct client money. These include Responsible funds, ECO-thematic funds and Impact Investing funds.

Thousands of conversations with our customers
We engage on a variety of sustainability topics with a wide range of clients with respect to their sustainability transition.

80% of start-ups integrate sustainability
We support start-ups and scale-ups through the Start it @KBC communities. In Belgium, 80% of them integrate sustainability into their mission and operations.

Social responsibility

7.4 billion euros in social sectors
In 2024, we financed 6.17 billion euros in the healthcare and senior living sectors and 1.23 billion euros in the education sector.

Over 400 dreams realised
Launched in late 2024, the Team Blue Challenge supports our mission to safeguard the dreams of our community by inviting all colleagues to volunteer for non-profits.

Two social targets for housing in Belgium
This year, we are reporting for the first time on our progress towards two social targets on housing: the number of young adults reached with housing-related information, and the relative share of young adults in a situation of overindebtedness.

Up to 500 days spent by KBC staff for BRS
KBC colleagues, along with other volunteers, dedicated 500 days to voluntary coaching and training for BRS. In total, BRS vzw supported 15 projects in the Global South.

Sustainability highlights in 2024, unless otherwise indicated

Own environmental impact: our progress in brief

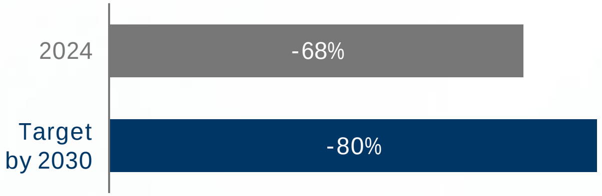
Own environmental footprint (FY 2024)

- Since 2015, we have been calculating the GHG emissions arising from our own operations at group level, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard
- We set group-wide GHG reduction targets in 2016, and we have tightened them over the years
- In 2020 the most recent targets were set, with a long-term ambition of achieving an 80% reduction in our direct emissions by 2030 (as compared to 2015). For the fourth consecutive year, we reached net climate neutrality by offsetting our residual direct emissions
- Additionally, we committed to increasing our own green electricity consumption to 100% by 2030. The goal was already reached in 2021
- Since 2024, our environmental footprint calculations have been verified through the assurance of our Sustainability Statement in the Annual Report.

More details in our 2024 Sustainability Report

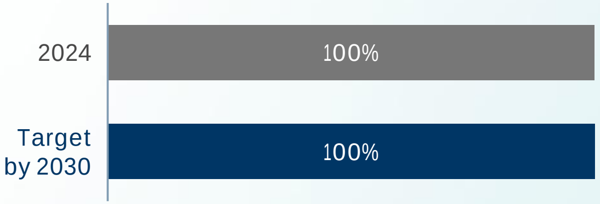
Reduction in our own GHG emissions

reduction compared to 2015



Renewable electricity

in % of purchased electricity



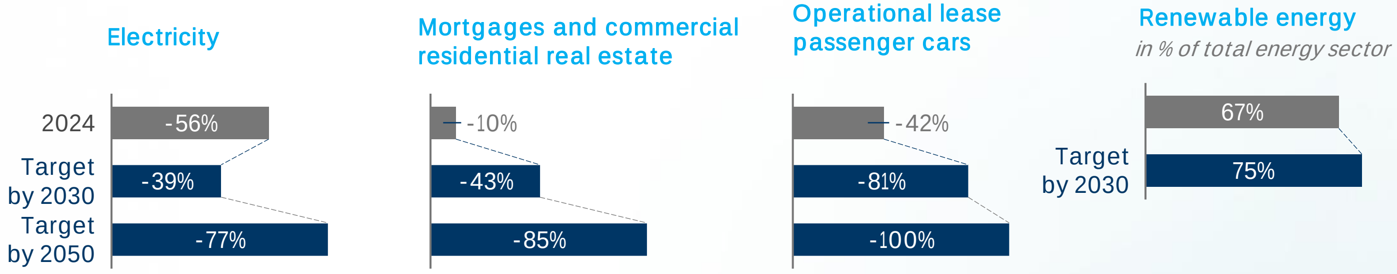
Indirect environmental impact: our progress in brief

INDIRECT environmental footprint (FY 2024)

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

Loan portfolio (selection of sectors)

Carbon-intensity reduction compared to 2021 baseline, otherwise indicated

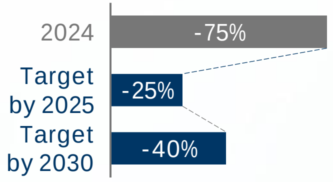


Asset management funds

Reduction compared to 2021 baseline, otherwise indicated

KBC Insurance: own investments in shares and corporate bonds

Carbon intensity reduction compared to 2019 baseline



Loan loss experience at KBC

Credit cost ratio*

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

	1H25	FY24	FY23	FY22	FY21	FY20	FY19	FY18	AVERAGE '99 –'24
Belgium BU	0.14%	0.19%	0.06%	0.03%	-0.26%	0.57%	0.22%	0.09%	n/a
Czech Republic BU	0.12%	-0.09%	-0.18%	0.13%	-0.42%	0.67%	0.04%	0.03%	n/a
International Markets BU*	0.19%	-0.08%	-0.06%	0.31%	0.36%	0.78%	-0.07%	-0.46%	n/a
Total	0.15%	0.10%	0.00%	0.08%	-0.18%	0.60%	0.12%	-0.04%	0.36%

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

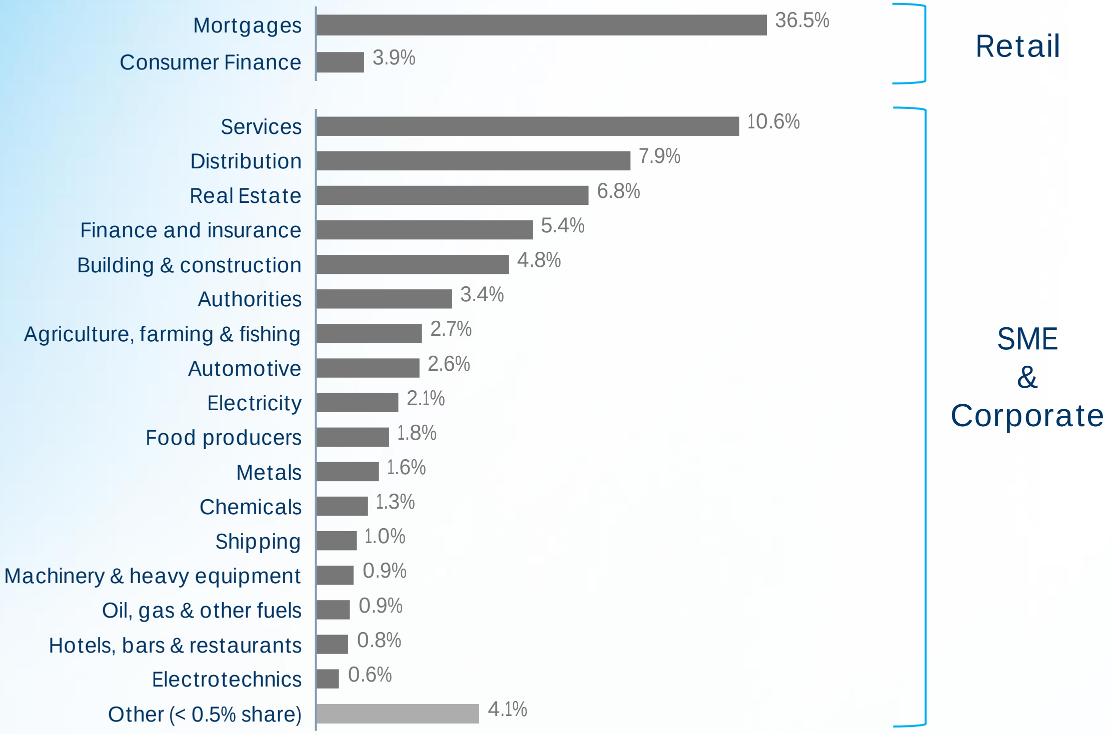
Diversified loan portfolio

Total loan portfolio outstanding

Total loan portfolio outstanding
221bn EUR*
Group level

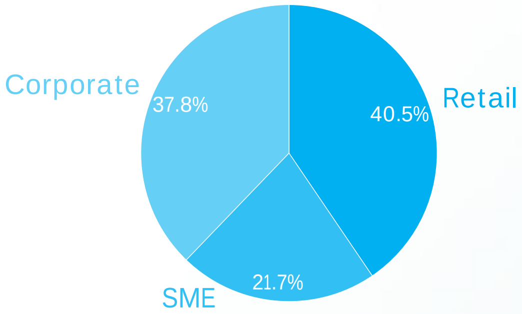
Total loan portfolio outstanding | by sector

*as % of total Group loan portfolio outstanding**



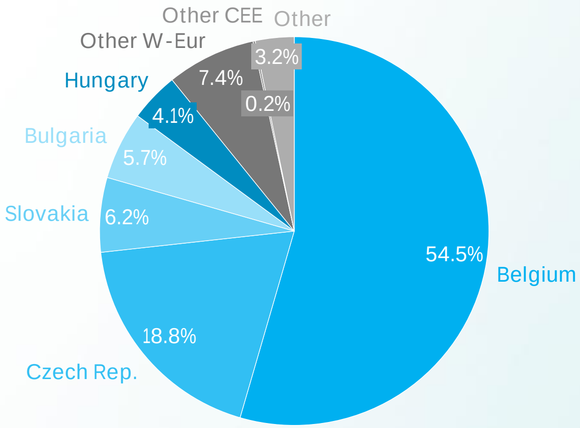
Total loan portfolio outstanding | by segment

*as % of total Group loan portfolio outstanding**



Total loan portfolio outstanding | by geography

*as % of total Group loan portfolio outstanding**

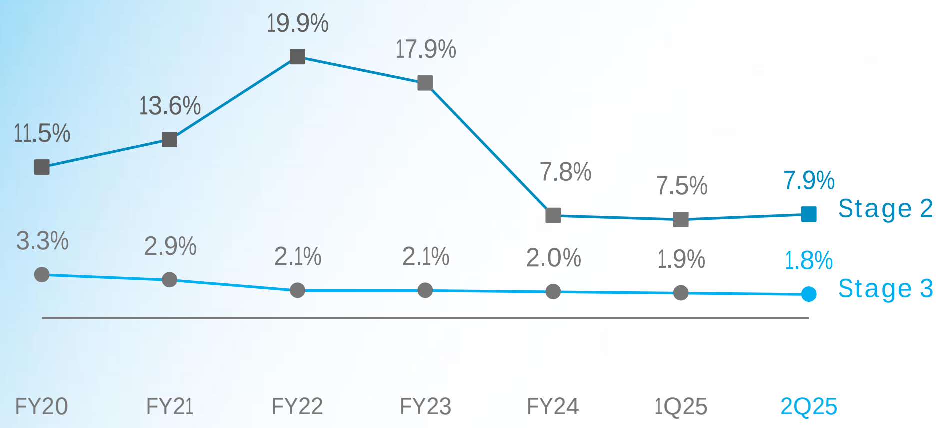


- Aligned with the credit risk view of our loan portfolio outstanding as reported in the quarterly financial statements.

Loan portfolio breakdown by IFRS 9 ECL stage

Total loan portfolio outstanding | by IFRS9 ECL Stage*

as % of total Group loan portfolio outstanding

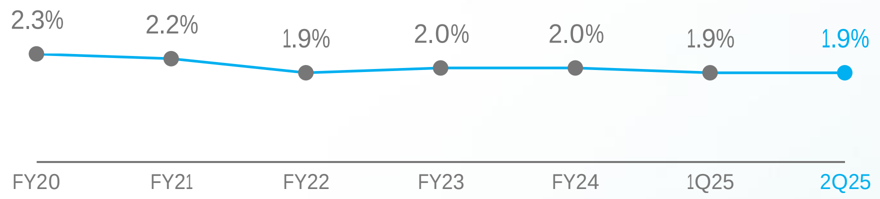


- Drop of Stage 3 ratio over the years is driven mainly by the sale of the Irish loan portfolio
- The increase of Stage 2 portfolio in 2022 resulted mainly from collective transfer to Stage 2 of Stage 1 portfolios, linked to the geopolitical and macroeconomic uncertainties (in line with strict application of the general ECB guidance on staging). In 2023, the declining trend of Stage 2 exposures was driven mainly by the partial release of the collective transfer back to Stage 1
- The decrease of the Stage 2 ratio in 2024 is mainly caused by a revised staging methodology as from January 2024 (change from indicator based on 12 months probability of default to lifetime), a continuous update of staging for credits deemed vulnerable (to the geopolitical and macroeconomic uncertainties or indirectly exposed to military conflicts, such as the one in Ukraine) and for the remainder by a shift for KBC Commercial Finance exposure where the relative change in credit risk has been revisited based on the very low historical credit losses in this portfolio and the very short maturities

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

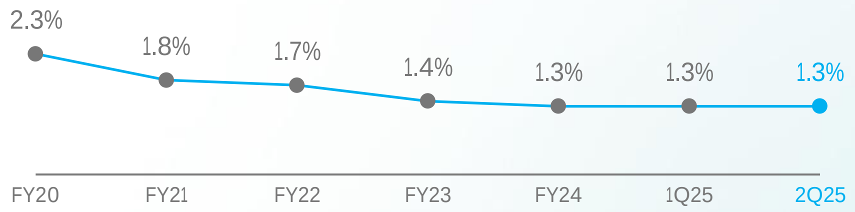
Stage 3 ratio | Belgium BU

in %



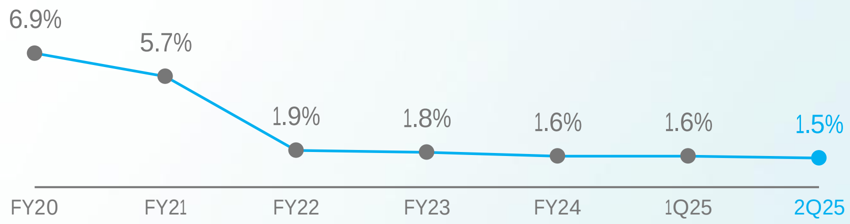
Stage 3 ratio | Czech Republic BU

in %



Stage 3 ratio | International Markets BU

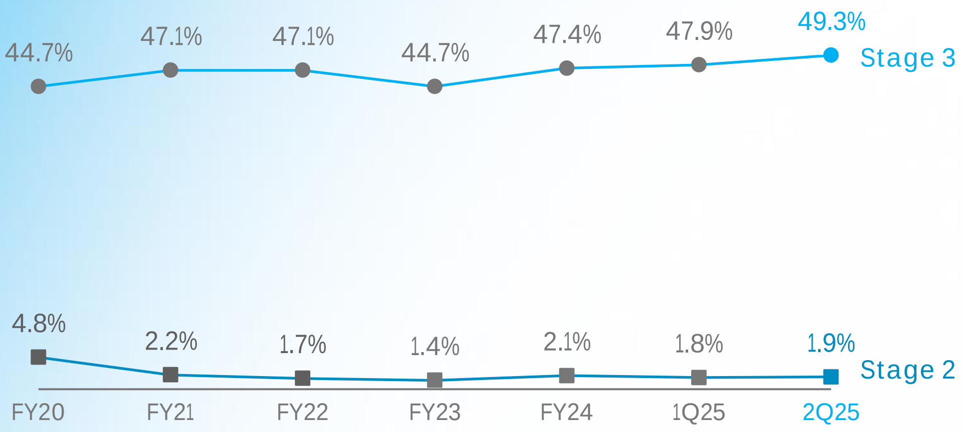
in %



Cover ratios

Cover ratio | by IFRS9 ECL Stage*

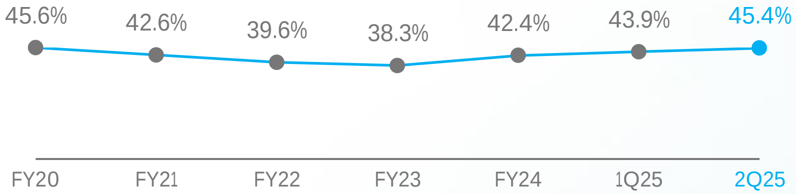
in %



- The increasing trend of the Stage 3 cover ratio is driven mainly by additional provisions in Belgium, mostly related to lowering the backstop shortfall for old non-performing loans
- The decline of the Stage 2 cover ratio as of 2021, resulted mainly from collective shifts to Stage 2 (linked to Covid and the geopolitical & macroeconomic uncertainties) with on average better PD rating than the files already part of Stage 2.
  As of 2024, driven by the revised staging methodology and the continuous update of the stage transfer for credits deemed vulnerable (to the geopolitical and macroeconomic uncertainties or indirectly exposed to military conflicts, such as the one in Ukraine) the Stage 2 cover ratio has gone up. This is explained by the fact that the files remaining in Stage 2 have on average higher PD ratings and therefore higher impairments

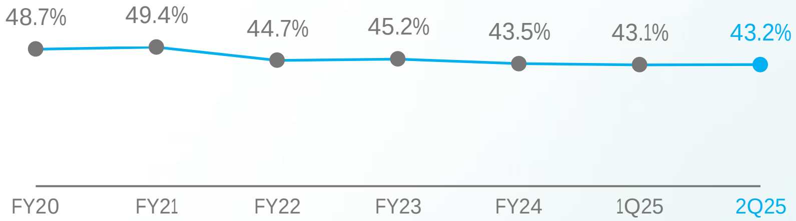
Stage 3 cover ratio | Belgium BU

in %



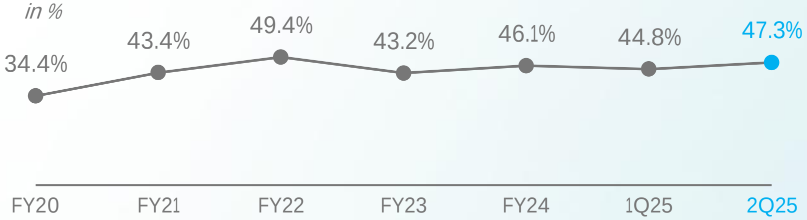
Stage 3 cover ratio | Czech Republic BU

in %



Stage 3 cover ratio | International Markets BU

in %



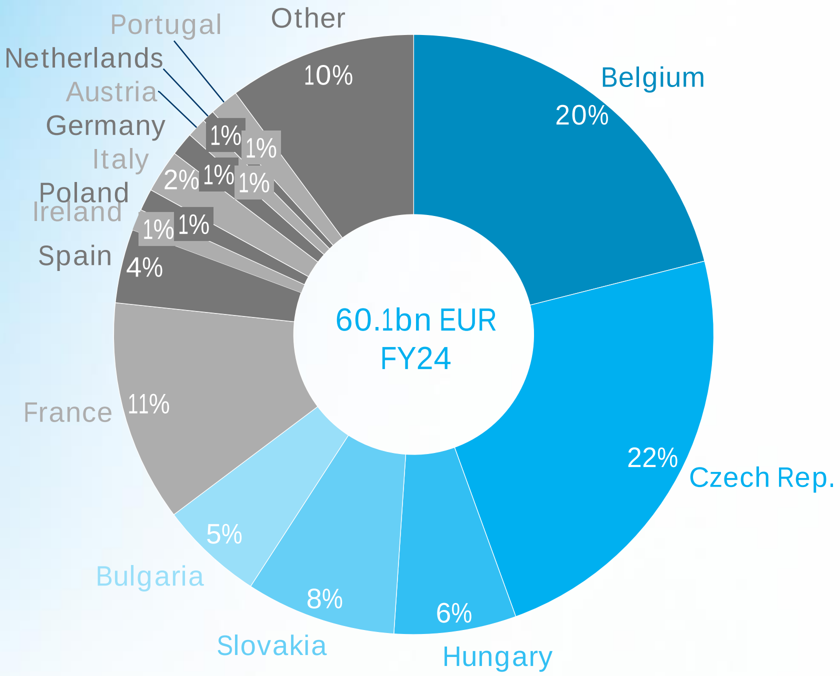
* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

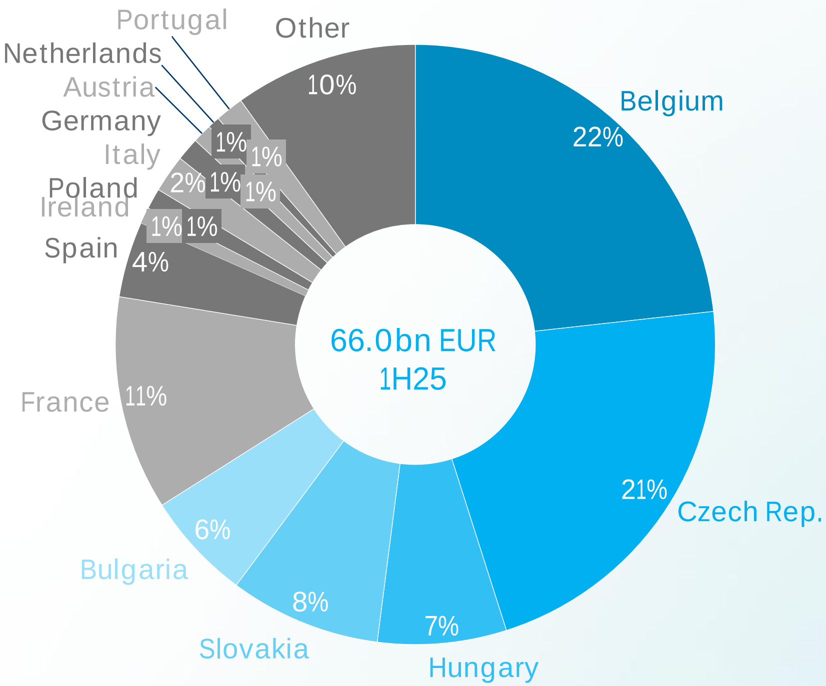
Substantial and well-diversified government bond portfolio

- Carrying value of 66.0bn EUR in government bonds (excl. trading book) at end of 1H25, primarily as a result of a significant excess liquidity position and the reinvestment of insurance reserves in fixed-income instruments

Government bond portfolio | Carrying value* FY24 / 1H25

in %





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

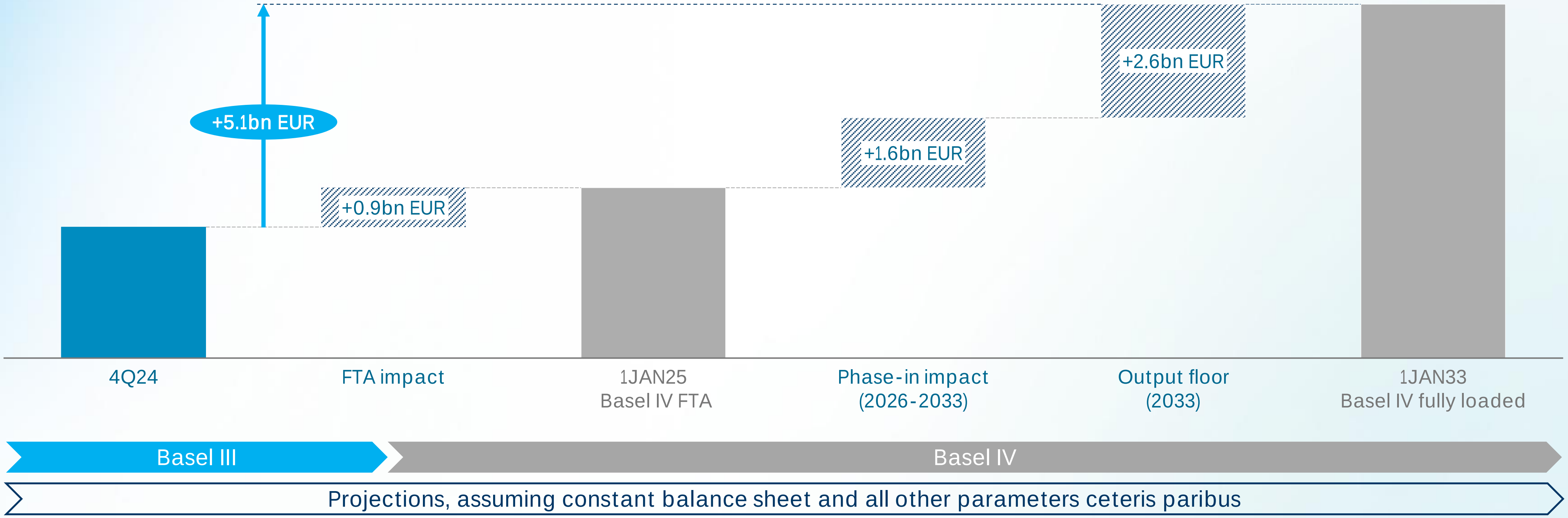
Indicative view on transitional RWA evolution under Basel IV (as provided with 1Q25 results)

- Moving towards the Basel IV era and applying a static balance sheet and all other parameters ceteris paribus, without mitigating actions, KBC
  - reports at 1JAN25, a first-time application impact of +0.9bn EUR (0.1bn EUR lower than +1.0bn EUR RWA communicated together with 3Q24 results)
  - projects by 1JAN33, a further impact of +4.2bn EUR (3.3bn EUR lower than +7.5bn EUR RWA communicated together with 3Q24 results)

  resulting in a fully loaded impact of +5.1bn EUR (3.4bn EUR lower than +8.5bn EUR RWA communicated together with 3Q24 results)
- For the fully loaded CET1 ratio as of 1Q25, KBC focuses on the so called unfloored fully loaded CET1 ratio which accounts for the total RWA impact from Basel IV, excluding the output floor impact

Indicative transitional RWA estimate

in bn EUR



Above resolution requirements in terms of MREL

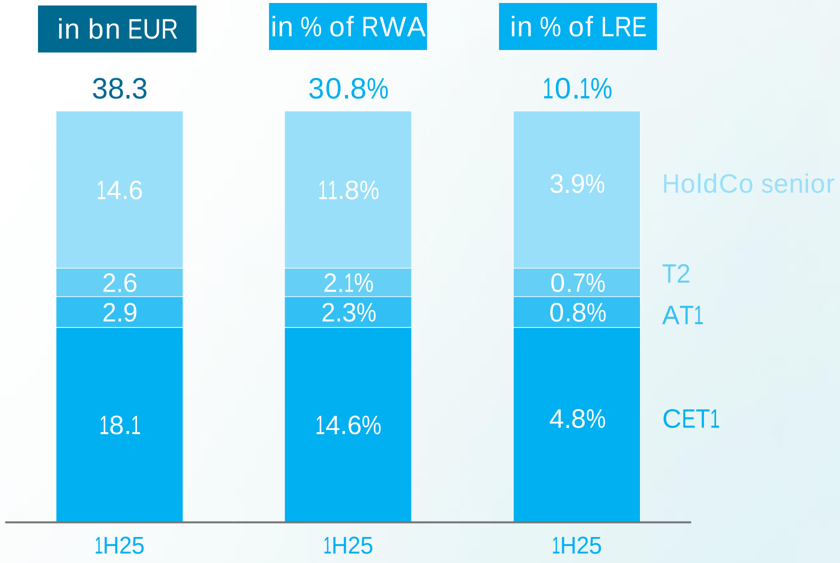
MREL targets

- The resolution plan for KBC is based on a Single Point of Entry (SPE) approach at KBC Group level, with **bail-in** as the preferred resolution tool
- In June 2025, the SRB communicated binding MREL targets (under BRRD2) applicable as from 2Q25, expressed as a percentage of Risk Weighted Assets (RWA) and Leverage Ratio Exposure Amount (LRE)
- The binding MREL targets (incl. CBR on top of the MREL target in % of RWA) are:
  - 27.61% of RWA (including transitional CBR* of 5.22%)
  - 7.42% of LRE

- Combined Buffer Requirement = Conservation Buffer (2.50%) + O-SII buffer (1.50%) + Countercyclical Buffer (1.12%) + Systemic Risk Buffer (0.10%)

MREL actuals

- The MREL ratio in % of RWA decreased from 31.4% in 1Q25 to 30.8% in 2Q25, driven mainly by lower available MREL instruments and increased RWA, partly offset by the 1bn EUR new AT1 issuance and increased CET1 capital
- **The** MREL ratio in % of LRE decreased from 10.4% in 1Q25 to 10.1% in 2Q25, due mainly to lower available MREL instruments and increased leverage exposure

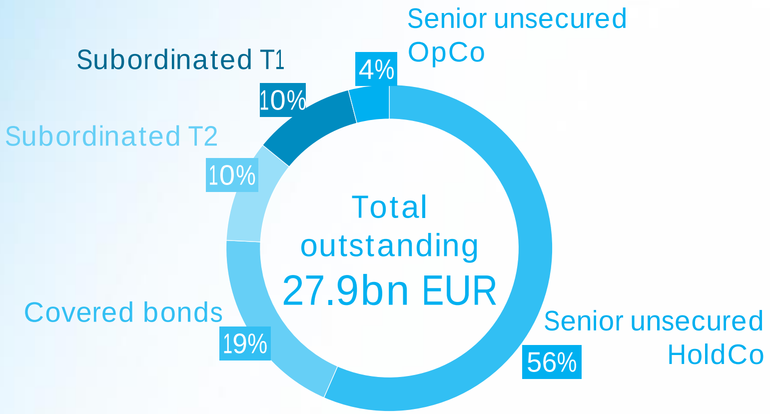


Upcoming mid-term funding maturities

Total outstanding | 2Q25

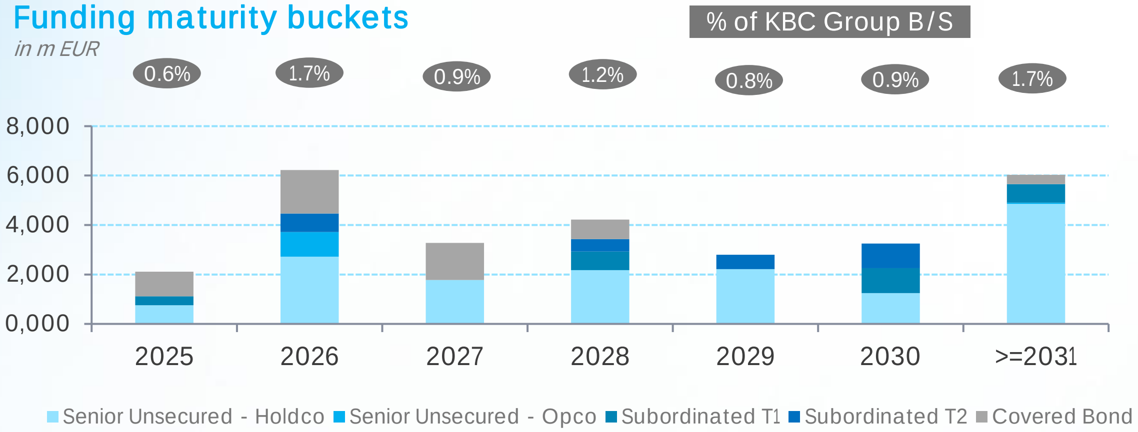
in %

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



Funding maturity buckets

in m EUR

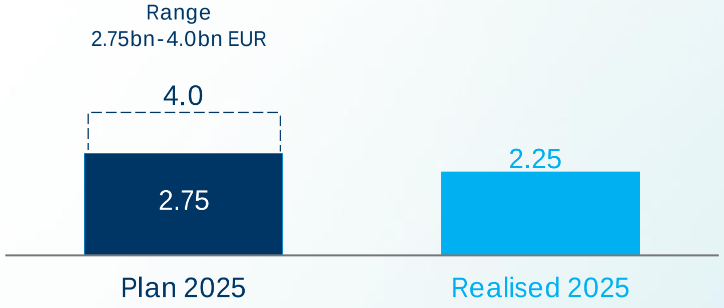


Recent deals

- In May 2025, KBC Group issued an Additional Tier 1 for an amount of 1bn EUR with a first call date after 5.5-year.

Funding program for 2025 | Expected MREL funding (incl. capital instruments)

in bn EUR

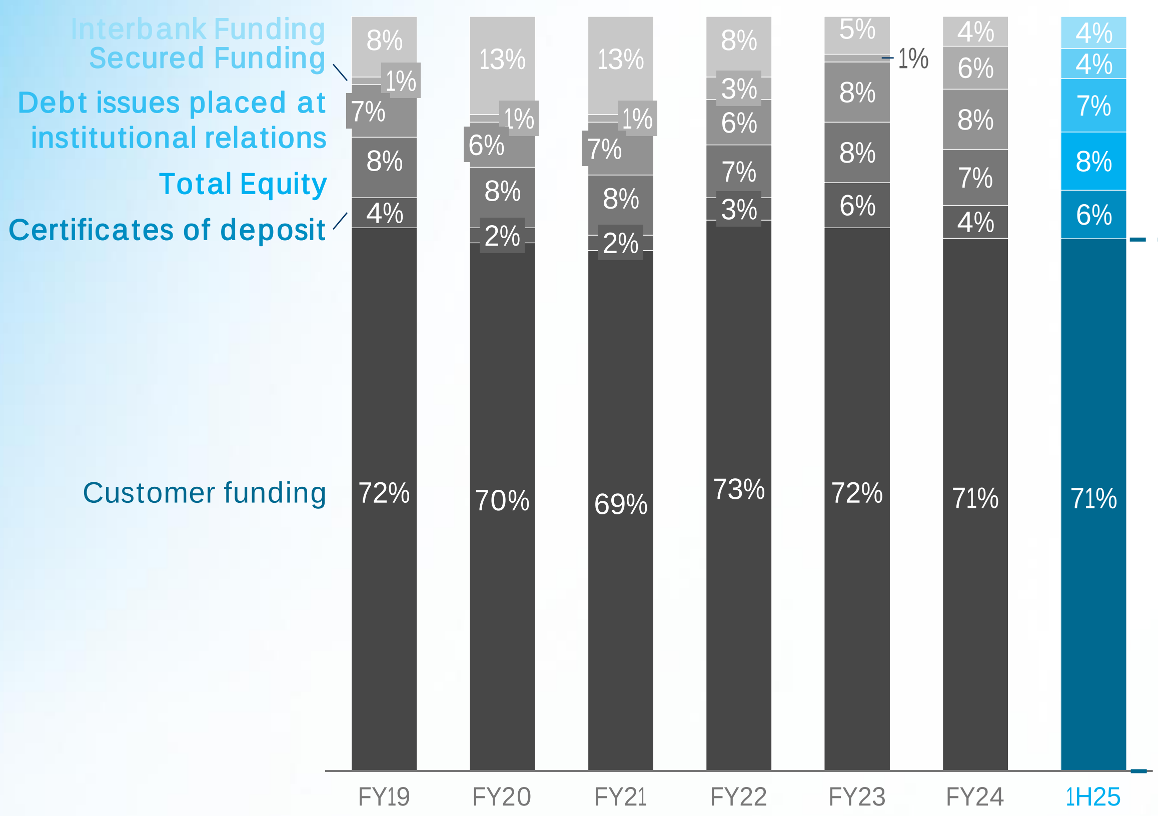


We aim to issue 1 green/social bond per year

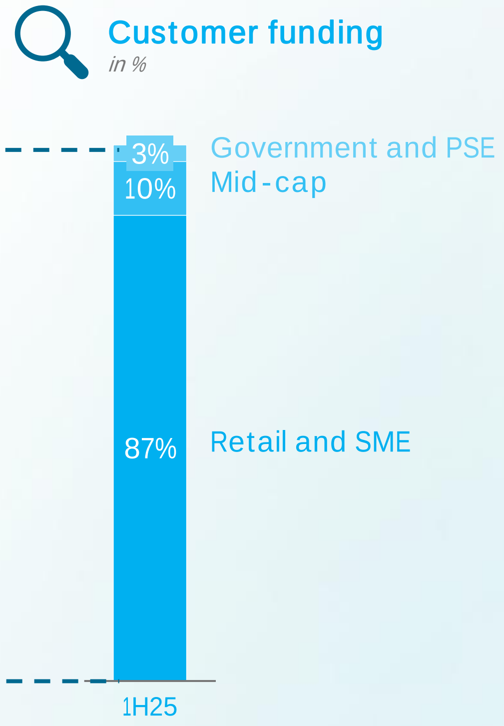
Note: any change in regulatory requirements, RWA evolutions, MREL targets or market circumstances can change the current disclosed range

Strong customer funding base

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



Roughly 56% of total customer deposits are covered by the Deposit Guarantee Fund



Glossary

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

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More information

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

Upcoming events

8 August	**Equity roadshow, London**
3 September	Equity roadshow, London
4 September	Equity conference, Paris
9 September	Equity conference, NY
11 September	**Equity roadshow, Toronto**
17 September	**Equity conference, London**
19 September	**Equity roadshow, Frankfurt**
…	…
13 November	**Publication of 3Q25 results**
14 November	**Equity roadshow, London**

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