



# KBC Group Company presentation 3Q 2025

More information: [www.kbc.com](http://www.kbc.com)

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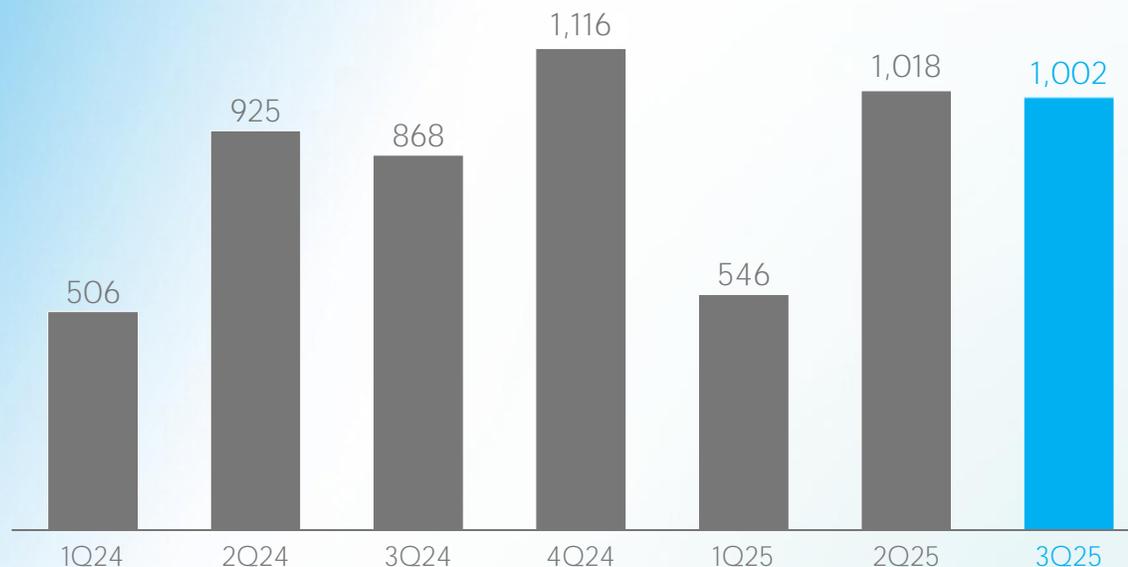


# Highlights

- 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 1.1bn EUR in 3Q25 (8.5bn in 9M25) with a continuous 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 (50% NII and 50% non-NII of 9M25 total income)
- Higher net interest income, despite significant lower NII on inflation-linked bonds. FY25 NII guidance further increased (from 'at least 5.85bn EUR' to 'at least 5.95bn EUR')
- Excellent net fee and commission income **supported by** good net inflows in direct client money
- Q-o-q lower net result from financial instruments at fair value & IFIE and net other income slightly below the normal run rate
- Higher sales of non-life insurance y-o-y, excellent sales of life insurance (up q-o-q and y-o-y)
- FY25 total income guidance further increased to at least +7.5% y-o-y (from at least +7.0%), leading to jaws of +5.0% (from +4.5%)
- Costs excl. bank & insurance taxes up q-o-q, perfectly within guidance
- Lower net loan loss impairment charges. Excellent credit cost ratio
- Solid solvency and liquidity position
- Interim dividend of 1 EUR per share paid on 7 November 2025
- KBC Group strengthened its position in CEE with the acquisition of Business Lease in the Czech Republic and Slovakia. The deal will only have an immaterial impact on KBC Group's solid capital position (-4bps on KBC Group's unfloored fully loaded CET1 ratio upon closing)

## Net result of 1,002m EUR over 3Q25

Net result  
in m EUR



Return on Equity 15%\*

Cost-income ratio excluding bank & insurance taxes 41%

Combined ratio 87% (versus below 91% guided)

Credit cost ratio 0.12% (versus well below TTC of 25-30bps guided)

CET1 ratio 14.9%\*\* (B4, DC, unfloored fully loaded)

Leverage ratio 5.8% (fully loaded)

NSFR 134% & LCR 158%

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

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

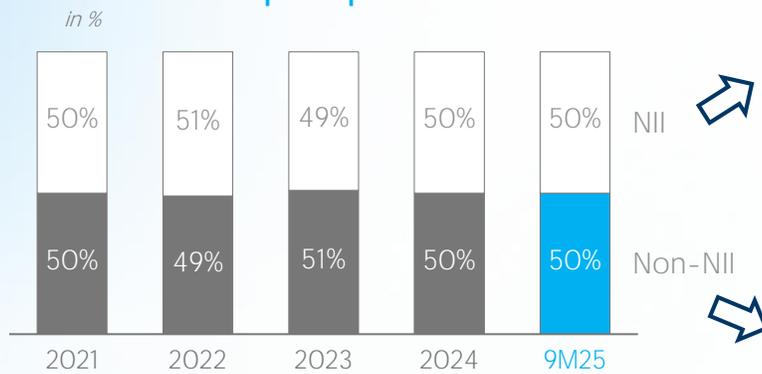
## Well-diversified, both geographically and from a business point of view

- **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 2025



Successful digital-first approach through KATE

## KBC Group topline diversification: roughly 50% NII and 50% non-NII



- 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 disappears
- Shifts from TD to CASA will continue to happen
- 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

## 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**.



Insurance Activities

\* 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 AI-powered personal digital assistant, features prominently in this regard.
- Kate has recently been **further upgraded** to enable even **more natural and intuitive conversations (Kate 2.0 using LLM)**, which will **further boost autonomy and customer usage**
- The **independent international consulting firm Sia Partners** again ranked KBC Mobile the **N°1 mobile banking app worldwide in 2025**: a clear recognition of a decade of innovation, development and listening closely to our clients.



## 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 56

# 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 9M25 KBC is one of the most profitable EU financial institutions



## Solvency

With an unfloored fully loaded CET1 ratio of 14.9% at end 9M25 KBC is amongst the better capitalised EU banks



## Sustainability

Sustainalytics ranks KBC in the 3rd percentile of 217 diversified banks assessed (last full update September 23, 2025)



## 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

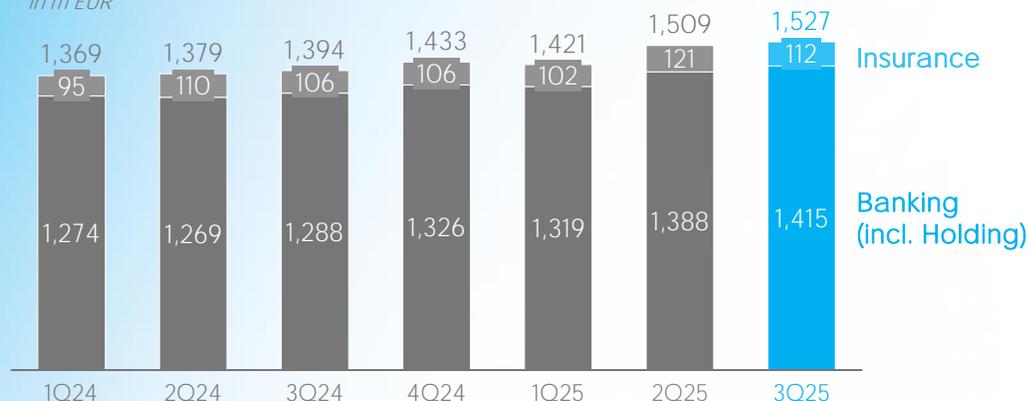
		3Q25	2Q25	3Q24
BU BE	Share in results of associated companies & joint ventures – one-off gain			+79m
	<i>Total Exceptional items BE BU</i>			<i>+79m EUR</i>
BU IM	HU – BK & INS TAX – Temporary extra (windfall/DGS) bank and insurance tax		+7m EUR	
	HU – Impairments – Modification losses		-4m EUR	
	BG – Opex – Integration costs Raiffeisenbank Bulgaria		-2m EUR	-3m EUR
	BG – Opex – EUR adoption costs			-3m EUR
	<i>Total Exceptional items BU International Markets</i>		<i>+1m EUR</i>	<i>-6m EUR</i>
	<i>Total Exceptional items</i>	<i>0m EUR</i>	<i>+1m EUR</i>	<i>+74m EUR</i>
	<i>Total Exceptional items (post-tax)</i>	<i>0m EUR</i>	<i>+1m EUR</i>	<i>+74m EUR</i>

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

## FY25 NII guidance further increased (see slide 19)

### Net interest income

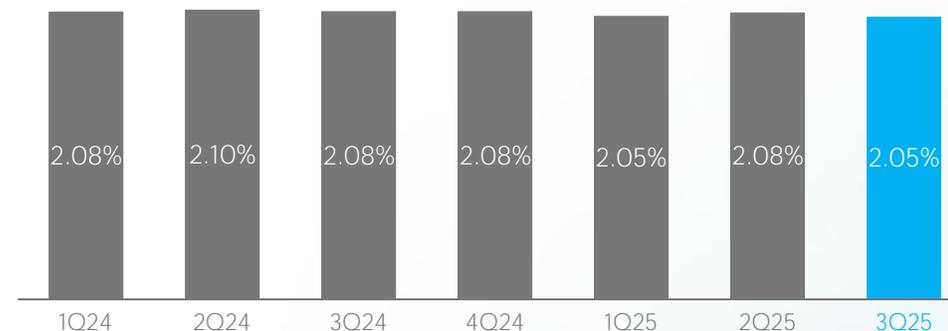
in m EUR



- NII increased by 1% q-o-q and by 10% 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 (good loan volume growth partly offset by lower loan margins in some core markets)
  - Higher number of days (+7m EUR q-o-q)
  - Higher dealing room NII
  - Higher short-term cash management
  - Lower costs on the minimum required reserves
  - Lower subordination costs
 partly offset by:
  - Lower NII on inflation-linked bonds (-20m EUR q-o-q, from +24m EUR in 2Q25 to +4m EUR in 3Q25)
  - Lower NII on term deposits (shift from term deposits to savings accounts)
- 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, higher dealing room NII and lower subordination costs, partly offset by much lower NII on term deposits

### Net interest margin\*

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



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

### Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume	206bn	83bn	232bn
Growth q-o-q*	+2%	+2%	-2%
Growth y-o-y	+8%	+6%	+3%

\* Non-annualised \*\* Loans to customers, excluding reverse repos (and bonds).

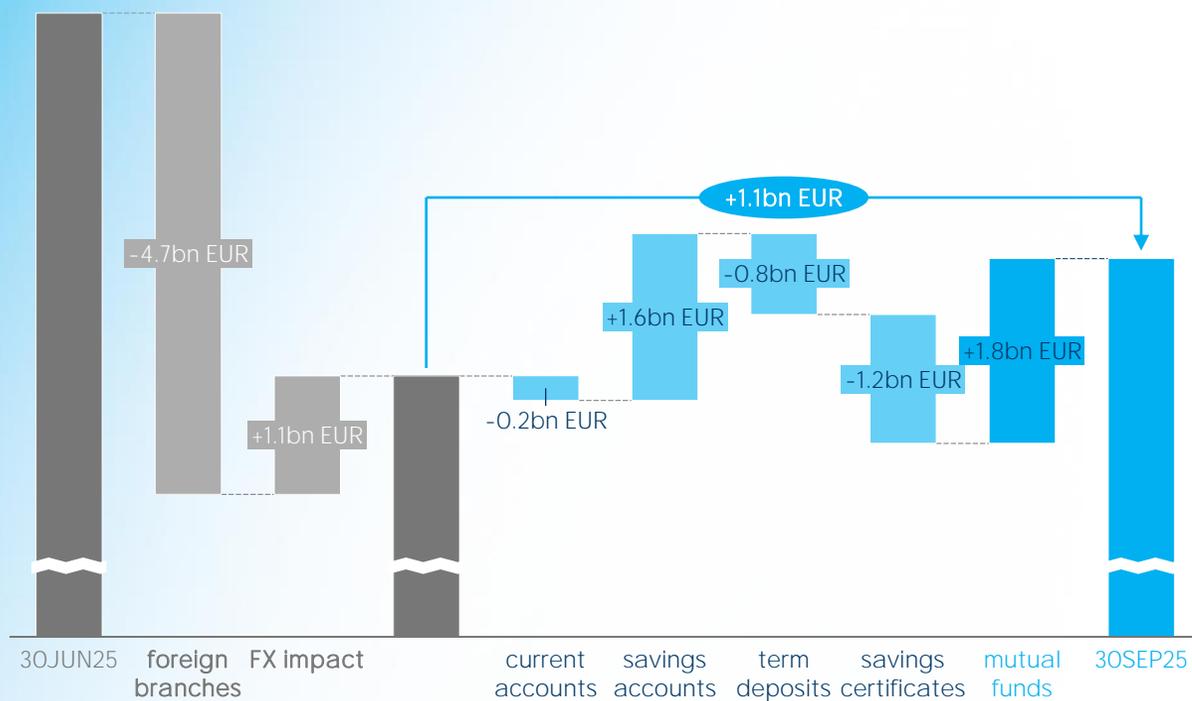
\*\*\* Customer deposits, excluding debt certificates and repos, but including customer savings certificates. Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), core customer deposits stabilised q-o-q and rose by 3% y-o-y

Growth figures are excluding FX, consolidation adjustments and reclassifications.

# Inflow of core customer money

## Customer money dynamic over 3Q25

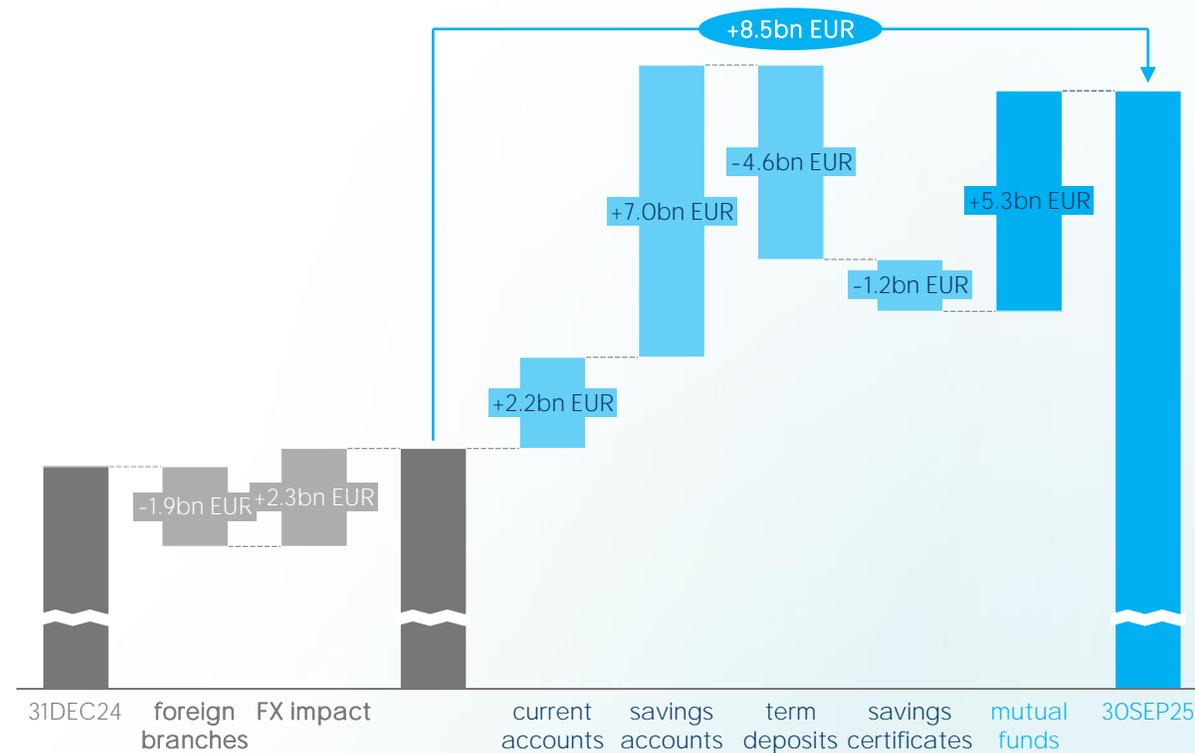
in bn EUR



- 3Q25 saw an inflow of core customer money of **+1.1bn EUR** (+2.3bn EUR incl. FX impact)

## Customer money dynamic over 9M25

in bn EUR

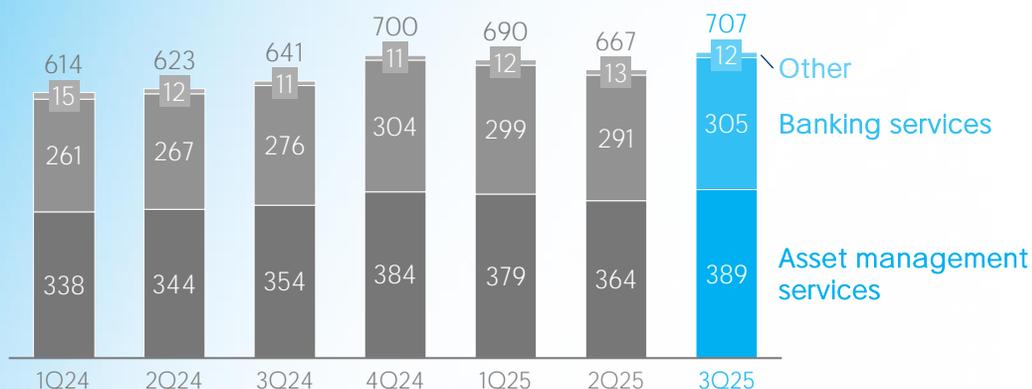


- 9M25 saw an inflow of core customer money of **+8.5bn EUR** (+10.9bn EUR incl. FX impact)

# Excellent net fee and commission income, good net inflows in direct client money

## Net fee & commission income

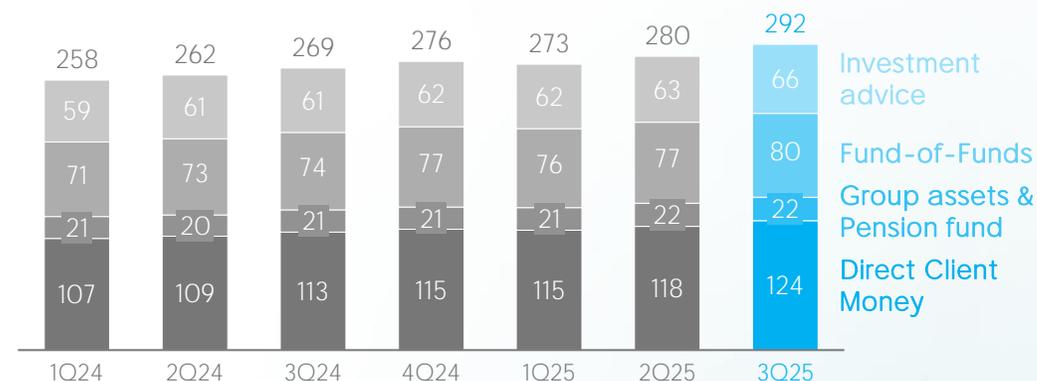
in m EUR



- Up by 6% q-o-q and by 10% y-o-y
- Q-o-q increase was driven primarily by:
  - Net F&C income from Asset Management Services increased by 7% q-o-q due mainly to higher management & entry fees
  - Net F&C income from banking services rose by 5% q-o-q due chiefly to higher fees from payment services (partly seasonal), seasonally higher network income and slightly higher securities-related fees, partly offset by lower fees from credit files & bank guarantees
- Y-o-y increase was mainly the result of:
  - Net F&C income from Asset Management Services rose by 10% y-o-y due mainly to higher management & entry fees
  - Net F&C income from banking services increased by 11% y-o-y due mainly to higher fees from payment services, higher network income and higher securities-related fees and lower client incentives, partly offset by higher distribution commissions paid for banking products and slightly lower fees from credit files & bank guarantees

## Assets under management

in bn EUR

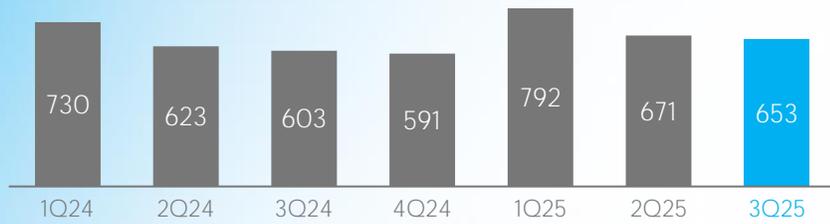


- Increased by 4% q-o-q due to net inflows (+1%) and positive market performance (+3%)
- Increased by 8% y-o-y due to net inflows (+4%) and positive market performance (+4%)
- The mutual fund business has seen good net inflows this quarter, both in higher-margin direct client money (1.8bn EUR in 3Q25 versus 1.5bn in 2Q25 and 2.1bn EUR in 3Q24) as well as in lower-margin assets

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

## Non-life sales

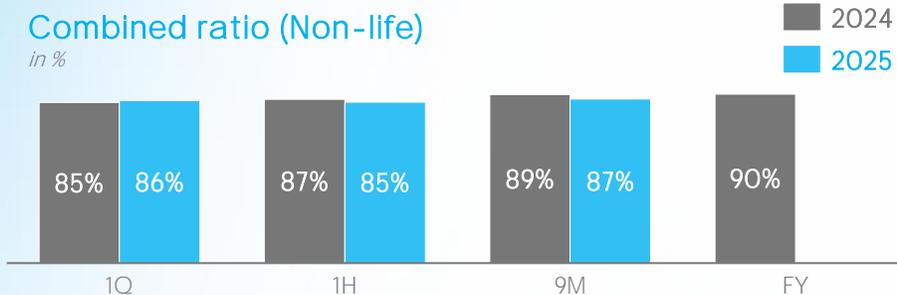
in m EUR



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

## Combined ratio (Non-life)

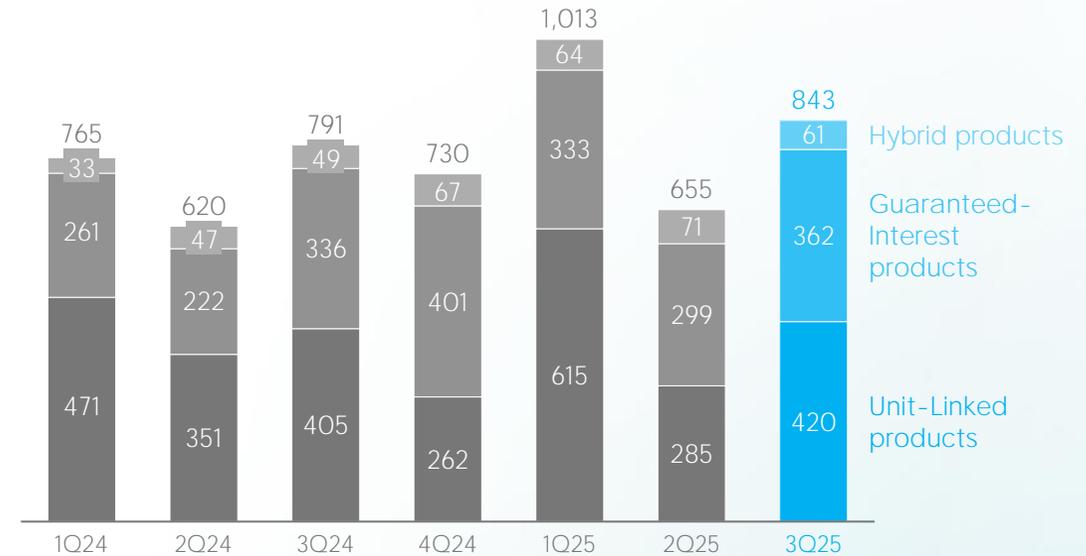
in %



- Non-life combined ratio for 9M25 amounted to an excellent 87% (89% in 9M24). This is mainly the result of:
  - 9% y-o-y higher insurance revenues before reinsurance
  - 3% y-o-y higher insurance service expenses before reinsurance, mainly in anticipation of further claims inflation
  - Lower net result from reinsurance contracts held (down by 37m EUR y-o-y)

## Life sales

in m EUR



- Increased by 29% q-o-q due to higher sales of unit-linked products (as the result of a successful launch of structured emissions in Belgium and commercial actions) and higher sales of guaranteed-interest products (as a result of commercial actions), partly offset by lower sales of hybrid products
- Increased by 7% y-o-y due to higher sales of guaranteed-interest products, unit-linked products and hybrid products
- Sales of guaranteed-interest products and unit-linked products accounted for 43% and 50% of total life insurance sales in 3Q25 respectively, with hybrid products (mainly in Belgium and the Czech Republic) accounting for the remainder
- Life sales in 9M25 rose by 15% y-o-y

# FIFV & IFIE result down q-o-q and net other income slightly below the normal run rate

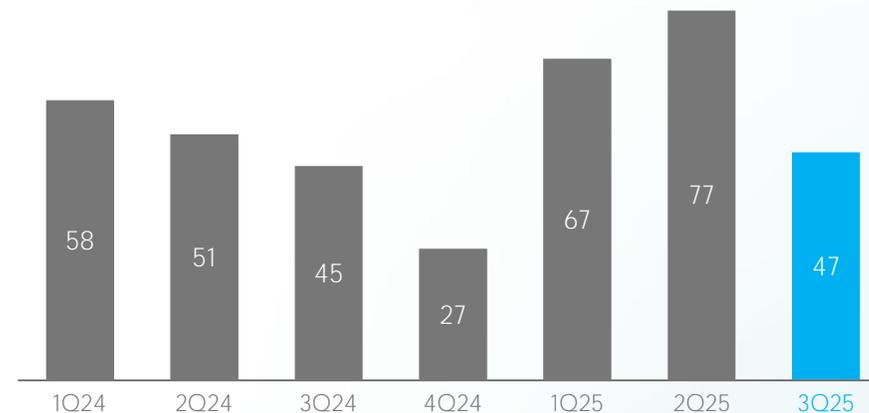
## FIFV & IFIE

in m EUR

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Dealing room	102	62	64	66	77	60	53
MVA/CVA/FVA	5	1	-24	-6	-1	0	5
IFIE – mainly interest accretion	-60	-60	-63	-66	-67	-67	-69
M2M ALM derivatives and other	-102	0	-19	-68	-55	-27	-51
<b>FIFV &amp; IFIE</b>	<b>-55</b>	<b>3</b>	<b>-42</b>	<b>-74</b>	<b>-45</b>	<b>-34</b>	<b>-62</b>

## Net other income

in m EUR



- FIFV & IFIE result down q-o-q, attributable mainly to:

- Negative change in 'ALM derivatives and other'
- Lower dealing room result
- Slightly more negative IFIE

partly offset by:

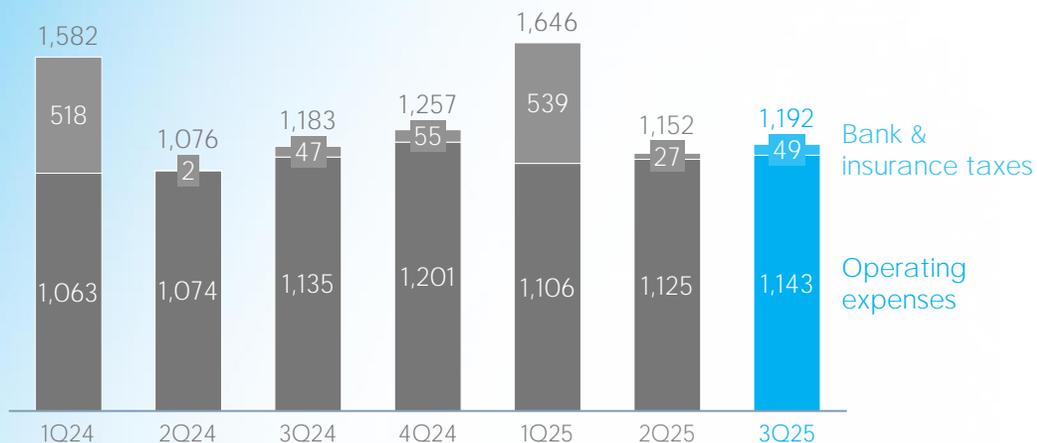
- Positive credit, funding and market value adjustments, mainly the result of an increase in EUR & CZK yield curves and decreased counterparty credit spreads

- Slightly lower than the normal run rate of 50m EUR per quarter in 3Q25

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

## 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 1% y-o-y (+1% q-o-q and roughly stable y-o-y excluding FX effect)
  - The q-o-q increase was due mainly to higher marketing costs, higher professional fee expenses and various smaller items, partly offset by lower ICT costs and lower facility expenses
  - The y-o-y increase was due to, amongst others, higher staff costs, higher marketing costs, higher professional fee expenses and higher depreciations, partly offset by lower ICT costs and lower facility expenses
- 9M25 opex excluding bank & insurance taxes rose by 3.1% y-o-y. We still feel comfortable with our FY25 guidance for opex excluding bank & insurance taxes of below +2.5% y-o-y
- 9M25 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 3Q25	Upfront			Spread out over the year			
		1Q25	2Q25	3Q25	1Q25	2Q25	3Q25	4Q25e
BE BU	0	356	0	0	0	0	0	0
CZ BU	1	25	-4	1	0	0	0	0
Hungary	45	83	0	0	45	38	45	48
Slovakia	3	0	0	0	4	2	3	4
Bulgaria	0	22	-9	0	0	0	0	0
Group Centre	0	4	0	0	0	0	0	0
<b>Total</b>	<b>49</b>	<b>490</b>	<b>-13</b>	<b>1</b>	<b>49</b>	<b>40</b>	<b>48</b>	<b>52</b>

- Regarding bank & insurance taxes in 3Q25, note that:
  - 44m additional national bank taxes and 1m higher contribution to the Deposit Guarantee Scheme in Hungary
  - 3m EUR additional national bank taxes in Slovakia
  - 1m EUR additional national bank taxes in the Czech Republic
- Total bank & insurance taxes are expected to increase by 7% y-o-y to 668m EUR in 2025 (623m EUR in 2024)

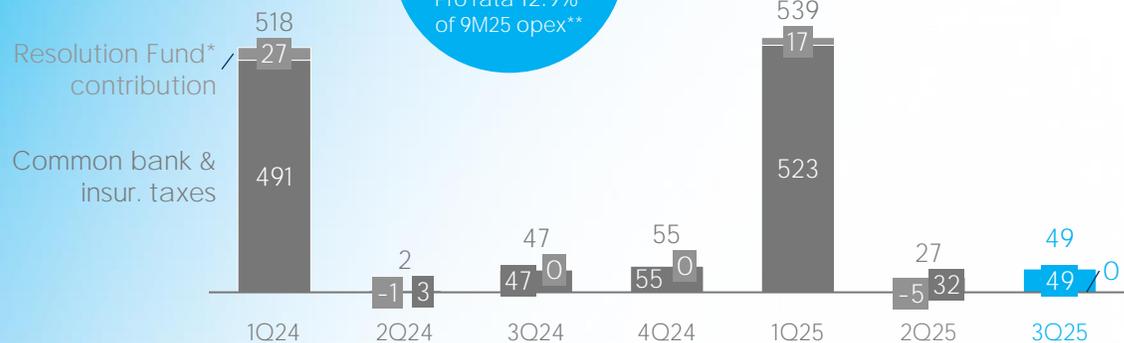
\* See glossary for the exact definition

# Overview of bank & insurance taxes\*

## KBC Group in m EUR

**KBC Group**  
615m EUR

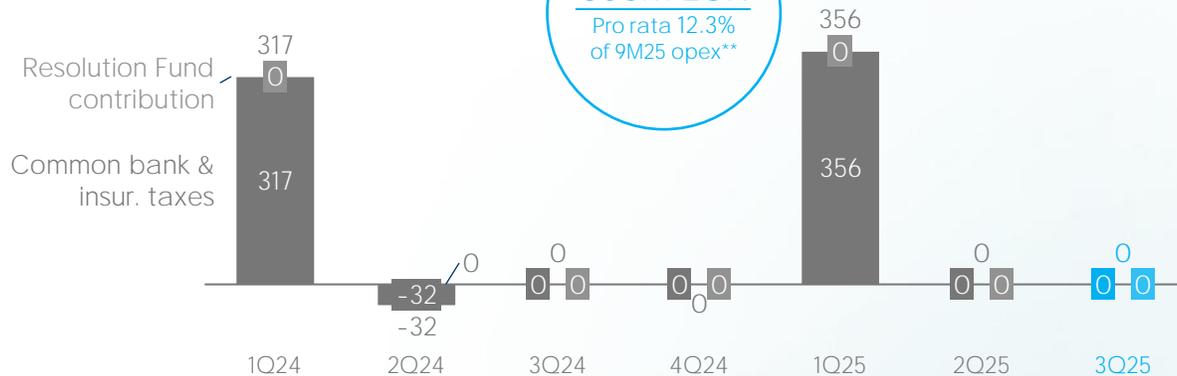
Pro rata 12.9%  
of 9M25 opex\*\*



## Belgium BU in m EUR

**BU BE**  
356m EUR

Pro rata 12.3%  
of 9M25 opex\*\*



## Czech Republic BU in m EUR

**BU CZ**  
23m EUR

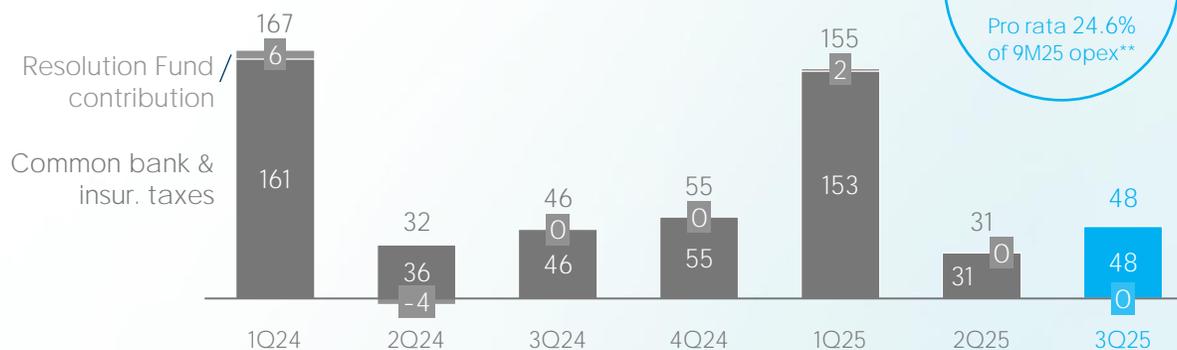
Pro rata 2.3%  
of 9M25 opex\*\*



## International Markets BU in m EUR

**BU IM**  
233m EUR

Pro rata 24.6%  
of 9M25 opex\*\*



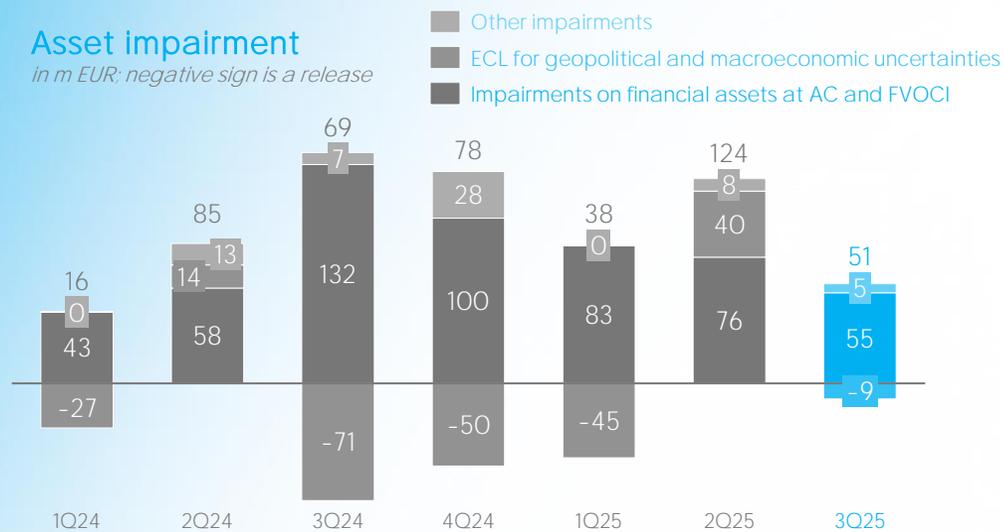
\* This refers solely to the bank & insurance taxes recognised in opex, and as such it does not take account of income tax expenses, non-recoverable VAT, etc.

\*\* Including directly attributable costs to insurance

# Lower net loan loss impairment charges & excellent credit cost ratio

## Asset impairment

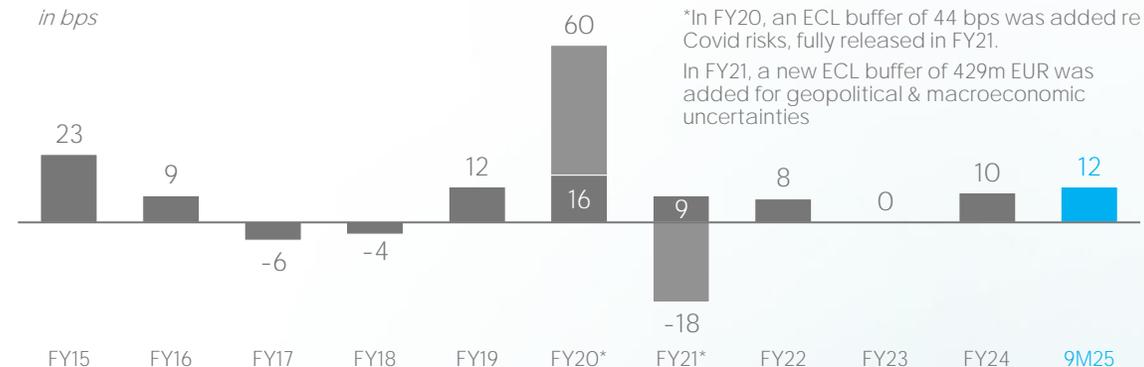
*in m EUR; negative sign is a release*



- Net loan loss impairment charges of 45m EUR in 3Q25 (compared with 116m EUR in 2Q25) due to:
  - 55m EUR net loan loss impairment charges on lending book (compared with 76m EUR in 2Q25), of which 26m EUR lowering the backstop shortfall for new NPLs in Belgium
  - A decrease of 9m EUR of the ECL buffer (versus an increase of 40m EUR of the ECL buffer in 2Q25), driven mainly by micro- and macroeconomic indicators
  - Total outstanding ECL for geopolitical & macroeconomic uncertainties now stands at 103m EUR
- 5m EUR impairment on **'other'**, of which:
  - 3m EUR impairment on software

## Credit cost ratio

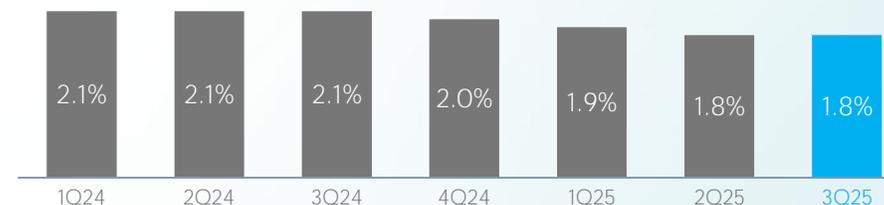
*in bps*



- The credit cost ratio in 9M25 amounted to:
  - 13 bps (16 bps in FY24) without ECL for geopolitical & macroeconomic uncertainties
  - 12 bps (10 bps in FY24) with ECL for geopolitical & macroeconomic uncertainties

## Impaired loans ratio

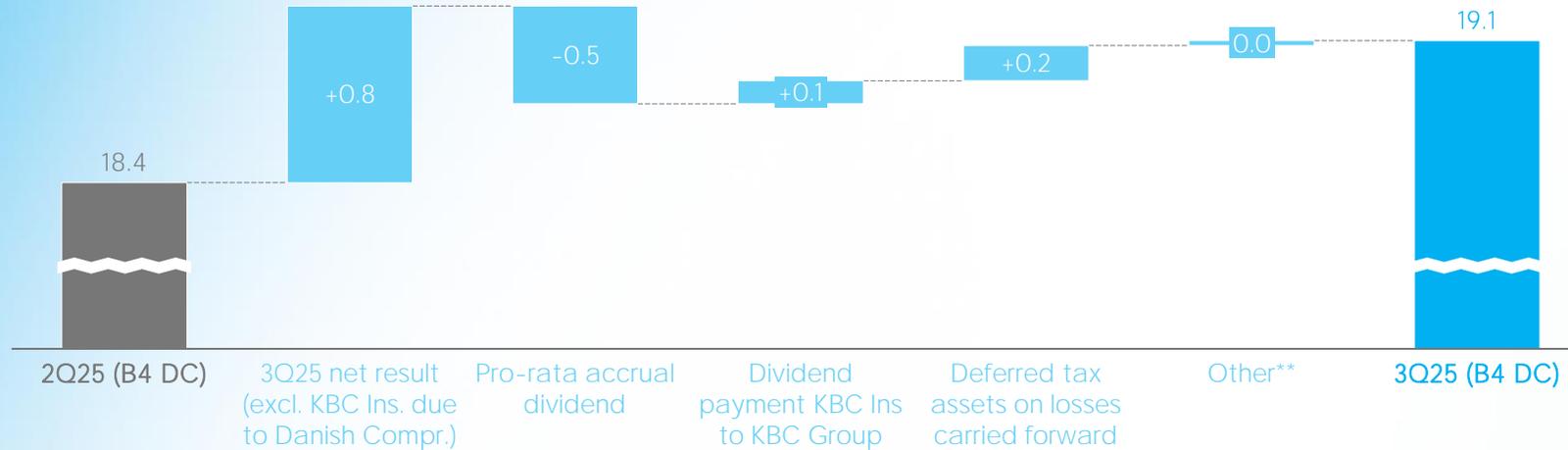
*in %*



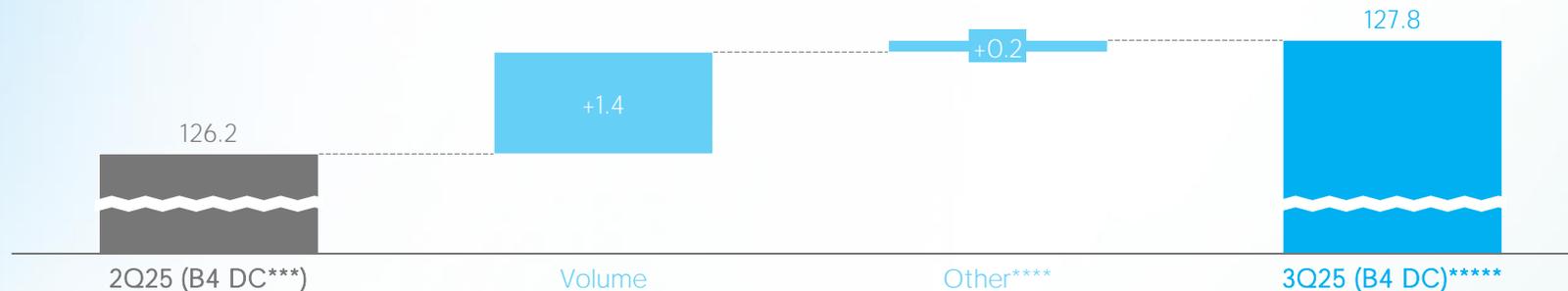
- The impaired loans ratio amounted to 1.8% (1.0% of which over 90 days past due)

# Unfloored\* fully loaded Basel 4 CET1 ratio from 2Q25 to 3Q25

## 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 14.6% at the end of 2Q25 to 14.9% at the end of 3Q25 based on the Danish Compromise

For 4Q25,

- the quarterly upstreaming of BGAAP insurance profit to KBC Group, a further positive impact from the DTA usage related to the liquidation of KBC Bank Ireland and active capital management (e.g. RWA savings of roughly 2bn EUR as a result of the first SRT) will be **tailwinds for the unfloored fully loaded CET1 ratio**
- the 365.bank acquisition (closing expected by the end of this year) will be a **headwind for the unfloored fully loaded CET1 ratio**

\* Fully loaded Basel 4 CET1 ratio excluding output floor impact

\*\* Includes the q-o-q delta in foreign currency 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

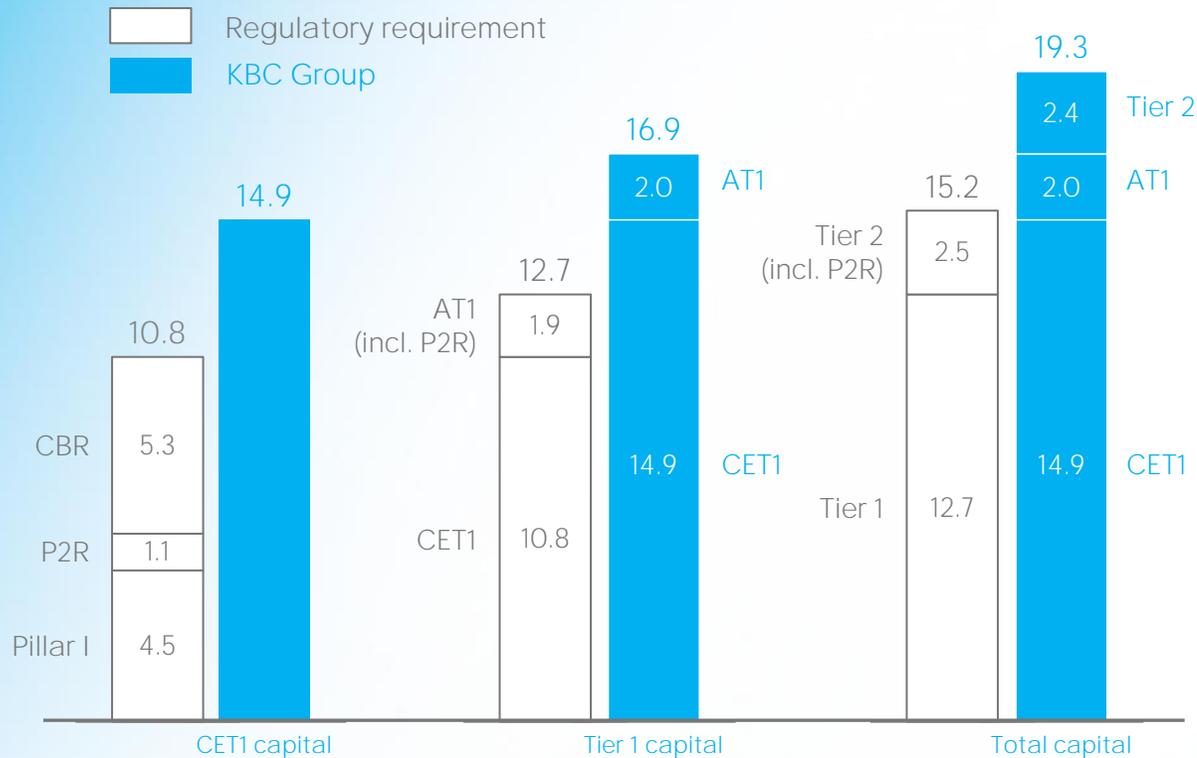
\*\*\*\* Includes foreign currency translation differences, asset quality, market risk, model changes, ...

\*\*\*\*\* 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 September 2025 (fully loaded, B4)

in %



- P2R 1.95% (= Pillar II requirement)  
1.10% to be met with CET1, 37bps eligible for AT1 and 49bps for Tier 2
- CBR 5.25% (= Combined buffer requirement)  
2.50% Capital conservation buffer  
1.50% O-SII buffer  
1.15% Countercyclical buffer  
0.10% Systemic risk buffer
- OCR (10.85%) buffer 4.1%
- MDA buffer 4.1%  
lowest of the buffers between available and required (i) CET1 capital, (ii) Tier 1 capital and (iii) Total capital
- MDA 10.85%  
i.e. the net of the CET1 ratio (14.9%) and the MDA buffer (4.1%)

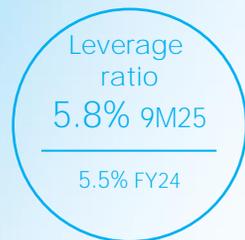


\* It includes all regulatory requirements known as at 31/10/2025. As announced on 7 November 2025, the countercyclical buffer in Belgium will increase from 1.0% to 1.25%, while the systemic risk buffer applied to the Belgian IRB mortgage loan portfolios of 0.10% will be deactivated, both applicable as from mid-2026. As such, MDA at KBC Group level will increase from 10.85% to 10.87%

# Leverage ratio, Solvency II ratio and liquidity ratios

## Leverage ratio | KBC Group

fully loaded



Q-o-q higher leverage ratio (from 5.6% to 5.8%) due mainly to higher T1 capital and lower other assets (chiefly decrease in cash & cash balances and reverse repos)

## Liquidity ratios | KBC Group

in %



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

## Solvency II ratio | KBC Group

in %



Q-o-q higher Solvency II ratio due mainly to an increase of the EUR interest rate curve and the 3Q25 IFRS P&L result, partly offset by the estimated dividend and higher global equity markets

\* 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.

\*\* Net Stable Funding Ratio (NSFR) is based on KBC Bank's interpretation of the proposal of CRR amendment.

## Looking forward | Economic outlook

- Against the background of the US-EU tariff agreement of 27 July, and despite ongoing uncertainty around economic policy and trade relations, growth in the euro area economy picked up to 0.2% in the third quarter. Barring new shocks, we are likely past the bottom of the European business cycle, with **growth improving further in the coming quarters on the back of defence spending, infrastructure investment and private consumption**
- **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 are **limited to roughly 7% of KBC's total granted loan portfolio**

# Looking forward | FY25 financial guidance

## Our bank-insurance model is firing on all cylinders

Note: all growth figures are based on reported 2024 figures

Total income

Net interest income\*

*Organic loan volume growth*

Insurance revenues (before reinsurance)

Operating expenses (excl. bank/insurance tax)

Combined ratio

Credit cost ratio

2025

at least +7.5% y-o-y

at least 5.95bn EUR

approximately +7.5% y-o-y

at least +7% y-o-y

below +2.5% y-o-y  
below FY24 growth excl. Ireland\*\*

below 91%

well below TTC of 25-30bps

FY25 NII guidance further increased from at least 5.85bn EUR to at least 5.95bn EUR, Organic loan volume growth increased from at least +6.5% to approx. +7.5% y-o-y

FY25 Total income guidance increased from at least +7.0% to at least 7.5%, consequently Jaws guidance from at least +4.5% to +5.0%

Jaws of +5.0%

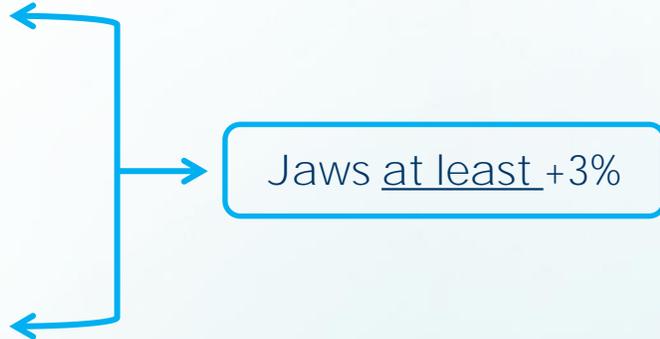
\* Based on following assumptions: (i) market forward rates of early November, (ii) no speculation on potential measures of any government and (iii) conservative pass-through rates on savings accounts; Every 25bps rate deviation from the market forward rates (across all currencies) generates roughly 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)

# Looking forward | FY27 financial guidance (as provided with FY24 results)

## Our bank-insurance model is firing on all cylinders

Note: all growth figures are based on reported 2024 figures

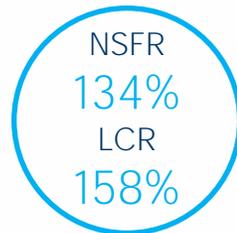
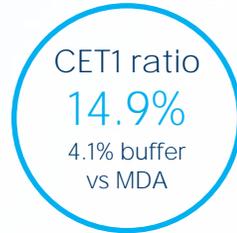
	2027	
Total income	CAGR24-27 <u>at least</u> +6%	
Net interest income*	CAGR24-27 <u>at least</u> +5%	
Insurance revenues (before reinsurance)	CAGR24-27 <u>at least</u> +7%	
Operating expenses (excl. bank/insurance tax)	CAGR24-27 <u>below</u> +3%	
Combined ratio	<u>below</u> 91%	
Credit cost ratio	<u>well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

\* 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

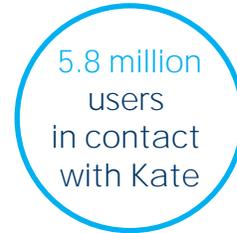
## Excellent financial performance



## Outstanding solvency and liquidity



## Kate convinces customers



## Franchise is growing



\* Excluding one-offs

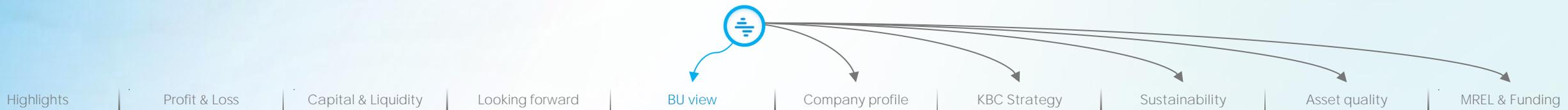
## BU view (slide 23-36)

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

## Annexes (slide 37-65)

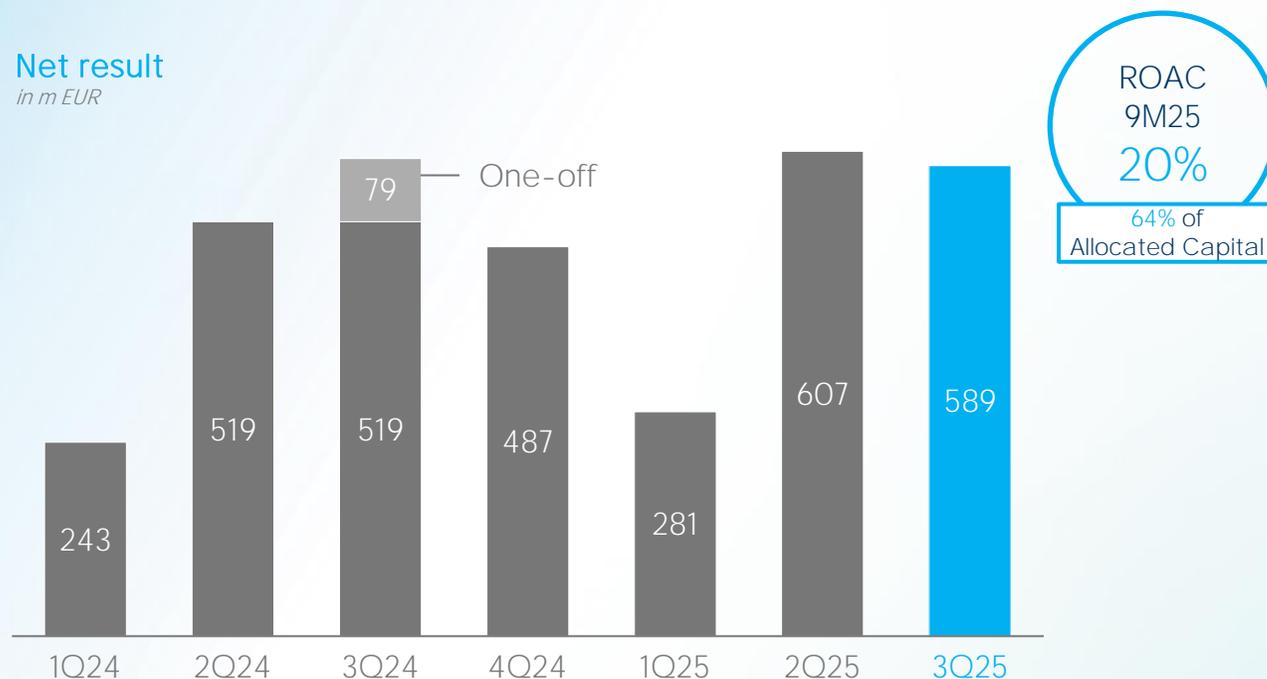
- Company profile
- KBC strategy
- Sustainability
- Asset quality
- MREL & funding

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# Belgium BU (1) | Net result

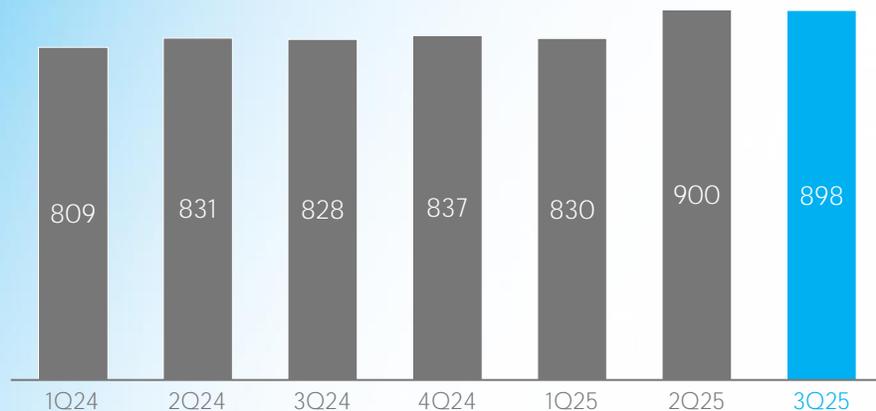
Net result  
in m EUR



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

## Net interest income

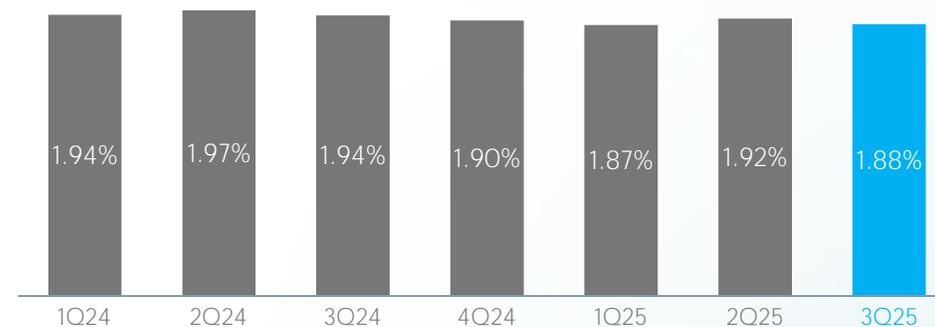
in m EUR



- Roughly flat 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 number of days
  - Higher dealing room NII
  - Higher short-term cash management
 was more than offset by
  - Lower NII on inflation-linked bonds (-20m EUR q-o-q, from +24m EUR in 2Q25 to +4m EUR in 3Q25)
  - Slightly lower NII on term deposits
- +9% y-o-y as sharply higher commercial transformation result, 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

## Net interest margin

in %



- Decreased by 4 bps q-o-q and 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)	130bn	48bn	144bn
Growth q-o-q*	+1%	+1%	-5%
Growth y-o-y	+6%	+5%	+3%

\* Non-annualised

\*\* Loans to customers, excluding reverse repos (and bonds).

\*\*\* Customer deposits, excluding debt certificates and repos, but including customer savings certificates.

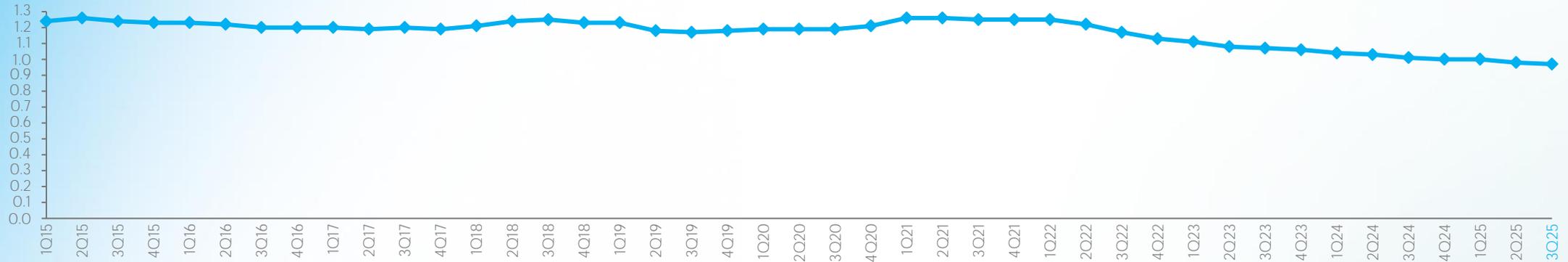
Excluding the volatility in the foreign branches of KBC Bank (included in BE BU), customer deposits fell by 2% q-o-q and rose by 3% y-o-y

Growth figures are excluding FX, consolidation adjustments and reclassifications

# Belgium BU (3) | Credit margins in Belgium

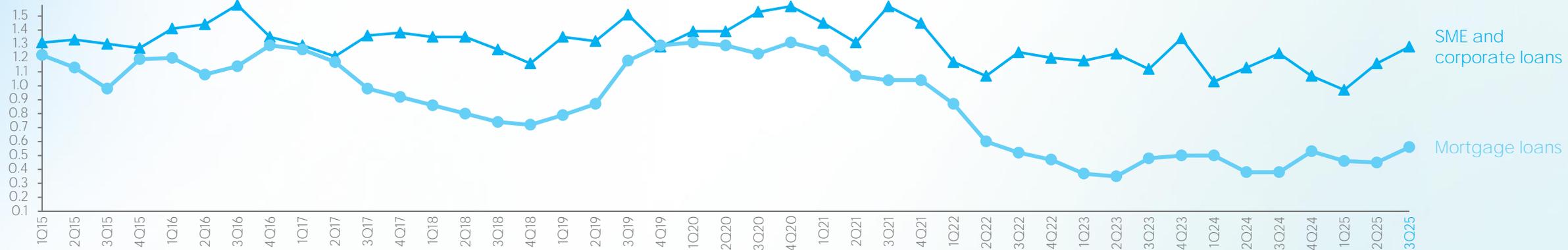
## Product spread on customer loan book | Outstanding

in %



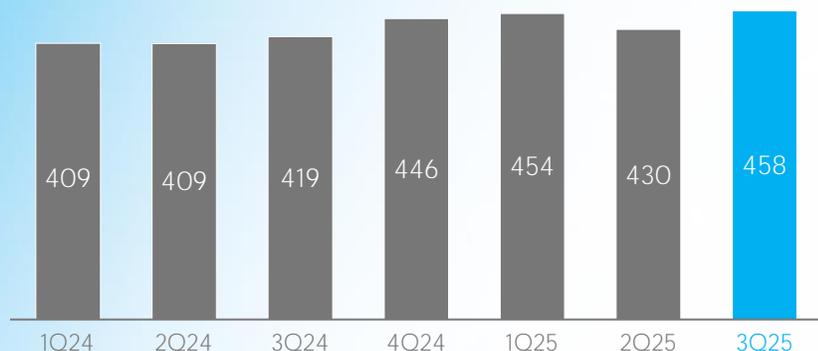
## Product spread | New production

in %



## Net fee & commission income

in m EUR



- The 6% higher q-o-q net F&C income was mainly the result of higher management & entry fees, higher payment-related fees, higher network income and higher securities-related fees, partly offset by higher distribution fees paid for mutual funds and lower fees from credit files & bank guarantees
- The 9% higher y-o-y net F&C income was driven chiefly by higher management & entry fees, higher network income and higher securities-related fees, partly offset by higher distribution fees paid for mutual funds and banking products, lower payment-related fees and lower fees from credit files & bank guarantees

## Assets under management

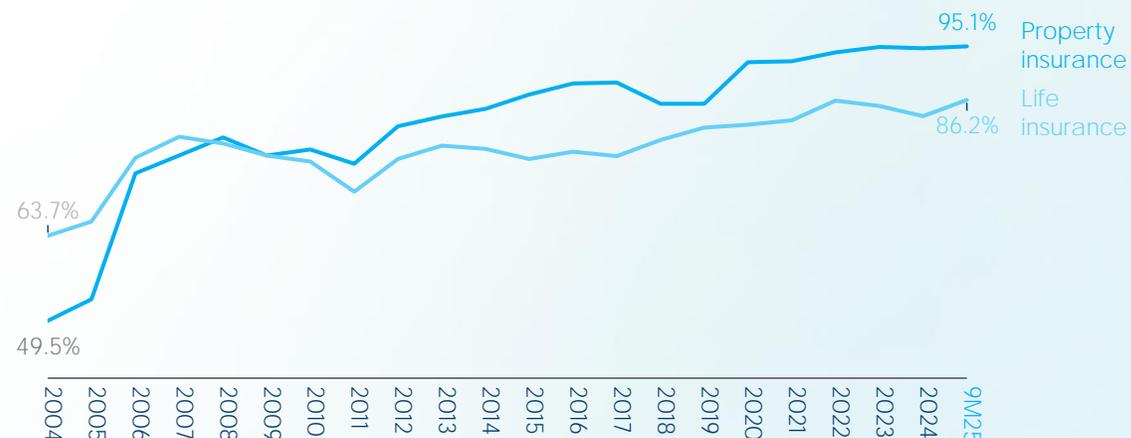
- 258bn EUR
- Increased by 4% q-o-q due to net inflows (+1%) and positive market performance (+3%)
- Increased by 8% y-o-y due to net inflows (+3%) and positive market performance (+5%)

## Insurance

- Insurance sales: 1,114m EUR
  - Non-life sales (371m EUR) +6% y-o-y, due to premium growth in all classes, due to a combination of volume and tariff increases
  - Life sales (743m EUR) rose by 45% q-o-q and by 6% y-o-y
    - The q-o-q increase was due mainly to sharply higher sales of unit-linked products (as the result of commercial actions and two successful emissions) and higher sales of guaranteed-interest products
    - The y-o-y increase was driven by higher sales of guaranteed-interest products, unit-linked products and hybrid products
- Combined ratio amounted to an excellent 87% in 9M25 (87% in 9M24)

## Mortgage-related cross-selling ratios

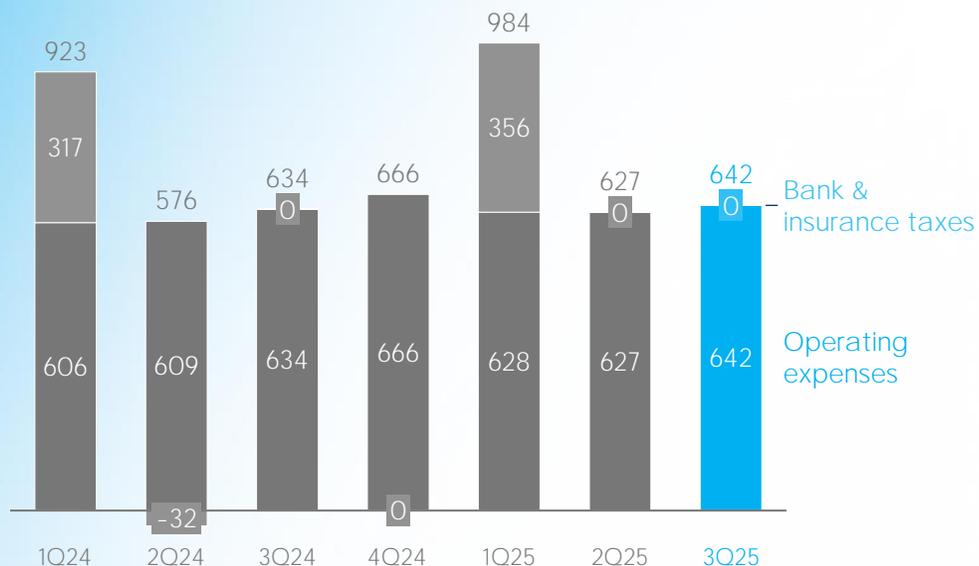
in %



# Belgium BU (5) | Opex & impairments

## Operating expenses

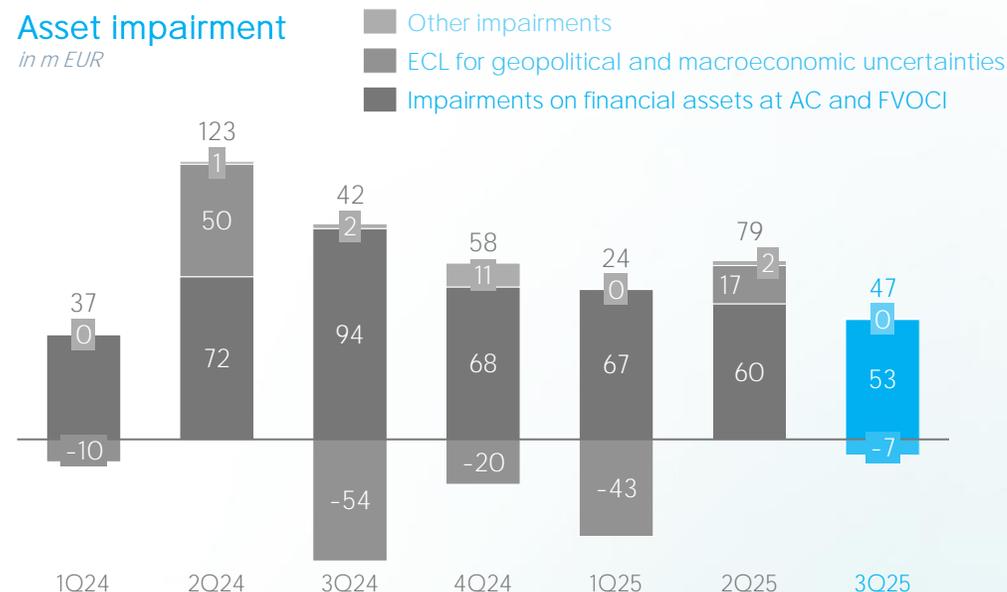
in m EUR



- Opex (including costs directly attributable to insurance, but excluding bank & insurance taxes): +2% q-o-q and +1% y-o-y
- +2% q-o-q as higher marketing expenses, higher professional fee expenses and various smaller items were partly offset by lower staff costs
- +1% y-o-y due chiefly to higher ICT costs, higher marketing costs, higher professional fee expenses and higher depreciations, partly offset by lower facility costs
- Cost/income ratio adjusted for specific items: 43% in 9M25 (44% in FY24)

## Asset impairment

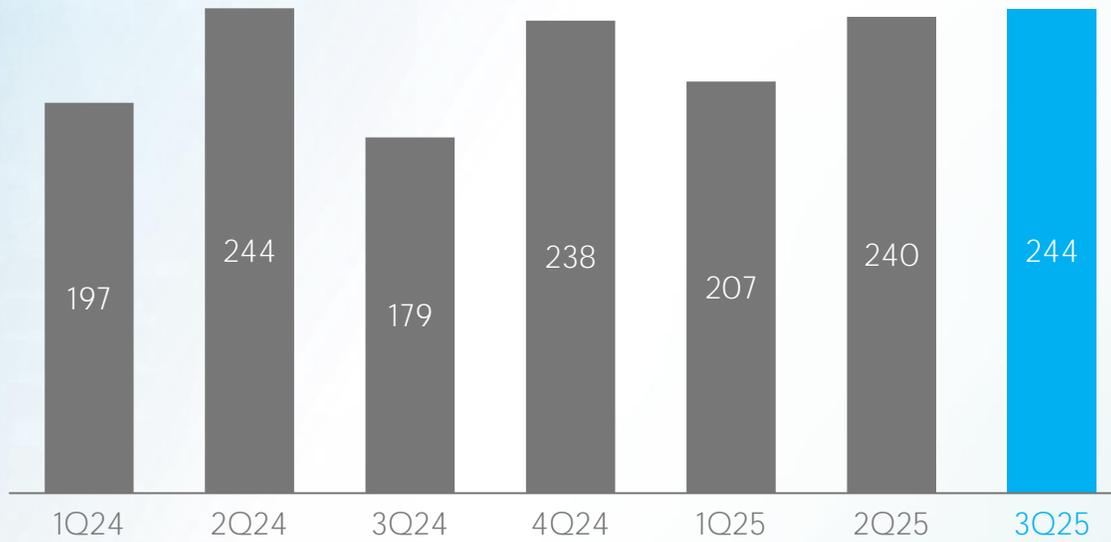
in m EUR



- Net loan loss impairment charges of 46m EUR in 3Q25 (compared with 77m EUR in 2Q25) due to:
  - 54m EUR net loan loss impairment charges on lending book (versus 60m EUR in 2Q25), of which 26m EUR lowering the backstop shortfall for new NPLs
  - a 7m EUR net impairment release for geopolitical & macroeconomic uncertainties (versus a 17m charge in 2Q25).
- Credit cost ratio amounted to 14 bps in 9M25 (19 bps in FY24)
- Impaired loans ratio improved to 1.8%, 0.9% of which over 90 days past due

# Czech Republic BU (1) | Net result

Net result  
in m EUR



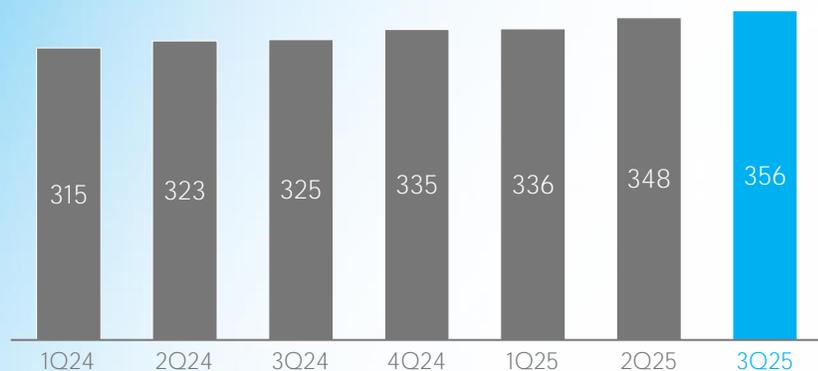
ROAC  
9M25  
38%

16% of  
Allocated Capital

- The quarter was characterised by higher net interest income, higher net fee & commission income, stable sales of non-life and lower sales of life insurance products, higher net result from financial instruments at fair value & IFIE, lower net other income, higher costs, higher insurance service expenses after reinsurance and no impairments

## Net interest income

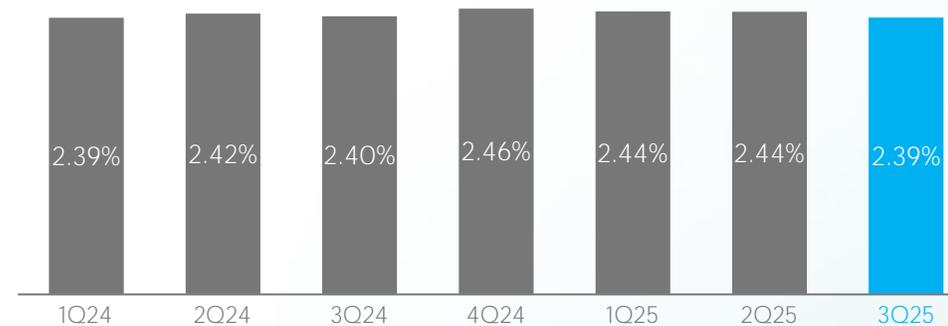
in m EUR



- +1% q-o-q and +7% y-o-y (both excl. FX effect)
- Q-o-q increase as higher commercial transformation result and lower costs on the minimum required reserves held with the central bank were partly offset by lower NII on term deposits
- Y-o-y increase, as much higher commercial transformation result, higher lending income, higher ALM result and slightly higher short-term cash management were only partly offset by higher funding costs and higher costs on the minimum required reserves held with the central bank

## Net interest margin

in %



- Fell by 5 bps q-o-q and 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)	44bn	22bn	54bn
Growth q-o-q*	+3%	+2%	+2%
Growth y-o-y	+11%	+7%	+4%

\* Non-annualised

\*\* Loans to customers, excluding reverse repos (and bonds).

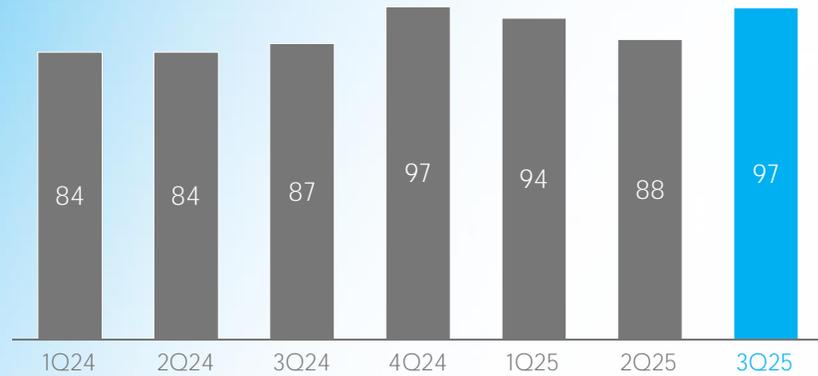
\*\*\* Customer deposits, excluding debt certificates and repos

Growth figures are excluding FX, consolidation adjustments and reclassifications

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

## Net fee & commission income

in m EUR



- The 9% higher q-o-q net F&C income excl. FX effect was mainly the result of higher entry fees, higher payment-related fees, higher network income fees and higher distribution fees received for mutual funds
- The 9% higher y-o-y net F&C income excl. FX effect was driven chiefly by higher management fees, higher distribution fees received for mutual funds, higher securities-related fees, higher network income, higher fees from credit files & bank guarantees and lower client incentives, partly offset by lower payment-related fees, higher commissions paid linked to banking products and lower entry fees

## Assets under management

- 21.3bn EUR
- +3% q-o-q due to net inflows (+2%) and positive market performance (+1%)
- +12% y-o-y due to net inflows (+9%) and positive market performance (+3%)

## Insurance

- Insurance sales: 203m EUR
  - Non-life sales (149m EUR) +13% y-o-y excl. FX, due to premium and volume growth in almost all classes
  - Life sales (54m EUR):
    - -18% q-o-q excl FX due entirely to lower sales of hybrid products (due to commercial actions in 2Q25)
    - +10% y-o-y (excl. FX) as higher sales of hybrid products were partly offset by lower sales of unit-linked products and slightly lower sales of guaranteed-interest products
- An excellent combined ratio of 85% in 9M25 (87% in 9M24)

## Mortgage-related cross-selling ratios\*

in %

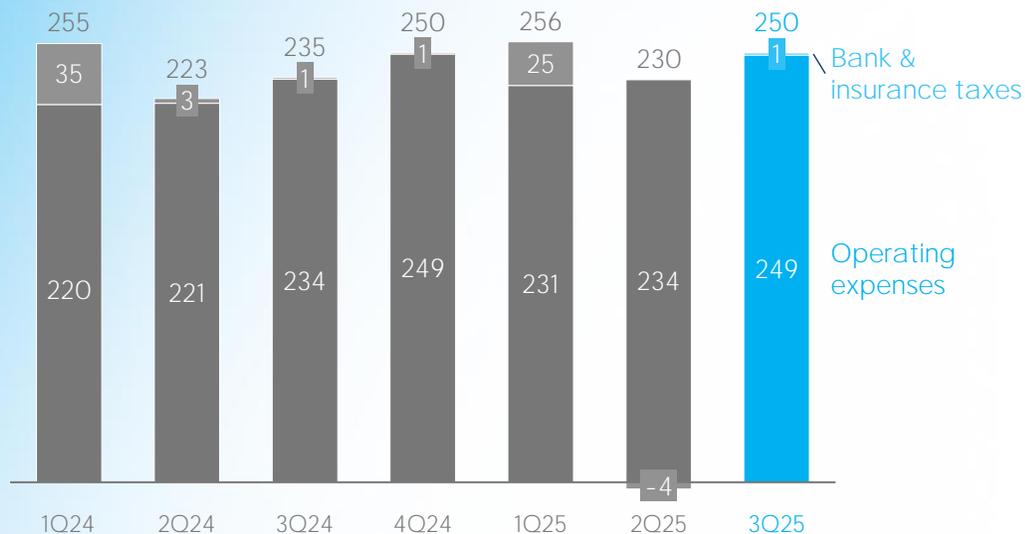


\* Restated numbers due to methodology change: external broker channels are excluded

# Czech Republic BU (4) | Opex & impairments

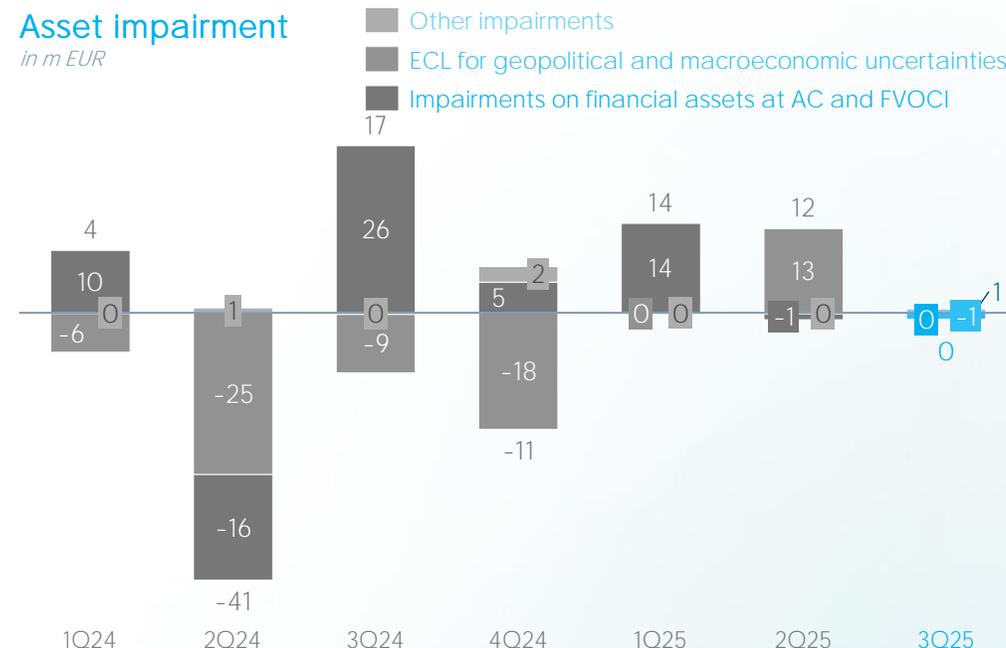
## Operating expenses

in m EUR



## Asset impairment

in m EUR

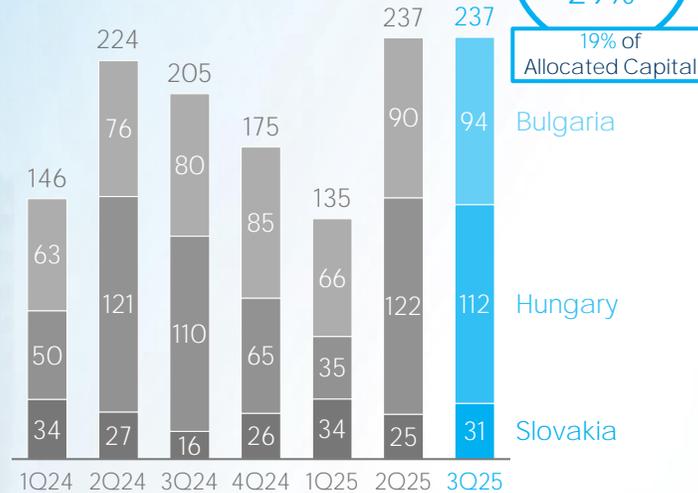


- Opex (incl. costs directly attributable to insurance and excl. bank & insurance taxes): +5% q-o-q and +3% y-o-y, excl. FX effect
- Q-o-q increase was due mainly to higher staff costs, higher ICT costs and higher professional fee expenses, partly offset by lower facility costs
- Y-o-y increase was chiefly the result of higher staff costs and higher ICT costs, partly offset by lower professional fee expenses
- Adjusted for specific items, C/I ratio amounted to roughly 42% in 9M25 (45% in FY24)

- Net loan loss impairment release of 1m EUR in 3Q25 (compared with 12m EUR charges in 2Q25). Credit cost ratio amounted to 0.08% in 9M25 (-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*



### Highlights (q-o-q)

- Higher net interest income. NIM of 2.92% in 3Q25 (-9 bps q-o-q and -26 bps y-o-y)
- Higher net fee and commission income
- Lower FIFV & IFIE result and lower net other income
- Lower non-life and life insurance sales
- A combined ratio of 89% in 9M25 (97% in 9M24). Excluding the significant windfall tax on insurance in Hungary, the combined ratio amounted to 87% in 9M25 (92% in 9M24)
- Higher operating expenses
- Lower net impairment charges

## Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	33bn	13bn	34bn
Growth q-o-q*	+4%	+3%	+3%
Growth y-o-y	+13%	+13%	+7%

\* Non-annualised

\*\* Loans to customers, excluding reverse repos (and bonds).

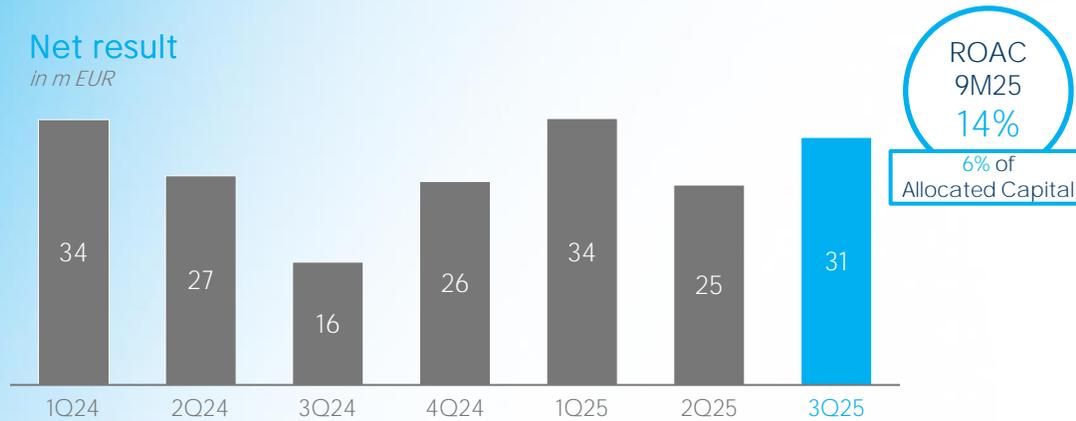
\*\*\* Customer deposits, excluding debt certificates and repos  
Growth figures are excluding FX, consolidation adjustments and reclassifications

## Assets under management

- 12.1bn EUR (+5% q-o-q and +17% y-o-y)

# International markets BU (2) | Slovakia

## Net result *in m EUR*



## Highlights (q-o-q)

- Higher net interest income due mainly to higher lending income, partly offset by higher funding costs
- Lower net fee & commission income driven mainly by lower securities-related fees, lower entry fees and lower fees from credit files & bank guarantees
- Lower FIFV & IFIE result and lower net other income
- Stable non-life insurance sales and lower life insurance sales
- An improvement of the combined ratio (from 112% in 9M24 to 96% in 9M25) 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 driven by various smaller items
- 5m EUR net loan loss impairment releases in 3Q25 (10m EUR net loan loss impairment charges in 2Q25). Credit cost ratio of 0.03% in 9M25 (-0.14% in FY24)
- 1m EUR impairment on 'other' (software)

## Volume trend

- Total customer loans rose by 3% q-o-q and by 10% y-o-y (the latter due mainly to good growth in all segments)
- Total customer deposits rose by 3% q-o-q (due mainly to the corporate segment) and by 1% y-o-y (due mainly to the SME segment)

## Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	13bn	7bn	9bn
Growth q-o-q*	+3%	+2%	+3%
Growth y-o-y	+10%	+8%	+1%

\* Non-annualised

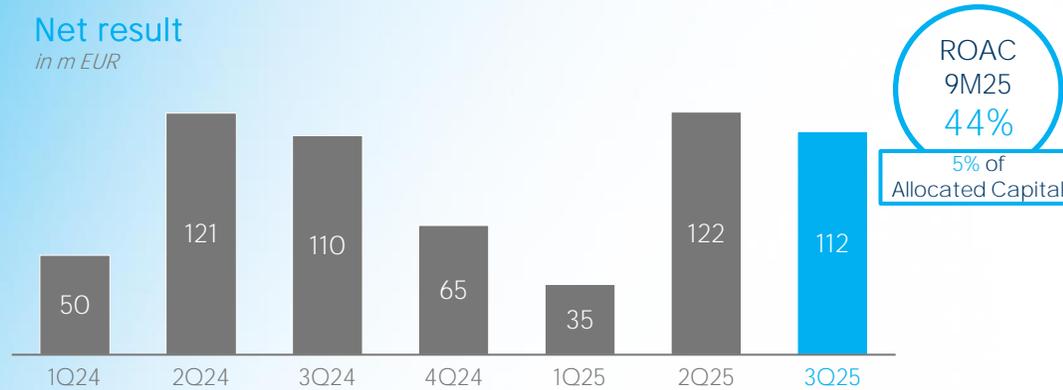
\*\* Loans to customers, excluding reverse repos (and bonds).

\*\*\* Customer deposits, excluding debt certificates and repos

Growth figures are excluding FX, consolidation adjustments and reclassifications

# International markets BU (3) | Hungary

## Net result *in m EUR*



## Highlights (q-o-q)

- Higher net interest income excluding FX effect due mainly to higher commercial transformation result, higher lending income and higher ALM result
- Higher net fee and commission income driven mainly by higher fees from payment services and higher network income
- Lower FIFV & IFIE result (due mainly to lower dealing room result) and lower net other income
- Lower non-life and life insurance sales
- A combined ratio of 94% in 9M25 (104% in 9M24) due mainly to windfall tax on insurance. Excluding this windfall tax, the combined ratio amounted to 88% in 9M25 (92% in 9M24)
- Operating expenses excluding FX effect and bank & insurance taxes rose by 1% q-o-q due mainly to higher marketing costs and higher depreciations
- No net loan loss impairment charges in 3Q25 (versus 3m EUR in 2Q25). Credit cost ratio of 0.05% in 9M25 (-0.27% in FY24)
- 2m EUR impairment on 'other' (software)

## Volume trend

- Total customer loans rose by:
  - +2% 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:
  - +1% q-o-q mainly driven by higher SME deposits, partly offset by lower corporate 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)	8bn	2bn	10bn
Growth q-o-q*	+2%	+4%	+1%
Growth y-o-y	+9%	+11%	+6%

\* Non-annualised

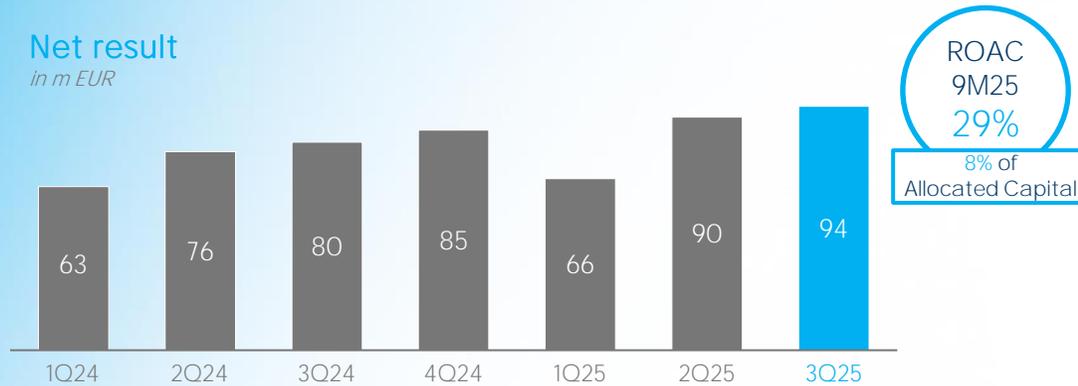
\*\* Loans to customers, excluding reverse repos (and bonds)

\*\*\* 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*



## Highlights (q-o-q)

- Stable net interest income as higher commercial transformation result and lower costs on the minimum required reserves held with the central bank were offset by lower lending income and lower NII on term deposits
- Higher net fee and commission income driven mainly by higher payment-related fees
- Lower non-life and life insurance sales
- An excellent combined ratio of 82% in 9M25 (85% in 9M24)
- Lower operating expenses excluding bank & insurance taxes due mainly to lower staff costs
- 5m EUR net loan loss impairment charges (versus 15m EUR in 2Q25). Credit cost ratio of 0.27% in 9M25 (0.14% in FY24)
- 1m EUR impairment on 'other'

## Volume trend

- Total customer loans rose by 5% q-o-q and by 18% y-o-y due to growth in all segments
- Total customer deposits rose by 5% q-o-q and by 11% y-o-y due to growth in all segments

## Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume (EUR)	12bn	4bn	15bn
Growth q-o-q*	+5%	+5%	+5%
Growth y-o-y	+18%	+26%	+11%

\* Non-annualised

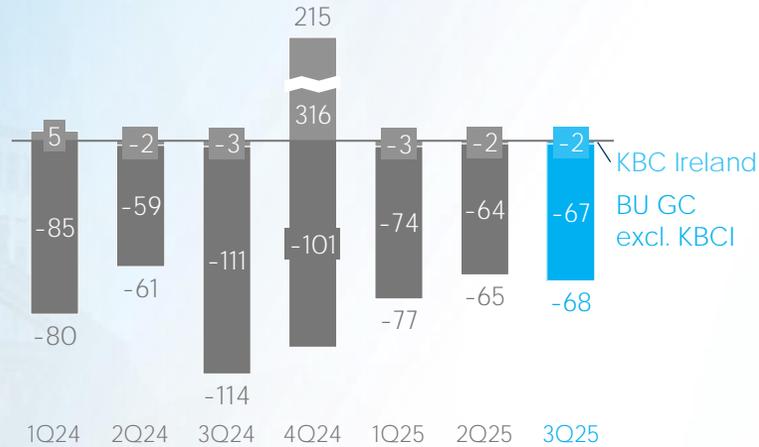
\*\* Loans to customers, excluding reverse repos (and bonds)

\*\*\* Customer deposits, excluding debt certificates and repos

Growth figures are excluding FX, consolidation adjustments and reclassifications

# Group Centre BU | Highlights

## Net result in m EUR



## Highlights (q-o-q), excluding Ireland

- Excluding KBC Bank Ireland, the q-o-q lower result of Group Centre was attributable mainly to:
  - Lower FIFV & IFIE result
  - Lower net other income
 partly offset by
  - Lower operating expenses excluding bank & insurance taxes
  - Higher net interest income

- 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

# 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

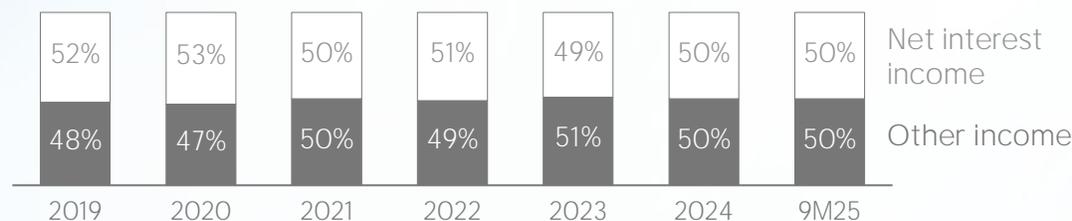


- ... and from a business point of view**

- 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)

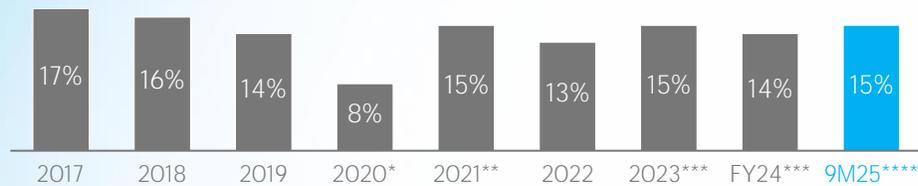
## High profitability (IFRS 17 figures)



\* Adjusted for specific items

### Return on Equity

in %



\* 11% when adjusted for the collective Covid-19 impairments

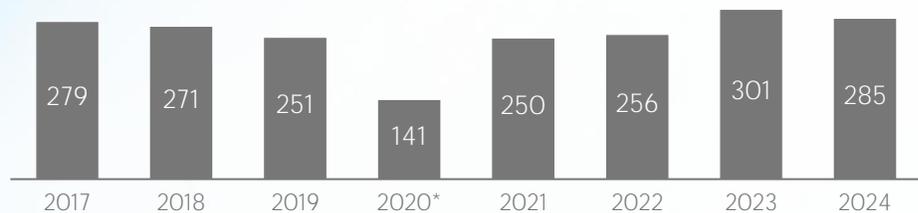
\*\* When excluding the one-off items due to the pending sales transactions in Ireland

\*\*\* 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

\*\* It includes all regulatory requirements known as at 31/10/2025

## Robust liquidity



# Company profile | KBC Group in a nutshell (3)

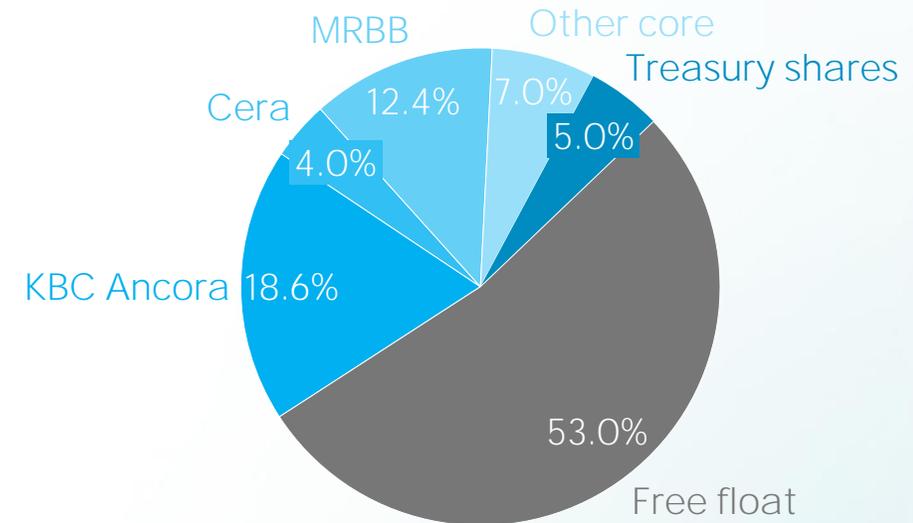
## Dividend policy & capital distribution

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)

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

## Shareholder structure (as at end 3Q25)



- 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

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

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<sup>1</sup> and 9.4x P/E<sup>2</sup> 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: <sup>1</sup>based on the equity position of 365.bank at year-end 2024; <sup>2</sup>based on the average 2022-2024 net profit of 365.bank

# KBC strengthens its position in Central Europe with the acquisition of Business Lease in the Czech Republic and Slovakia (as announced on October 23, 2025)



KBC has agreed to acquire [Business Lease Czech Republic](#) and [Business Lease Slovakia](#), for a total consideration of 72m EUR

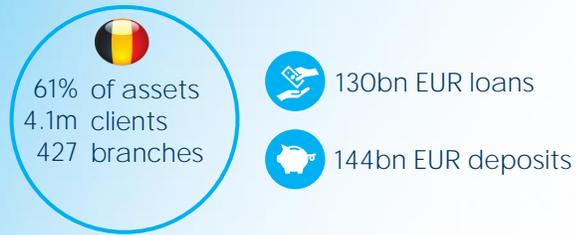
## Indisputable strategic rationale

- With this transaction, KBC Group will significantly [expand its leasing activities in Central Europe](#) and strengthen its market position in both countries, becoming a top 5 player in Czech Republic and a top 3 player in Slovakia
- The combined entity will be able to further increase [operational efficiency](#), [optimise customer experience](#) and unlock substantial benefits, including [cross-selling opportunities](#)
- In line with KBC's strategy to achieve reference positions in its core markets, this transaction will lead to further [income diversification](#) at KBC Group

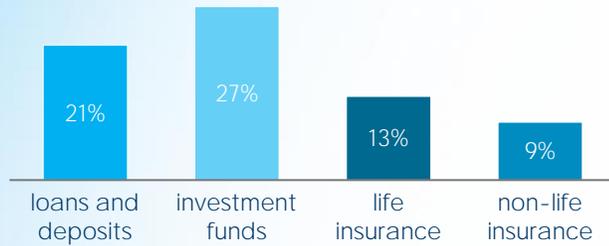
## Strong financial rationale

- EPS [accretive](#) from year 1 onwards
- Purchase price represents a [1.4x Book Value](#) (year-end 2024)
- Leveraging on the combined entity, the cross-selling potential and KBC's [expertise, synergies](#) (incl. integration and restructuring costs) will quickly increase to [high single digit million euros per year](#), after a two-year integration period (pre-tax). [Return on investment](#) is estimated at [14%](#)
- Estimated [capital impact](#) on KBC Group's unfloored fully loaded CET1 ratio will be limited to [an immaterial -4bps](#) 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 anti-trust approvals and is [expected to close in 1Q26](#)

## Belgium BU



Market share  
*in %, end 2024*



GDP growth  
*in %, KBC Economics*

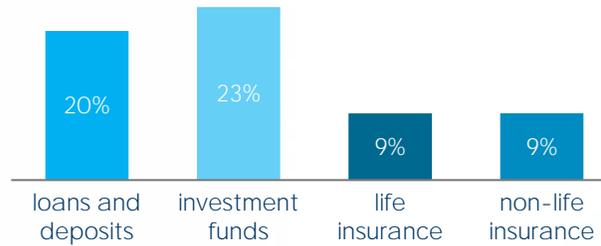


 105% debt-to-GDP ratio

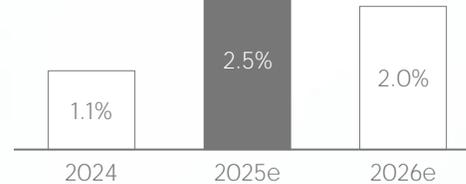
## Czech Republic BU



Market share  
*in %, end 2024*

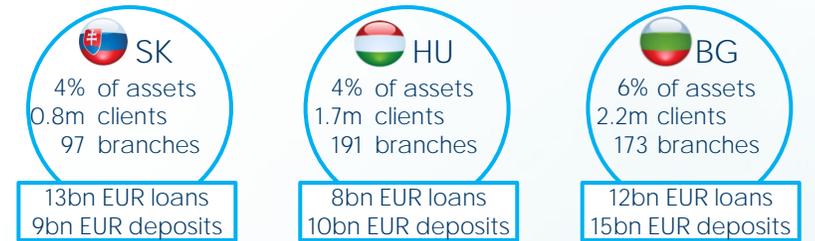


GDP growth  
*in %, KBC Economics*

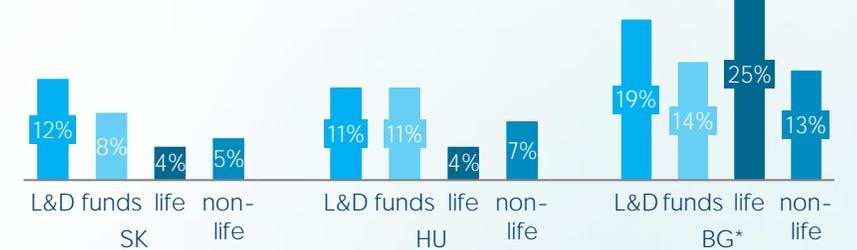


 44% debt-to-GDP ratio

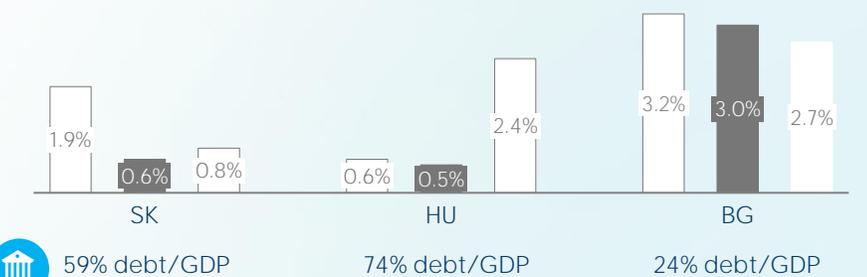
## International Markets BU



Market share  
*in %, end 2024*



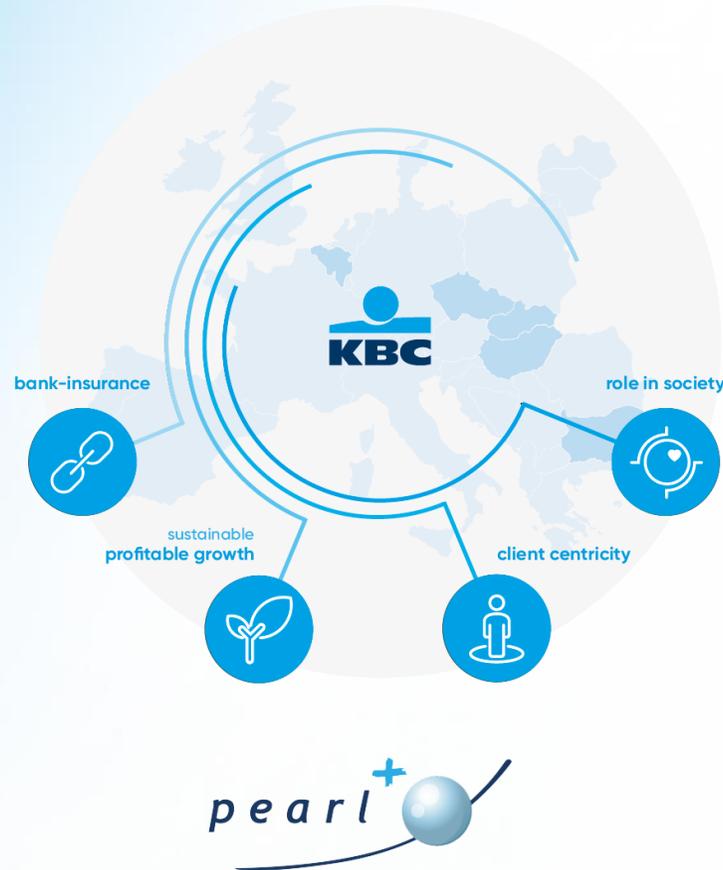
GDP growth  
*in %, KBC Economics*



 59% debt/GDP

74% debt/GDP

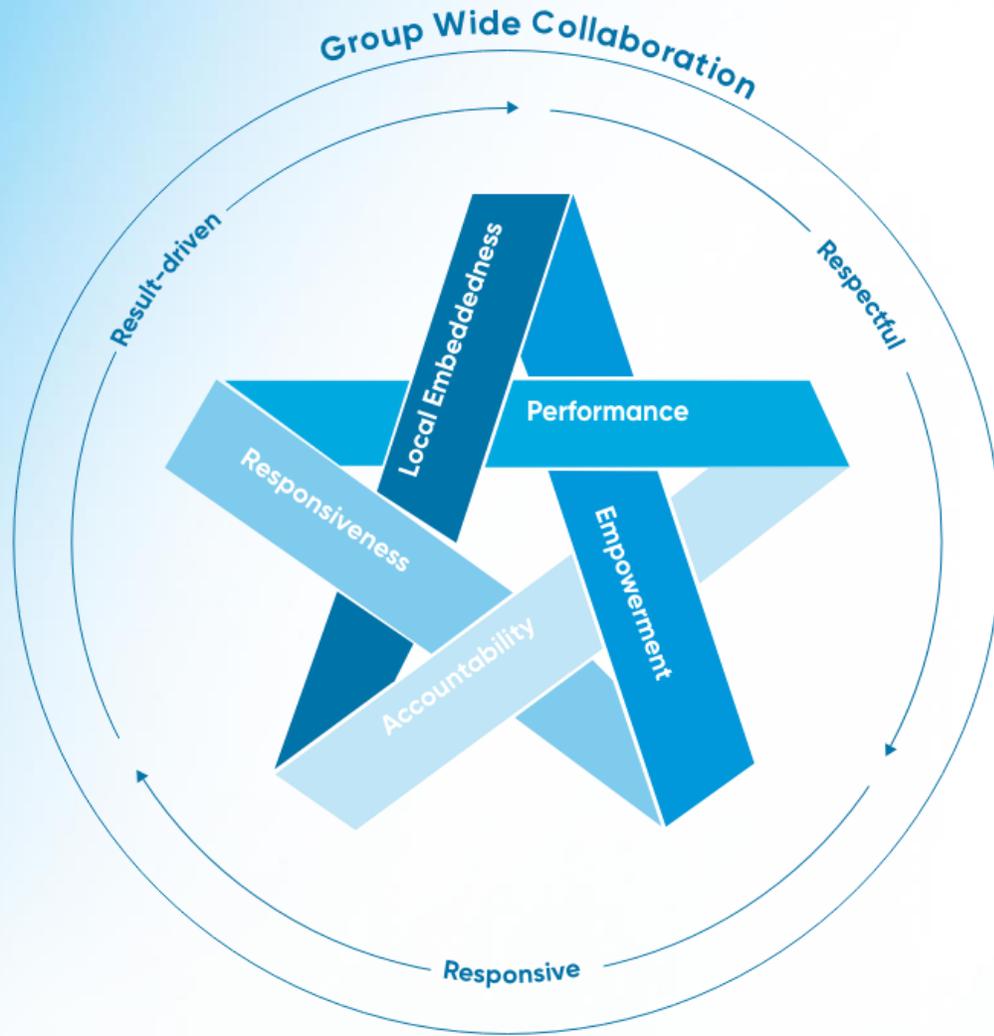
24% debt/GDP



## 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

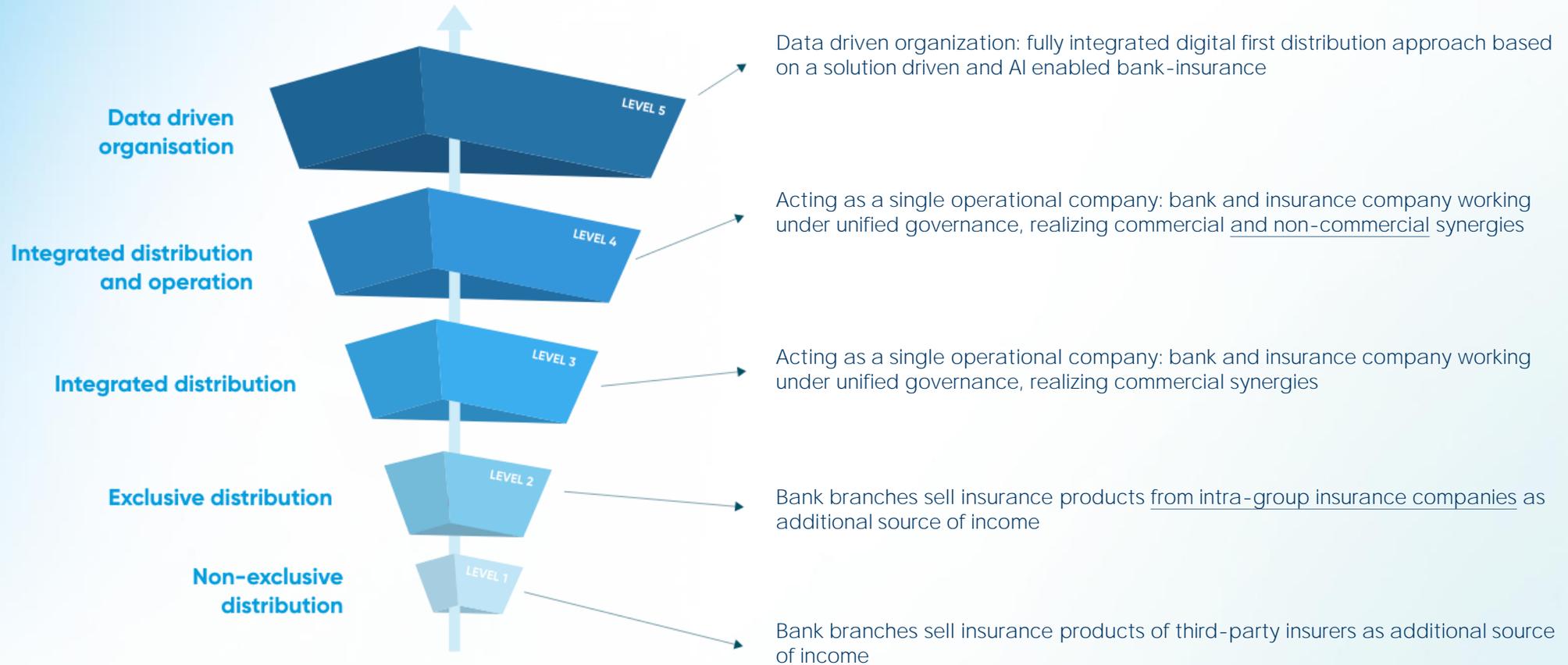
As part of our PEARL+ business culture, we focus on jointly developing solutions, initiatives and ideas within the group



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

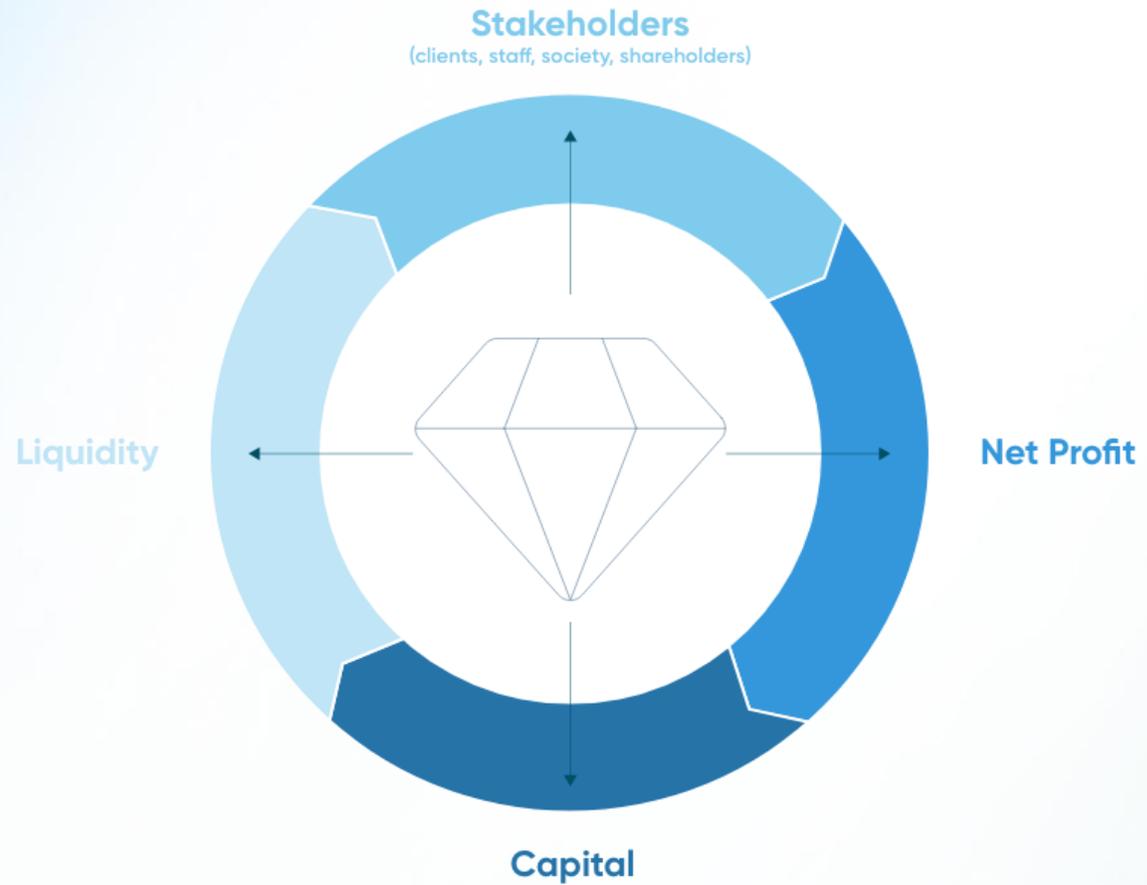
Johan Thijs

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



# 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



## Digital first & E2E

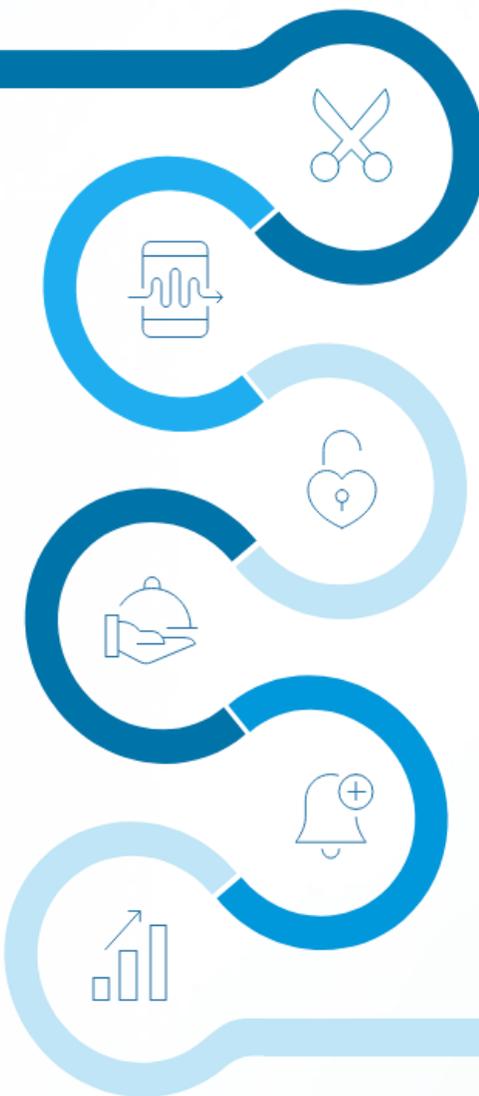
We will offer the client a frictionless End2End digital process and in doing so make bank/insurance simple and hassle free

## 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

## 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



## 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

## 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

## 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

**'No hassle,  
no friction,  
zero delay'**

Johan Thijs



## 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!**



## 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.

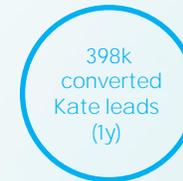


## Kate4Commercial Employees

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.



# 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.

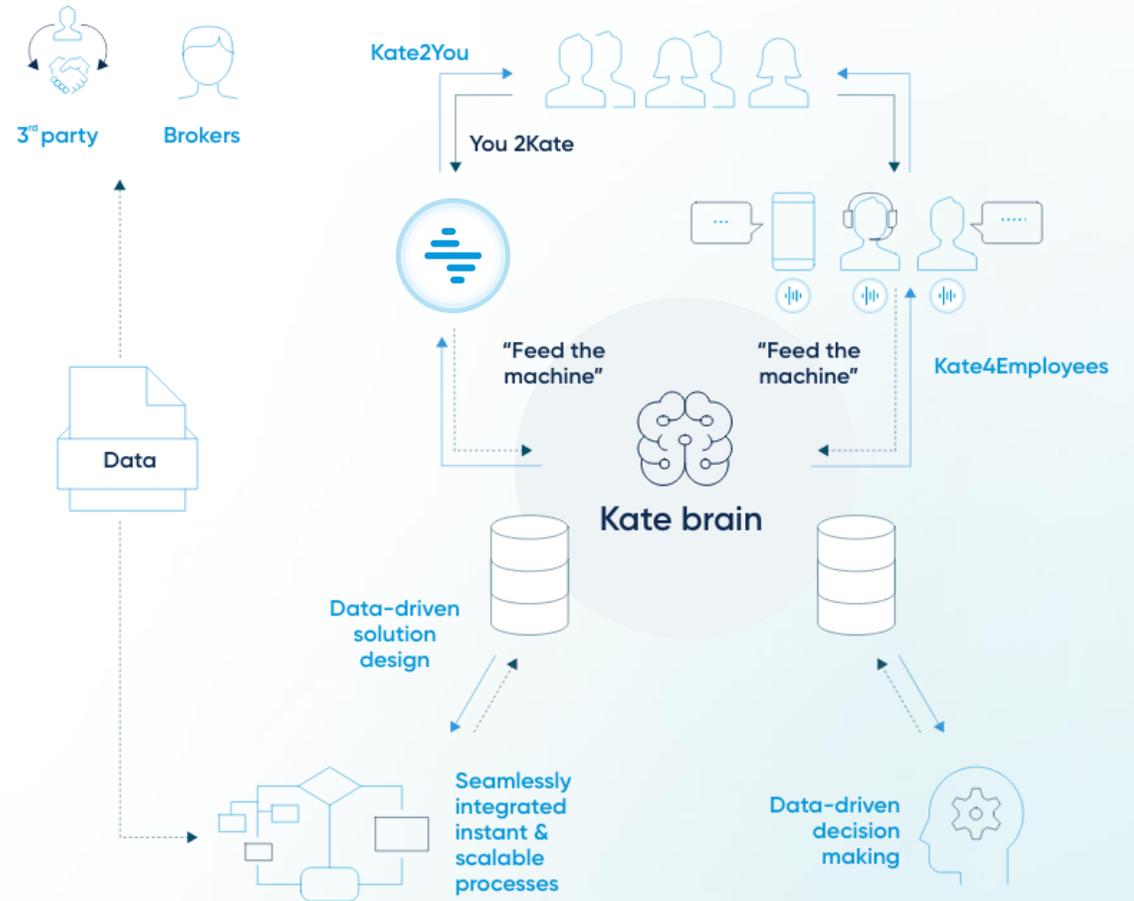
So, Kate is not only steering the interaction with customer-facing touchpoints (digital, physical, remote) but also the product factories and decision makers by providing relevant insights.

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.

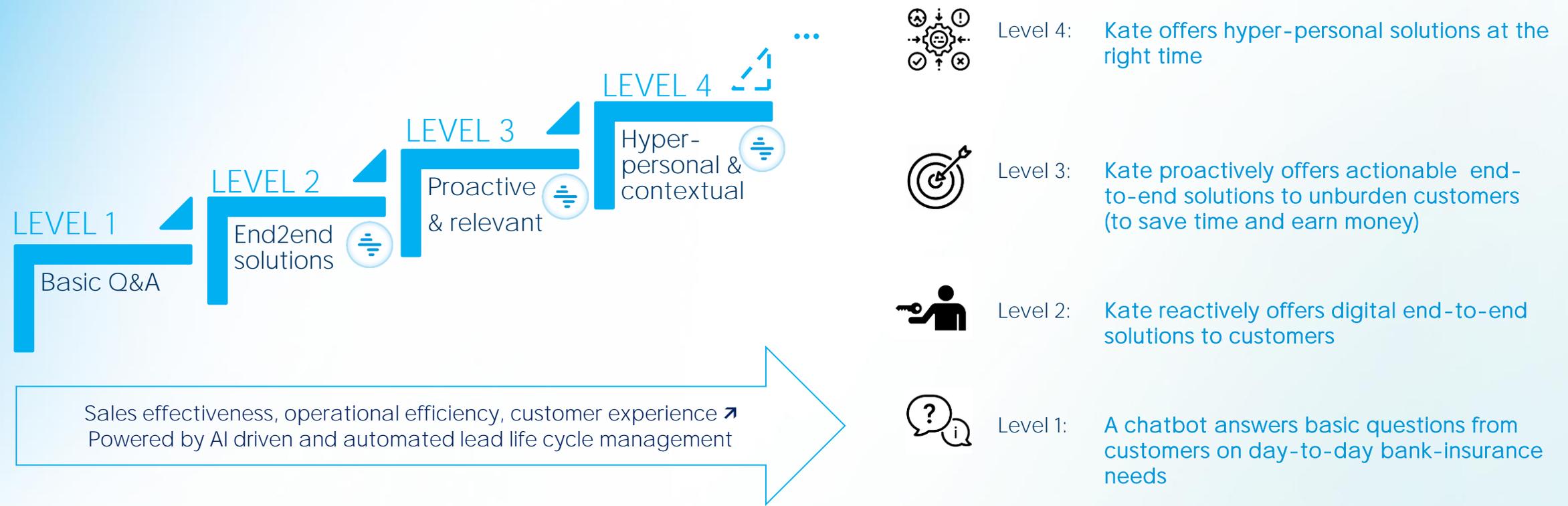
Very important in this are the feedback loops from all interactions to make sure Kate is learning and getting smarter, resulting in better decision making.

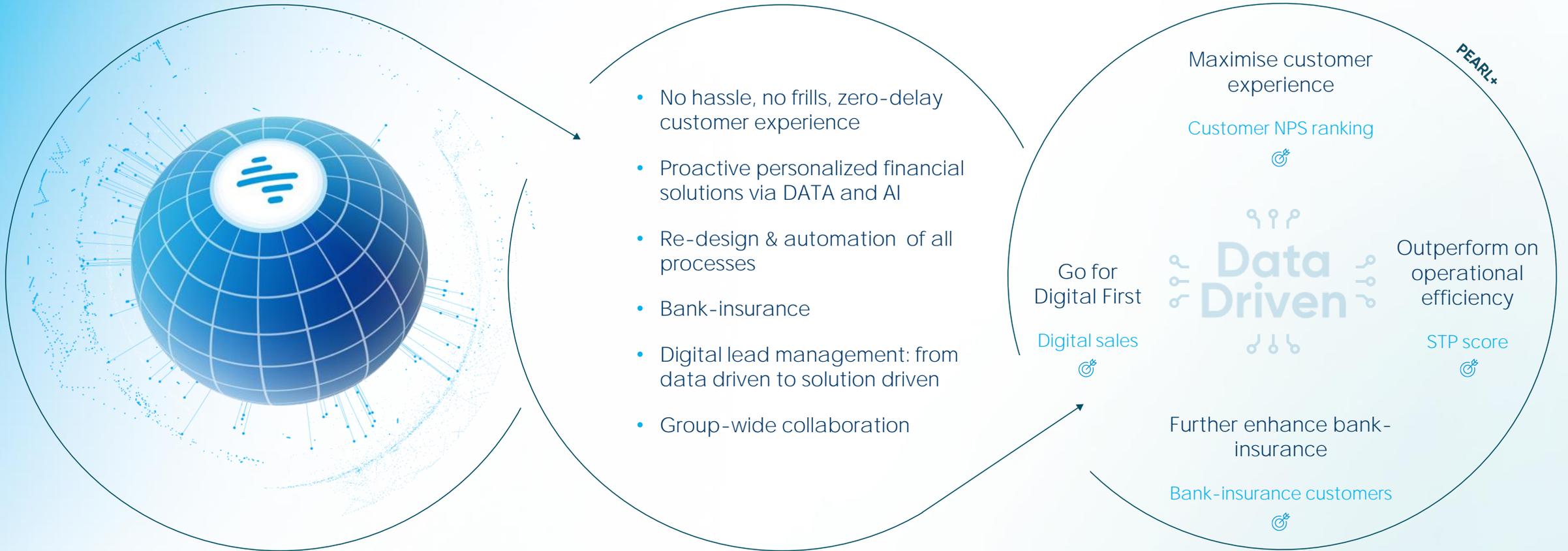
The main purpose remains the same: happy customers. As a data-driven company we remain guided by our client-centric vision.

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





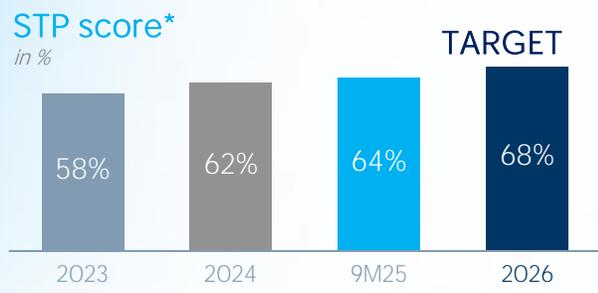
# Strategy | KBC's non-financial targets (2023-2026)

## Customer ranking



- KBC is 3<sup>rd</sup> 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)

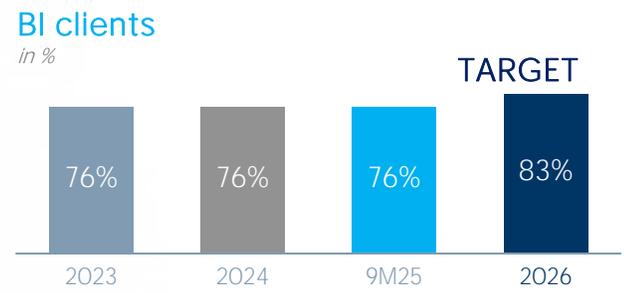
## Straight-through processing



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

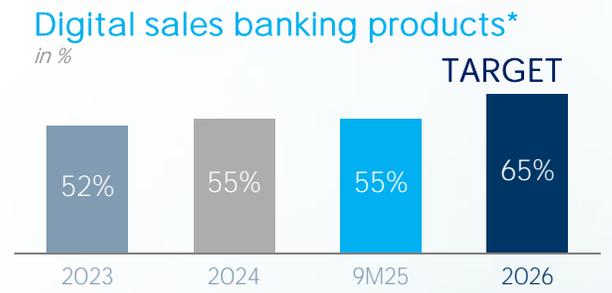
\* Slightly changed due to alignment of definitions



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

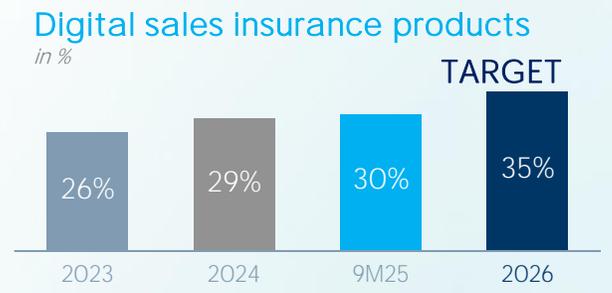
\* Slightly changed due to alignment of definitions

## Digital sales



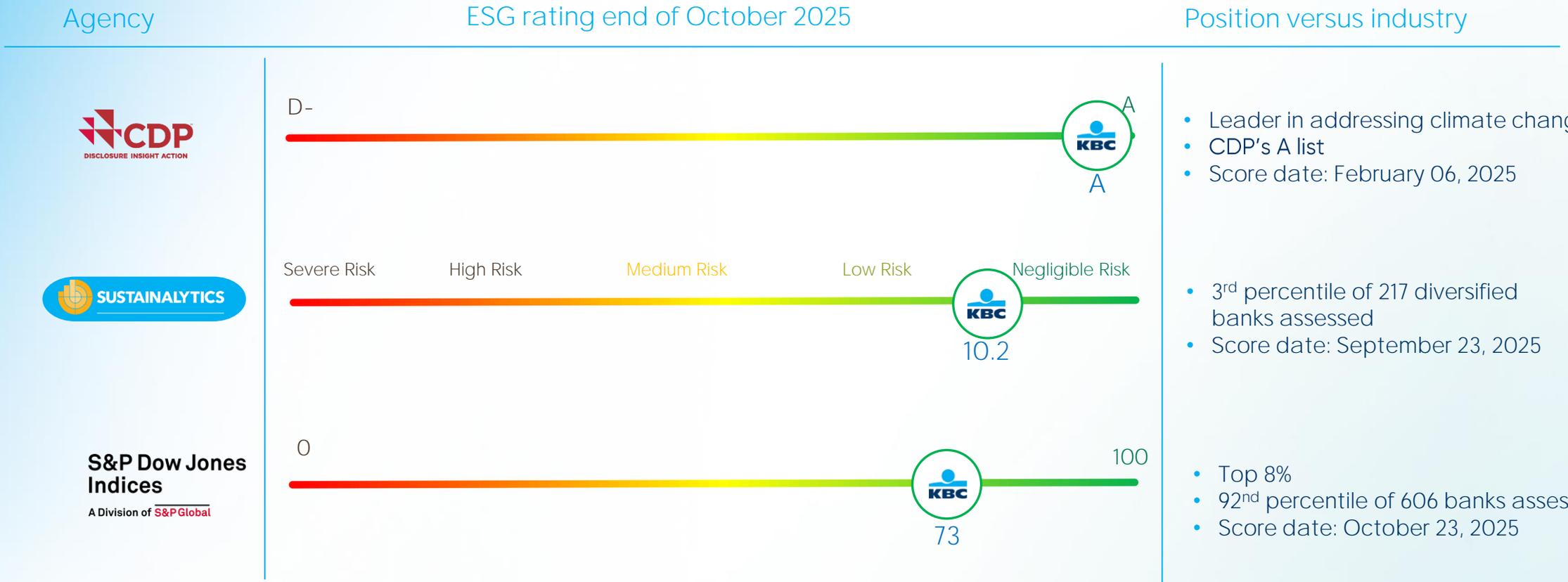
Target: Digital sales 65% of banking sales

\* Based on weighted average of selected core products.



Target: Digital sales 35% of insurance sales

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



## 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

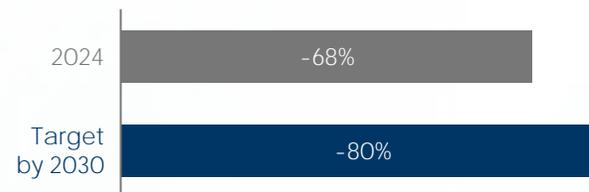
## Own environmental footprint (FY 2024)

- 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.

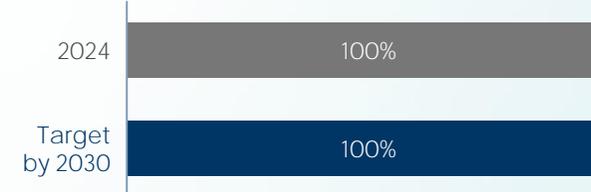
More details in our [2024 Sustainability Report](#)



**Reduction in our own GHG emissions**  
*reduction compared to 2015*



**Renewable electricity**  
*in % of purchased electricity*



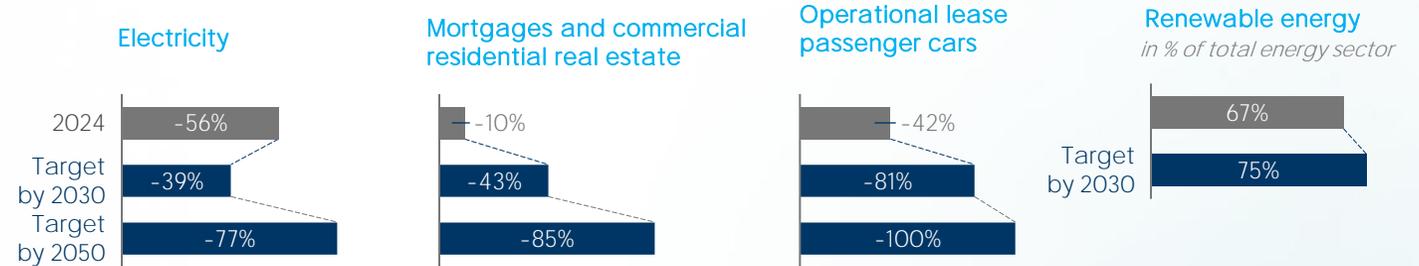
# Indirect environmental impact: our progress in brief

## 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



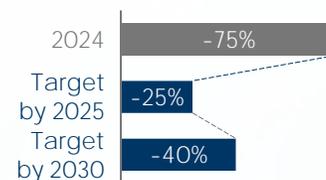
## Asset management funds

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*

	9M25	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	0.08%	-0.09%	-0.18%	0.13%	-0.42%	0.67%	0.04%	0.03%	n/a
International Markets BU*	0.13%	-0.08%	-0.06%	0.31%	0.36%	0.78%	-0.07%	-0.46%	n/a
Total	0.12%	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

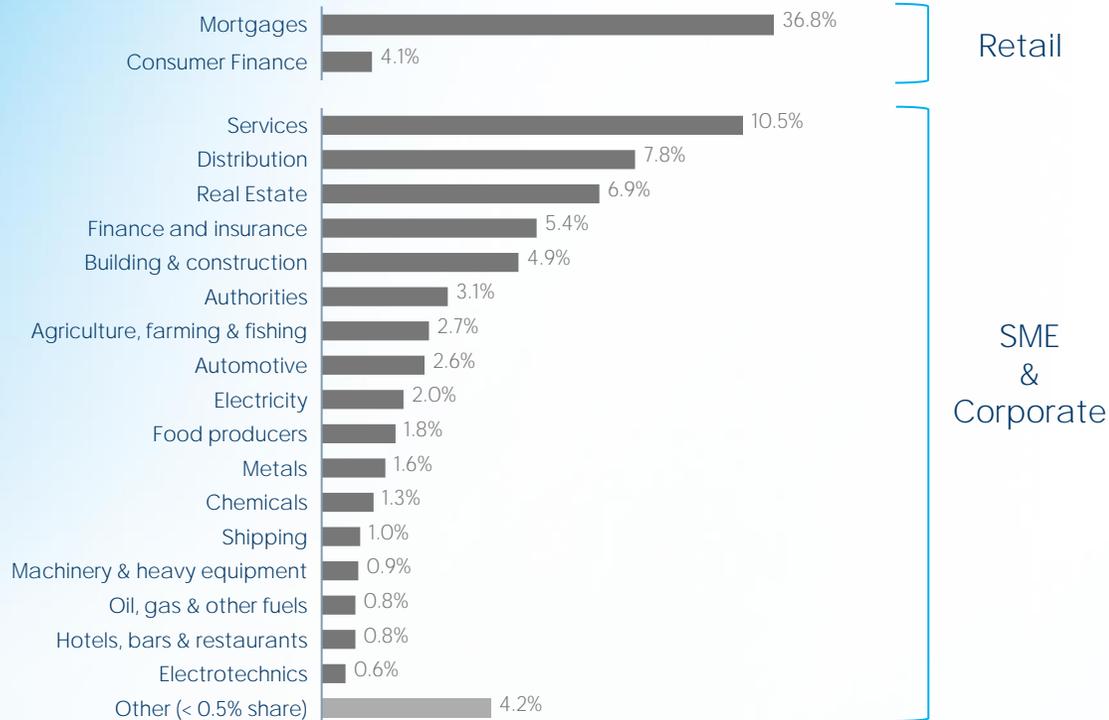
# Diversified loan portfolio

## Total loan portfolio outstanding



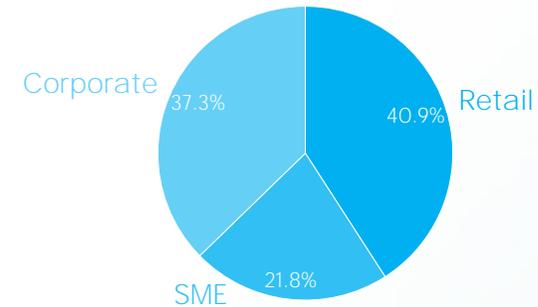
## Total loan portfolio outstanding | by sector

as % of total Group loan portfolio outstanding\*



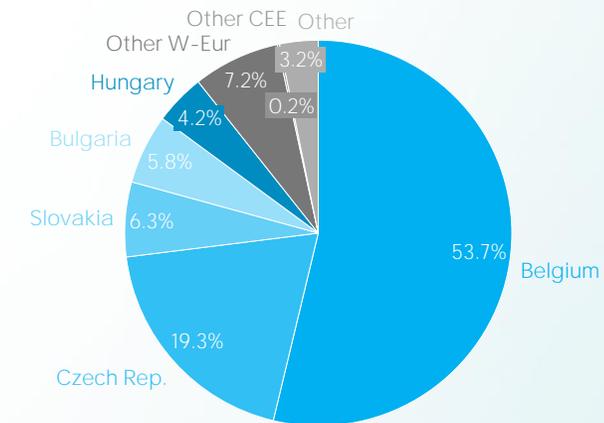
## Total loan portfolio outstanding | by segment

as % of total Group loan portfolio outstanding\*



## Total loan portfolio outstanding | by geography

as % of total Group loan portfolio outstanding\*

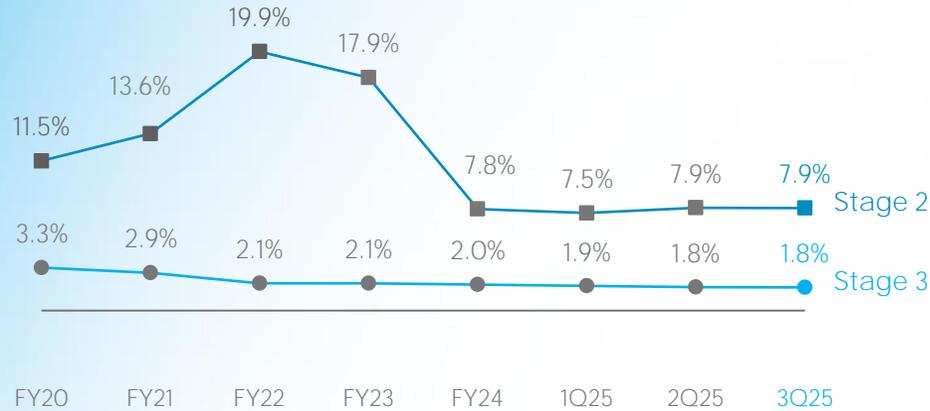


\* Aligned with the credit risk view of our loan portfolio outstanding as reported in the quarterly financial statements.

# 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

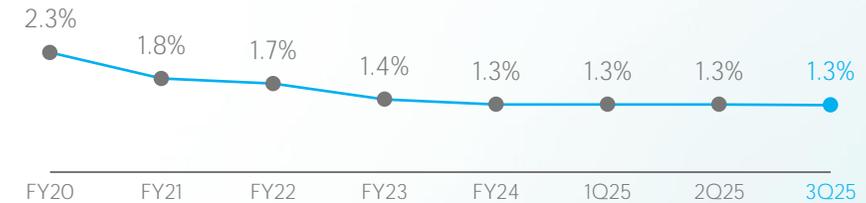
## Stage 3 ratio | Belgium BU

in %



## Stage 3 ratio | Czech Republic BU

in %



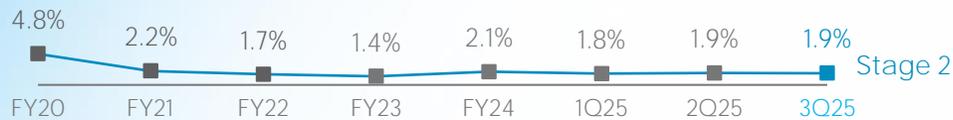
## Stage 3 ratio | International Markets BU

in %



# Cover ratios

## Cover ratio | by IFRS9 ECL Stage\*



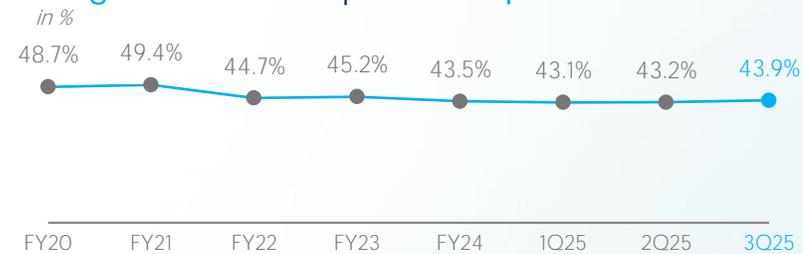
- The increasing trend of the Stage 3 cover ratio is driven mainly by additional provisions in Belgium, mostly related to lowering the backstop shortfall for (old) non-performing loans
- The decline of the Stage 2 cover ratio as of 2021, resulted mainly from collective shifts to Stage 2 (linked to Covid 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

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

## Stage 3 cover ratio | Belgium BU



## Stage 3 cover ratio | Czech Republic BU



## Stage 3 cover ratio | International Markets BU

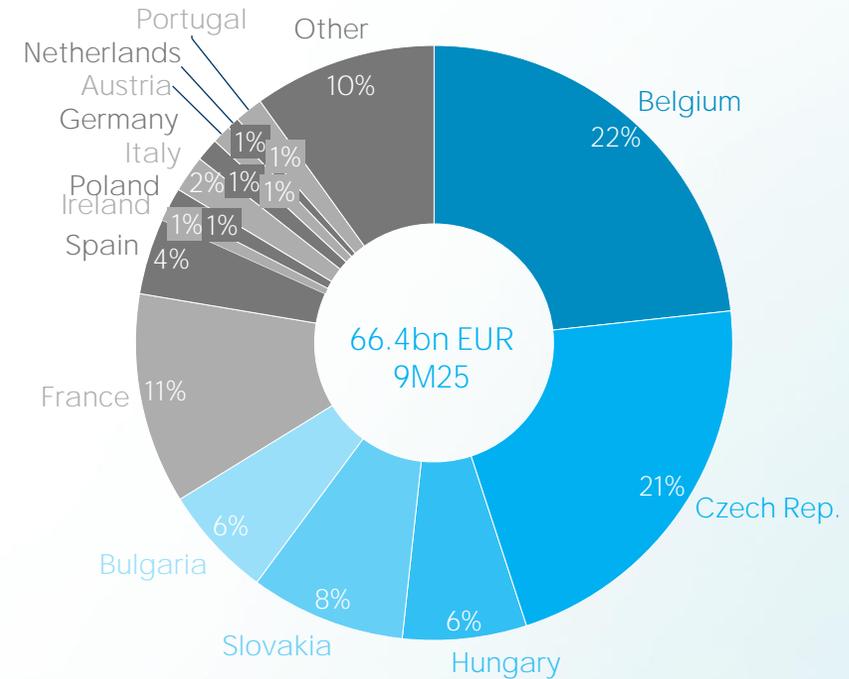
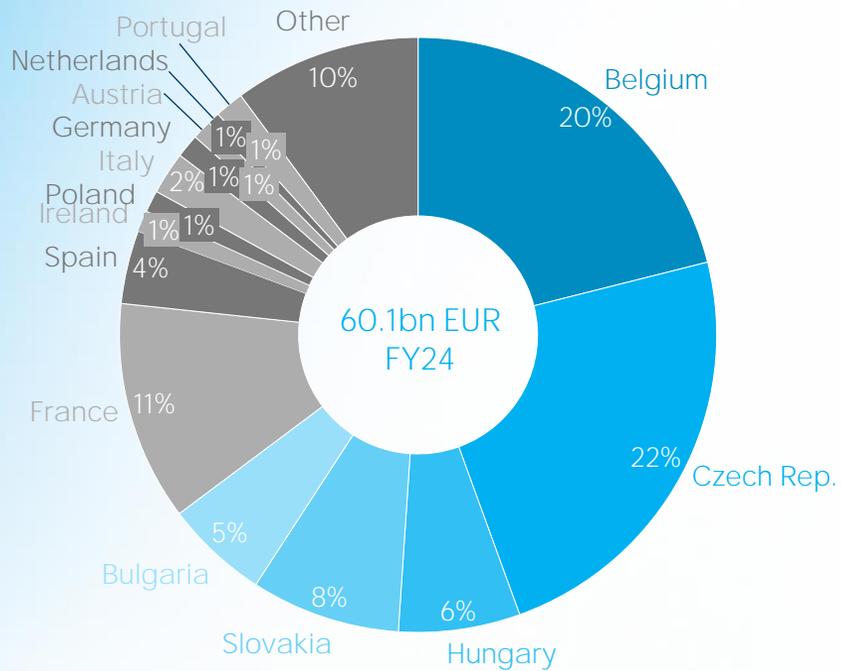


# Substantial and well-diversified government bond portfolio

- Carrying value of 66.4bn EUR in government bonds (excl. trading book) at end of 9M25, 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\* FY24/9M25

in %



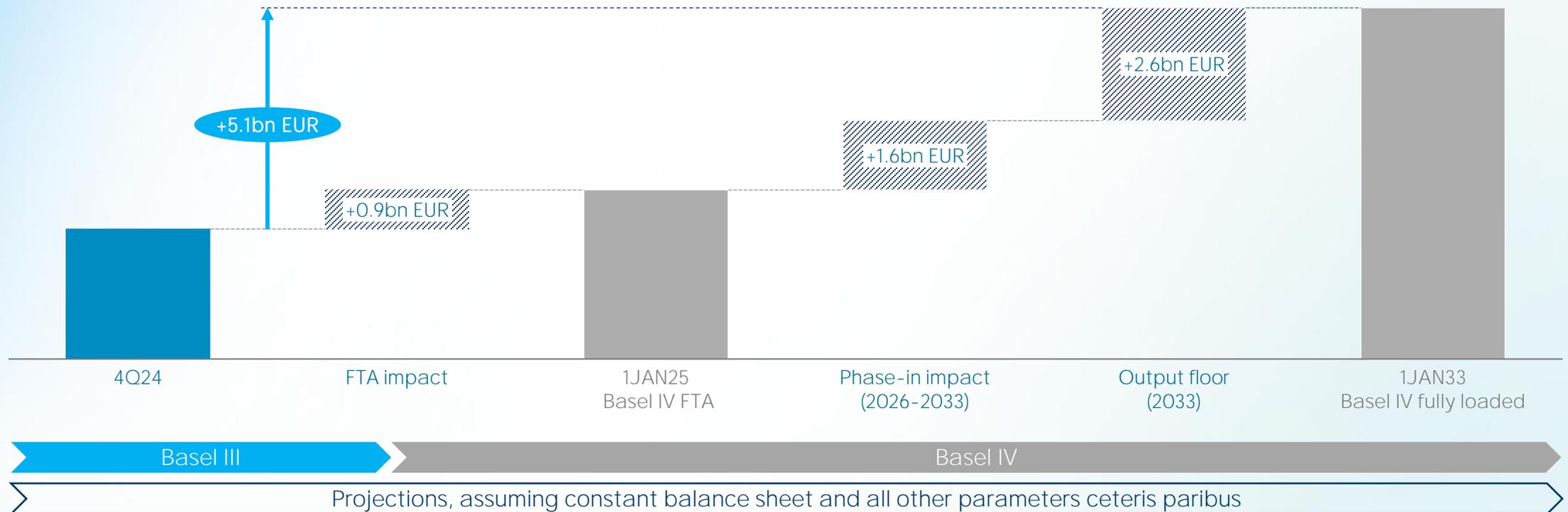
\* Carrying value is the amount at which an asset (or liability) is recognised: for those not valued at fair value this is after deducting any accumulated depreciation (amortisation) and accumulated impairment losses thereon, while carrying amount is equal to fair value when recognised at fair value

# 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



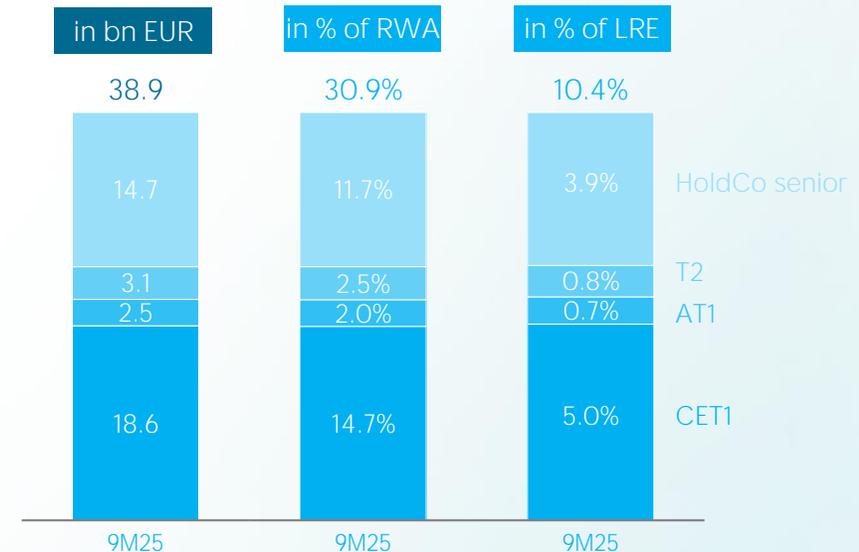
# Above resolution requirements in terms of MREL

## 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:
  - 27.64% of RWA (including transitional CBR\* of 5.25%)
  - 7.42% of LRE
- Combined Buffer Requirement = Conservation Buffer (2.50%) + O-SII buffer (1.50%) + Countercyclical Buffer (1.15%) + Systemic Risk Buffer (0.10%)

## MREL actuals

- The MREL ratio in % of RWA **increased** from 30.8% in 2Q25 to 30.9% in 3Q25, driven mainly by higher available MREL (chiefly due to higher CET1 capital and a new 500m EUR T2 issuance in August), partly offset by increased RWA
- The** MREL ratio in % of LRE increased from 10.1% in 2Q25 to 10.4% in 3Q25, due mainly to higher available MREL and decreased leverage exposure

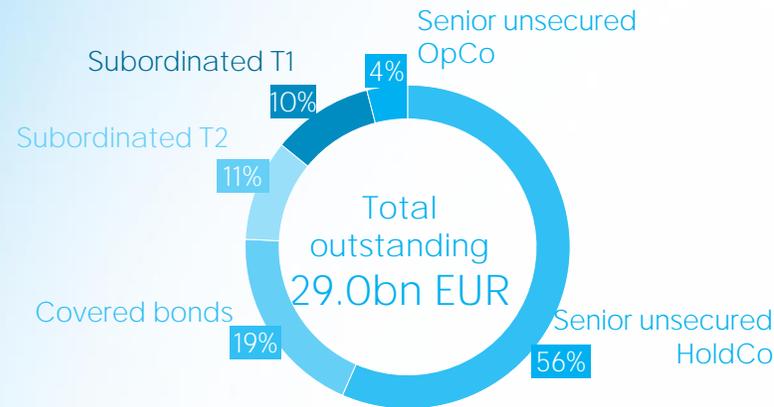


# Upcoming mid-term funding maturities

## Total outstanding | 3Q25

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

% of KBC Group B/S



## Recent deals

- In August 2025, KBC Group issued a Green Tier 2 for an amount of 500m EUR with a 11-year maturity callable after 6 years
- In September 2025, KBC Group issued a Senior HoldCo for an amount of 1bn USD with a 6-year maturity callable after 5 years
- In October 2025, KBC Group issued a Senior HoldCo for an amount of 500m EUR with a 4-year maturity callable after 3 years

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

in bn EUR

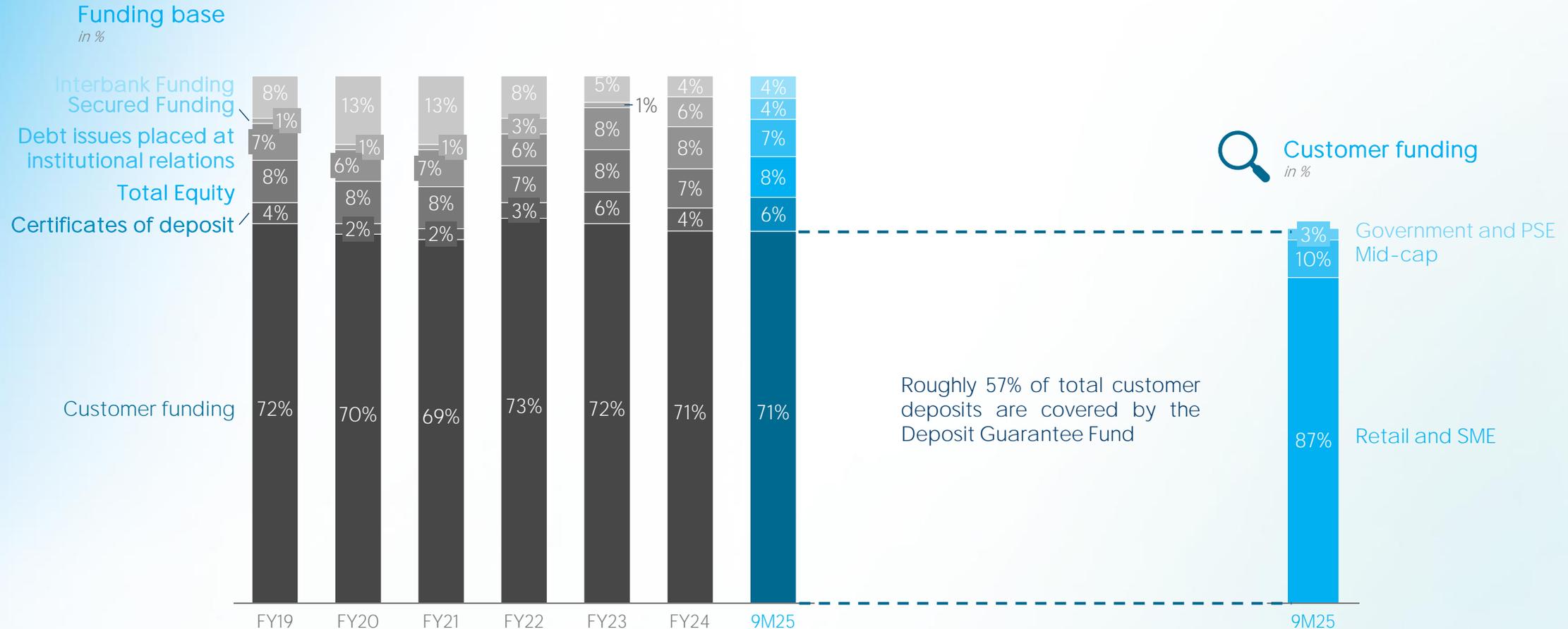


We aim to issue 1 green/social bond per year

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)



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 [Quarterly Reports](#)
- Table of results (Excel)
- Quarterly presentation [Presentations](#)
- Debt presentation



## Upcoming events

14 November	Equity roadshow, London
20 November	Equity roadshow, Scandinavia
3 December	Equity conference, Paris
9 December	Equity conference, Miami
10 December	Equity roadshow, NY
11 December	Equity conference, Boston
...	...
12 February	Publication of 4Q/FY25 results
13 February	Equity roadshow, London

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