

Report to society

2021



Moving forward
together.

Dear reader,

2021 was another exceptional year. A year in which the ongoing pandemic continued to substantially influence our way of working, living and doing business. A year of devastating floods. An additional year of uncertainty and challenges concerning our health and economy.

We adjusted to these challenging circumstances by strengthening our focus on our *raison d'être*: our clients and our employees. And these three initiatives were at the centre of this: going greener, innovating and connecting.

Going greener: in response to the changing climate. Many queries from clients led to new forms of working together, or even to new

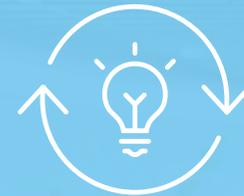
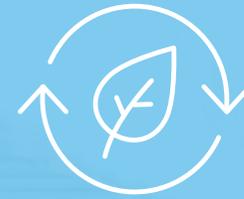
services. Together with our clients we looked for solutions to support or stimulate their activities sustainably. And naturally, we made sure we continued to manage our own footprint too.

Innovating: because innovation remains at the heart of KBC's DNA. We believe in the need to innovate so we can continue to be the reference, even in the longer term. The aim of our numerous innovations in 2021 was to make life more convenient for our clients and employees. We are proud of the further development of Kate, our digital assistant who makes life easier for our clients.

Connecting: in response to a difficult year. Following the extreme weather conditions in the summer, our insurance agents did everything they could to assist and support victims. Our solidarity and engagement made a world of difference. Working closely together was replaced by digital meetings. We felt it was important to support initiatives which connect clients and employees with each other and with their environment.

You can read how we set about this in our report.

Enjoy your read!



▶ Besides growing radishes and lettuce, Dario Vunckx and Tom Wilgos (photo) also started growing MicroFlavours. The microgreens and young shoots indoor farm is located in the cellars of the former Belle Vue brewery in Molenbeek, a Brussels suburb. Tom and Dario use their electric cargo bike to deliver to 120 restaurants in and around Brussels. KBC Brussels supported them from the very start.



Johan Thijs
President of the
Executive Committee

Koenraad Debackere
Chairman of the Board
of Directors





We help our clients achieve and protect their dreams.

KBC at a glance

KBC is an integrated bank-insurer, active in Belgium, the Czech Republic, Slovakia, Hungary, Bulgaria and Ireland. In 2021, KBC announced its intention to exit the Irish market.

More than 40 000 colleagues work together as one team, Team Blue, helping more than 12 million clients worldwide achieve and protect their dreams. In Belgium, 15 800 employees are there for 3.8 million clients.

Our company culture is summed up in the acronym PEARL+: Performance, Empowerment, Accountability, Responsiveness, Local embeddedness. The + means even greater attention to developing together and smart copying ideas within the group.

Our group strategy

is based on the following mutually reinforcing 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 sustainable and profitable growth.
-  We aim, as a sustainable and responsible business, to anticipate societal needs and expectations and to do so in a relevant, transparent and balanced way.



Our PEARL+ business culture underpins all other principles.

Annual figures 2021

KBC Group closed 2021 with earnings of 2.6 billion euros. For the Belgium Business Unit, earnings reached almost 2 billion euros. We paid 525 million euros in bank taxes (in addition to regular business taxes), of which 318 million euros in Belgium.

Shareholders

Our shareholder structure focuses on the long-term. At the end of 2021, the Group's core shareholders including Cera, MRBB and other core shareholders (families), held about 40% of the shares. This stable and well-established shareholding structure enables us to focus on our sustainability and long-term strategy.



KBC goes greener

The climate crisis is happening, here and now, there's no denying it. The latest United Nations Climate Report was clear: global warming is accelerating faster than expected; sustainable business practices are therefore no longer an option but a necessity.

At KBC, we have understood this message. As a bank-insurer, we make an important contribution to the struggle against global warming.

We start from two different points of view for going green:

1. We make explicit sustainable choices.
2. We help our clients in their sustainable transition.

Clear choices

Sustainable business practices start with us, all of us. So it's important we make choices which limit our negative impact on the climate. We have developed a strong environmental policy which supports a sustainable, low-carbon and climate-resilient society. This means we do not finance coal mining or coal-fired electricity production. And we say no to financing of exploration and development of new oil and gas fields.

We are constantly looking for ways to reduce our own footprint. As a bank-insurer, our environmental impact is mostly indirect, yet we are committed to managing our direct environmental footprint through our own operations. Since we started measuring our group-wide emissions in 2015, we have

already achieved a 71% reduction in our greenhouse gas emissions.

How do we achieve this? In 2021, we used 100% renewable energy in all our companies in Belgium and we installed even more solar panels on the buildings we own and manage.

We have introduced a new mobility policy for our employees in Belgium, it focuses on going green, so we have added incentives for using public transport, cycling and electric cars. In March 2021, we added electric vehicles to our range of lease cars. Since then, almost every second car ordered was fully electric. Our ambition is to have an all-electric fleet by 2025.

We delivered on our promise to achieve net climate neutrality regarding our own footprint starting in 2021. We achieved this by offsetting our remaining emissions by purchasing carbon credits from quality climate projects. At the same time, we will continue in our efforts to reduce the remaining emissions in line with our target.

Sustainable transition partner

Our second principle, to which we are fully committed, is just as important. As an international organisation, we are well aware that we can put our resources, knowledge and network to good use. By doing this, we are also helping individuals as well as businesses make a sustainable transition.

We read it everywhere: climate problems are forcing businesses to innovate. At KBC, we consider it a privilege to think along and contribute ideas to meet these climate challenges. Businesses which invest in going greener will have a competitive advantage. Because a more sustainable society will lead to new lines of business and new business models. So, we don't see the sustainable transition as a threat, but as a challenge and an opportunity.

Together with clients, we want to evaluate their vision on doing business, so we can make the translation to a more sustainable organisation. The priority here is not the short-term gains, but creating sustainable value. And KBC is ready to play a significant role in this process.



▲ Colleagues at work in the meeting room with a vertical garden

How do we see our role?

As a bank-insurer, we must first identify our own climate risks and those of our stakeholders so we can manage and mitigate these. Helping clients in the sustainable transition also means offering them tools to measure their own footprint. Because facts are important. Using the data collected, we can then work together with the client to help them reduce their environmental footprint. And at the same time, KBC works on going greener too. We develop products and services which focus on a lower environmental footprint.

Where we notice our own capabilities stop short of helping our clients reduce their own environmental footprint, we call on external partners to provide additional guidance to clients.

This means we are a driving force in the sustainable transition.

This 'all-round' sustainability strategy helps us minimise the negative impact while increasing our positive impact.





KBC goes greener



'In five years' time, we want to provide potable water for one million people.'

'And be the industrial reference in circular process water in the Benelux.' That is what drives Jacob Bossaer, founder and CEO of BOSAQ. 'Currently 850 million people do not have direct access to drinking water, and that includes 57 million in Europe.'

BOSAQ therefore developed a small mobile unit that can transform any type of water in nature into drinking water on the spot, using membrane technology. A contract with the Suriname government to provide 15 percent of the country's interior with drinking water

is a first step towards realising this grand ambition. KBC provides export financing for this project.

Although BOSAQ's largest clients are governments, most clients are businesses looking to save or reuse water, a major focus within BOSAQ. In addition, BOSAQ now has Water Experts, their consultancy division which makes recommendations from relatively simple interventions to more technical solutions. To finance its rapid growth, BOSAQ turned to crowdfunding through KBC company Bolero.



World's first carbon-neutral chocolate factory

Belcolade is the brand name Puratos uses for its superior quality Belgian chocolate, intended for chocolatiers, pastry chefs and bakers. The high-quality beans are grown by cocoa farmers who receive a fair price for their crop.

Demand for Belcolade is steadily increasing and so Puratos has plans to almost double its production in the next five years. In 2021, the chocolate maker announced it would expand the existing factory in Erembodegem and build a new factory. The entire site will be carbon neutral – it will run on renewable

electricity and so not consume any fossil fuels. The site will also get 90% of its water from collected rainwater. KBC is proud to be providing the financial resources to build this facility.



'A logistics service provider who doesn't start making changes now won't be in business in two- or three-years' time.'

This is what Johan De Brauwer, managing director Ziegler Belgium says. Quite logical, when you realise the transport sector is responsible for a fifth of Belgium's total CO₂ emissions.

Ziegler started going green some time ago. For long distances the preferred transport mode is by boat or rail. For shorter distances, they use lorries with eco-reporting, electric delivery vans and, more recently, cargo bikes. Incidentally, cargo bikes can deliver to twice as

many addresses as vans because they can pass bollards designed to restrict motorised traffic.

A clear and creative vision, and yet, at a certain time, Ziegler did not have the expertise to go even greener. KBC introduced Ziegler to sustainability consultant Encon, a KBC sustainability partner. Encon also suggested changes to the company buildings, stakeholders were addressed, and employees encouraged to help make Ziegler even greener.

Do you have a low-energy home?

You can reap considerable benefits from renovating your home with energy-saving materials. By doing so, you're contributing to a better environment, increasing your comfort and value of your home and, in the long run, you can save money too.

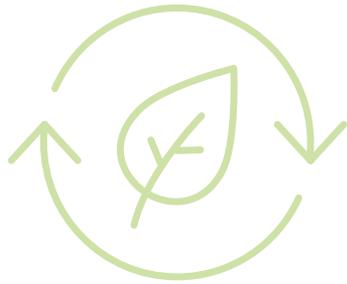
But renovation (better + renovation) is quite complex. Where are the problems in your home and which should you tackle first? How do you select a good contractor and are you entitled to any subsidies?

In 2021, together with partners, KBC examined what support it can offer in this regard. In the pilot project, an expert analysed the home in detail, the client received a report with personal advice and could request quotes immediately. In 2022, KBC plans to refine and fine-tune the project to provide clients with even better guidance.

How much CO₂ does your company emit?

If you ask a manager, they will probably respond with a blank look. They simply do not know. This is why KBC has developed a carbon footprint calculator and makes this available free of charge. The advantage: as soon as companies know where the biggest emissions are, they can start greening in a targeted way. KBC can also put them in touch with sustainability partner Encon.

This approach is appreciated: after the pilot in 2021, 8 out of 10 clients say they are (very) satisfied with the help KBC gives them during the transition. KBC therefore decided to start offering the CO₂ calculator to more companies. The ambition is to have calculated some 400 carbon footprints of large companies by mid-2022 and to encourage smaller companies to use the tool too. In the meantime, KBC is looking into how best to advise these SMEs in their energy transition.



KBC goes greener

Compelling conversations

In 2021, KBC talked to 500 large companies about the need for a sustainability strategy – which these clients really appreciated. KBC wants to increase this number considerably in 2022.



Czech challenge

In 2021, ČSOB in the Czech Republic inspired its employees to switch to green mobility, and set the trend among the general public too. And because going green can also be fun, ČSOB challenged its biggest competitor to a 'zelená' competition. The Czech savings bank rose to the challenge and ČSOB won. The most important achievement was the 864 731 green kilometres they covered together.

Climate-friendly solutions

In 2021, KBC encouraged more than 6 000 retail clients to invest in climate-friendly mobility or housing solutions by offering a favourable interest rate on a loan. For example, loans were granted for investing in electric bicycles, electric or hybrid cars, solar panels and home batteries.



Zooming company cars

In 2021, KBC Autolease encouraged clients to select an electric or hybrid vehicle. And successfully too, as by the end of 2021 EVs and PHEVs accounted for 14% of the fleet. Bicycles were also popular at KBC Autolease last year and with 22 000 bikes to manage it is now the lease bike market leader in Belgium.



High (sea) winds

In 2021, KBC Belgium had investments in renewable energy projects worth more than 1 billion euros: 53% in offshore wind, 37% in onshore wind and 10% in solar, biomass and in ESCO (Energy Saving Company). KBC has now acquired so much expertise in wind energy projects that it can now deploy this knowledge outside Belgium.



Home insurance

KBC Home Insurance cover for retail clients includes green investments such as solar panels, electric bicycles, heat pumps and EV charging points. And for anyone who rebuilds their home after suffering severe damage and has to meet more stringent regulations, we offer free cover for new building standards.



Investing with bears

Socially responsible investments are becoming the new standard at KBC. This is the choice for 55% of new investments by Belgian clients. Since 2021, the KBC Pension Fund in Belgium (Pricos) consists entirely of socially responsible investments. In 2016, as a Group we managed investments worth 2.8 billion euros in such funds, in 2021 this has grown to 31.7 billion. A polar bear was a fitting mascot for this campaign.



International sun

In the autumn of 2021, K&H (Hungary) and ČSOB SK (Slovakia) agreed to finance a solar energy project. This concerns 130 installations at five locations in Hungary, developed by Slovak and Austrian companies, totalling 64.9 MWp. K&H's market share in Hungarian solar energy financing is now 18%, while their share of Hungary's total energy sector is 9%.



Extreme weather

Farmers increasingly face extreme weather conditions. And farmers growing crops in the open can insure crop damage due to extreme adverse weather conditions with KBC. The cover includes damage caused by severe storm, hail, frost, ice, rain and drought.



KBC innovates

Innovation is the key to a sustainable future. Companies committed to innovation are flexible and able to cope with changes in society and client behaviour.

At KBC we help our clients innovate and we innovate ourselves.



▲ Colleagues inspiring each other

Working together

At KBC, innovating is something we do together, together with our employees, together with our clients and together with third parties.

Team Blue: across international borders, we are one team, working together towards our goal. We share knowledge, expertise and ideas. We help each other with ideas for new projects. This enables us to translate ideas from one core country to the local needs of another core country; smart copy at its best. We organise international Innovation and Inspiration Days.

Co-creation

By working together, we expand our capabilities and broaden our perspective. Because, by linking external partners' expertise to KBC's we can expand our range of services.

In our KBC Mobile app, we continue to focus on more co-creation by offering additional services in partnership with third parties. Services we already offer include: purchasing tickets for transport or the cinema, adding

accounts held at other banks, storing documents in a digital safe, topping up phone credit, practicing for the driving test theory exam, energy-saving tips, reading financial economic news.

Through Start it @KBC, Belgium's largest business accelerator, we and our partners support start-ups on their way towards innovative and sustainable entrepreneurship. And we have recently launched our first location in Wallonia and are encouraging female entrepreneurship.

Digitalisation

Digitalisation is continuing in all areas of our society. We embrace this, because digitisation means more convenience for our clients, greater accessibility and faster services. By concentrating on Kate, our digital assistant, we can make life even easier for our clients. Our internationally acclaimed KBC Mobile app means we are accessible 24/7 and it delights users with its wide range of features, extra third-party services and connectivity.

Personal contact

Of course we understand not everyone jumps on the digital express at the same time. And that sometimes, a client needs a face-to-face meeting, something which we are entirely open to. Although we have fewer branches in our network than a few years ago, we continue to focus on quality and less on quantity. Fewer branches but with better service and broader expertise, these are places where clients can go for an individual high-quality meeting. And we have improved accessibility. We have further expanded KBC Live, so it is even easier for clients to speak and/or see (via video chat) an employee, without having to travel.

Data and Privacy

We want to offer our clients a unique experience, we want to make their lives as easy as possible. The better we know our clients, the better we can advise them.

Our increasingly digital world presents many opportunities to take this a step further. With the support of artificial intelligence and smart data analysis, we can also offer our clients proactive solutions and make their lives easier.



KBC innovates



Energy network powered by the community

In Hal, near Hoogstraten, 20 of the 60 households jointly run a farm. When the farmers came up with the idea of generating as much electricity as possible in an off-grid network of solar panels, they approached the Boerenbond and KBC, among others, to help them achieve that goal.

Not an everyday request, but KBC has its own Energy Lab which explores innovative and collaborative ideas for renewable energy. It already has considerable knowledge in

this field, and so a tailor-made solution was feasible.

Halnet set up a co-operative, together with Cera, to manage the financing. Halnet acts as a local electricity supplier for generating and selling power. Seventy percent of Hal's residents and businesses are connected to the local grid. In other words, the community powers itself.



What can hospitals do with their used face masks?

Ecosteryl, a company based in Mons in Wallonia, specialises in treating and recycling medical waste. It designs and manufactures machinery specifically for that purpose. The company has been exporting its technology around the world for more than 15 years and relies on CBC's export financing solutions.

These days, medical waste is internationally regarded as one of the primary vectors of disease transmission and it is therefore essential to process it correctly.

At the same time, the growing awareness of environmental problems has intensified pressure to find alternative solutions.

Innovation is one of the company's core values, so it was only logical when there was a looming shortage of masks as a result of the coronavirus crisis, the company quickly developed a new machine, the M-steryl, to disinfect masks so they could be reused – thereby significantly reducing the mountain of waste.



Belgian design, fully recyclable

Floorify designs, manufactures and markets strong vinyl planks and tiles. This type of flooring wasn't available in Europe five years ago. Founders Marie Callens and Pieter Buyck figured out what they wanted, a floor which was not only attractive, but also sustainable and easy to maintain. It should be simple to install the floating click system floor, easy to recycle and ready for long-term use. 'The opportunity to launch such a revolutionary product only comes once in a lifetime. You don't hesitate, you just do it!'

The company is now growing very rapidly. In 2021, Marie Callens was nominated for the Womed Award, in recognition of her achievements as a female entrepreneur. Floorify's fully electric fleet is insured at KBC via Biensure. This KBC insurance agency has full confidence in the company and its innovative products, so much so that Floorify laid the floors in its new offices.

Have you met Kate?

How can KBC help its clients even better and faster? That was what we asked ourselves in 2020. The answer is Kate: the digital assistant who lives in the KBC Mobile app on your smartphone. If you want to transfer money or need to know when your new green card will arrive, you simply ask Kate or write to Kate via the chat. Does Kate understand everything? No, not yet, but as it is powered by artificial intelligence, Kate learns very quickly.

Does Kate make suggestions too? Absolutely. These can be general, such as 'There's a storm coming, are you prepared?' or customised, for example: 'Your PIN has been blocked after 3 incorrect attempts. Shall I unblock it for you?'. You will only get this second type of suggestions if you have activated Kate's proactive services. Kate will also help you report an accident or damage to your home, or help you notify your medical insurance if you get hospitalised.

By the end of 2021, barely a year after launching, Kate already had more than 640 000 active users, of whom 528 000 in Belgium.

Starting a business adventure?

KBC not only innovates its own business, we help others innovate too. As the largest accelerator in Belgium, Start it @KBC has supported more than 1 200 start-ups since 2014. Start-ups can count on a co-working space, an experienced mentor and being part of an international ecosystem – all completely free of charge.

Start it @KBC not only has hubs in Brussels, Antwerp, Ghent, Leuven, Hasselt and Kortrijk, but also in Budapest and Győr (Hungary) as well as in Prague (Czech Republic). And since January 2022 also in Liège. From this location, Start it @KBC will strengthen the Walloon network of start-ups and scale-ups.

Since the launch, start-ups have worked out more than 120 sustainability solutions, including those focusing on the circular economy and on reducing waste. A good example is Dripl. They make healthy drinks without disposable packaging and saved at least 100 000 packages in 2021.



KBC innovates

Fast card

Early in 2021, KBC was the first big bank in Belgium to offer the Instant Card Service. This means that clients who order a new or replacement debit card can use the digital version immediately in KBC Mobile. The client receives the physical debit card a few days later.



Best banking app (in the world)

In 2021, KBC Mobile celebrated its tenth anniversary. Our employees have never stopped innovating and improving the app. KBC was understandably proud when independent research firm Sia declared KBC Mobile to be the best banking app in the world in 2021. Sia had tested apps provided by 137 banks in 17 different countries.

Hatching your own idea

Building on the experience gained through Start it @KBC, Start it X was launched in July 2019 – a programme tailored to large enterprises and organisations which are committed to sustainable innovation. The basic principle is simple: to give employees the space to develop their own ideas. Staff at KBC itself also get to be 'intrapreneurs'.



Smart money laundering detection

Money laundering is not new, but the number of offences is increasing and methods are evolving, mainly because banking is becoming increasingly digitalised. KBC developed a new monitoring system which can detect money laundering more effectively, thanks to artificial intelligence. In 2021, the system was finalised and in 2022 will be used throughout the Group and also offered externally.

House without hassle

In 2021, KBC partnered with property platform Immoscoop and 16 estate agents. Together, they intend to launch Immoscope 2.0 as an online reference platform in 2022. The aim being to make it easier for prospective buyers and tenants to find, finance, acquire and insure their future home.

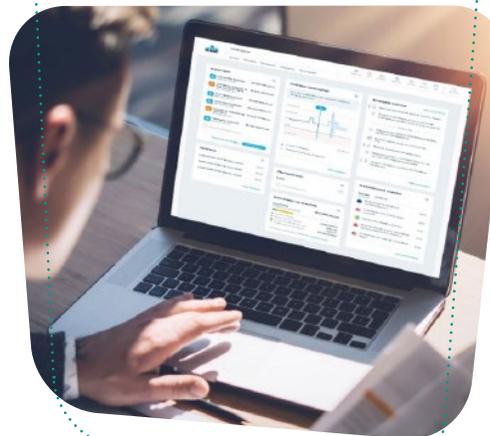


Swimming in the clouds

Early in 2021, KBC, KBC Brussels and CBC invited 400 000 clients to dive into the wonderful waters of the world wide web. Colleagues from the branches as well as 113 digital coaches from head office were available to help them get started with KBC Mobile and KBC Touch. After this nudge, most clients carefully dipped into the cloud.

Sufficient working capital

KBC launched its cash forecaster for companies in 2021. Every business client with a KBC Business Dashboard gets a forecast of their cash position for the next 1, 2 and 3 months. The forecast is made based on payment transaction and invoice data. If a cash shortage is forecast, the system immediately suggests possible solutions – which clients appreciate. And since 2022, the KBC Business Dashboard includes a comparison with industry peers – which clients also appreciate.



Hello, I'm Kate!
I can save you
time and money.
Ask me a question
in KBC Mobile!

Good at languages

As a digital assistant, Kate wants to make life easier for all our clients, so naturally it has to be good at languages. Kate is already fluent in Dutch, French and Czech and is working hard to learn Bulgarian, Hungarian and Slovak. What is more, Kate will soon start learning English too. Artificial intelligence helps Kate make rapid progress in all languages.



KBC connects

Connecting people makes them stronger. In a world where physical contact is in danger of becoming secondary to digital contact, connecting people remains an important factor for happiness. It encourages working with others, makes us more open to change and teaches us to deal with feedback.

Connections make an organisation strong, help it grow and generate insight into society's needs and requirements. And that goes for KBC too. For us, it is about connecting people and businesses in the broadest sense of the word.



▲ Colleagues participating in 'The Warmest Week' (December 2021).

Connecting fosters innovation

Our core business is banking, insurance and asset management. In doing so, we are supporting the local economy. How did we do this in 2021? For every 100 euros our Belgian clients had in savings accounts, we invested 89 euros in the economy: through loans to Belgian private individuals (28 euros), loans to Belgian companies (41 euros) and financing Belgian and foreign governments (20 euros). We used the remaining 11 euros to finance our own business activities and liabilities.

Via Start it @KBC, we nurture entrepreneurship even more directly and we connect people and companies, within and outside KBC. We also have a unique partnership with BRS, an organisation which aims to improve the quality of life for rural entrepreneurs and farmers in the Global South. They do so by providing microfinance and microinsurance. Together with Cera, one of our largest shareholders, we support and finance BRS's operations. Besides this partnership, together with its 400 000 associates, Cera generates economic and

societal added value by supporting projects and co-operatives.

Connecting improves diversity and inclusion

Despite progress in the community, inequality, prejudice, forms of racism, stereotypes and so on still exist. As a company, we want to help eliminate this. Internally and externally. Internally, (gender) diversity is one of the sustainability parameters promoted by the Executive Committee and Board of Directors at all times. We also have the stimulating network 'Diversity Rocks'.

Externally, we also partner with 'The Warmest Week', the annual solidarity campaign run by the Belgian radio and television network VRT. We support socially valuable projects in each of our core countries.

Inclusion remains a concern. Financial literacy can have a positive impact and helps people function independently in the community. And this is something we at KBC are strongly committed to. With our

Get-a-Teacher programme, we help young people and students to deal with money and to think critically about loans, insurance, phishing, managing a budget, and entrepreneurship.

Our digital coaches also help clients who are having difficulty finding their way around the digital world so they too can keep up with the digital wave.

Connecting increases solidarity

Connecting with others in difficult times eases suffering. When we were confronted with unprecedented flash floods in Belgium last July, we used all our expertise in the insurance chain (agents, loss assessors and repair partners) to provide assistance to clients affected as swiftly as possible. Our insurance agents went to the flooded areas to inspect the damage and to see how they could make things easier for their clients the best possible way. We made advance payments quickly so our clients could start repair work immediately.

We also witnessed similar solidarity and professionalism in the other core countries during the extreme weather events of last summer. ČSOB colleagues in the Czech Republic and K&H colleagues in Hungary also went to the scene to support those affected.

Unfortunately, in 2021, we still had to deal with the coronavirus and associated measures. Working from home became the norm, connecting with colleagues a challenge. We closely monitored the well-being of our employees closely and tried to improve commitment and connection among colleagues. The coronavirus measures also had an impact on our clients. We played our part by providing extra cover, liability and clauses in insurance contracts. We also allowed clients to postpone repayments and took additional measures so we could help clients remotely.

Because connecting helps, even at a distance.

4 times
as many female entrepreneurs
since Start it @KBC launched



Get-a-Teacher:

4 764 young people
received financial education in 2021



KBC connects



'My grandma never complains – except when she had to use crutches.'

With her company My Add On, Marie Van den Broeck wants to adapt medical accessories such as crutches and wheelchairs to the user's needs. She was inspired by her grandma. Marie developed the MySleeve especially for her. This is a soft gel cushion for elbow crutch handles. The magnets stop the crutches from falling, and you can even use it to pick up your keys. Comfortable, convenient and attractive – no wonder the design won an award. Other designs followed later.

Marie came to Start it @KBC: 'I had prepared myself for every possible question, except the one they asked me: 'What can we do for you?' I liked that. Since then, Start it has more or less become my family, an extensive network that I can turn to for everything.'

The best part of being an entrepreneur, according to Marie, is that she can make a difference for people who really need it. And that is where inclusion, empowerment and good design go hand in hand.



'As a student, you hardly ever see a company from the inside.'

Britte Vanlessen studied Applied Economics at the University of Hasselt and this academic year she is the chair of the Junior Consulting student association. Really, the student association? Yes, it is a proper business that provides students for consultancy assignments at companies.

'Students get experience, which is our primary goal,' says Britte. The project team members are given real assignments, which they work on in groups. The companies hear about the newest theories and get a fresh perspective. Win-win.

KBC supports the student association, albeit in a modest manner. 'At the moment, we only have a current account, into which our clients pay our fees. We use this money to organise workshops and events. Because the board has new members each year, KBC has to regularly issue new bank cards and change the account authorisations. I think KBC has a lot of work for our account.'



'It will take more than agriculture alone to improve our situation.'

Béatrice Muhawenimana from Rwanda was able to set up a clothing business thanks to a microcredit of 600 euros. And with the profits and a second microcredit she opened her own sewing workshop. The ten people who now work there can also make a good living. 'It comes down to being courageous. Some people think you have to have studied a lot to do this. But that's not how it works. You just have to use your common sense,' she explains during a visit to Belgium.

The microfinance organisation which lent money to Béatrice receives technical support from BRS. BRS focuses on consultancy, coaching and training services. The close relationship between BRS, Cera and KBC is an interesting cross-pollination of finance, co-operative businesses and the Global South. KBC and Cera employees and some retired colleagues use their expertise to support the BRS partners in Africa, Latin-America and Asia.

Do you know your financial stuff?

Sometimes financial information seems like a tangled web, which KBC is keen to help unscramble.

For young people in Flanders, there is the Get-a-Teacher programme. Since 2017, secondary schools, colleges and universities can invite a KBC tutor, free of charge, to help students get to grips with financial matters. And since 2019, we have tutors available in the German-speaking part of Belgium too. We have set up similar projects in Slovak, Hungarian and Czech.

In Flanders, KBC also provides this kind of information outside of the school context. Our 'See How!' (Hoedoekda?!) platform addresses a range of financial matters for young people. Co-housing, borrowing to finance your studies, or starting a business with friends: See How! For the slightly older group we have a range of short explanatory films in the Figures and cents series. And since December 2021, KBC, KBC Brussels and CBC offer free Media in Mobile: economic and financial information from our own experts, VRT NWS and Mediafin.

Can you be yourself?

'Be yourself!' This was the main theme of 'The Warmest Week' in 2021, the annual solidarity campaign run by the Belgian television station VRT. As a partner, KBC was eager to contribute. The ambition: to get people talking about the issue and to raise money for projects which ensure that everyone can be who they want to be.

Diversity and inclusion are also high on the agenda for the KBC Group in the Czech Republic. In 2021, ČSOB received an award as a female-friendly and LGBTQ+-friendly company and received another award from the Czech Senate for its inclusion of people with disabilities.





KBC connects



Loyal partners

KBC and the cancer charity 'Kom op tegen Kanker' have been working together for more than 30 years. Because of the coronavirus restrictions, 'Kom op tegen Kanker' had to devise new ways to raise money for scientific research. KBC also provided conceptual input and created a donate button for the charity in KBC Mobile. To be consistent in its policies, a few years ago, KBC decided to exclude the tobacco industry (except retail) from financing and insurance as well as from investments. And in 2021, KBC helped to make the World Cycling Championships a non-smoking event.

Walking with purpose

CBC has been a CAP48 partner for 18 years. CAP48 is a non-profit organisation which promotes the well-being of people with disabilities and young people living in precarious conditions. In June 2021, CBC organised a run and walk challenge to energise employees during the pandemic ... and to raise money for CAP48. A total of 461 colleagues joined in and CBC was able to donate 15 000 euros. Clients were able to support CAP48 using the donate button in KBC Mobile.

Nurses take to the streets

KBC Brussels also supports organisations that work to improve people's lives. And since 2020, it has been partnering with the Street nurses 'Straatverplegers' charity – a medical and social organisation committed to ending rough sleeping in Brussels. The charity's staff work on the streets to dispense care and actively seek accommodation. In 2021, one of the projects KBC Brussels sponsored was the charity's fundraising communication campaign.



Wanted: summer doctor

In 2021, like many other seaside towns, De Panne faced a shortage of general practitioners. Throughout the year, and especially in the summer months. So the town went in search of summer doctors, and KBC Mediservice also helped out. KBC is unable to conjure up doctors out of thin air, but it did make an appeal via its network and is now helping De Panne come up with structural solutions.



Sharing experiences

KBC continues to offer the Minerva Plan in Flanders and Brussels for employees aged 55 and over, which gives them the opportunity to share their experience outside KBC without losing their employee status. At the end of 2021, 67 KBC employees were giving over 50 organisations in the non-profit and social profit sector the benefit of their expertise and experience through Minerva.



Solidarity campaign

A recurrent event on the calendar is the annual KBC solidarity campaign: 50 employees who make a social commitment can apply for a 1 300 euro support grant for their small-scale association with a social purpose. Eligible organisations and projects include: working for people with disabilities, integrating socially vulnerable people, working with disadvantaged people, neighbourhood development, care & welfare or development initiatives for the South. In 2021 too, this financial leg up again proved more than welcome.



A different perspective

Used by over 1.6 million clients, KBC Mobile enables users to manage their bank affairs and a lot more besides swiftly and with consummate ease. None of which is quite as straightforward for the visually impaired or people with other disabilities however. In 2021, we ensured that the content of KBC Mobile could be read out loud more quickly. In 2022, we aim to make accessibility part of every new development. Clients can also request a card reader with large buttons and a read-aloud function, or bank statements in braille.



Strong waterfront

Water is becoming a scarce resource, and more people are becoming aware of this. But what can you do? Are small changes in your own garden not just a drop in the bucket? Not if you can enthuse 400 000 associates and their friends and neighbours, is how they think at Cera. And that is exactly what they want to do in the coming two years with the Cera Water Brigade: form a strong waterfront, with tips, information and initiatives to raise awareness about water consumption – a campaign which KBC wholeheartedly supports.



Sustainability policy

Families, entrepreneurs, partners, investors and employees all count on KBC being there for them in the future too. Which is why KBC's first social responsibility is to remain financially sound.

Laws, rules and behaviour

Sustainable entrepreneurship means ethical entrepreneurship. This starts with meticulously complying with laws and regulations. With the strict application of anti-money-laundering and anti-corruption policies. Not doing business with companies from controversial sectors and countries. Paying all taxes due. And acting in compliance with a clear code of conduct.

Furthermore, responsible behaviour by employees is very important to KBC. Responsible behaviour goes beyond laws and regulations. It also means we place our clients and their needs at the centre of what we do. That we design correct products and services and responsibly advise clients about these products and services. And that we act properly, transparently, discreetly, with integrity and in a risk-aware manner.

When we talk about 'green' and 'sustainable' in this report, we do not mean to suggest what we are describing is already (fully) compliant with the European Union taxonomy. For more detailed information about our approach to sustainability, please refer to our Sustainability Report, which is available to be consulted at www.kbc.com. Please send your ideas and suggestions to csr.feedback@kbc.be

Sustainability policy

Sustainable business practices require strong choices. In doing so, KBC goes by a set of clear guiding principles: we limit the negative impact of our operations and increase the positive impact on society.

At the same time, we consider it important to take account of major societal challenges, such as climate change and longevity, and to analyse and manage the associated risks properly. A resilient company detects risks of this nature in good time and seeks solutions to the associated challenges, no matter how big they might seem.





Challenges

Our mission is to help our clients achieve and cherish their dreams. Just as in 2021, we mean to serve as a reliable, inclusive and innovative partner to help our clients in their sustainable transition in 2022. We can only do so with a strong team.



Partner for clients

As a sustainable transition partner, we will continue to work on innovations and partnerships which create leverage in 2022. But environmental measures are fast changing, whereas the same applies to legislation and scope. And so continually expanding our knowledge and expertise in this area remains an important action point.

Furthermore, we remain committed to reliability and safety. In the first place, we do so by focusing attention on the security of our own IT systems. But we also consider it important to play our societal role and to actively contribute to fraud prevention. For example, we are constantly researching new technology to help us counter money laundering ever more efficiently.

Now that KBC is automating its operations even further to offer clients even more convenience, we want to be an inclusive partner in that area too. On the one hand by making life even easier for our clients by implementing smart technologies such as Kate, and on the other by helping clients who are not (fully) up to speed with the latest digital developments. We are exploring new ways to support these clients efficiently.

Strong team

We can only rise to these challenges with a strong team. Team Blue is a strong team, but even so, we still face considerable challenges.

For example, in 2022 we will need to explore new ways of working together. In the (hopefully) post-coronavirus era, we will need to find the right balance between working from home and working at the office. How can we best align our clients' needs, our employees' expectations and the company's requirements so our team becomes even stronger? An important principle in this regard is the concern for the well-being of our employees, even if they are working from home. Avoiding the traffic when commuting to work may have many positive effects, but blurring the lines between work and our private lives can increase the mental strain.

How can we ensure that connectedness between colleagues continues to spark creativity and innovation in a hybrid working environment? That will be a considerable social experiment which we will take on with confidence.

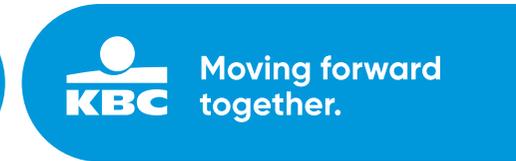


How will we be addressing these challenges in 2022? We will be happy to report on that next year.

Read our other reports



www.kbc.com



Publisher: KBC Group NV, Havenlaan 2, 1080 Brussels, Belgium VAT: BE 0403.227.515, RLP Brussels, 03-2022

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The pre-press, printing and post-press operations for this report are all 100% climate neutral.