KBC Group NV

(*incorporated with limited liability in Belgium*)

EUR 20,000,000,000
Euro Medium Term Note Programme

Under this EUR 20,000,000,000 Euro Medium Term Note Programme (the "**Programme**"), KBC Group NV (the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below). The aggregate nominal amount of Notes outstanding will not at any time exceed EUR 20,000,000,000 (or its equivalent in any other currencies). Any Notes issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions herein. Notes to be issued under the Programme may comprise (i) unsubordinated Notes ("**Senior Notes**") and (ii) Notes which are subordinated as described herein and have terms capable of qualifying as Tier 2 Capital (as defined herein) (the "**Subordinated Tier 2 Notes**"). The Notes will be issued in the Specified Denomination(s) specified in the applicable Final Terms. The minimum Specified Denomination of the Notes shall be at least EUR 100,000 (or its equivalent in any other currency). The Notes have no maximum Specified Denomination.

The Notes may be issued on a continuing basis to the Dealer specified below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**").

This base prospectus (the "**Base Prospectus**") has been approved on 23 May 2023 by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (the "**Belgian FSMA**") in its capacity as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). It contains information relating to the issue by the Issuer of Notes under the Programme and must be read in conjunction with the documents incorporated by reference herein. The Belgian FSMA has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. This approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in any Notes.

In addition, application has been made to Euronext Brussels ("**Euronext Brussels**") for Notes issued under the Programme during the period of twelve months from the date of approval of the Base Prospectus to be listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. References in this Base Prospectus to Notes being "**listed**" (and all related references) shall mean that such Notes have been listed and admitted to trading on the regulated market of Euronext Brussels. The regulated market of Euronext Brussels is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended ("**MiFID II**"). The Issuer may also issue Notes which are not listed or request the listing of Notes on any other stock exchange or market.

This Base Prospectus is valid for twelve months from its date. The obligation to supplement the Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply after this period of twelve months from the date of approval of the Base Prospectus.

The Notes will be issued in dematerialised form in accordance with the provisions of the Belgian Companies and Associations Code (*Wetboek van Vennootschappen en Verenigingen/Code des Sociétés et des Associations*), as amended (the "**Belgian Companies and Associations Code**") and cannot be physically delivered. The Notes will be represented exclusively by book entries in the records of the securities settlement system operated by the National Bank of Belgium (the "**NBB**") or any successor thereto (the "**Securities Settlement System**"). Access to the Securities Settlement System is available through those of its Securities Settlement System participants whose membership extends to securities such as the Notes. Securities Settlement System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV ("**Euroclear Bank**"), Clearstream Banking AG ("**Clearstream Banking Frankfurt**"), Clearstream Banking S.A. ("**Clearstream Banking Luxembourg**") SIX SIS AG ("**SIX SIS**"), Euroclear France SA ("**Euroclear France**"), Monte Titoli S.p.A. ("**Euronext Securities Milan**"), Interbolsa S.A. ("**Euronext Securities Porto**") and LuxCSD S.A. ("**LuxCSD**"). Accordingly, the Notes will be eligible to clear through, and therefore accepted by, Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD and investors may hold their Notes within securities accounts in Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD. The Notes issued in dematerialised form and settled through the Securities Settlement System may be eligible as ECB collateral, provided that the applicable ECB eligibility requirements are met.

Information on the aggregate nominal amount of Notes, interest (if any) payable in respect of such Notes, the issue price of such Notes and other information which is applicable to each Tranche (as defined herein) of such Notes will be set out in a final terms document (the "**Final Terms**") which will be delivered to the Belgian FSMA and Euronext Brussels on or before the date of issue of the Notes of such Tranche. Copies of Final Terms in relation to Notes to be listed on Euronext Brussels will be published on the website of the Issuer (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html).

Notes issued under the Programme may be rated or unrated. When an issue of a certain Series (as defined herein) of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme (if any) and such rating may be specified in the applicable Final Terms. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 on credit rating agencies, as amended (the "**CRA Regulation**") and/or by a credit rating agency established in the United Kingdom and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus, setting out certain risks in relation to Senior Notes and Subordinated Tier 2 Notes. In particular, holders of Senior Notes and Subordinated Tier 2 Notes may lose their investment if the Issuer were to become non-viable or the Notes were to be (in the case of the Subordinated Tier 2 Notes) written down and/or converted or (in the case of the Senior Notes) bailed-in. See pages 21 to 23 of this Base Prospectus. Moreover, Subordinated Tier 2 Notes include certain risks specific to the nature of such instruments, such as subordination, write-down/conversion features, increased illiquidity, conflicts of interest and redemption. See pages 11 to 42 for a description of the risk factors and pages 28 to 30 for a description of the risk factors specific to Subordinated Tier 2 Notes. Notes issued as "Green Bonds" or "Social Bonds" represent specific risks, including the risk of possible non-conformity of Green Bonds or Social Bonds with investors' expectations and evolving regulation and the risks related to the absence of contractual obligations of the Issuer under the Notes in relation to the Green Bond Framework or Social Bond Framework . See pages 32 to 36 for a description of the risks factors specific to Green Bonds and Social Bonds.

The Notes may not be a suitable investment for all investors. Accordingly, prospective investors in Notes should decide for themselves whether they want to invest in the Notes and obtain advice from a financial intermediary in that respect, in which case the relevant intermediary will have to determine whether or not the Notes are a suitable investment for them.

If the "Prohibition of Sales to Consumers" is specified as applicable in the Final Terms in respect of any Notes, the Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, by any Dealer to "consumers" *(consumenten / consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht* / *Code de droit économique*), as amended.

Arranger and Dealer

KBC Bank

The date of this Base Prospectus is 23 May 2023.

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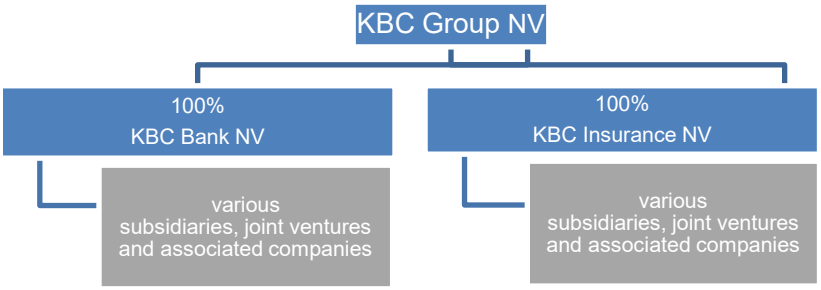
OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) 2019/980, as amended.

Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this overview.

Information relating to the Issuer

Issuer:	KBC Group NV.
Legal Entity Identifier (LEI) of the Issuer:	213800X3Q9LSAKRUWY91.
Description of the Issuer:	The Issuer is a mixed financial holding company, which has as its object the direct or indirect ownership and management of shareholdings in other companies, including but not restricted to credit institutions, insurance companies and other financial institutions. The Issuer also has as its object to provide support services for third parties, as mandatary or otherwise, in particular for companies in which the Issuer has an interest – either directly or indirectly. A simplified chart of KBC Group's legal structure is provided below: 
Principal activities of the Group:	The Issuer and its subsidiaries (the "**Group**") are an integrated bank insurance group, catering mainly for retail, private banking, small and medium-sized enterprises and mid-cap clients. Geographically, the Group focusses on its core markets of Belgium, the Czech Republic, the Slovak Republic, Hungary and Bulgaria. Elsewhere in the world, the

Group is present, to a limited extent, in several other countries to support corporate clients from the Group's core markets.

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

Information relating to the Programme

Description:	Euro Medium Term Note Programme. Notes to be issued under the Programme may comprise (i) unsubordinated Notes ("**Senior Notes**") and (ii) Notes that are subordinated as described herein and have terms capable of qualifying as Tier 2 Capital (as defined herein) (the "**Subordinated Tier 2 Notes**").
Arranger and Dealer:	KBC Bank NV. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Agent:	KBC Bank NV.
Size:	Up to EUR 20,000,000,000 (or its equivalent in any other currencies) aggregate nominal amount of Notes outstanding at any one time pursuant to the Euro Medium Term Note Programme (the "**Programme**").
Distribution:	The Notes will be distributed by way of a wholesale offering, on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**"), whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have

	identical terms on issue and are expressed to have the same series number. A "**Tranche**" means, in relation to a Series, those Notes of that Series that are identical in all respects. The final terms and conditions for the Notes (or the relevant provisions thereof) will be completed in the final terms (the "**Final Terms**").
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturity:	Subject to compliance with all relevant laws (including the Applicable Banking Regulations), regulations and directives and unless previously redeemed or purchased and cancelled, each Note will have the maturity as specified in the applicable Final Terms. Unless otherwise permitted by the Applicable Banking Regulations, Subordinated Tier 2 Notes constituting Tier 2 Capital will have a minimum maturity of five years.
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
Form of Notes:	The Notes will be issued in dematerialised form in accordance with the Belgian Companies and Associations Code (*Wetboek van Vennootschappen en Verenigingen/Code des Sociétés et des Associations*), as amended. The Notes will be represented exclusively by book entry in the records of the clearing system operated by the National Bank of Belgium ("**NBB**") or any successor thereto (the "**Securities Settlement System**"). The Notes cannot be physically delivered and may not be converted into bearer notes (*effecten aan toonder/titres au porteur*). Title to the Notes will pass by account transfer.
Specified Denomination:	The Notes will be in such denominations as may be specified in the relevant Final Terms, save that in the case of any Notes the minimum specified denomination shall be at least EUR 100,000 (or its equivalent in any other currency).
Status of Senior Notes:	Senior Notes constitute direct, unconditional, senior and unsecured obligations of the Issuer and rank at all times (i) *pari passu*, without any preference among themselves, and with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, which will fall or be expressed to fall within the category of obligations described in Article 389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights, (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking *pari passu* with or junior to Senior

Non-Preferred Obligations and (iii) junior to all present and future claims as may be preferred by laws of general application.

Subject to applicable law, if an order is made or an effective resolution is passed for the liquidation, dissolution or winding-up of the Issuer by reason of bankruptcy (*faillissement/faillite*), the Noteholders will have a right to payment under the Senior Notes (i) only after, and subject to, payment in full of any present and future claims as may be preferred by laws of general application and (ii) subject to such payment in full, in priority to holders of Senior Non-Preferred Obligations and other present and future claims otherwise ranking junior to Senior Notes.

Where:

"**Senior Non-Preferred Obligations**" means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in Article 389/1, 2° of the Belgian Banking Law.

Status of Subordinated Tier 2 Notes:

Subordinated Tier 2 Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* without any preference among themselves. The rights and claims of the Noteholders in respect of the Subordinated Tier 2 Notes are subordinated in the manner as set out below.

Subject to applicable law, in the event of an order being made, or an effective resolution being passed, for the liquidation, dissolution or winding-up of the Issuer by reason of bankruptcy (*faillissement/faillite*) or otherwise (except, in any such case, a solvent liquidation, dissolution or winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer or the substitution in place of the Issuer of a successor in business of the Issuer), the rights and claims of the holders of the Subordinated Tier 2 Notes against the Issuer in respect of or arising under (including any interest or damages awarded for breach of any obligation under) the Subordinated Tier 2 Notes shall, subject to any obligations which are mandatorily preferred by law, rank (a) junior to the claims of all Senior Creditors and of all Ordinary Subordinated Creditors of the Issuer, (b) *pari passu* with the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital of the Issuer and (c) senior to (1) the claims of holders of all share and other equity capital of the Issuer (including preference shares, if any) and (2) the claims of holders of all obligations of the Issuer which constitute Tier 1 Capital of the Issuer.

Where:

"**Ordinary Subordinated Creditors**" means creditors of the Issuer whose claims are in respect of obligations which are subordinated to those of Senior Creditors or which otherwise rank, or are expressed to rank, junior to obligations owed by the Issuer to Senior Creditors, and which do not constitute Tier 1 Capital or Tier 2 Capital of the Issuer (including the Subordinated Tier 2 Notes).

"**Senior Creditors**" means creditors of the Issuer whose claims are in respect of obligations which are unsubordinated (including, for the avoidance of doubt, holders of Senior Notes) or which otherwise rank, or are expressed to rank, senior to obligations owed by the Issuer to Ordinary Subordinated Creditors and to obligations which constitute Tier 1 Capital or Tier 2 Capital of the Issuer (including the Subordinated Tier 2 Notes).

"**Tier 1 Capital**" and "**Tier 2 Capital**" have the respective meanings given to such terms in the Applicable Banking Regulations from time to time.

Waiver of set-off

If the applicable Final Terms in respect of Senior Notes specify that Condition 2(a)(ii) applies, then, subject to applicable law, no Senior Noteholder may exercise or claim any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer arising under or in connection with Senior Notes, and each Senior Noteholder shall, by virtue of its subscription, purchase or holding of any such Senior Note, be deemed to have waived all such rights of set-off, compensation, retention or netting.

Subject to applicable law, no holder of any Subordinated Tier 2 Note may exercise or claim any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer arising under or in connection with Subordinated Tier 2 Notes, and each such Noteholder shall, by virtue of its subscription, purchase or holding of any such Subordinated Tier 2 Note, be deemed to have waived all such rights of set-off, compensation, retention and netting.

Terms of the Notes:

Notes (i) bear interest calculated by reference to a fixed rate of interest (such Note, a "**Fixed Rate Note**"), (ii) bear interest calculated by reference to a fixed rate of interest for an initial period and thereafter by reference to a fixed rate of interest recalculated on one or more dates specified in the Final Terms and by reference to a mid-market swap rate (such Note, a "**Fixed Rate Reset Note**"), (iii) bear interest by reference to one or more floating rates of interest (such Note, a "**Floating Rate Note**") or (iv) are a combination of two or more of (i) to (iii) of the foregoing, as specified in the Final Terms.

Redemption:	The applicable Final Terms will specify the basis for calculating the redemption amounts payable. Notes will be redeemed either (i) at 100% of the Calculation Amount or (ii) at an amount per Calculation Amount specified in the applicable Final Terms.
Optional Redemption:	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and, if so, the terms applicable to such redemption.
Early Redemption:	Except as provided in "*Optional Redemption*" above, Notes can be early redeemed at the option of the Issuer prior to their stated maturity for tax reasons if the Tax Call Option and the Prohibition of Sales to Consumers are specified as applicable in the applicable Final Terms. If so specified in the applicable Final Terms and to the extent the Prohibition of Sales to Consumers is specified as applicable in the applicable Final Terms, Notes may also be early redeemed, subject to certain conditions, (i) in respect of Subordinated Tier 2 Notes, upon the occurrence of a Capital Disqualification Event and (ii) in respect of Senior Notes, upon the occurrence of a Loss Absorption Disqualification Event.
Events of default	Not applicable in respect of Senior Notes, if the applicable Final Terms in respect of Senior Notes specify that Condition 2(a)(ii) applies, and in respect of Subordinated Tier 2 Notes.
Substitution or Variation	In respect of any Series of Subordinated Tier 2 Notes, upon the occurrence of a Capital Disqualification Event, or in order to ensure the effectiveness and enforceability of Condition 17(c), the Issuer (in its sole discretion but subject to the provisions of Condition 6) may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the relevant Series of Subordinated Tier 2 Notes for, or vary the terms of all (but not some only) of the Subordinated Tier 2 Notes of such Series so that they remain or, as appropriate, become, Qualifying Securities. In respect of any Series of Senior Notes in relation to which "Loss Absorption Disqualification Event Variation or Substitution" is specified in the applicable Final Terms as applicable, then, upon the occurrence of a Loss Absorption Disqualification Event, or in order to ensure the effectiveness and enforceability of Condition 17(c), the Issuer (in its sole discretion but subject to the provisions of Condition 7) may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Senior Notes of such Series for, or vary the terms of all (but not some only) of the

	Senior Notes of such Series so that they remain or, as appropriate, become, Eligible Liabilities Instruments.
Negative Pledge	None
Ratings:	Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Kingdom of Belgium, unless the withholding is required by law. In such event, the Issuer shall, subject to customary exceptions, pay such additional amounts on interest (but not on principal or any other amount) as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding been required.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Belgian law.
Listing and Admission to Trading:	Application has been made to Euronext Brussels for Notes issued under the Programme during the period of twelve months from the date of approval of the Base Prospectus to be listed and to be admitted to trading on the regulated market of Euronext Brussels. As specified in the relevant Final Terms, a Series of Notes may be unlisted or may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer(s) in relation to the Series.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes. See "*Subscription and Sale*" below. The Issuer is a Category 2 Issuer for the purposes of Regulation S under the Securities Act.

RISK FACTORS

This section sets out risks which the Issuer believes are specific to it, the Group and/or the Notes and which are deemed to be material to investors for taking an informed investment decision in respect of Notes issued under the Programme. Any such factors may affect the Issuer's ability to fulfil its obligations under such Notes. All of these factors are contingencies which may or may not occur.

The Issuer believes that the factors described below represent the material risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to fulfil its obligations under any Notes may occur for other reasons which may not be considered material risks by the Issuer based on the information currently available to it or which it may not currently be able to anticipate.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision and consult with their own professional advisors (if they consider it necessary).

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

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

RISKS RELATING TO THE ISSUER AND THE GROUP

The overall management responsibility of a financial institution can be defined as managing capital, liquidity, return (income versus costs) and risks, which in particular arise from the special situation of banks as risk transformers. Taking risks and transforming risks is an integral part – and, hence, an inevitable consequence – of the business of a financial institution. Therefore, the Group does not aim to eliminate all the risks involved (risk avoidance), but instead looks to identify, control and manage these in order to make optimal use of its available capital (i.e., risk-taking as a means of creating value). This approach may leave the Group exposed to unidentified, unanticipated or incorrectly quantified risks.

Geopolitical and emerging risks (high risk)

Since the start of the coronavirus pandemic at the beginning of 2020, initiatives were taken to monitor and manage emerging risks even more closely. In early 2022, the impact of the pandemic subsided and hence the Covid restrictions were phased out. However, the start of the Russia-Ukraine conflict in 2022 and the associated disruption of worldwide energy markets presented new challenges, which were enforced by the recent banking turmoil introduced by the failing of the Silicon Valley Bank (SVB) and Credit Suisse. It is expected that this uncertainty will continue to impact the worldwide economies and the challenges KBC Group faces as a financial institution. Until now, the impact on KBC Group of above mentioned events, remained confined.

More specifically, the impact of the recent banking turmoil on the Issuer was very limited:

– Direct and indirect exposure to the troubled counterparties were limited.

– There were no signs of increased operational risk, nor of an increase in the number of cyber events.

– The Group's liquidity position has been able to withstand these stresses and remains strong.

Additional emerging risks need to be taken into account which might have an operational and financial impact on the business of a financial institution and on its clients:

– Although the Group's net result at the end of FY 2022 increased with 5% compared to 2021, and while its capital position and liquidity position remained strong throughout the crisis, the current geopolitical and emerging risks may continue to have an impact on the profitability and performance of the Group.

– The widening of the EURIBOR-OIS spread, which is normally a good indicator for confidence in the European banking sector, indicates that financial institutions demand a higher interest rate to lend to each other, for example due to concerns about the creditworthiness of other financial institutions. This could eventually lead to deteriorating credit conditions for enterprises and households.

– Overall the geopolitical tensions, the high inflation figures, the recession fears and the uncertainties surrounding the timing and extent of central banks' monetary tightening, leads to more volatility in the markets and in the profits and losses of dealing rooms.

– The quest for decent returns on investments has been replaced by renewed risks for outflows. Moreover, credits granted in times of high interest rates bear a larger prepayment risk.

– The risk that non-maturing deposits are being transferred has increased due to the recent events as well as due to the competition for such non-maturing deposits.

More information and figures about the coronavirus crisis, the Russia-Ukraine conflict and other recent events in relation to the Issuer can be found in the section "*Recent Events*" on page 138 of this Base Prospectus.

The Issuer also refers to the annual report and the extended quarterly reports of the Issuer which are incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*", and which include the financial reporting for each of the four quarters of the financial year 2022 and the first quarter of the financial year 2023.

Performance risk (medium risk)

The Issuer operates in a fast-changing environment characterised by volatility, uncertainty, complexity and ambiguity. The financial industry is in the midst of its biggest transition yet. On the one hand, there is the digital transformation, leading to new digital opportunities, while the downside for those who fall behind is growing disproportionately. Furthermore, the financial sector has an important role to play in the transition towards a green and sustainable economy. At the same time, the Issuer needs to deal with global and geopolitical challenges and mounting regulatory pressure and uncertainty.

In the aftermath of the worldwide coronavirus pandemic, the Russian invasion of Ukraine, together with the sanctions imposed by the West, and the current banking turmoil sent a shockwave through the world economy, resulting in elevated inflation. This caused a slowdown in economic growth and put additional pressure on the financial industry and on the banking industry due to concerns about the creditworthiness of certain financial institutions.

This all occurred at a time when other emerging risks had already started to weigh on the EU economy. International supply chains were constrained and these inflationary tendencies were aggravated through peaking commodity (most notably food and metals) and energy (gas) prices. These emerging risks impact not only retail clients through increasing cost of living and higher repayment schemes due to increasing interest rates; corporate and SME clients are also affected by supply chain issues, wage inflation and increasing commodity and energy prices. The Issuer is therefore keeping a very close eye on these risks and the impact on the Group and its clients, both financially and operationally.

In addition, the Group faces the same strategic challenges as the entire financial sector:

– Potential consequences of climate change and other environmental, social and governance (ESG) challenges are becoming increasingly tangible on both banking and insurance activities. Financial institutions not only need to reflect upon their own activities, taking into account all new regulations, but also need to help clients make the transition towards a more sustainable world and optimise their own energy consumption or carbon footprint. Also within the Group, ESG risk management gets a lot of attention and efforts are made to implement all related regulatory requirements and to inform its clients about newly created opportunities.

– Changing client behaviour and expectations. Based on experience with innovative companies such as big techs, clients are in search of convenience, instant delivery of products and services and personal advice anywhere and at any time. Given today's client needs, processes have to be instant, data-driven and friction-free. This means that interactions with clients (digital as well as human) need to be exceptional in terms of client experience and operational efficiency. These competitive pressures could result in increased pricing pressures on a number of the Group's products and services and in the loss of market share in one or more such markets.

- The future is data-driven. Artificial intelligence, big data analysis and automation technologies are making digital interactions smarter, for simple tasks as well as in support of more complex operations. This affects how banks interact with their clients. Distribution models need to be reassessed to find the right mix between human (physical or remote) and digital channels, the concrete role of humans, and how to support them using digital technologies. While digital leads are used to drive business, a positive customer journey is to be ensured at all times. At the same time, these new technologies also provide opportunities to make the Group's risk management more effective and efficient.

- New business models are emerging, including industrialisation of banking and insurance (B2B2C alongside B2C), platformification and decentralised finance. This drives the Group to increase its ambition from 'merely' digitalising its traditional banking and insurance business towards 'broadening its distribution' (i.e. all-in-one, creating ecosystems that combine financial and non-financial services).

- Traditional bank financing solutions are bypassed by growing disintermediation in corporate & SME financing, a.o. facilitated by the development of the EU Capital Markets Union. These changes could result in increased pricing pressures on a number of the Group's products and services and in the loss of market share in one or more such markets.

- Strong regulatory pressure and uncertainty, with continued challenges in terms of level playing field requires a lot of attention and even more staff being involved in regulatory reporting activities.

- M&A activities as well as change projects in line with the Group's strategy could also negatively impact the performance of the Group if these are not managed and implemented well.

Credit risk (medium risk)

Credit risk is the potential negative deviation from the expected value of a financial instrument arising from the non-payment or non-performance by a contracting party (for instance a borrower), due to that party's insolvency, inability or lack of willingness to pay or perform, or to events or measures taken by the political or monetary authorities of a particular country (country risk). Credit risk thus encompasses default risk and country risk, but also includes migration risk, which is the risk for adverse changes in credit ratings.

The main source of credit risk, is the Group's loan portfolio. It includes all the loans and guarantees that the Group has granted to individuals, companies, governments and banks (including debt securities if they are issued by companies or banks). The aggregate outstanding amount of the Group's loan portfolio amounted to EUR 205 billion on 31 December 2022. Most counterparties are private individuals (43%) and corporates (48%). Most counterparties are located in Belgium (63%) or in the Czech Republic (19%). Impaired loans (i.e., loans where it is unlikely that the full contractual principal and interest will be repaid/paid) constitute 2% of this portfolio.

The mortgage portfolio of the Group amounts to EUR 74 billion, which is around 41% of the Group's loans and advances to customers being EUR 178 billion, excluding reverse repos (see note 2.3 of the Issuer's 2022 annual report).

The main sources of other credit risks in the banking activities of the Group are those stemming from (i) trading book securities, (ii) counterparty risks under derivatives and (iii) government securities.

A more detailed breakdown of the Group's loan portfolio, including information on impairments, can be found on pages 99 and following of the Issuer's 2022 annual report. More information on impairments and the impact of the war in Ukraine and of the coronavirus crisis can be found in Note 1.4 ("Impact of the war in Ukraine and of the coronavirus crisis") of the consolidated financial statements of the Issuer's 2022 annual report and in Note 1.4 ("Geopolitical and emerging risks") of the Issuer's extended quarterly report for the first quarter of 2023. More information on credit risks relating to trading book securities, counterparty risk of derivatives and government securities can be found on page 109 of the Issuer's 2022 annual report. The Issuer's 2022 annual report and extended quarterly report for the first quarter of 2023 are incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Operational & compliance risk (medium risk)

The Group is exposed to a large array of operational risks, which are defined as risk of loss resulting from inadequate or failed internal processes, people and systems or arising from human errors or sudden man-made or natural external events that could give rise to material losses in services to customer and to loss or liability to the Group. Such events may potentially result in financial loss, liability to clients, administrative fines, penalties and/or reputational damages.

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

Since the beginning of 2022, the Issuer has been warned about an increased risk of disruptive cyber-attacks on critical infrastructure and institutions such as telecoms, energy, financial markets infrastructure, etc., During the second half of 2022, we indeed observed an increased number and variety of cyber-attacks (e.g., DDoS and password spraying) targeting Group entities and other financial institutions. Until now with limited impact on the targeted Group entities and their clients. The Issuer as well as the local entities remain vigilant, with constant monitoring procedures in place.

The nature of the Group's business inherently generates operational risks. The main operational risks of the Group are as follows:

– Conduct and compliance risk: The risk of non-conformity or sanctions due to the Group's failure (or the perceived failure) to comply with laws and regulations relating to integrity, and with internal policies and codes of conduct reflecting the institution's own values and codes of conduct in relation to the integrity of its activities. This also includes the current or prospective risk of losses arising from the inappropriate supply of financial services, including cases of wilful or negligent misconduct. Conduct risk covers many "hard" legal aspects, such as informing customers, providing the required transparency, avoiding misleading information and forced tying of products, selling the right product to the right customer and at the right time, conflicts of interest in doing business, manipulation of benchmarks, obstacles to changing financial products during their lifetime, automatic provision of products or unfair treatment of customers' complaints. There

are also softer aspects to include in conduct risk. These are based specifically on behaviour and are linked to people, culture and mindset.

- Information security risk: The risks arising from the loss, misuse, unauthorised disclosure or modification, inaccessibility, inaccuracy and damage of information.

- Information Technology ("**IT**") risk: The risk of losses resulting from misalignment between business and IT strategies, from the inability of IT to timely implement business and regulatory requirements or from unstable or unavailable IT services.

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

- Outsourcing risk and third party risk: Risks stemming from problems regarding the continuity, integrity and/or quality of the activities outsourced to or partnered with third parties (whether or not within a group) or from the equipment or staff made available by these third parties.

- Model risk: The risk of losses or the potential for adverse consequences arising from decisions based on incorrect or misused model outputs and model reports. A distinction is made between model errors and wrong application of the model (e.g. the use of outdated models).

- Fraud risk: Risks of deliberate abuse of procedures, systems, assets, products and/or services by one or more persons who intend to deceitfully or unlawfully benefit themselves or others.

- Legal risk: Risks of losses caused by bad management of disputes, the inability of the Group to protect its intellectual property (IP), the failure to manage (non-)contractual obligations or the failure to timely and correctly detect, assess and implement legislation and regulations.

- Business continuity risk: The risk that business activities cannot be continued at an acceptable pre-defined level resulting from the lack of a strategic and tactical capability of the Group to plan for and respond to serious (business) disruptions, crises or disasters.

- Personal and physical security risk: Risks of losses arising from acts inconsistent with employment, health or safety laws or agreements, from personal injury claims, or from diversity and discrimination events.

Market risk in non-trading activities (medium risk)

Market risk is defined as the potential negative deviation from the expected value of a financial instrument (or portfolio of such instruments) due to changes in the level or in the volatility of market prices (e.g. interest rates, exchange rates and equity or commodity prices). Market risk is related to trading (which can be found in the risk factor entitled "*Market risk in trading activities*" below) and non-trading activities.

In respect of its non-trading activities (comprising the Group's banking activities, life insurance activities and other business operations), the Group is primarily exposed to interest rate risk, credit spread risk and equity price risk:

- Interest rate risk is the potential negative deviation from the expected value of a financial instrument or portfolio due to changes in the level or in the volatility of interest rates. The value of interest bearing positions will decrease when market interest rates increase and vice-versa, unless the position contains inherent protection against such decrease, such as a variable or floating interest rate mechanism. The Group estimates that, as at 31 December 2022, an increase of market interest rates by 10 basis points would lead to a decrease in the value of the Group's total portfolio with EUR 32 million.

- Credit spread risk is the risk arising from changes in the level or in the volatility of credit spreads. The value of the Group's positions will decrease when credit spread increases, and vice-versa. This is mainly relevant for the Group's portfolio of sovereign and non-sovereign bonds. As at 31 December 2022, the total carrying value (i.e., the amount at which an asset or liability is recognised in the Group's accounts) of the Group's sovereign and non-sovereign bond portfolio combined was EUR 66 billion. The Group estimates that an increase in credit spread of 100 basis points across the entire curve would lead to a negative economic impact of EUR 3.2 billion on the value of both portfolios combined.

- Equity risk is the risk arising from changes in the level or in the volatility of equity prices. The total value of the Group's equity portfolio as at 31 December 2022 was EUR1.7 billion. The Group estimates that a 25% drop in equity prices would have a negative impact of EUR 387 million on the value of this portfolio.

More information regarding market risks in non-trading activities generally, and interest rate risk, credit spread risk and equity risk specifically, can be found on pages 111 to 118 of the Issuer's 2022 annual report. More information on credit risks relating to trading book securities, counterparty risk of derivatives and government securities can be found on page 108 of the Issuer's 2022 annual report. The Issuer's 2022 annual report is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Legal and regulatory risk (medium risk)

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

Recent regulatory and legislative developments applicable to credit institutions, such as KBC Bank NV, or insurance undertakings, such as KBC Insurance NV, may adversely impact the Group, its business, financial condition or results of operation. A non-exhaustive overview of certain important regulatory and legislative developments, such as changes to the prudential requirements for credit institutions, capital adequacy rules, recovery and resolution mechanisms, is set out in the sections entitled "*Banking supervision and regulation*" and "*Insurance supervision and regulation*" as from page 125 and 134, respectively, of this Base Prospectus.

Moreover, there seems to have been an increase in the level of scrutiny applied by governments and regulators to enforce applicable regulations and calls to impose further charges on the financial services industry in recent years. Such increased scrutiny or charges may require the Group to take additional measures which, in turn, may have adverse effects on its business, financial condition and results of operations. Implementation of related regulation and supervisory guidance can result in a crowding out-

effect on the Group's business and strategic transformation and might drive up the capital and liquidity requirements. Not complying with increasingly complex regulation is met with heavy fines and supervisory measures. Regulatory complexity is further increased by the fact that regulatory frameworks are not aligned (banking vs insurance, ECB vs SRB, national vs European regulation).

Environmental, social and governance ("**ESG**") risks are increasingly high on the agenda of the regulators leading to a number of directives, guidelines and disclosure requirements. These have to be gradually implemented in the coming years with the main focus on strategy, governance, risk management and internal & external reporting. The Group is taking the necessary actions to implement and to be compliant with all new regulation. The disclosures' importance towards market participants, investors and society in general will only increase: i.e. based upon the disclosures, financial institutions and the Group in particular will be judged on how well they adapt to climate change and other ESG related aspects. To deliver the required data quality on ESG is an important challenge not only for KBC but for the entire financial sector.

Also operational resilience is increasingly becoming a focus point of regulators, the Digital Operational Resilience Act (DORA) is an example in this respect. The ECB is engaging with institutions to ensure that operational disruptions are properly planned for, managed, and mitigated. Within the Group, key building blocks (such as business continuity management, cyber security and outsourcing risk management) are in place and are being further improved.

Any failure of the Group to meet regulatory requirements could result in administrative actions or sanctions.

Liquidity risk (low risk)

Liquidity risk is the risk that the Group will be unable to meet its liabilities and obligations as they come due, without incurring higher-than-expected costs.

CRD IV requires the Group to meet targets set for the Basel III liquidity related ratios, i.e., (i) the liquidity coverage ratio ("**LCR**") which requires banks to hold sufficient unencumbered high quality liquid assets to withstand a 30-day stressed funding scenario and (ii) the net stable funding ratio ("**NSFR**") which is calculated as the ratio of an institution's amount of available stable funding to its amount of required stable funding. Any failure of the Group to meet the liquidity ratios could result in administrative actions or sanctions or it ultimately being subject to any resolution action.

Please also refer to the section entitled "*Liquidity risk*" on pages 128 to 130 of the Issuer's 2022 annual report. The Issuer's 2022 annual report is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Liquidity risk can be sub-divided in contingency liquidity risk, structural liquidity risk and operational liquidity risk:

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

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

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

Notwithstanding the changes in central bank policies and increased market volatility, the Issuer continues to operate with a strong funding and liquidity position thanks to its loyal customer base.

Besides a liquidity risk management framework and a funding management framework, standards for stress testing and policies on ILAAP (the internal liquidity adequacy assessment process), collateral management, use of public funding sources and intraday liquidity management are also in place to steer the overall liquidity risk management process of the Group.

Market risk in trading activities (low risk)

The Group is exposed to market risks via the trading activities of its dealing rooms in Belgium, the Czech Republic, Slovakia, Bulgaria and Hungary, as well as via a minor presence in the United Kingdom and Asia. Wherever possible and practical, the residual trading positions of the Group's foreign entities are systematically transferred to KBC Bank NV, reflecting that the Group's trading activity is managed centrally both from a business and a risk management perspective. Consequently, KBC Bank NV holds about 98% of the trading-book-related regulatory capital of the Issuer.

Market risk exposures in the trading book are measured by the Historical Value-at-Risk ("**HVaR**") method, which is defined as an estimate of the amount of economic value that might be lost due to market risk over a defined holding period. The Group uses the historical simulation method, based on patterns of experience over the previous two years. The Group's HVaR estimate, calculated on the basis of a one-day holding period, was EUR 7 million as at 31 December 2022, and varied between EUR 6 million and EUR 12 million during the financial year of 2022.

Technical insurance risk (low risk)

KBC Insurance NV, a subsidiary of the Issuer, is confronted with risks related to economic (such as lapse rates, expenses) and non-economic (such as mortality, longevity, disability) parameters in the life insurance business and catastrophe and non-catastrophe risks in the non-life insurance business. In order to manage these risks, KBC Insurance NV strives for a balanced spread of life, non-life and health insurance (and its related lines of business, such as insurance with profit-sharing, unit-linked insurance, fire insurance, motor insurance and workers' compensation insurance) over the different insurance branches in its portfolio. Furthermore, the underwritten risks are mostly reinsured under reinsurance contracts.

Technical insurance risks stem from uncertainty regarding the frequency and severity of insured losses. Changes in the frequency of the underlying risk factors may affect the level of liabilities of KBC Insurance NV and its realised technical income, which may have an adverse impact on the business, financial condition and results of operations of the Group.

Please also refer to the section entitled "Technical insurance risk" on pages 131 to 133 of the Issuer's 2022 annual report. The Issuer's 2022 annual report is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Credit ratings (low risk)

The credit ratings of the Group are important to maintain access to key markets and trading counterparties. Please also refer to the section entitled "*Credit ratings*" on pages 115 and 116 of this Base Prospectus for an overview of the Group's current credit ratings.

Any failure by the Group to maintain its credit ratings could adversely impact the competitive position of the Group, make entering into hedging transactions more difficult and increase borrowing costs or limit access to the capital markets or the ability of the Group to engage in funding transactions. In connection with certain trading agreements, the Group might also be required, if its current ratings are not maintained, to provide additional collateral.

Capital adequacy (low risk)

As a bank-insurance group, the Group and certain Group entities are currently subject to the capital requirements and capital adequacy ratios imposed by Directive 2013/36/EU ("**CRD IV**") and certain Group entities are currently subject to the capital requirements and capital adequacy ratios imposed by Directive 2009/138/EC ("**Solvency II**").

The requirements of CRD IV include a capital conservation buffer and, in certain circumstances, a systemic buffer and/or a countercyclical buffer which come on top of the minimum requirements. These additional requirements are being gradually phased in and have an impact on the Group and its operations, as they impose higher capital requirements. In addition, capital requirements will increase if economic conditions or trends in the financial markets worsen and, as such, further capital increases may be difficult to achieve or only be raised at high costs in the context of adverse market circumstances. The Basel III post-crisis reforms (commonly referred to as Basel IV) will apply when these are transposed into the Capital Requirements Regulation (CRR). The Basel IV impact on RWA will be phased-in.

Solvency II includes requirements for the in-scope entities of the Group to keep adequate capital buffers (eligible own funds) to absorb the impact of adverse circumstances including (but not limited to) deteriorated market conditions, counterparty defaults and specific risks linked to insurance policies). These solvency capital requirements are determined on the basis of the risk profiles and on the way in which such risks are managed. Distinction is made between the Solvency Capital Requirement ("**SCR**") and the Minimum Capital Requirement ("**MCR**"), which are both calculated on a quarterly basis. If the SCR exceeds the eligible own funds, this is an early warning indicator to the supervisory authority and insurance company to better manage the risks. If the MCR exceeds the eligible own funds, this means the insurance company is technically insolvent.

In the event that the capital position of KBC Insurance NV would decrease below the capital requirements stipulated in Solvency II, KBC Insurance NV could raise additional capital, e.g. by way of a capital increase, to which the Issuer would subscribe on an exclusive basis.

Please refer to the section entitled "*Banking supervision and regulation*" as from page 125 of this Base Prospectus in which a broader overview of the capital adequacy requirements is provided.

RISKS RELATING TO THE NOTES

Risks relating to the Conditions

Noteholders may be required to absorb losses in the event the Issuer becomes non-viable or fails.

Noteholders may lose their investment in case the Issuer were to become non-viable or fail. In such circumstances, resolution authorities may require Subordinated Tier 2 Notes to be written down or converted and Senior Notes to be bailed-in pursuant to Directive 2014/59/EU, as amended (the "**BRRD**"), as implemented in the Belgian Banking Law.

In addition to the write-down and conversion powers of eligible liabilities mentioned below, the BRRD and the Belgian Banking Law contain contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that a relevant entity meets the conditions for resolution specified in Article 244 §1 of the Belgian Banking Law, i.e. (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest. The four resolution tools and powers are: (i) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially under public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing relevant entity (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims (including Senior Notes) to equity or other instruments of ownership (the "**bail-in power**"), which equity or other instruments could also be subject to any future cancellation, transfer or dilution.

Write-down / conversion of tier 2 capital instruments, including Subordinated Tier 2 Notes.

The BRRD requires the Resolution Authority to write down the principal amount of tier 2 capital instruments (including the Subordinated Tier 2 Notes) or to convert such principal amount into common equity tier 1 of the Issuer so as to ensure that the regulatory capital instruments (including the Subordinated Tier 2 Notes) fully absorb losses at the point of non-viability of the issuing institution. Accordingly, the Resolution Authority shall be required to write down or convert such capital instruments (including the Subordinated Tier 2 Notes) immediately before taking any resolution action, together with such resolution

action or independently from any resolution action, if the Issuer were deemed to have reached the point of non-viability or were to benefit from public support.

An institution will be deemed to be no longer viable if (i) it is failing or likely to fail and (ii) there is no reasonable prospect that a private action would prevent the failure within a reasonable timeframe.

The resolution authorities have to exercise the write down and conversion powers in accordance with the priority of claims under normal insolvency proceedings, in a way that results in (i) common equity tier 1 instruments of the Issuer are reduced first in proportion to the losses and to the extent of their capacity; (ii) second the principal amount of additional tier one instruments is written down or converted into common equity tier 1 instruments or both, to the extent required or to the extent of the capacity of the relevant capital instruments; (iii) thereafter, to the extent required, the principal amount of tier 2 capital instruments (including Subordinated Tier 2 Notes) is written down (in principle on a permanent basis), converted into common equity tier 1, or a combination of the above.

More specifically, article 267/8, §1 of the Belgian Banking Law provides the order in which eligible liabilities should be converted or written down in case the Resolution Authority decides to apply the bail-in tool. Tier 2 capital instruments of the Issuer (including the Subordinated Tier 2 Notes) will only be converted or written down following conversion or write-down of the tier 1 capital instruments of the Issuer, but before all subordinated debt and other eligible liabilities of the Issuer that are not tier 1 or tier 2 capital instruments of the Issuer at the time of resolution.

In circumstances of financial distress (whether related to the economy or markets generally or events specific to the Group), there may be uncertainty as to the likelihood that resolution authorities could in the future decide to write down or convert Subordinated Tier 2 Notes into tier 1 instruments. Due to the uncertainty as to whether any such write down or conversion could occur, the trading price of the Subordinated Tier 2 Notes could drop significantly.

Any indication that the Issuer's securities may run the risk of being required to absorb losses in the future is likely to have an adverse effect on the market price of the Subordinated Tier 2 Notes. Under such circumstances, investors may not be able to sell their Subordinated Tier 2 Notes at prices comparable to the prices of more conventional investments or at all.

Furthermore, the Resolution Authority has the power to suspend any payment or delivery obligation arising from a contract to which a credit institution is a party when the conditions set out in Article 244/2 of the Belgian Banking Law are met.

Bail-in of senior debt and other eligible liabilities, including Senior Notes.

Holders of Senior Notes are at risk of losing some or all of their investment (including outstanding principal and accrued but unpaid interest) upon exercise by the Resolution Authority of the "bail-in" resolution tool in circumstances where the Issuer is no longer viable. An institution will be deemed to be no longer viable if (i) it is failing or likely to fail and (ii) there is no reasonable prospect that a private action would prevent the failure within a reasonable timeframe.

The Resolution Authority has the power to bail-in (i.e., write down, cancel or convert) senior debt such as the Senior Notes, after having written down or converted tier 1 capital instruments, tier 2 capital

instruments (such as the Subordinated Tier 2 Notes) and subordinated debt which is not tier 1 or tier 2 capital.

The bail-in power enables the Resolution Authority to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors (including holders of Senior Notes) in a manner which is consistent with the hierarchy of claims in an insolvency of the relevant financial institution. The BRRD contains certain safeguards which provide that shareholders and creditors that are subject to any write down or conversion should in principle not incur greater losses than they would have incurred had the relevant financial institution been wound up under normal insolvency proceedings ('no creditor worse off' principle).

Importantly, certain liabilities of credit institutions will be excluded from the scope of the "eligible liabilities" and therefore not subject to bail-in. These include covered deposits, secured liabilities (including covered bonds) as well as certain debt with maturities of less than seven days and certain other liabilities. Certain other liabilities (including the Senior Notes) will be deemed "eligible liabilities" subject to the statutory bail-in powers.

BRRD specifies that governments will only be entitled to use public money to rescue credit institutions as a last resort and provided that a minimum of 8% of the own funds and total liabilities have been written down, converted or bailed in. Moreover, the resolution authorities will be entitled to first bail-in senior debt issued at the level of the Issuer (including the Senior Notes) before writing down or bailing in any tier 1, tier 2 capital instruments or senior debt issued at the level of KBC Bank NV.

Impact of loss absorption

The determination that all or part of the principal amount of any series of Subordinated Tier 2 Notes and Senior Notes are subject to loss absorption (i.e., conversion or write-down) is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Group's control. This determination will also be made by the Resolution Authority and there may be many factors, including factors not directly related to the Group, which could result in such a determination. Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of any resolution tool may occur.

Accordingly, trading behaviour in respect of the Subordinated Tier 2 Notes and potentially Senior Notes is not necessarily expected to follow the trading behaviour associated with other types of securities. Potential investors in the Subordinated Tier 2 Notes and the Senior Notes should consider the risk that a Noteholder may lose all of its investment, including the principal amount plus any accrued and unpaid interest, if such statutory loss absorption measures are acted upon or that the Subordinated Tier 2 Notes or the Senior Notes may be converted into ordinary shares. Noteholders may have limited rights or no rights to challenge any decision to exercise such powers or to have that decision reviewed by a judicial or administrative process or otherwise.

Please also refer to the section "*The strategy of the Group*" on page 116 of this Base Prospectus for more information.

As the Issuer is a holding company, the holders of Notes will be structurally subordinated to other creditors who hold debt instruments at the level of one or more of the subsidiaries of the Issuer.

The Issuer is the financial holding company of the Group and has two important subsidiaries, KBC Bank NV and KBC Insurance NV. The main sources of operating funds for the Issuer are the dividends, distributions, interest payments and any advances it receives from its subsidiaries and the amounts raised through the issuance of debt instruments such as the Notes. The ability of the subsidiaries to make dividend and other payments to the Issuer may depend on their profitability and may be subject to certain legal or contractual restrictions. The extent to which the Issuer is able to receive such payments will, in turn, affect its ability to make payments on the Notes and any other debt instruments of the Issuer, which, in addition, may rank senior to the Notes. The Notes do not benefit from any guarantee from any of the subsidiaries.

In addition, when the Notes are issued as "Green Bonds" or "Social Bonds", the Issuer will on-lend the net proceeds of the Green Bonds or Social Bonds in order for KBC Bank NV to finance and/or refinance the relevant Green Bond Eligible Assets or Social Bond Eligible Assets. The Issuer may also on-lend proceeds of Notes that are not issued as "Green Bonds" or "Social Bonds" to KBC Bank NV on a senior, senior non-preferred or subordinated (tier 2) basis. The extent to which the Issuer is able to receive payment of interest and principal under these internal loans to KBC Bank NV will in turn affects its ability to make payment under the Notes and any other debt instruments of the Issuer, which, in addition, may rank senior to the Notes.

Moreover, the holders of Notes will be structurally subordinated to other creditors who hold debt instruments at the level of one or more of the subsidiaries of the Issuer, including, without limitation, the contingent Tier 2 capital notes issued by KBC Bank NV. The subsidiaries of the Issuer generally hold more operational assets than the Issuer. If the assets of the Issuer's subsidiaries were to be realised, it is possible that, after such realisation, insufficient assets would remain available for distribution to the Issuer in order to enable it to fulfil any payment obligations under the Notes. Please also refer to the risk factor entitled "*Noteholders may be required to absorb losses in the event the Issuer becomes non-viable or fails*" on pages 21 to 24 of this Base Prospectus.

The Notes are subject to early redemption by the Issuer, subject to certain conditions.

The Issuer may have an optional redemption right, in its sole and full discretion, in the circumstances and subject to the conditions set out in Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*), Condition 4(d) (*Redemption at the Option of the Issuer*) and Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*).

The Issuer's ability to redeem the Notes at its option may affect the market value of the Notes. In particular, during any period when the Issuer has the right to elect to redeem the Notes or the market anticipates that redemption might occur, such as when the Issuer's cost of borrowing is lower than the interest rate on the Notes, the market value of the Notes generally would not be expected to rise substantially above the redemption price.

If the Issuer redeems the Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the

Notes or when prevailing interest rates may be relatively low, in which case Noteholders may only be able to reinvest the redemption proceeds in securities with a lower yield.

The Issuer is not prohibited from issuing additional debt.

There is no restriction on the amount of debt that the Issuer may issue, which may rank *pari passu* with or, in the case of Subordinated Tier 2 Notes, senior to the Notes. The issue of any such debt or securities may reduce the amount recoverable by investors upon an insolvency of the Issuer. If the Issuer's financial condition were to deteriorate, the holders could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if the Issuer were liquidated (whether voluntarily or involuntarily), the holders could suffer loss of their entire investment.

In certain instances the Noteholders may be bound by certain amendments to the Conditions to which they did not consent, which may result in less favourable terms of the Notes.

Condition 14 (*Meetings of Noteholders and Modifications*) and Schedule 1 (*Provisions on Meetings of Noteholders*) to the Conditions contain provisions for Noteholders to consider matters affecting their interests generally, including modifications to the Conditions. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority or, as the case may be, who did not sign the relevant written resolution or provide their electronic consents for the passing of the relevant resolution.

Further, Condition 14 (*Meetings of Noteholders and Modifications*) provides that the Issuer may, without the consent or approval of the Noteholders, make such amendments to the Conditions or the Agency Agreement which are of a formal, minor or technical nature or made to correct a manifest error or comply with mandatory provisions of law or such amendments to the Agency Agreement which are not prejudicial to the interests of the holders (except those changes in respect of which an increased quorum is required).

In addition, pursuant to Condition 3(k) (*Benchmark replacement*), if a Benchmark Event occurs, certain changes may be made to the interest calculation and related provisions of the Floating Rate Notes and the Fixed Rate Reset Notes, as well as the Agency Agreement in the circumstances and as otherwise set out in such Condition, without the consent or approval of the Noteholders. Please also refer to the risk factor entitled "*Risks related to certain Notes which are linked to "benchmarks'*" on pages 30 to 32 of the Base Prospectus.

Finally, if so specified in the Final Terms, the Issuer will, subject to certain conditions, be entitled to substitute and/or vary the terms of the relevant Notes upon the occurrence and continuation of a Loss Absorption Disqualification Event (in accordance with Condition 7 (*Senior Notes – Substitution or Variation following a Loss Absorption Disqualification Event*)) or a Capital Disqualification Event (in accordance with Condition 6 (*Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event*)), as applicable, so as to ensure that they remain or become Eligible Liabilities Instruments or Qualifying Securities, as applicable. Please also refer to the risk factors entitled "*Substitution or variation of Senior Notes upon the occurrence of a Loss Absorption Disqualification Event*" and "*Substitution or variation of Subordinated Tier 2 Notes upon the occurrence of a Capital Disqualification Event*" starting on page 26 and 29, respectively, of the Base Prospectus.

Accordingly, there is a risk that the Conditions may be modified, waived or varied in circumstances where a holder does not agree to such modification, waiver or variation, which may adversely impact the rights of such holder. Such decisions may for example relate to a reduction of the amount to be paid by the Issuer upon redemption of the Notes, which would then impact the return an investor may receive on its Notes.

Changes in law or the application, interpretation or administrative practice may affect the rights of Noteholders.

As set out in Condition 17 (*Governing Law and Jurisdiction*), the Conditions are governed by, and construed in accordance with, Belgian law as is in effect as of the date of this Base Prospectus. Any change in law or in the official application, interpretation or administrative practice after the date of this Base Prospectus may affect the enforceability of the Noteholders' rights under the Conditions or render the exercise of such rights more difficult and, hence, materially adversely impact the value of any Notes affected by it. This may for example relate to the implementation of statutory resolution and loss-absorption tools. Please also refer to the risk factor entitled "*Noteholders may be required to absorb losses in the event the Issuer becomes non-viable or fails*" on pages 21 to 24 of this Base Prospectus.

There are no rights of set-off for Subordinated Tier 2 Notes and potentially Senior Notes

No holder of a Subordinated Tier 2 Note may exercise or claim any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer arising under or in connection with such Note, and each such Noteholder shall, by virtue of its subscription, purchase or holding of any such Note, be deemed to have waived all such rights of set-off, compensation, retention or netting. The same will be the case for holders of Senior Notes when the applicable Final Terms in respect of Senior Notes specify that this Condition 2(a)(ii) applies.

Risks relating to particular Notes

Risks related to Senior Notes.

Substitution or variation of Senior Notes upon the occurrence of a Loss Absorption Disqualification Event.

Pursuant to Condition 7 (*Senior Notes – Substitution or Variation following a Loss Absorption Disqualification Event*), the Issuer has the option to specify in the Final Terms in relation to Senior Notes that a Loss Absorption Disqualification Event Variation or Substitution is applicable. A Loss Absorption Disqualification Event Variation or Substitution would, if selected in the applicable Final Terms, allow the Issuer in circumstances where a Loss Absorption Disqualification Event has occurred and is continuing or in order to ensure the effectiveness and enforceability of Condition 17(c), to elect either to (i) substitute all (but not some only) of such Series of Senior Notes or (ii) vary the terms of all (but not some only) of such Series of Senior Notes, so that they become or remain Eligible Liabilities Instruments, subject to, and to the extent required at such date, the prior written approval of the Relevant Regulator and/or the Resolution Authority.

Eligible Liabilities Instruments are securities issued by the Issuer that have, *inter alia*, terms not materially less favourable to the Noteholders as a class than the terms of the Senior Notes as reasonably determined by the Issuer (provided that the Issuer shall have delivered a certificate to that effect to the Agent), except in circumstances where the substitution or variation is in order to ensure the effectiveness and

enforceability of Condition 17(c). Where the Issuer has determined that the terms of Eligible Liabilities Instruments to be issued are not materially less favourable to the Noteholders as a class, it is possible that these will not be as favourable to a particular Noteholder, given such Noteholder's individual circumstances. If any substitution or variation of any Notes were to be effected in order to address any actual or perceived ineffectiveness of Condition 17(c) regarding the Bail-in Power, such substitution or variation might not be viewed by the market as being equally favorable to Noteholders. In circumstances where the applicable Final Terms in relation to Senior Notes specify that Loss Absorption Disqualification Event Variation or Substitution is applicable, the Senior Notes are intended to qualify in full towards the Issuer's and/or the Group's minimum requirements for (i) own funds and eligible liabilities and/or (ii) loss absorbing capacity instruments under the applicable Loss Absorption Regulations. Given the current status and evolving nature of the legislation on this topic and the interpretation thereof, there is, nevertheless, uncertainty regarding the final substance of the applicable Loss Absorption Regulations. It is therefore possible that the Senior Notes will not be or will not remain eligible instruments for minimum requirements for own funds and eligible liabilities ("**MREL**").

The Issuer has the option to specify in the Final Terms that no events of default for Senior Notes apply allowing acceleration of payment, other than in a dissolution or liquidation.

Condition 10 (*Senior Notes – Events of Default and Enforcement*) provides that the Issuer has the option to specify in the Final Terms in relation to Senior Notes that no events of default will apply allowing for acceleration of the Senior Notes if certain events occur. In such case, the Noteholders will not be able to accelerate the maturity of such Notes. Accordingly, if the Issuer fails to meet any obligations under the Senior Notes (including any failure to pay interest when due), investors will not have the right to accelerate payment of principal (other than in the event of the Issuer's dissolution or liquidation). Upon a payment default, the sole remedy available to holders of Senior Notes for recovery of amounts owing in respect of any payment of principal or interest on the Senior Notes will be the institution of dissolution or liquidation proceedings to the extent permitted under Belgian law. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Potential conflicts of interest specific to Senior Notes

Potential investors should be aware that the issuance of Senior Notes enhances the loss absorption capacity of the Issuer. The Issuer is the parent of KBC Bank NV, which is expected to act as Dealer in connection with the issue and placement of certain issues of Senior Notes. Therefore, if at any given time the Issuer would face problems with regard to its loss absorption capacity, which may for instance be caused by financial problems at the level of KBC Bank NV, the Issuer and KBC Bank NV will act in their own best interest and will not be obliged to protect the interests of the holders of the Senior Notes.

Furthermore, upon the occurrence of a Loss Absorption Disqualification Event, the Issuer may decide to redeem Senior Notes early or proceed with a variation thereof in accordance with Condition 7 (*Senior Notes – Substitution or Variation following a Loss Absorption Disqualification Event*), to the extent specified as applicable in the relevant final terms. In determining its course of action in such circumstances, the Issuer will take its own best interest into account, without being obliged to protect the interests of the holders of the Senior Notes.

Risks related to Subordinated Tier 2 Notes.

The Subordinated Tier 2 Notes are subordinated obligations.

Condition 2(b) (*Status of the Subordinated Tier 2 Notes*) states that the Subordinated Tier 2 Notes are direct, unconditional, unsecured and subordinated obligations of the Issuer and shall, in the event of a dissolution, liquidation or winding-up of the Issuer (except, in any such case, a solvent liquidation, dissolution or winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer or the substitution in place of the Issuer of a successor in business of the Issuer), be subordinated in right of payment to the claims of Senior Creditors of the Issuer.

Therefore, if the Issuer were to be wound up, liquidated or dissolved, the liquidator would first apply assets of the Issuer to satisfy all rights and claims of such Senior Creditors. If the Issuer does not have sufficient assets to settle such claims in full, the claims of the holders of Subordinated Tier 2 Notes will not be met and, as a result, the holders will lose the entire amount of their investment in the Subordinated Tier 2 Notes. The Subordinated Tier 2 Notes will share equally in payment with other *pari passu* claims. If the Issuer does not have sufficient funds to make full payments on all of them, holders could lose all or part of their investment.

The Issuer may issue other obligations that rank or are expressed to rank senior to the Subordinated Tier 2 Notes or capital instruments that rank or are expressed to rank *pari passu* with the Subordinated Tier 2 Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay (i) its depositors and other unsubordinated creditors and (ii) subject as described in the paragraph that follows, its other subordinated creditors (other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Tier 2 Notes) in full before it can make any payments on the Subordinated Tier 2 Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Subordinated Tier 2 Notes.

According to Article 48(7) of the BRRD (as transposed into Belgian law by an amendment to Article 389/1 of the Belgian Banking Law), liabilities resulting from fully or partially recognised own funds instruments (within the meaning of the CRR, and including the Subordinated Tier 2 Notes) shall rank junior to all other liabilities. This entails that, regardless of their contractual ranking, liabilities that are no longer at least partially recognised as an own funds instrument for the purpose of the CRR shall rank senior to any liabilities fully or partially recognised as an own funds instrument. Accordingly, in the event of a liquidation or bankruptcy of the Issuer, the Issuer will, *inter alia*, be required to pay subordinated creditors of the Issuer, whose claims arise from liabilities that are no longer fully or partially recognised as an own funds instrument (within the meaning of the CRR, and which could include some series of Subordinated Tier 2 Notes if they are no longer so recognised) in full before it can make any payments on the Subordinated Tier 2 Notes which continue to be at least partially recognised as own fund instruments at the time of the opening of the liquidation or bankruptcy procedure.

In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Subordinated Tier 2 Notes, payments relating to holders of other obligations or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Subordinated Tier 2 Notes may, if there are insufficient assets to satisfy the claims of all of

the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Subordinated Tier 2 Notes on a liquidation or bankruptcy of the Issuer.

No events of default apply to Subordinated Tier 2 Notes allowing acceleration of payment. Acceleration of payment will only be possible in the case of dissolution or liquidation of the Issuer.

The Conditions of the Subordinated Tier 2 Notes do not provide for events of default allowing for acceleration of the Subordinated Tier 2 Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Subordinated Tier 2 Notes, including the payment of any interest, investors will not have the right to accelerate payment of principal, which shall only be due in the event of the Issuer's dissolution or liquidation. Upon a payment default, the sole remedy available to holders of Subordinated Tier 2 Notes for recovery of amounts owing in respect of any payment of principal or interest on the Subordinated Tier 2 Notes will be the institution of dissolution or liquidation proceedings to the extent permitted under Belgian law in order to enforce such payment.

Holders should further be aware that, in or prior to any such dissolution or liquidation scenario, the Resolution Authority could decide to write down the principal amount of the Subordinated Tier 2 Notes to zero or convert such principal amount into equity or tier 1 instruments. Please also refer to the risk factor entitled "*Noteholders may be required to absorb losses in the event the Issuer becomes non-viable or fails*" on pages 21 to 24 of this Base Prospectus.

Substitution or variation of Subordinated Tier 2 Notes upon the occurrence of a Capital Disqualification Event

Pursuant to Condition 6 (*Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event*), the Issuer has the option to specify in the Final Terms in relation to Subordinated Tier 2 Notes that a Capital Disqualification Event Variation is applicable. A Capital Disqualification Event will apply if, as a result of a change to the regulatory classification, the Issuer would no longer be able to count the Subordinated Tier 2 Notes wholly or in part towards its tier 2 capital. A Capital Disqualification Event Variation would entitle the Issuer in such circumstances to vary the terms of such Subordinated Tier 2 Notes (subject to certain conditions) in order to ensure that they remain or become Qualifying Securities (i.e., qualify again as tier 2 capital of the Issuer) or in order to ensure the effectiveness and enforceability of Condition 17(c). Importantly, the Issuer would in such circumstances be entitled to substitute or vary, subject to the conditions set out in Condition 6 (*Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event*), the terms of the Subordinated Tier 2 Notes without the consent of the holders of the Subordinated Tier 2 Notes. The Issuer would treat the investors as a class and the individual position of the Noteholders may be prejudiced, despite the conditions set out in Condition 6 (*Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event*).

Potential conflicts of interest specific to Subordinated Tier 2 Notes

Potential investors should be aware that the reason for issuing the Subordinated Tier 2 Notes is to raise tier 2 capital which enhances the loss absorption capacity for the Issuer. The Issuer is the parent of KBC Bank NV, which is expected to act as Dealer in connection with the issue and placement of certain issues of Subordinated Tier 2 Notes. Therefore, if at any given time the Issuer would face problems with regard to its regulatory capital, which may for instance be caused by financial problems at the level of KBC Bank

NV, the Issuer and KBC Bank NV will act in their own best interest and will not be obliged to protect the interests of the holders of the Subordinated Tier 2 Notes.

Furthermore, upon the occurrence of a Capital Disqualification Event, the Issuer may decide to redeem Subordinated Tier 2 Notes early or proceed with a variation thereof in accordance with Condition 6 (*Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event*). In determining its course of action in such circumstances, the Issuer will take its own best interest into account, without being obliged to protect the interests of the holders of the Subordinated Tier 2 Notes.

Risks related to certain Notes which are linked to "benchmarks".

Reference Rates and indices, including interest rate benchmarks, such as the Euro Interbank Offered Rate ("**EURIBOR**"), which are used to determine the amounts payable under financial instruments or the value of such financial instruments ("**Benchmarks**"), have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. These reforms and changes may cause a Benchmark to perform differently than it has done in the past, to be discontinued, or have other consequences which cannot be predicted. Any change in the performance of a Benchmark or its discontinuation, could have a material adverse effect on any Notes referencing or linked to such Benchmark.

Regulation (EU) 2016/1011 (the **EU Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements.

The euro risk-free rate working group for the euro area has published a set of guiding principles and high-level recommendations for fallback provisions in, amongst other things, new euro-denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things,

that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may (without limitation) have the following effects on certain Benchmarks: (i) discouraging market participants from continuing to administer or contribute to the Benchmark; (ii) triggering changes in the rules or methodologies used in the Benchmark or (iii) leading to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of national or international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes referencing, linked to or otherwise dependent (in whole or in part) upon a Benchmark.

Any changes to the administration of a Benchmark or the emergence of alternatives to a Benchmark as a result of these reforms, may cause such Benchmark to perform differently than in the past or to be discontinued, or there could be other consequences which cannot be predicted. The potential discontinuation of a Benchmark or changes to its administration could require changes to the way in which the Rate of Interest is calculated in respect of any Notes referencing or linked to such Benchmark. Uncertainty as to the nature of alternative reference rates and as to potential changes to a Benchmark may adversely affect such Benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same Benchmark. The development of alternatives to a Benchmark may result in Notes linked to or referencing such Benchmark performing differently than would otherwise have been the case if such alternatives to such Benchmark had not developed. Any such consequence could have a material adverse effect on the value of, and return on, any Notes referencing or linked to a Benchmark.

Condition 3(k) (*Benchmark replacement*) provides for certain fallback arrangements in the event that a Benchmark Event occurs, for example where a published Benchmark (including any page on which such Benchmark may be published (or any successor service)) becomes unavailable. The Benchmark Events also include the situation where the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) announces that the methodology to calculate such Reference Rate or Mid-Swap Rate (as applicable) has materially changed. If a Benchmark Event occurs, the Issuer may, after appointing and consulting with an Independent Adviser, determine a Successor Rate or Alternative Reference Rate to be used in place of the relevant Benchmark where that relevant Benchmark has been selected as the Reference Rate or Mid-Swap Rate (as applicable) to determine the Rate of Interest. The use of any such Successor Rate or Alternative Reference Rate to determine the Rate of Interest may result in Notes linked to or referencing the relevant Benchmark performing differently (including paying a lower Rate of Interest) than they would do if the relevant Benchmark were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Reference Rate for the relevant Benchmark is determined by the Issuer, the Conditions provide that the Issuer may vary the Conditions, as necessary, to ensure the proper operation of such Successor Rate or Alternative Reference Rate, without any requirement for consent or approval of the Noteholders. Please also refer to the risk factor entitled "*In certain instances the Noteholders may be bound by certain amendments to the Conditions to which they did not consent, which may result in less favourable terms of the Notes*" on page 25 of this Base Prospectus. No adjustments or amendments will be applied if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a change in the regulatory classification of the Notes giving rise to a

Capital Disqualification Event (in the case of Subordinated Tier 2 Notes) or a Loss Absorption Disqualification Event (in the case of Senior Notes).

If a Successor Rate or Alternative Reference Rate is determined by the Issuer, the Conditions also provide that an Adjustment Spread will be determined by the Issuer to be applied to such Successor Rate or Alternative Reference Rate. The aim of the Adjustment Spread is to reduce or eliminate, so far as is practicable, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the relevant Benchmark with the Successor Rate or the Alternative Reference Rate. However, it is possible that the application of an Adjustment Spread will not reduce or eliminate economic prejudice to Noteholders.

In addition, if the relevant Benchmark is discontinued permanently and the Issuer, for any reason, is unable to determine the Successor Rate or Alternative Reference Rate, the Rate of Interest may revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the relevant Benchmark was discontinued and such Rate of Interest will continue to apply until maturity. This will result in the Floating Rate Notes, in effect, becoming Fixed Rate Notes.

Any such consequences could have a material adverse effect on the value of, and return on, any Notes to which the fallback arrangements are applicable. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could adversely affect the ability of the Issuer to meet its obligations under the Notes and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

Investors should consider these matters when making their investment decision with respect to the Notes.

Risks related to Notes which are issued as Green Bonds or Social Bonds.

The Issuer may issue Notes where the use of proceeds is specified in the relevant Final Terms to be for the financing and/or refinancing of specified "green", "sustainability" or "social" projects of the Group, in accordance with certain prescribed eligibility criteria (any Notes whose specified use of proceeds is "green" or "sustainable" are referred to as "Green Bonds" and any Notes whose specified use of proceeds is "social" are referred to as "Social Bonds").

If the fact that the use of proceeds of the Notes is linked to the contribution of "green", "sustainable", "social" and/or other equivalently-labelled objectives is a factor in a prospective investor's decision to invest in the Notes, it should in particular consider the disclosure in the sections entitled "*Green Bonds and Social Bonds*" and "*Use of Proceeds*" and consult with its legal or other advisers before making an investment in the Notes.

Risks related to the possible non-conformity of Green Bonds or Social Bonds with investors' expectations and evolving regulation

Investors should take into account that there is currently no clear single definition (legal, regulatory or otherwise) of, nor international market consensus as to what constitutes, a "green", "sustainable" or other equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or to receive such other equivalent label. The European Union has already adopted various sustainability related rules and regulations, including the Regulation (EU)

2020/852 ("**EU Taxonomy**") which establishes the criteria to determine whether an economic activity qualifies as environmentally sustainable. The EU Taxonomy is still being further developed and has and will be further supplemented by various delegated acts. In addition, on 6 July 2021, the European Commission proposed the adoption of a Regulation on a voluntary EU Green Bond Standard ("**EU GBS**") which will (if applied), among other things, require EU Taxonomy alignment. At the date of this Base Prospectus, the EU GBS has not yet been passed into law. The EU Taxonomy and EU GBS have not been considered in the development of the Issuer's Green Bond Framework and Social Bond Framework.

No assurance is or can be given to investors by the Issuer or any other person that any projects or uses the subject of, or related to, any Green Bonds or Social Bonds will meet or continue to meet on an ongoing basis any or all investor expectations or evolving regulation regarding "green", "sustainable", "social" or similar labels (including the EU Taxonomy or Regulation (EU) 2020/852 as it forms part of domestic law in the United Kingdom by virtue of the EUWA) or that any adverse environmental, social and/or other impacts will not occur during the implementation of any specified "green", "sustainability" or "social" projects of the Group.

Any failure to meet or continue to meet investor expectations or evolving regulation regarding "green", "sustainable", "social" or similar labels (i) may have a negative impact on the market value and the liquidity of the Notes, (ii) may have consequences for certain investors, in particular investors with portfolio mandates to invest in green and/or sustainable assets who may decide to sell the Notes, and/or (iii) may result in the delisting of the Notes from any dedicated "green" or "sustainable" or other equivalently labelled segment of any stock exchange or securities market. Consequently, Noteholders may lose all or part of their investment in the Notes.

The Issuer intends to provide regular information on the use of proceeds of the Green Bonds and Social Bonds and to publish related allocation and/or impact reports on its website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html), but it is under no obligation to do so. Any reports made available on the Issuer's website do not form part of, and are not incorporated by reference into, this Base Prospectus.

In addition, the Issuer may change the Green Bond Framework and Social Bond Framework and/or the selection criteria used therein to select Green Bond Eligible Assets or Social Bond Eligible Assets (as defined in the section entitled "*Green Bonds and Social Bonds*"), at any time. In particular, the Issuer's Green Bond Framework and Social Bond Framework and related definitions may or may not be modified to adapt to any update that may be made to the ICMA Green Bond Principles and the ICMA Social Bond Principles, which have been taken into account by the Issuer when developing the Green Bond Framework and Social Bond Framework (respectively), or to align with the EU Taxonomy.

Prospective investors should have regard to the eligible green bond and social bond projects and eligibility criteria described in the relevant Final terms (if applicable). Each potential purchaser of any Series of Green Bonds or Social Bonds should determine for itself the relevance of the information contained in this Base Prospectus and in the relevant Final Terms regarding the use of proceeds and its purchase of any Green Bonds or Social Bonds should be based upon such investigation and due diligence as it deems necessary. For the avoidance of doubt, this is without prejudice to the responsibility of the Issuer for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes, as set out in the paragraph entitled "*Important information relating to the use of this base prospectus*".

Risks related to the Second Party Opinions

At the Issuer's request, Sustainalytics, an independent global environmental, social and governance rating and consultancy agency, issued a second party opinion on 26 April 2018 with respect to the Issuer's Green Bond Framework (the "**Green Bond Framework Opinion**") and on 4 May 2022 with respect to the Issuer's Social Bond Framework (the "**Social Bond Framework Opinion"**, and together with the Green Bond Opinion, the "**Second Party Opinions**"), to confirm alignment of these frameworks with the International Capital Market Association ("**ICMA**") Green Bond Principles (version 2017) and ICMA Social Bond Principles (version 2021), respectively. The Second Party Opinions did not consider or confirm alignment with any other guidelines, regulations or principles such as the EU Taxonomy. The Second Party Opinions are made available on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html), but are not (and shall not be deemed to be) incorporated by reference in or form part of this Base Prospectus and may amended, supplemented or replaced from time to time. The Second Party Opinions are for information purposes only and Sustainalytics, the Issuer and the Dealer are not liable for the substance of the Second Party Opinions and/or any loss arising from the use of the Second Party Opinions and/or the information provided therein. Any such opinion or certification is not, and should not be deemed to be, a recommendation by the Issuer, the Dealer or any other person to acquire any Notes. Any such opinion or certification is only current as of the date that such opinion or certification was initially issued.

The Second Party Opinions may not reflect the potential impact of all risks related to the structure of the relevant Series of Green Bonds or Social Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Green Bonds or Social Bonds.

The ICMA Green Bond Principles and the ICMA Social Bonds Principles are sets of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market, respectively the social bond market. There is currently no market consensus on what precise attributes are required for a particular project to be defined as "green", "sustainable" or "social", and therefore the "green", "sustainable" or "social" projects to be specified in the relevant Final Terms may not meet all investors' expectations regarding sustainability performance or continue to meet the relevant eligibility criteria. Although applicable green projects are expected to be selected in accordance with the categories recognised by the ICMA Green Bond Principles (version 2017) and applicable social projects are expected to be selected in accordance with the categories recognised by the ICMA Social Bond Principles (version 2021), and each category is expected to be developed in accordance with applicable legislation and standards, it is still possible that adverse environmental and/or social impacts will occur during the design, construction, commissioning and/or operation of any such green, sustainable or social projects. This may adversely affect the trading price of the Notes.

Prospective investors must determine for themselves the relevance, suitability and reliability for any purpose whatsoever of the Second Party Opinions, the Green Bond Framework, the Social Bond Framework, or any other opinion, report or certification (whether or not solicited by the Issuer) and/or the information contained therein and/or the provider of any opinion, report or certification for the purpose of any investment in the Notes. The Issuer does not represent that any such opinion, report or certification is relevant, suitable and reliable or whether any Green Bond Eligible Asset or Social Bond Eligible Asset fulfils any environmental and/or social and/or other criteria. Currently, the providers of such opinions and certifications (including the provider of the Second Party Opinions) are not subject to any specific

regulatory or other regime or oversight. In particular, investors should note that any such opinion, report or certification may not reflect any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. In case there are any shortcomings in the opinions and certifications of any such provider, such provider would typically be exclusively liable towards the relevant party having solicited the opinion or certification and not vis-à-vis the Noteholders. Opinions and certifications may also contain specific (limitation of) liability statements. The limitation of liability statements applicable to the Second Party Opinions are set out on page 18 of the Green Bond Framework Opinion and page 19 of the Social Bond Framework Opinion. The Noteholders also have no recourse against the Issuer or the Dealers for the contents of any such opinion or certification. For the avoidance of doubt, this is without prejudice to the responsibility of the Issuer for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes, as set out in the paragraph entitled "*Important information relating to the use of this base prospectus*".

Potential investors should be aware that if any Second Party Opinion would ever be withdrawn, such withdrawal (i) may have a negative impact on the market value and the liquidity of the Notes, (ii) may have consequences for certain investors, in particular investors with portfolio mandates to invest in green and/or sustainable assets who may decide to sell the Notes, and/or (iii) may result in the delisting of the Notes from any dedicated "green" or "sustainable" or other equivalently labelled segment of any stock exchange or securities market.

Risks related to the absence of contractual obligations of the Issuer under the Notes in relation to the Green Bond Framework or Social Bond Framework

While an amount equal or equivalent to the net proceeds of any Green Bonds or Social Bonds is to be applied in the manner described under the section entitled "*Use of Proceeds*", the application of such amount to finance and/or refinance, in whole or in part, new or existing Green Bond or Social Bond Eligible Assets, may not be capable of being implemented in such manner, or such proceeds may not be totally or partially disbursed as planned, for reasons that are outside the Issuer's control or which the Issuer is not able to anticipate as at the date of this Base Prospectus. Green Bonds and Social Bonds or the assets they finance or refinance may not have the results or outcome originally expected or anticipated by the Issuer. The Issuer intends to provide regular information on the use of proceeds of its Green Bonds and Social Bonds and to publish related impact and/or allocation reports on its website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html), but it is under no obligation to do so. The Issuer aims to fully allocate the net proceeds as soon as reasonably practicable, but the Issuer's Green Bond Framework and Social Bond Framework do not require that full allocation takes place within a certain period of time, and the Issuer assumes no obligation in this respect. In addition, the Issuer may change its Green Bond Framework or Social Bond Framework and/or the selection criteria it uses to select Green Bond or Social Bond Eligible Assets thereunder at any time. In particular, these frameworks and definitions may or may not be modified to adapt to any update that may be made to the ICMA Green Bond Principles or Social Bond Principles on which the Issuer's Green Bond Framework or Social Bond Framework (respectively) is based, or to align with the EU Taxonomy.

Consequently, it would not (a) be an event of default under the Green Bonds or Social Bonds; (b) give rise to any other contractual claim or right (including, for the avoidance of doubt, the right to accelerate the Notes) of a holder of such Green Bonds or Social Bonds against the Issuer; (c) lead to an obligation of the Issuer to redeem such Notes or be a relevant factor for the Issuer in determining whether or not to exercise

any optional redemption rights in respect of any Notes, or (d) impact the regulatory treatment of the Green Bonds or Social Bonds if (i) the Issuer were to fail to comply with such obligations or were to fail to use the proceeds in the manner specified in the relevant Final Terms; (ii) any Second Party Opinion were to be withdrawn and/or (iii) there would be a lack of Eligible Assets in which the Issuer may invest. For the avoidance of doubt, payments of principal and interest (as the case may be) on the relevant Green Bonds or Social Bonds shall not depend on the performance of the relevant project nor have any preferred right against such assets. Any failure to use the net proceeds of any Series of Green Bonds in connection with green or sustainable projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain environmentally focused investors with respect to such Green Bonds may affect the value and/or trading price of the Green Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in green or sustainable assets. Likewise, any failure to use the net proceeds of any Series of Social Bonds in connection with social projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain socially focused investors with respect to such Social Bonds may affect the value and/or trading price of the Social Bonds, and/or may have consequences for certain investors with portfolio mandates to invest in social assets.

Risks related to bail-in and resolutions measures

Green Bonds and Social Bonds issued under the Programme will be subject to bail-in and resolution measures provided by the BRRD in the same way as any other Notes issued under the Programme, and, as such, proceeds from Green Bonds and Social Bonds qualifying as own funds or eligible liabilities should cover all losses in the balance sheet of the Issuer regardless of their "green", "social" or "sustainable" label. As to such bail-in and resolution measures see the risk factor entitled "*Noteholders may be required to absorb losses in the event the Issuer becomes non-viable or fails*". Additionally, the labelling of any series of Notes as Green Bonds or Social Bonds (i) will not affect the regulatory treatment of such Notes as Tier 2 capital or eligible liabilities for the purposes of MREL (as applicable), if such Notes are also Senior Notes or Subordinated Tier 2 Notes eligible to comply with MREL requirements; and (ii) will not have any impact on their status as indicated in Condition 2 of the terms and conditions of the Notes.

Risks related to Fixed Rate Reset Notes.

Fixed Rate Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Reset Reference Rate and the Margin or as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate**"). The Subsequent Reset Rate for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Notes.

Risks related to Fixed/Floating Rate Notes.

Fixed/Floating Rate Notes may bear interest at a rate that will be converted from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The conversion of the interest rate will affect the secondary market and the market value of such Notes since the conversion will usually be effected when the new interest rate is likely to produce a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same Reference Rate. In addition, the new floating rate at any

time may be lower than the rates on other Notes. If a floating rate to a fixed rate is converted, the fixed rate may be lower than then prevailing rates on its Notes.

Risks related to Notes where a Minimum Rate of Interest and/or Maximum Rate of Interest applies.

Notes where a Minimum Rate of Interest and/or Maximum Rate of Interest applies, will be less exposed to the positive and negative performance or fluctuations of the underlying Reference Rate.

Notes where a Maximum Rate of Interest applies to a particular Interest Basis have an interest rate that is subject to a maximum specified rate. The maximum Interest Amount payable in respect of such Interest Basis will occur when the applicable formula leads to a Rate of Interest which is higher than the maximum specified rate, in which case the Rate of Interest will be limited to the Maximum Rate of Interest specified in the Final Terms. Investors in such Notes will therefore not benefit from any increase in the relevant Reference Rate.

Risks relating to the subscription of the Notes, the listing and settlement of the Notes and the market in the Notes

An active secondary market in respect of the Notes may never be established or may be illiquid and this could adversely affect the value at which investors could sell their Notes.

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. This is likely to be particularly the case for Subordinated Tier 2 Notes given that they are designed for specific investment objectives and have been structured to meet the investment requirements of limited categories of investors.

In a similar vein, liquidity is likely to be very limited if the relevant Notes are not listed or no listing is obtained. The Issuer may, but is not obliged to, list an issue of Notes on a stock exchange or market.

Moreover, although pursuant to Condition 4(h) (*Purchases*) the Issuer or any of its subsidiaries can purchase Notes at any time, neither the Issuer nor or any of its subsidiaries is obliged to do so. Purchases made by the Issuer or its subsidiaries could affect the liquidity of the secondary market of the Notes and thus the price and the conditions under which investors can negotiate these Notes on the secondary market. In the case of Subordinated Tier 2 Notes, purchases by the Issuer and its subsidiaries are subject to Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*). Consequently, the Issuer and its subsidiaries will generally be prohibited from purchasing any Subordinated Tier 2 Notes and will not be able to act as market maker in respect of such securities.

Hedging transactions may affect the market price, liquidity or value of Notes.

In the ordinary course of its business, including, without limitation, in connection with its market-making activities (if any), the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in the Reference Rate(s) or related derivatives. In addition, in connection with the offering of the Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Rate(s) or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Reference Rate(s) or related derivatives which may affect the market price, liquidity or value of the Notes and which could be adverse to the interests of the relevant Noteholders.

A Noteholder's actual return on Notes may be adversely impacted by transaction costs and/or fees.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes which is initially determined to be received by potential investors of such Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. Noteholders must furthermore take into account that they may be charged for the brokerage fees, commissions and other fees and expenses of third parties which are involved in the execution of an order (third party costs). In addition to such costs directly related to the purchase of securities (direct costs), holders must also take into account any follow-up costs (such as custody fees). The incurrence of any such costs and/or fees will impact the return an investor receives on its Notes.

Investors are exposed to the risks of a downgrade of any credit ratings assigned to the Issuer and/or the Notes.

The Issuer has been and the Notes may be assigned a credit rating by one or more independent credit rating agencies, as will be stated in the applicable Final Terms. One or more independent credit rating agencies may assign ratings to an issue of Notes and/or the Issuer, which, however, will not necessarily reflect all risks relating to an investment in the Notes.

In addition, it is possible that any rating of the Issuer and/or the Notes will not be maintained by the Issuer following the date of this Base Prospectus or the date of the applicable Final Terms, respectively. If any rating assigned to the Issuer and/or the Notes is revised lower, suspended, withdrawn or not maintained by the Issuer, the market value of the Notes may be negatively influenced.

Finally, any negative change in or withdrawal of a rating assigned to the Issuer could adversely affect the trading price of the Notes, including where this would lead to a negative change in or withdrawal of a credit rating assigned to such Notes. Please also refer to the risk factor entitled "*Credit ratings*" on page 20 of this Base Prospectus.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates.

Investment in Fixed Rate Notes exposes the relevant investor to the risk that the price of such Fixed Rate Note falls as a result of changes in the current interest rate on the capital market (the "**Market Interest**

Rate"). While the nominal rate of a security with a fixed interest rate is fixed for a specified period, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of such security is likely to change in the opposite direction. If the Market Interest Rate increases, the price of such security typically falls until the yield of such security is approximately equal to the Market Interest Rate. If the Market Interest Rate falls, the price of a security with a fixed compensation rate typically increases until the yield of such security is approximately equal to the Market Interest Rate. Investors should be aware that movements of the Market Interest Rate can adversely affect the price of Fixed Rate Notes and can lead to losses for the Noteholders if they sell such Fixed Rate Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market value of securities issued at a substantial discount or premium to their nominal amount tends to fluctuate more in relation to general changes in interest rates than the price for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility compared to conventional interest-bearing securities with comparable maturities. This may have an impact on the ultimate return which an investor may receive on such Notes.

The transfer of any Notes, any payments made in respect of any Notes and all communications with the Issuer will occur through the Securities Settlement System.

A Noteholder must rely on the procedures of the Securities Settlement System for transfers of Notes and to receive payment under its Notes. Furthermore, pursuant to Condition 15 (*Notices*), notices to Noteholders shall be valid, among others, if delivered by or on behalf of the Issuer to the NBB (in its capacity as operator of the Securities Settlement System) for onward communication by it to the participants of the Securities Settlement System. It is expected that notices will in principle be disseminated to Noteholders in this way. A Noteholder will therefore also need to rely on the procedures of the Securities Settlement System to receive communications from the Issuer.

None of the Issuer or the Agent will have any responsibility or liability for the records relating to, or payments made in respect of, the Notes within, or any other improper functioning of, the Securities Settlement System and Noteholders should in such case make a claim against the Securities Settlement System through participants in the Securities Settlement System. Any such risk may adversely affect the rights and/or return on investment of a Noteholder, for example where the Noteholder would not receive a payment or notification in due time following a malfunction of the Securities Settlement System.

The Agent is not required to segregate amounts received by it in respect of Notes cleared through the Securities Settlement System

Conditions 5(a) (*Payment in euro*) and 5(b) (*Payment in other currencies*) and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make the relevant payments to the holders under the Notes. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the holders directly any amounts due in respect of the relevant Notes. However, the Agent is not required to segregate any such amounts received by it in respect of the Notes, and in the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, holders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in

accordance with applicable Belgian insolvency laws. This may have a negative impact on the Noteholders' ability to obtain full or partial repayment.

Potential conflicts of interest

The Issuer may from time to time be engaged in transactions which may affect the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Potential investors should be aware that the Agent, some of the Dealers and their respective affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. In addition, in the ordinary course of their business activities, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. They might therefore have conflicts of interest which could have an adverse effect on the interests of the Noteholders.

Furthermore, potential investors should be aware that the Issuer is the parent company of KBC Bank NV, which may act as Dealer, and that the interests of KBC Bank NV and the Issuer may conflict with the interests of the holders of Notes. Moreover, the holders of Notes should be aware that KBC Bank NV, acting in whatever capacity, will not have any obligations vis-à-vis the holders of any Notes and, in particular, will not be obliged to protect the interests of the holders of any Notes.

Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer (including KBC Bank NV), potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Conditions (such as in the case of any applicable interest rate determination) which may influence the amount receivable under the Notes. Where any such determination or judgement is to be made, there is generally no or very limited room for discretion as the Conditions stipulate the objective parameters on the basis of which the Calculation Agent has to perform its calculations and tasks (such as, for example, determining a rate by computing a predetermined rate and a screen rate). The Conditions nevertheless provide that, in certain limited and exceptional cases, the Calculation Agent may have to determine certain rates in its sole discretion as fallback in the absence of any such objective parameters (see, for example, Condition 3(b) (*Interest on Fixed Rate Reset Notes*) and Condition 3(c)(iii) (*Screen Rate Determination for Floating Rate Notes*)). In such circumstances, the Calculation Agent is likely, but not required, to make use of methodologies and determinations which are available or customarily used in the market.

Risks relating to the status of investors

There may be no tax gross-up protection.

Potential investors should be aware that if the Tax Call Option and the Prohibition of Sales to Consumers are specified as not applicable in the applicable Final Terms, Condition 8 (*Taxation*) does not require the

Issuer or any other person to gross up the net payments received by a Noteholder in relation to the Notes with the amounts withheld or deducted for tax purposes.

To the extent the Tax Call Option and the Prohibition of Sales to Consumers are specified as applicable in the applicable Final Terms, Condition 8 (*Taxation*) provides that if any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment of interest in respect of the Notes (but not principal or any other amount) is required to be made, the Issuer shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted. However, no such additional amounts shall be payable in respect of any Notes in the circumstances defined in paragraphs (i), (ii), (iii) and (iv) of Condition 8 (*Taxation*).

In any case where no gross-up requirement applies to the Issuer, the Noteholders (and no other person) will be liable for, and be obliged to pay, any tax, duty, charge, withholding or other payment whatsoever as may arise as a result of, or in connection with, the ownership, transfer or payment in respect of the Notes. This could have a significant impact on the net amounts the investors will receive pursuant to the payments to be made under the Notes and could also materially adversely affect the value of such Notes.

Taxation may have an impact on the return a Noteholder may receive on its Notes.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In addition, payments of interest on the Notes (if any), or profits realised by a Noteholder upon the sale or repayment of its Notes, may be subject to taxation in the home jurisdiction of the potential investor or in other jurisdictions in which it is required to pay taxes.

Potential investors are advised not to rely solely upon the tax summary contained in this Base Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Notes. Only such adviser is in a position to duly consider the specific situation of the potential investor. This risk factor should be read in connection with the taxation sections of this Base Prospectus. Please refer to the section entitled "*Taxation*" on pages 167 to 176 of this Base Prospectus.

If an investor holds Notes which are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls (as some have done in the past). An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Exchange controls could adversely impact an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes, which may have an impact on the return an investor receives on its Notes.

IMPORTANT INFORMATION

Important information relating to the use of this base prospectus

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation and for the purpose of giving the necessary information which is material to enable investors to make an informed assessment of the assets and liabilities, profits and losses, financial position and prospects of the Issuer, the rights attaching to the Notes and the reasons for the issuance of the Notes and its impact on the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"). Unless specifically incorporated by reference into this Base Prospectus, information contained on websites mentioned herein does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

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

Words such as "believes", "expects", "projects", "anticipates", "seeks", "estimates", "intends", "plans" or similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise, including those identified below or which the Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted. Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. The Issuer does not intend to update these forward-looking statements except as may be required by applicable securities laws.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. A number of important factors could cause actual results, performance or achievements to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include: (i) the ability to maintain sufficient liquidity and access to capital markets; (ii) market and interest rate fluctuations; (iii) the strength of the global economy in general and the strength of the economies of the countries in which the Issuer or the Issuer and its subsidiaries taken as a whole (the "**Group**") conducts operations; (iv) the potential impact of sovereign risk in certain European Union countries; (v) adverse rating actions by credit rating agencies; (vi) the ability of counterparties to meet their obligations to the Issuer or the Group; (vii) the effects of, and changes in, fiscal, monetary, trade and tax policies, financial

and company regulation and currency fluctuations; (viii) the possibility of the imposition of foreign exchange controls by government and monetary authorities; (ix) operational factors, such as systems failure, human error, or the failure to implement procedures properly; (x) actions taken by regulators with respect to the Issuer's and/or the Group's business and practices in one or more of the countries in which the Issuer or the Group conducts operations; (xi) the adverse resolution of litigation and other contingencies; and (xii) the Issuer's and/or the Group's success at managing the risks involved in the foregoing.

The foregoing list of important factors is not exclusive; when evaluating forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, as well as the other risks identified in this Base Prospectus.

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

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

If at any time during the life of the Programme the Issuer shall be required to prepare a supplement pursuant to Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with all applicable securities laws of any State of the United States or any other jurisdiction. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "*Subscription and Sale*".

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**") or (ii) a customer within the meaning of Directive (EU) 2016/97

(as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"). Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

PROHIBITION OF SALES TO CONSUMERS – If the "Prohibition of Sales to Consumers" is specified as applicable in the Final Terms in respect of any Notes, the Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, by any Dealer to any "consumer" (*consument / consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht / Code de droit économique*), as amended.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – For each issue of Notes, the Dealers (if any) acting as manufacturers in respect of the Notes pursuant to MiFID II will produce and communicate to the Issuer the target market assessment in respect of the Notes and determine which channels for distribution of the Notes are appropriate.

The Final Terms in respect of such Notes will include a legend entitled "MiFID II Product Governance" which will outline the relevant target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593, as amended (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

Nothing stated herein should be construed as limiting the protections granted to potential investors under mandatorily applicable investor protection rules, including any such rules included in MiFID II.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – For each issue of Notes, the Dealers (if any) acting as manufacturers in respect of the Notes pursuant to UK MiFIR will produce and communicate to the Issuer the target market assessment in respect of the Notes and determine which channels for distribution of the Notes are appropriate.

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

Nothing stated herein should be construed as limiting the protections granted to potential investors under mandatorily applicable investor protection rules, including any such rules included in UK MiFIR.

BENCHMARK REGULATION – Amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011, as amended (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms (or, if located outside the European Union, recognition, endorsement or equivalence). The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

This Base Prospectus is a base prospectus and therefore does not, without the applicable Final Terms which have been duly completed and signed by the Issuer, constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to subscribe for or purchase, any Notes.

To the fullest extent permitted by law, none of the Arranger or the Dealers accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaim all and any liability whether arising in tort or contract

or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. For the avoidance of doubt, this is without prejudice to the responsibility of the Issuer for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes, as set out in the paragraph entitled "*Important information relating to the use of this base prospectus*". None of the Arranger or the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger or the Dealers. If at any time during the duration of the Programme the Issuer shall be required to prepare a supplement pursuant to Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus.

The Notes may not be a suitable investment for all investors. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all information contained in the applicable Final Terms;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal and/or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices, interest rates and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation, by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "**euro**", "**EUR**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a supplement pursuant to Article 23 of the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed and admitted to trading on the regulated market of Euronext Brussels, shall constitute a supplement as required by Article 23 of the Prospectus Regulation.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

STABILISATION

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Belgian FSMA, shall be incorporated in, and form part of, this Base Prospectus:

(a) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2022, together with the related auditors' report, set out in the Issuer's 2022 annual report (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/jvs-2022/jvs-2022-grp-en.pdf);

(b) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2021, together with the related auditors' report, set out in the Issuer's 2021 annual report (https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/jvs-2021/jvs-2021-grp-en.pdf);

(c) the extended quarterly report for the first quarter of 2023 of the Issuer (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/1q2023/1Q2023-quarterly-report-en.pdf);

(d) the extended quarterly report for the first quarter of 2022 of the Issuer (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/1q2022/1q2022-quarterly-report-en.pdf);

(e) the terms and conditions of the Notes contained in the base prospectus dated 24 May 2022 ("the **2022 Terms and Conditions**" and the "**2022 Base Prospectus**", respectively) prepared by the Issuer in connection with the Programme (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/7-Debt-issuance/KBC_Group/20220525-group-emtn-base-prospectus.pdf;

(f) the terms and conditions of the Notes contained in the base prospectus dated 1 June 2021 ("the **2021 Terms and Conditions**" and the "**2021 Base Prospectus**", respectively) prepared by the Issuer in connection with the Programme (available on www.kbc.com/content/dam/kbccom/doc/investor-relations/7-Debt-issuance/KBC_Group/20210602-group-base-prospectus.pdf);

(g) the supplement (N°1) dated 24 August 2021 amending the 2021 Base Prospectus prepared by the Issuer in connection with the Programme (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/7-Debt-issuance/KBC_Group/20210824-grp-2021-suppl1.pdf);

(h) the terms and conditions of the Notes contained in the base prospectus dated 2 June 2020 ("the **2020 Terms and Conditions**" and the "**2020 Base Prospectus**", respectively) prepared by the Issuer in connection with the Programme (available on www.kbc.com/content/dam/kbccom/doc/investor-relations/7-Debt-issuance/KBC_Group/20200604-group-base-prospectus.pdf);

(i) the terms and conditions of the Notes contained in the base prospectus dated 4 June 2019 ("the **2019 Terms and Conditions**" and the "**2019 Base Prospectus**", respectively) prepared by the Issuer in connection with the Programme (available on https://www.kbc.com/content/dam/kbccom/doc/investor-relations/7-Debt-issuance/KBC_Group/20190605_KBC_Group_EMTN_base.pdf);

each of which are incorporated by reference in this Base Prospectus and have been prepared by the Issuer. Such documents shall be incorporated by reference in and form part of this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the Belgian FSMA in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in a document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the website of the Issuer (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html). This Base Prospectus and each document incorporated by reference may also be published on the website of Euronext Brussels (www.euronext.com). The information on the website of the Issuer and on the website of Euronext Brussels does not form part of this Base Prospectus, except to the extent that such information is explicitly incorporated by reference in this Base Prospectus, and has not been scrutinised or approved by the Belgian FSMA.

The table below sets out the relevant page references for (i) the audited consolidated statements for the financial years ended 31 December 2021 and 31 December 2022, respectively, as set out in the Issuer's 2021 and 2022 annual reports, (ii) the unaudited condensed consolidated financial statements of the Issuer for the first quarter of 2022 and for the first quarter of 2023; (iii) the 2022 Base Prospectus; (iv) the 2021 Base Prospectus; (v) the supplement (N°1) dated 24 August 2021 amending the 2021 Base Prospectus; (vi) the 2020 Base Prospectus; and (vii) the 2019 Base Prospectus. Information contained in the documents incorporated by reference other than information listed in the table below is for information purposes only, and does not form part of this Base Prospectus. Such non-incorporated parts are either deemed not relevant for investors or are covered elsewhere in this Base Prospectus.

The 2019 Terms and Conditions, the 2020 Terms and Conditions, the 2021 Terms and Conditions as amended by the supplement (N°1) dated 24 August 2021, and the 2022 Terms and Conditions have been incorporated by reference to allow drawdowns under this Base Prospectus which are intended to be fungible with notes issued under the 2019 Base Prospectus, the 2020 Base Prospectus, the 2021 Base Prospectus (as the case may be, as supplemented by the supplement (N°1) dated 24 August 2021) or the 2022 Base Prospectus, respectively.

Audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2022*

	Issuer's annual report for the financial year ended 31 December 2021	Issuer's annual report for the financial year ended 31 December 2022
Audited consolidated annual financial statements of the Issuer		
report of the Board of Directors	page 5-187	page 6-179
income statement	page 189-190	page 182-183
balance sheet	page 193	page 186
statement of changes in equity	page 194	page 187
cash flow statement	page 195-196	page 188-189
notes to the financial statements	page 197-280	page 190-279
Auditors' report	page 281-287	page 280-286
Additional information		
ratios used	page 297-301	page 296-300

** Page references are to the English language PDF version of the relevant incorporated documents.*

Unaudited condensed consolidated financial statements of the Issuer for the first quarter of 2022 and for the first quarter of 2023*

	Issuer's extended quarterly report for the first quarter of 2022	Issuer's extended quarterly report for the first quarter of 2023
Unaudited condensed consolidated financial statements of the Issuer for the first quarter of the financial year		
income statement	page 13-14	page 13
statement of comprehensive income	page 15	page 14
balance sheet	page 16	page 15
statement of changes in equity	page 17-18	page 16-17
cash flow statement	page 19	page 18
notes to the financial statements	page 20-36	page 19-54
Auditors' report	page 37-38	page 55-56
Additional information		
ratios used	page 58-63	page 77-82

** Page references are to the English language PDF version of the relevant incorporated documents.*

The base prospectus dated 4 June 2019 relating to the EUR 10,000,000,000 Euro Medium Term Note Programme of the Issuer

Terms and Conditions of the Notes	page 51-91 (inclusive)

The base prospectus dated 2 June 2020 relating to the EUR 10,000,000,000 Euro Medium Term Note Programme of the Issuer

Terms and Conditions of the Notes	page 37-77 (inclusive)

The base prospectus dated 1 June 2021 relating to the EUR 15,000,000,000 Euro Medium Term Note Programme of the Issuer

Terms and Conditions of the Notes	page 40-82 (inclusive)

The supplement (N°1) dated 24 August 2021 in respect of the EUR 15,000,000,000 Euro Medium Term Note Programme of the Issuer

Amendments to the Conditions of the Notes (section (f))	page 5-31 (inclusive)

The base prospectus dated 24 May 2022 relating to the EUR 15,000,000,000 Euro Medium Term Note Programme of the Issuer

Terms and Conditions of the Notes	page 40-89 (inclusive)

TERMS AND CONDITIONS OF THE NOTES

The following (excluding italicised paragraphs) is the text of the terms and conditions that, subject to completion with the provisions of the applicable Final Terms, shall be applicable to the Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Final Terms. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued subject to a calculation and paying agency agreement (the "**Agency Agreement**") dated on or about the date of this Base Prospectus between KBC Group NV (the "**Issuer**") and KBC Bank NV as paying agent (the "**Agent**", which expression shall include any successor paying agent). The calculation agent for the time being (if any) is referred to below as the "**Calculation Agent**". The Noteholders (as defined below) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

For the purpose of these terms and conditions (the "**Conditions**"), a "**Series**" means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number. "**Tranche**" means, in relation to a Series, those Notes of that Series that are identical in all respects.

Copies of the Agency Agreement are available for inspection free of charge during normal business hours by the holders at the specified office of the Agent. If the Notes are admitted to trading on the regulated market of Euronext Brussels, the applicable Final Terms will be published on the website of the Issuer (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html) and the website of Euronext Brussels (www.euronext.com). If the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation, the applicable Final Terms will be obtainable at the registered office of the Issuer and of the Agent only by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Agent as to its holding of such Notes and identity.

The final terms for the Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms and complete these Conditions. References to the "**applicable Final Terms**" are to the Final Terms (or the relevant provisions thereof) and expressions defined or used in the applicable Final Terms shall have the same meanings in these Conditions, unless the context otherwise requires or unless otherwise stated.

1 Form, Denomination and Title

The Notes will be issued in dematerialised form in accordance with the Belgian Companies and Associations Code (*Wetboek van Vennootschappen en Verenigingen/Code des Sociétés et des Associations*), as amended. The Notes will be represented exclusively by book entry in the records of the securities settlement system operated by the National Bank of Belgium ("**NBB**") or any successor thereto (the "**Securities Settlement System**"). The Notes can be held by their holders through participants in the Securities Settlement System, including Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext

Securities Milan, Euronext Securities Porto and LuxCSD and through other financial intermediaries which in turn hold the Notes through Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD or other participants in the Securities Settlement System. The Notes are accepted for clearance through the Securities Settlement System, and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian royal decrees of 26 May 1994 and 14 June 1994 (each as amended or re-enacted or as their application is modified by other provisions from time to time) and the rules of the Securities Settlement System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition 1 being referred to herein as the "**Securities Settlement System Regulations**"). Title to the Notes will pass by account transfer. The Notes cannot be physically delivered and may not be converted into bearer notes (*effecten aan toonder/titres au porteur*).

If at any time the Notes are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an "**Alternative Clearing System**").

Noteholders are entitled to exercise the rights they have, including voting rights, making requests, giving consents, and other associative rights (as defined for the purposes of the Belgian Companies and Associations Code) upon submission of an affidavit drawn up by the NBB, Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD or any other participant duly licensed in Belgium to keep dematerialised securities accounts showing such holder's position in the Notes (or the position held by the financial institution through which such holder's Notes are held with the NBB, Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD or such other participant, in which case an affidavit drawn up by that financial institution will also be required).

The Notes are issued in the Specified Denomination(s) specified in the applicable Final Terms. The minimum Specified Denomination of the Notes shall be at least EUR 100,000 (or its equivalent in any other currency). The Notes have no maximum Specified Denomination.

The Notes (i) bear interest calculated by reference to a fixed rate of interest (such Note, a "**Fixed Rate Note**"), (ii) bear interest calculated by reference to a fixed rate of interest for an initial period and thereafter by reference to a fixed rate of interest recalculated on one or more dates specified in the Final Terms and by reference to a Reset Reference Rate (such Note, a "**Fixed Rate Reset Note**"), (iii) bear interest by reference to one or more floating rates of interest (such Note, a "**Floating Rate Note**") or (iv) are a combination of two or more of (i) to (iii) of the foregoing, as specified in the Final Terms.

In addition, the Final Terms of the Notes will specify that the rights of Noteholders with regard to payments under the Notes will either be (i) senior in the manner described in Condition 2(a) (*Status of the Senior Notes*) ("**Senior Notes**") or (ii) subordinated in the manner described under Condition 2(b) (*Status of the Subordinated Tier 2 Notes*) below with a fixed redemption date and

with terms capable of qualifying as Tier 2 Capital (the "**Subordinated Tier 2 Notes**"). The term "**Tier 2 Capital**" has the meaning given in the Applicable Banking Regulations (as defined in Condition 2(b) (*Status of the Subordinated Tier 2 Notes*)).

In these Conditions, "**Noteholder**" and "**holder**" mean, in respect of any Note, the holder from time to time of the Notes as determined by reference to the records of the relevant clearing systems or financial intermediaries and the affidavits referred to in this Condition 1 and capitalised terms have the meanings given to them in the applicable Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

In these Conditions, any reference to any code, law, decree, regulation, directive or any implementing or other legislative measure shall be construed as a reference to such code, law, decree, regulation, directive or implementing or other legislative measure as the same may be amended, supplemented, restated or replaced from time to time.

2 Status of the Notes

(a) Status of the Senior Notes

(i) *Status*

The Senior Notes (being any Series of the Notes in respect of which the Final Terms specify their status as Senior) constitute direct, unconditional, senior and unsecured (*chirografaire/chirographaires*) obligations of the Issuer and shall at all times rank:

(A) *pari passu*, without any preference among themselves, and with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, which will fall or are expressed to fall within the category of obligations described in Article 389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights;

(B) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking *pari passu* with or junior to Senior Non-Preferred Obligations; and

(C) junior to all present and future claims as may be preferred by laws of general application.

Subject to applicable law, if an order is made or an effective resolution is passed for the liquidation, dissolution or winding-up of the Issuer by reason of bankruptcy (*faillissement/faillite*), the Noteholders will have a right to payment under the Senior Notes (including for any interest and for damages awarded for breach of any obligations under these Conditions):

(A) only after, and subject to, payment in full of any present and future claims as may be preferred by laws of general application; and

(B) subject to such payment in full, in priority to holders of Senior Non-Preferred Obligations and other present and future claims otherwise ranking junior to the Senior Notes.

"**Senior Non-Preferred Obligations**" means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in Article 389/1, 2° of the Belgian Banking Law.

(ii) *Waiver of set-off*

If the applicable Final Terms in respect of Senior Notes specify that this Condition 2(a)(ii) applies, then, subject to applicable law, no holder of any such Senior Notes ("**Senior Noteholders**") may exercise or claim any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer arising under or in connection with Senior Notes, and each Senior Noteholder shall, by virtue of its subscription, purchase or holding of any such Senior Note, be deemed to have waived all such rights of set-off, compensation, retention or netting. Notwithstanding the preceding sentence, if the applicable Final Terms in respect of Senior Notes specify that this Condition 2(a)(ii) applies and if any amounts owing to any Senior Noteholder by the Issuer are discharged by set-off, compensation, retention or netting, such Senior Noteholder shall, unless such payment is prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate of the Issuer for the payment to creditors of the Issuer in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.

(b) Status of the Subordinated Tier 2 Notes

(i) *Status*

The Subordinated Tier 2 Notes (being any Series of the Notes the Final Terms in respect of which specify their status as Subordinated Tier 2) constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* without any preference among themselves. The rights and claims of the Noteholders in respect of the Subordinated Tier 2 Notes are subordinated in the manner provided in Condition 2(b)(ii) (*Subordination*) below.

(ii) *Subordination*

Subject to applicable law, in the event of an order being made, or an effective resolution being passed, for the liquidation, dissolution or winding-up of the Issuer by reason of bankruptcy (*faillissement/faillite*) or otherwise (except, in any such case, a solvent liquidation, dissolution or winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer or the

substitution in place of the Issuer of a successor in business of the Issuer), the rights and claims of the holders of the Subordinated Tier 2 Notes against the Issuer in respect of or arising under (including any interest or damages awarded for breach of any obligation under) the Subordinated Tier 2 Notes shall, subject to any obligations which are mandatorily preferred by law, rank (a) junior to the claims of all Senior Creditors and of all Ordinary Subordinated Creditors of the Issuer, (b) *pari passu* with the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital of the Issuer and (c) senior to (1) the claims of holders of all share and other equity capital (including preference shares, if any) of the Issuer and (2) the claims of holders of all obligations of the Issuer which constitute Tier 1 Capital of the Issuer.

For the purposes of these Conditions:

"**Applicable Banking Regulations**" means, at any time, the laws, regulations, rules, guidelines and policies of the Relevant Regulator, or of the European Parliament and Council then in effect in Belgium, relating to capital adequacy and applicable to the Issuer at such time (and, for the avoidance of doubt, including as at the Issue Date the rules contained in, or implementing, CRD).

"**Belgian Banking Law**" means the Belgian law of 25 April 2014 on the legal status and supervision of credit institutions, as amended or replaced from time to time.

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as amended or replaced from time to time.

"**Capital Requirements Directive**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended or replaced from time to time.

"**Capital Requirements Regulation**" means Regulation (EU) n° 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) n° 648/2012, as amended or replaced from time to time.

"**CRD**" means, taken together, (i) the Capital Requirements Directive, (ii) the Capital Requirements Regulation and (iii) any Future Capital Instruments Regulations.

"**Future Capital Instruments Regulations**" means any further Applicable Banking Regulations that come into effect after the Issue Date and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer to the extent required by (i) the Capital Requirements Regulation or (ii) the Capital Requirements Directive.

"**Ordinary Subordinated Creditors**" means creditors of the Issuer whose claims are in respect of obligations which are subordinated to those of Senior Creditors or which otherwise rank, or are expressed to rank, junior to obligations owed by the Issuer to Senior Creditors, and which do not constitute Tier 1 Capital or Tier 2 Capital of the Issuer.

"**Relevant Regulator**" means the National Bank of Belgium, the European Central Bank or any successor or replacement entity having primary responsibility for the prudential oversight and supervision of the Issuer.

"**Senior Creditors**" means creditors of the Issuer whose claims are in respect of obligations which are unsubordinated (including, for the avoidance of doubt, holders of Senior Notes) or which otherwise rank, or are expressed to rank, senior to obligations owed by the Issuer to Ordinary Subordinated Creditors and to obligations which constitute Tier 1 Capital or Tier 2 Capital of the Issuer (including the Subordinated Tier 2 Notes).

"**Tier 1 Capital**" and "**Tier 2 Capital**" have the respective meanings given to such terms in the Applicable Banking Regulations from time to time.

(iii) *Waiver of set-off*

Subject to applicable law, no holder of a Subordinated Tier 2 Note may exercise or claim any right of set-off, compensation, retention or netting in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Tier 2 Notes and each holder of a Subordinated Tier 2 Note shall, by virtue of its subscription, purchase or holding of any Subordinated Tier 2 Note, be deemed to have waived all such rights of set-off, compensation, retention and netting. Notwithstanding the preceding sentence, if any amounts owing to any holder of a Subordinated Tier 2 Note by the Issuer are discharged by set-off, compensation, retention or netting, such holder of a Subordinated Tier 2 Note shall, unless such payment is prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate of the Issuer for the payment to creditors of the Issuer in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.

3 Interest and other calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rates *per annum* (expressed as a percentage) equal to the Rate of Interest(s), such interest being payable, subject as provided herein, in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with this Condition 3.

(b) Interest on Fixed Rate Reset Notes

Each Fixed Rate Reset Note bears interest on its outstanding nominal amount, subject to Condition 3(k) (*Benchmark replacement*):

(i) from and including the Interest Commencement Date, specified in the applicable Final Terms, up to but excluding the First Reset Date at the Initial Rate of Interest;

(ii) from and including the First Reset Date up to but excluding the first Subsequent Reset Date or, if no Subsequent Reset Date is specified in the applicable Final Terms, the Maturity Date at the First Reset Rate of Interest; and

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, subject as provided herein, in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(f) (*Calculations*).

In these Conditions:

"**First Reset Date**" means the date specified as such in the Final Terms;

"**First Reset Period**" means the period from and including the First Reset Date up to but excluding the Second Reset Date or, if no such Second Reset Date is specified in the Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means the rate of interest per annum (which rate, if not calculated on the basis of a Reset Reference Rate with the same frequency of payments as the Notes, shall be converted in accordance with market convention to a rate with the frequency with which scheduled interest payments are payable on the Fixed Rate Reset Notes or, if market convention is for the Reset Reference Rate first to be so converted, the Reset Reference Rate for the purposes of determining the First Reset Rate of Interest shall be the Reset Reference Rate as so converted without any further such conversion) as determined by the Calculation Agent on the relevant Reset Determination Date corresponding to the First Reset Period as the sum of the relevant Reset Reference Rate plus the relevant Margin;

"**Initial Rate of Interest**" means the initial rate of interest per annum specified in the Final Terms;

"**Margin**" means the margin (expressed as a percentage) in relation to the relevant Reset Period specified as such in the Final Terms;

"**Mid-Swap Floating Leg Benchmark Rate**" means (subject to Condition 3(k), if applicable) the reference rate specified as such in the applicable Final Terms or, if no such reference rate is so specified:

(i) if the Specified Currency is euro, the EURIBOR rate for the Mid-Swap Maturity (calculated on an Actual/360 day count basis);

(ii) if the Specified Currency is pounds sterling, the overnight SONIA rate compounded for the Mid-Swap Maturity (calculated on an Actual/365 day count basis);

(iii) if the Specified Currency is U.S. dollars, the overnight SOFR rate compounded for the Mid-Swap Maturity (calculated on an Actual/360 day count basis); or

(iv) if the Specified Currency is a currency other than euro, pounds sterling or U.S. dollars, the reference rate customary for determining the mid-swap floating leg for swaps in the relevant Specified Currency at such time, (calculated on such day count basis as is then customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Swap Quotations**" means (subject to Condition 3(k), if applicable), for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Payment Frequency specified in the relevant Final Terms during the relevant Reset Period (calculated on the basis of the Fixed Leg Swap Payment Frequency Day Count Fraction specified in the applicable Final Terms) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term commencing on the relevant Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the applicable Final Terms) (calculated on the day count basis specified for such Mid-Swap Floating Leg Benchmark Rate);"**Mid-Swap Rate**" means in respect of a Reset Period, (i) the applicable semi-annual or annualised (as specified in the applicable Final Terms) mid swap rate for swap transactions in the Specified Currency (commencing on the relevant Reset Date and with a maturity equal to that of the relevant Swap Rate Period specified in the Final Terms) as displayed on the Relevant Screen Page at 11.00 a.m. (in the principal financial centre of the Specified Currency) on the relevant Reset Determination Date (which rate, if the relevant Interest Payment Dates are other than semi-annual or annual Interest Payment Dates, as the case may be, shall be adjusted by, and in the manner determined

by, the Calculation Agent) or (ii) if such rate is not displayed on the Relevant Screen Page at such time and date, the relevant Reset Reference Bank Rate;

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer (following, where practicable, consultation with an investment bank or financial institution of international repute determined to be appropriate by the Issuer, which, for avoidance of doubt, could be the Calculation Agent), or the affiliates of such banks, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and any Reset Determination Date, the arithmetic average (as quoted by the relevant Reference Government Bond Dealer), of the bid and offered yields for the Reset Reference Bond (expressed in each case as a percentage of its principal amount) as at the Reset Determination Time on such Reset Determination Date and, if relevant, on a dealing basis for settlement that is customarily used at such time and quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

"**Reset Determination Date**" means, in respect of a Reset Period, (a) each date specified as such in the Final Terms or, if none is so specified, (b) (i) if the Specified Currency is Sterling or Renminbi, the first Business Day of such Reset Period, (ii) if the Specified Currency is Euro, the day falling two Business Days prior to the first day of such Reset Period, (iii) if the Specified Currency is U.S. dollars, the day falling two U.S. Government Securities Business Days prior to the first day of such Reset Period (iv) for any other Specified Currency, the day falling two Business Days in the principal financial centre for such Specified Currency prior to the first day of such Reset Period;

"**Reset Date**" means the First Reset Date and each Subsequent Reset Date specified as such in the applicable Final Terms (as applicable);

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Reset Reference Bank Rate**" means the percentage rate determined on the basis of the Mid-Swap Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 11:00 a.m. in the principal financial centre of the Specified Currency on the relevant Reset Determination Date and, rounded, if necessary, to the nearest 0.001% (0.0005% being rounded upwards). If at least four quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Date, the Mid-Swap Rate in respect of the

immediately preceding Reset Period or, (ii) in the case of the Reset Period commencing on the First Reset Date, an amount equal to the Initial Rate of Interest less the Margin;

"**Reset Reference Banks**" means five leading swap dealers in the principal interbank market relating to the Specified Currency selected by the Calculation Agent in its discretion after consultation with the Issuer;

"**Reset Reference Bond**" means for any Reset Period a government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer (after consultation with an investment bank or financial institution of international repute determined to be appropriate by the Issuer, which, for avoidance of doubt, could be the Calculation Agent) as having the nearest actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period;

"**Reset Reference Bond Yield**" means, with respect to any Reset Determination Date:

(i) the arithmetic average (as determined by the Calculation Agent) of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations; or

(ii) if fewer than five but more than one such Reference Government Bond Dealer Quotations are received, the arithmetic average (as determined by the Calculation Agent) of all such quotations; or

(iii) if only one Reference Government Bond Dealer Quotation is received, such quotation; or

(iv) if no Reference Government Bond Dealer Quotations are received, in the case of the First Reset Rate of Interest, an amount equal to the Initial Rate of Interest less the Margin and, in the case of any Subsequent Reset Rate of Interest, the Reset Reference Rate as at the last preceding Reset Date;

"**Reset Reference Rate**" means one of (i) the Mid-Swap Rate, or (ii) the Sterling Reference Bond Rate, as specified in the applicable Final Terms;

"**Second Reset Date**" means the date specified as such in the Final Terms;

"**SOFR**" means the Secured Overnight Financing Rate;

"**SONIA**" means the Sterling Overnight Index Average;

"**Sterling Reference Bond Rate**" means, with respect to any Reset Period and related Reset Determination Date, the gross redemption yield in respect of the Reset Reference

Bond expressed as a percentage and calculated by the Calculation Agent in accordance with generally accepted market practice at such time as determined by the Issuer following consultation with an investment bank or financial institution of international repute determined to be appropriate by the Issuer (which, for the avoidance of doubt, could be the Calculation Agent), on an annual or semi-annual (as the case may be) compounding basis (rounded up (if necessary) to four decimal places) of the Reset Reference Bond in respect of that Reset Period, assuming a price for the Reset Reference Bond (expressed as a percentage of its principal amount) equal to the Reset Reference Bond Yield for such Reset Determination Date;

"**Subsequent Reset Date**" means the date or dates specified in the applicable Final Terms;

"**Subsequent Reset Period**" means the period from and including the first Subsequent Reset Date to but excluding the next Subsequent Reset Date (or, if none, the Maturity Date), and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (or, if none, the Maturity Date);

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, the rate of interest (which rate, if not calculated on the basis of a Reset Reference Rate with the same frequency of payments as the Notes, shall be converted in accordance with market convention to a rate with the frequency with which scheduled interest payments are payable on the Fixed Rate Reset Notes or, if market convention is for the Reset Reference Rate first to be so converted, the Reset Reference Rate for the purposes of determining the Subsequent Reset Rate of Interest shall be the Reset Reference Rate as so converted without any further such conversion) determined by the Calculation Agent on the relevant Reset Determination Date corresponding to such Subsequent Reset Period as the sum of the relevant Reset Reference Rate plus the relevant Margin;

"**Swap Rate Period**" means the period specified as such in the Final Terms; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(c) Interest on Floating Rate Notes

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 3(f) (*Calculations*). Such Interest Payment Date(s) is/are either specified in the Final Terms as Specified Interest Payment Dates or, if Specified Interest Payment Date(s) is/are specified in the

Final Terms as not applicable, "**Interest Payment Date**" shall mean each date which falls the number of months or other period specified in the Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:

(A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless, except in relation to the Maturity Date or any applicable date for early redemption, it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen;

(B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;

(C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless, except in relation to the Maturity Date or any applicable date for early redemption, it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

(D) the Preceding Business Day Convention,

such date shall be brought forward to the immediately preceding Business Day.

(iii) *Screen Rate Determination for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the Final Terms, and the provisions below shall apply.

(A) The Rate of Interest for each Interest Accrual Period will, subject as provided in this Condition 3(c)(iii), Condition 3(e) (*Margin, Maximum Rate of Interest, Minimum Rates of Interest, Callable Amounts and Rounding*) and Condition 3(k) (*Benchmark replacement*), be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question as determined by the Calculation Agent.

(B) If the Reference Rate is specified in the applicable Final Terms to be EURIBOR, where:

(1) five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations; or

(2) the Relevant Screen Page is not available or if Condition 3(c)(iii)(A)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if Condition 3(c)(iii)(A)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(3) If paragraph (2) above applies, the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered at the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Eurozone inter-bank market or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used

for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which at the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Bank suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in the Eurozone inter-bank market provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) If the Reference Rate is Constant Maturity Swap ("**CMS**") and no quotation appears on the Relevant Screen Page at the Relevant Time on the relevant Interest Determination Date, then the Rate of Interest will be determined on the basis of the mid-market annual swap rate quotations provided by five leading swap dealers in the European inter-bank market at approximately the Relevant Time on the relevant Interest Determination Date. The Calculation Agent will select the five swap dealers in its sole discretion and will request each of those dealers to provide a quotation of its rate in accordance with market practice. If at least three quotations are provided, the Rate of Interest for the relevant Interest Period will be the arithmetic mean of the quotations, eliminating the highest and lowest quotations or, in the event, of equality, one of the highest and one of the lowest quotations. If fewer than three quotations are provided, the Calculation Agent will determine the Rate of Interest in its sole discretion.

(d) Accrual of Interest

Interest (if any) shall cease to accrue on each Note (or in the case of the redemption of part only of a Note, that part only of such Note) on the due date for redemption thereof unless payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event, interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 3 to (but excluding) the Relevant Date (as defined in Condition 4(m) (*Definitions*)).

(e) Margin, Maximum Rate of Interest, Minimum Rates of Interest, Callable Amounts and Rounding

(i) If any Margin is specified in the Final Terms (either (A) generally, (B) in relation to one or more Interest Accrual Periods or (C) in relation to one or more Reset Periods), an adjustment shall, unless the relevant Margin has already been taken into account in determining such Rate of Interest, be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods or Reset Periods, in the case of (B) or (C), calculated, in each case, in accordance with Condition 3(b) (*Interest on Fixed Rate Reset Notes*) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin subject always (in the case of Floating Rate Notes only) to the next paragraph.

(ii) If any Maximum Rate of Interest or Minimum Rate of Interest or Callable Amount is specified in the Final Terms in relation to one or more Interest Accrual Periods, then any Rate of Interest or Callable Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(f) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the Final Terms and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be applied to the period for which interest is required to be calculated.

(g) Computation of time

Where these Conditions refer to any computation of a term or period of time, Article 1.7 of the Belgian Civil Code shall not apply.

(h) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts

The Calculation Agent shall as soon as practicable on each Interest Determination Date, Reset Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period (or, if determining the First Reset Rate of Interest or a Subsequent Reset Rate of Interest in respect of Fixed Rate Reset Notes, the Interest Amount for each Interest Accrual Period falling within the relevant Reset Period), calculate the Final Redemption Amount(s), Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount(s), Early Redemption Amount or Optional Redemption Amount to be notified to the Agent, the Issuer, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange or admitted to listing by another relevant authority and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date is subject to adjustment pursuant to Condition 3(c)(ii) (*Business Day Convention*), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and repayable under Condition 10 (*Senior Notes – Events of Default and Enforcement*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding on all parties.

(i) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Belgian Civil Code**" means the Belgian *oud Burgerlijk Wetboek/ancien Code Civil* of 21 March 1804 and, with effect from its applicable effective date, the Belgian new

Burgerlijk Wetboek/Code Civil introduced pursuant to the law of 13 April 2019 introducing a Civil Code and inserting book 8 "Evidence' in the Civil Code.

"**Business Day**" means a day other than a Saturday or Sunday on which:

(i) the Securities Settlement System is operating;

(ii) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Belgium and in each Additional Business Centre specified in the applicable Final Terms; and

(iii) either (1) in relation to any sum payable in a Specified Currency other than euro, commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Wellington, respectively), or (2) in relation to any sum payable in euro, the Trans-European Automated Real-Time Gross Settlement Express Transfer (T2) System or any successor or replacement for that system (the "**T2 System**") is open.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/365**" or "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30; and

(vii) if "**Actual/Actual ICMA**" is specified in the Final Terms:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in such Calculation Period divided by the product of:

(x) the number of days in such Determination Period; and

(y) the number of Determination Periods normally ending in any year; or

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (i) the number of days in such Determination Period and (ii) the number of Determination Periods normally ending in any year;

where:

"**Determination Period**" means the period from and including a Determination Date (as specified in the Final Terms) in any year to but excluding the next Determination Date; and

"**Determination Date**" means the date specified as such in the Final Terms or, if specified as not applicable in the Final Terms, the Interest Payment Date.

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

"**Eurozone**" means the region comprised of member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the Notes become due and payable in accordance with Condition 10, shall be the date on which the Notes become due and payable).

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the Final Terms as being payable on the Interest Payment Date on which the Interest Period of which such Interest Accrual Period forms part ends; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Basis**" means the interest basis specified in the Final Terms.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the Final Terms or, if none is so specified,

(i) the first day of such Interest Accrual Period if the Specified Currency is Sterling, (ii) the day falling two Business Days for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro (iii) if the Specified Currency is Euro or if the specified Relevant Screen Page is a EURIBOR rate, the second day on which the T2 System is open prior to the start of such Interest Accrual Period; and (iv) if the specified Relevant Screen Page is a CMS rate, the second day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Frankfurt prior to the start of such Interest Accrual Period.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date unless otherwise specified in the Final Terms.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the Final Terms.

"**Reference Banks**" means in the case of a determination of EURIBOR, the principal Eurozone office of four major banks in the Eurozone inter-bank market, in each case selected by the Calculation Agent.

"**Reference Rate**" means the rate specified as such in the Final Terms.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

"**Relevant Time**" means if the Reference Rate is EURIBOR, 11.00 a.m. (Brussels time), if the Reference Rate is CMS, 11.00 a.m. (Frankfurt time) or as otherwise specified in the Final Terms.

"**Specified Currency**" means the currency specified in the Final Terms or, if none is specified, the currency in which the Notes are denominated.

"**T2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system.

(j) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents appointed if provision is made for them in the Final Terms and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each

Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or Reset Period or to calculate any Interest Amount, Final Redemption Amount(s), Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money or swap market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(k) Benchmark replacement

Without prejudice to the other provisions in this Condition 3, if the Issuer determines that a Benchmark Event occurs in relation to the relevant Reference Rate or Mid-Swap Rate (as applicable) specified in the applicable Final Terms when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to such Reference Rate or Mid-Swap Rate (as applicable), then the following provisions shall apply to the relevant Notes:

(i) the Issuer shall use reasonable endeavours, as soon as reasonably practicable, to appoint an Independent Adviser to advise the Issuer in determining (without any requirement for the consent or approval of the Noteholders) (A) a Successor Rate or, failing which, an Alternative Reference Rate, for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes and (B) in either case, an Adjustment Spread;

(ii) if the Issuer is unable to appoint an Independent Adviser prior to the IA Determination Cut-Off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may still determine (A) a Successor Rate or, failing which, an Alternative Reference Rate and (B) in either case, an Adjustment Spread in accordance with this Condition 3(k);

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with paragraphs (i) or (ii) above, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Reference Rate or Mid-Swap Rate (as applicable) for each of the future Interest Periods or Reset Periods (as applicable) (subject to the subsequent operation of, and to adjustment as provided in, this Condition 3(k));

(iv) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or Alternative Reference Rate (as applicable). If the Issuer, following consultation with the Independent Adviser, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate

or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

(v) if the Issuer, following consultation with the Independent Adviser (if any), determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Issuer may (without any requirement for the consent or approval of the Noteholders) also specify changes to these Conditions and/or the Agency Agreement in order to ensure the proper operation of such Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread, including, but not limited to, (A) the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date, Reset Determination Date and/or the definition of Reference Rate or Mid-Swap Rate applicable to the Notes and (B) the method for determining the fallback rate in relation to the Notes. For the avoidance of doubt, the Agent and any other agents party to the Agency Agreement shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to the application of this Condition 3(k). No consent shall be required from the Noteholders in connection with determining or giving effect to the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps to be taken by the Agent and any other agents party to the Agency Agreement (if required or useful); and

(vi) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread, give notice thereof to the Agent, the Calculation Agent and, in accordance with Condition 15 (*Notices*), the Noteholders. Such notice shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and any consequential changes made to the Agency Agreement and these Conditions (if any),

provided that the determination of any Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread and any other related changes to the Notes, shall be made in accordance with the relevant Applicable Banking Regulations and/or the applicable Loss Absorption Regulations (if applicable).

An Independent Adviser appointed pursuant to this Condition 3(k) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Agent, the Calculation Agent or the Noteholders for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 3(k).

Notwithstanding any other provision in this Condition 3(k), no Successor Rate or Alternative Reference Rate (as applicable) and, in either case, the applicable Adjustment Spread will be adopted, and no other amendments to the Conditions will be made pursuant to this Condition 3(k), if, and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a change in the regulatory classification of

the Notes giving rise to a Capital Disqualification Event (in the case of Subordinated Tier 2 Notes) or a Loss Absorption Disqualification Event (in the case of Senior Notes).

Without prejudice to the obligations of the Issuer under this Condition 3(k), the Reference Rate or Mid-Swap Rate (as applicable) and the other provisions in this Condition 3 will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or Alternative Reference Rate (as applicable), the applicable Adjustment Spread and any consequential changes made to the Agency Agreement and the Conditions (if any).

For the purposes of this Condition 3(k):

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate or Mid-Swap Rate (as applicable) with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Issuer, following consultation with the Independent Adviser (if any) determines is customarily applied to the relevant Successor Rate or Alternative Reference Rate (as applicable) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate or Mid-Swap Rate (as applicable); or

(iii) if the Issuer determines that no such spread is customarily applied, the Issuer, following consultation with the Independent Adviser (if any), determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate or Mid-Swap Rate (as applicable), where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable).

"**Alternative Reference Rate**" means the rate that the Issuer determines has replaced the relevant Reference Rate or Mid-Swap Rate (as applicable) and is customarily applied in the international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in respect of bonds denominated in the Specified Currency of the Notes and of a comparable duration to the relevant Interest Period or Reset Period (as applicable), or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in its discretion is most comparable to the relevant Reference Rate or Mid-Swap Rate (as applicable).

"**Benchmark Event**" means:

(i) a public statement by the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) stating that, in the view of such administrator, the

methodology to calculate such Reference Rate or Mid-Swap Rate (as applicable) has materially changed;

(ii) the relevant Reference Rate or Mid-Swap Rate (as applicable) ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(iii) a public statement by the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) stating that it has ceased or that it will cease to publish the relevant Reference Rate or Mid-Swap Rate (as applicable), permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate or Mid-Swap Rate (as applicable)); or

(iv) a public statement by the supervisor of the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) stating that the relevant Reference Rate or Mid-Swap Rate (as applicable) has been or will be permanently or indefinitely discontinued; or

(v) a public statement by the supervisor or the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) that means that the relevant Reference Rate or Mid-Swap Rate (as applicable) will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or

(vi) the making of a public statement by the supervisor of the administrator of the relevant Reference Rate or Mid-Swap Rate (as applicable) that the relevant Reference Rate or Mid-Swap Rate (as applicable) is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(vii) it has become unlawful for the Agent, the Calculation Agent or any other agents party to the Agency Agreement to calculate any payments due to be made to any Noteholders using the relevant Reference Rate or Mid-Swap Rate (as applicable),

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (iii) and (iv) above, on the date of the cessation of publication of the Reference Rate or Mid-Swap Rate (as applicable) or the discontinuation of the Reference Rate or Mid-Swap Rate (as applicable), (b) in the case of sub-paragraph (v) above, on the date of the prohibition of the use of the Reference Rate or Mid-Swap Rate (as applicable) and (c) in the case of sub-paragraph (vi) above, on the date with effect from which the relevant Reference Rate or Mid-Swap Rate (as applicable) will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

"**IA Determination Cut-Off Date**" means no later than five Business Days prior to the relevant Interest Determination Date or Reset Determination Date (as applicable) relating to the next succeeding Interest Period or Reset Period (as applicable).

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case selected and appointed by the Issuer at its own expense.

"**Relevant Nominating Body**" means, in respect of a Reference Rate or Mid-Swap Rate:

(i) the central bank for the currency to which the Reference Rate or Mid-Swap Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate or Mid-Swap Rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the Reference Rate or Mid-Swap Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate or Mid-Swap Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof.

"**Successor Rate**" means the rate that the Issuer determines is a successor to, or replacement of, the Reference Rate or Mid-Swap Rate (as applicable) which is formally recommended by any Relevant Nominating Body.

4 Redemption, Purchase and Options

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the Final Terms at its Final Redemption Amount (which is its nominal amount, unless otherwise provided in the Final Terms).

Unless otherwise permitted by the Applicable Banking Regulations, Subordinated Tier 2 Notes constituting Tier 2 Capital will have a minimum maturity of five years.

(b) Redemption upon the occurrence of a Tax Event

If the Tax Call Option and the Prohibition of Sales to Consumers are specified as applicable in the Final Terms, the Issuer may, at its option and (subject, (i) in the case of Subordinated Tier 2 Notes, to Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*) or (ii) in the case of Senior Notes, to Condition 4(k) (*Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date*)), having given not less than 15 nor more than 45 days' notice to the holders in accordance with Condition 15 (*Notices*) (which notice shall, subject as provided in Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*) and Condition 4(k) (*Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date*), be irrevocable), redeem all, but not some only, of the Notes outstanding on (if the Notes are Floating Rate Notes) the next Interest Payment Date or

(if the Notes are not Floating Rate Notes) at any time, at the Early Redemption Amount, together with any accrued but unpaid interest up to (but excluding) the date fixed for redemption and any additional amounts payable in accordance with Condition 8 (*Taxation*), if, at any time, a Tax Event has occurred, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which (i) the Issuer would be obliged to pay any additional amounts in case of a Tax Gross-up Event, and (ii) a payment in respect of the Notes would not be deductible by the Issuer for Belgian corporate income tax purposes or such deduction would be reduced in case of a Tax Deductibility Event, in each case, were a payment in respect of the Notes then due.

The Issuer shall deliver to the Agent an opinion of an independent legal advisers of recognised standing to the effect that a Tax Event exists.

A "**Tax Event**" shall be deemed to have occurred if as a result of a Tax Law Change:

(A) in making payments under the Notes, the Issuer has or will on or before the next Interest Payment Date or the Maturity Date (as applicable) become obliged to pay additional amounts in respect of interest on the Notes (but not principal or any other amount) as provided or referred to in Condition 8 (*Taxation*) (and such obligation cannot be avoided by the Issuer taking reasonable measures available to it) (a "**Tax Gross-up Event**"); or

(B) on the next Interest Payment Date or the Maturity Date any payments by the Issuer in respect of the Notes ceases (or will cease) to be deductible by the Issuer for Belgian corporate income tax purposes or such deductibility is reduced (a "**Tax Deductibility Event**").

In these Conditions, a "**Tax Law Change**" means any change or proposed change in, or amendment or proposed amendment to, the laws or regulations of Belgium, including any treaty to which Belgium is a party, or any change in the application or official interpretation of such laws or regulations, including a decision of any court, or any interpretation or pronouncement by any relevant tax authority, which change or amendment (x) (subject to (y)) becomes, or would become, effective on or after the Issue Date, or (y) in the case of a change or proposed change in law, if such change is enacted (or, in the case of a proposed change, is expected to be enacted) on or after the Issue Date.

(c) Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event

If Capital Disqualification Event and the Prohibition of Sales to Consumers are specified as applicable in the Final Terms, the Issuer may at its option but subject to Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*), having given not less than 15 nor more than 45 days' notice in accordance with Condition 15 (*Notices*), redeem all but not some only of the Subordinated Tier 2 Notes at any time at the Early Redemption Amount, together (if applicable) with any accrued but unpaid interest up to (but excluding) the date fixed for redemption if a Capital Disqualification Event has occurred and is continuing.

In these Conditions:

A "**Capital Disqualification Event**" will occur if at any time the Issuer determines that as a result of a change (or prospective future change which the Relevant Regulator considers to be sufficiently certain) to the regulatory classification of the relevant Series of Subordinated Tier 2 Notes, in any such case becoming effective on or after the Issue Date of the last Tranche of Notes, such Subordinated Tier 2 Notes cease (or would cease) to be included, in whole or in part, in, or count towards the Tier 2 Capital of the Issuer (other than as a result of any applicable limitation on the amount of such capital that the Issuer can count towards its capital requirements as applicable to the Issuer).

"**Group**" means KBC Group NV and its subsidiaries from time to time.

(d) Redemption at the Option of the Issuer

If the Issuer Call Option and the Prohibition of Sales to Consumers are specified as applicable in the Final Terms, the Issuer may at its option (subject, (i) in the case of Subordinated Tier 2 Notes, to Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*) and (ii) in the case of Senior Notes, to Condition 4(k) (*Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date*)), on giving not less than 15 nor more than 45 days' irrevocable notice to the holders (or such other notice period as may be specified in the Final Terms), redeem all or, if so provided, some only of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the Final Terms (which may be the Early Redemption Amount (as described in Condition 4(f) (*Early Redemption Amounts*) below)), together with interest accrued to the date fixed for redemption. In the case of a redemption of Notes in part, any such redemption must, if so specified in the Final Terms, relate to Notes of a nominal amount at least equal to the Minimum Callable Amount to be redeemed specified in the Final Terms and no greater than the Maximum Callable Amount to be redeemed specified in the Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 4.

(e) Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event

If, in the case of Senior Notes, "Loss Absorption Disqualification Event" and "Prohibition of Sales to Consumers" are specified as applicable in the Final Terms, the Issuer has the option to specify in the Final Terms that a Loss Absorption Disqualification Event is applicable. Where such Loss Absorption Disqualification Event is specified in the Final Terms as being applicable, then the relevant Senior Notes may on or after the date specified in the applicable Final Terms be redeemed at the option of the Issuer (but subject to Condition 4(k) (*Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date*)) in whole, but not in part, on (if the Notes are Floating Rate Notes) the next Interest Payment Date or (if the Notes are not Floating Rate Notes) at any time, on giving not less than the minimum period nor more than the maximum period of

notice specified in the applicable Final Terms to the holders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable), if the Issuer determines that a Loss Absorption Disqualification Event has occurred and is continuing.

Upon the expiration of such notice, the Issuer shall be bound to redeem such Notes at their Early Redemption Amount (as determined in accordance with Condition 4(f) (*Early Redemption Amounts*) below) together (if applicable) with any accrued but unpaid interest up to (but excluding) the date fixed for redemption.

As used in this Condition 4(e), a "**Loss Absorption Disqualification Event**" shall be deemed to have occurred if:

(i) at the time that any Loss Absorption Regulation becomes effective, and as a result of such Loss Absorption Regulation becoming so effective, in each case with respect to the Issuer and/or the Group, the Notes do not or (in the opinion of the Issuer or the Relevant Regulator) are likely not to qualify in full towards the Issuer's and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments; or

(ii) as a result of any amendment to, or change in, any Loss Absorption Regulation, or any change in the application or official interpretation of any Loss Absorption Regulation, in any such case becoming effective on or after the Issue Date of the last Tranche of the Notes, the Notes are or (in the opinion of the Issuer or the Relevant Regulator) are likely to be fully or partially excluded from the Issuer's and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments,

in each case as such minimum requirements are applicable to the Issuer and/or the Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; *provided that* in the case of (i) and (ii) above, a Loss Absorption Disqualification Event shall not occur where the exclusion of the Notes from the relevant minimum requirement(s) (a) was reasonably foreseeable at the Issue Date of the last Tranche of Notes or (b) is due to the remaining maturity of the Notes being less than any period prescribed by the applicable Loss Absorption Regulations effective as at the Issue Date of the last Tranche of the Notes or (c) is due to any restriction on the amount of liabilities that can count towards the Issuer's and/or the Group's minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments or (d) is as a result of the relevant Notes being bought back by or on behalf of the Issuer or a buy back of the relevant Notes which is funded by or on behalf of the Issuer or (e) is due to the relevant Senior Notes not meeting any requirement in relation to their ranking upon insolvency of the Issuer.

"**Loss Absorption Regulations**" means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Kingdom of Belgium, the Relevant Regulator, the Resolution Authority, the Financial Stability Board and/or of the European Parliament or of the Council of the European Union then in effect

in the Kingdom of Belgium including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Relevant Regulator and/or the Resolution Authority from time to time (whether or not such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer or to the Group).

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

(f) Early Redemption Amounts

The Early Redemption Amount payable in respect of any Note, upon redemption of such Note pursuant to Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*), Condition 4(d) (*Redemption at the Option of the Issuer*) or Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*) shall be the Final Redemption Amount(s) unless otherwise specified in the Final Terms.

(g) Directors' Certificate

Prior to the publication of any notice of redemption pursuant to this Condition 4 (other than redemption at the option of the Issuer pursuant to Condition 4(d) (*Redemption at the Option of the Issuer*)), the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, including (in the case of a Tax Event, a Capital Disqualification Event or a Loss Absorption Disqualification Event (as applicable)) that a Tax Event (as defined in Condition 4(b) (*Redemption upon the occurrence of a Tax Event*) above), a Capital Disqualification Event (as defined in Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*) above) or a Loss Absorption Disqualification Event (as defined in Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*) above) exists.

(h) Purchases

The Issuer or any of its subsidiaries may at any time, but is not obliged to, purchase Notes in the open market or otherwise at any price. Any Notes so purchased or otherwise

acquired may, at the Issuer's discretion, be held or resold or, at the option of the Issuer, surrendered to the Agent for cancellation.

This Condition 4(h) shall apply in the case of Senior Notes or Subordinated Tier 2 Notes to the extent such purchases of Senior Notes or Subordinated Tier 2 Notes are not prohibited by the applicable Loss Absorption Regulations and/or Applicable Banking Regulations, as applicable, and subject to the conditions set out in Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*).

(i) Cancellation

All Notes which are redeemed or purchased by or on behalf of the Issuer or otherwise acquired as aforesaid and surrendered to the Agent for cancellation will forthwith be cancelled. All Notes so cancelled cannot be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) Conditions to Redemption and Purchase of Subordinated Tier 2 Notes

Any optional redemption of Subordinated Tier 2 Notes pursuant to Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*) or Condition 4(d) (*Redemption at the Option of the Issuer*) and any purchase of Subordinated Tier 2 Notes pursuant to Condition 4(h) (*Purchases*) is subject to the following conditions (in each case only if and to the extent then required by Applicable Banking Regulations):

(i) compliance with any conditions prescribed under Applicable Banking Regulations and/or the applicable Loss Absorption Regulations, including the prior approval of the Relevant Regulator (if required);

(ii) in respect of any redemption of the relevant Subordinated Tier 2 Notes proposed to be made prior to the fifth anniversary of the Issue Date, (a) in the case of redemption following the occurrence of a Tax Event, the Issuer having demonstrated to the satisfaction of the Relevant Regulator that (A) the Tax Law Change was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes and (B) the Tax Law Change is material or (b) in the case of redemption following the occurrence of a Capital Disqualification Event, the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the relevant change was not reasonably foreseeable by the Issuer as at the Issue Date of the last Tranche of the Notes; and

(iii) compliance by the Issuer with any alternative or additional pre-conditions to the redemption or purchase of the relevant Subordinated Tier 2 Notes, set out in the Applicable Banking Regulations for the time being or required by the Relevant Regulator.

(k) Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date

Any optional redemption of Senior Notes pursuant to Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), 4(d) (*Redemption at the Option of the Issuer*) or 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*) and any purchase of Senior Notes pursuant to Condition 4(h) (*Purchases*) will be subject to the following conditions (in each case only if and to the extent then required by the applicable Loss Absorption Regulations):

(i) compliance with any conditions prescribed under the applicable Loss Absorption Regulations, including the prior approval of the Resolution Authority (if required); and

(ii) compliance by the Issuer with any alternative or additional pre-conditions to the redemption or purchase of the relevant Senior Notes, set out in the applicable Loss Absorption Regulations for the time being or required by the Resolution Authority.

(l) Notices Final

Subject to Condition 4(j) (*Conditions to Redemption and Purchase of Subordinated Tier 2 Notes*) or Condition 4(k) (*Additional conditions to Redemption and Purchase of Senior Notes prior to their Maturity Date*), upon the expiry of any notice period as is referred to in Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*), Condition 4(d) (*Redemption at the Option of the Issuer*) and Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*) the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such Condition.

(m) Definitions

As used in these Conditions, the "**Relevant Date**" in respect of any payment means the date on which such payment first becomes due or (if the full amount of the moneys payable has not been duly received by the Agent on or prior to such date) the date on which notice is given to the Noteholders that such moneys have been so received.

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to this Condition 4 or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 3 (*Interest and other calculations*) or any amendment or supplement to it and (iii) "**interest**" shall be deemed to include any additional amounts in respect of interests on the Notes that may be payable under Condition 8 (*Taxation*).

5 Payments

(a) Payment in euro

Without prejudice to the Belgian Companies and Associations Code, payment of principal in respect of the Notes, payment of accrued interest payable on a redemption of the Notes and payment of any interest due on an Interest Payment Date in respect of the Notes will be made through the Securities Settlement System in accordance with the Securities Settlement System Regulations. The payment obligations of the Issuer under the Notes will be discharged by payment to the NBB in respect of each amount so paid.

(b) Payment in other currencies

Without prejudice to the Belgian Companies and Associations Code, payment of principal in respect of the Notes, payment of accrued interest payable on a redemption of the Notes and payment of any interest due on an Interest Payment Date in respect of the Notes will be made through the Agent.

(c) Method of payment

Each payment referred to in Condition 5(a) (*Payment in euro*) will be made in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to the T2 System. Each payment referred to in Condition 5(b) (*Payment in other currencies*) will be made in a Specified Currency other than euro by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency.

(d) Payments subject to fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws or agreements to which the Issuer or the Agent agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders in respect of such payments. The Issuer reserves the right to require a Noteholder to provide the Agent with such certification or information as may be required to enable the Issuer to comply with the requirements of the United States federal income tax laws or any agreement between the Issuer and any taxing authority.

(e) Appointment of Agents

Any additional Agent or Calculation Agent appointed by the Issuer with respect to a Tranche of Notes and their respective specified offices are listed in the applicable Final Terms. The Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The

Issuer reserves the right at any time to vary or terminate the appointment of the Agent or the Calculation Agent provided that the Issuer shall at all times maintain (i) an Agent which is a participant in the Securities Settlement System, (ii) a Calculation Agent where the Conditions so require, and (iii) such other agents as may be required by any other stock exchange on which the Notes may be listed. Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) Non-Business Days

If any date for payment in respect of any Note is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

6 Subordinated Tier 2 Notes – Substitution or Variation following a Capital Disqualification Event

In the case of Subordinated Tier 2 Notes in relation to which "Capital Disqualification Event Variation" is specified as applicable in the Final Terms, then, following a Capital Disqualification Event (as defined in Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*)) which is continuing, or in order to ensure the effectiveness and enforceability of Condition 17(c), the Issuer may, subject to the other provisions of this Condition 6 (without any requirement for the consent or approval of the Noteholders (subject to the notice requirements below)) substitute or vary the terms of all (but not some only) of the Subordinated Tier 2 Notes so that they remain or, as appropriate, become, Qualifying Securities.

In connection with any substitution or variation in accordance with this Condition 6, the Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this Condition 6 is subject to (i) compliance with the Applicable Banking Regulations, (ii) the Issuer obtaining the permission therefor from the Relevant Regulator, provided that at the relevant time such permission is required to be given; and (iii) the Issuer giving not less than 15 nor more than 45 calendar days' notice to the Noteholders (which notice shall be irrevocable),in accordance with Condition 15 (Notices), which notice shall be irrevocable. Any such notice shall specify the relevant details of the manner in which such variation shall take effect and where the holders can inspect or obtain copies of the new terms and conditions of the relevant Series of Subordinated Tier 2 Notes.

Any substitution or variation in accordance with this Condition 6 does not otherwise give the Issuer an option to redeem the relevant Notes under the Conditions.

As used in this Condition 6:

"**Fitch**" means Fitch France S.A.S. or any affiliate thereof.

"**Moody's**" means Moody's France S.A.S. or any affiliate thereof.

"**Qualifying Securities**" means securities issued by the Issuer that:

(a) rank equally with the ranking of the Subordinated Tier 2 Notes;

(b) other than in respect of the effectiveness and enforceability of Condition 17(c), have terms not materially less favourable to Noteholders than the terms of the Subordinated Tier 2 Notes (as reasonably determined by the Issuer in consultation with an independent investment bank of international standing, and provided that a certification to such effect of two Directors of the Issuer shall have been delivered to the Agent prior to the issue of the relevant securities);

(c) without prejudice to (b) above:

(1) contain terms such that they comply with the then Applicable Banking Regulations in relation to Tier 2 Capital;

(2) include terms which provide for the same Rate of Interest from time to time, Interest Payment Dates, Maturity Date and Early Redemption Amount(s) as apply from time to time to the relevant Series of Subordinated Tier 2 Notes immediately prior to such variation;

(3) shall preserve any existing rights under the Conditions to any accrued interest, principal and/or premium which has not been satisfied;

(4) do not contain terms providing for the mandatory or voluntary deferral of payments of principal and/or interest;

(5) do not contain terms providing for loss absorption through principal write down, write-off or conversion to ordinary shares (but without prejudice to any acknowledgement of the Bail-in Power substantially similar to Condition 17(c)); and

(6) are otherwise not materially less favourable to Noteholders;

(d) are listed on (i) the regulated market of Euronext Brussels or (ii) such other regulated market in the European Economic Area on which the Subordinated Tier 2 Notes were listed immediately prior to the relevant substitution or variation; and

(e) where the Subordinated Tier 2 Notes which have been varied or substituted had a solicited published rating from a Rating Agency immediately prior to their variation each such Rating Agency has ascribed, or announced its intention to ascribe, an equal or higher published rating to the relevant Subordinated Tier 2 Notes, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 17(c).

"**Rating Agency**" means each of Fitch, Moody's and S&P or their respective successors.

"**S&P**" means S&P Global Ratings Europe Limited or any affiliate thereof.

7 Senior Notes – Substitution or Variation following a Loss Absorption Disqualification Event

In the case of Senior Notes in relation to which "Loss Absorption Disqualification Event Variation or Substitution" is specified in the relevant Final Terms as applicable, then, following a Loss Absorption Disqualification Event (as defined in Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*)) which is continuing, or in order to ensure the effectiveness and enforceability of Condition 17(c), the Issuer may, subject to the other provisions of this Condition 7 but without any requirement for the consent or approval of the Noteholders (subject to the notice requirements below), substitute all (but not some only) of such Series of Senior Notes or vary the terms of all (but not some only) of such Series of Senior Notes so that they remain or, as appropriate, become, Eligible Liabilities Instruments (as defined below).

In connection with any substitution or variation in accordance with this Condition 7, the Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this Condition 7 is subject to (i) compliance with the applicable Loss Absorption Regulations, (ii) the Issuer obtaining the permission therefor from the Relevant Regulator and/or Resolution Authority, if and to the extent required at such date; and (iii) the Issuer giving not less than 15 nor more than 45 calendar days' notice to the Noteholders in accordance with Condition 15 (*Notices*), which notice shall be irrevocable. Any such notice shall specify the relevant details of the manner in which such variation shall take effect and where the holders can inspect or obtain copies of the new terms and conditions of the relevant Series of Senior Notes.

Any substitution or variation in accordance with this Condition 7 does not otherwise give the Issuer an option to redeem the relevant Senior Notes under the Conditions.

For the purpose of this Condition 7, "**Eligible Liabilities Instruments**" means securities issued by the Issuer that:

(a) rank equally with the Senior Notes prior to the relevant substitution or variation;

(b) other than in respect of the effectiveness and enforceability of Condition 17(c), have terms not materially less favourable to Noteholders than the terms of the Senior Notes (as reasonably determined by the Issuer in consultation with an independent investment bank of international standing, and provided that a certification to such effect of two Directors of the Issuer shall have been delivered to the Agent prior to the issue of the relevant securities or, in the case of a variation, the date such variation becomes effective);

(c) without prejudice to (b) above:

(A) contain terms which comply with the then applicable Loss Absorption Regulations;

(B) include terms which provide for the same (or, from a Noteholder's perspective, more favourable) Rate of Interest from time to time, Interest Payment Dates, Maturity Date and Early Redemption Amount(s) as apply from time to time to the relevant Series of Senior Notes immediately prior to such substitution or variation;

(C) are not immediately subject to a Loss Absorption Disqualification Event or Tax Event as a result of such substitution or variation;

(D) preserve any existing right under these Conditions to any accrued interest, principal and/or premium which has not been satisfied; and

(E) do not contain terms providing for loss absorption through principal write down, write-off or conversion to ordinary shares (but without prejudice to any acknowledgement of the Bail-in Power substantially similar to Condition 17(c)); and

(F) do not contain terms providing for the mandatory or voluntary deferral or cancellation of payments of principal and/ or interest;

(d) are listed on (i) the regulated market of Euronext Brussels or (ii) such other regulated market in the European Economic Area as selected by the Issuer (to the extent that the Senior Notes were listed on the regulated market of Euronext Brussels or (ii) such other regulated market in the European Economic Area on which the Senior Notes were listed immediately prior to the relevant substitution or variation); and

(e) where the relevant Senior Notes which have been substituted or varied had a solicited credit rating immediately prior to their substitution or variation, have a solicited published rating equal to or higher than the solicited credit rating of the relevant Senior Notes prior to their substitution or variation ascribed to them or expected to be ascribed to them, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 17(c).

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, or on account of, any taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within the Kingdom of Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

The Issuer will not be required to pay any additional or further amounts in respect of such withholding or deduction.

Notwithstanding the foregoing, if the Tax Call Option and the Prohibition of Sales to Consumers are specified as applicable in the Final Terms, the Issuer shall pay such additional amounts in respect of interests on the Notes (but not principal or any other amount) as shall result in receipt

by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note:

(i) to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of it having some connection with the Kingdom of Belgium other than the mere holding of the Note; or

(ii) where such withholding or deduction is imposed because the holder of the Note is not an Eligible Investor (unless that person was an Eligible Investor at the time of its acquisition of the Note but has since ceased (as such term is defined from time to time under Belgian law) being an Eligible Investor by reason of a change in the Belgian tax laws or regulations or in the interpretation or application thereof or by reason of another change which was outside that person's control), or is an Eligible Investor but is not holding the Note in an exempt securities account with a qualifying clearing system in accordance with the Belgian law of 6 August 1993 relating to transactions in certain securities and its implementation decrees; or

(iii) to a Noteholder who is liable to such Taxes because the Notes were upon its request converted into registered Notes and could no longer be cleared through the Securities Settlement System; or

(iv) to a holder who is entitled to avoid such deduction or withholding by making a declaration of non-residence or other similar claim for exemption.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

9 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 4(m) (*Definitions*)) in respect of them.

10 Senior Notes – Events of Default and Enforcement

(a) Senior Notes – Events of Default

If, in respect of Senior Notes specify that this Condition 10(a) applies and if any of the following events (each, an "**Event of Default**") occurs and is continuing:

(i) the Issuer fails to pay any principal or interest due in respect of the relevant Senior Notes when due and such failure continues for a period of 30 Business Days; or

(ii) the Issuer does not perform or comply with any one or more of its other obligations under these Conditions and the relevant Senior Notes or the Agency Agreement which default is incapable of remedy, or, if capable of remedy is not remedied within 90 Business Days after notice of such Event of Default shall have been given by any Noteholder to the Issuer or the Agent at its specified office; or

(iii) (a) proceedings are commenced against the Issuer, or the Issuer commences proceedings itself for bankruptcy or other insolvency proceedings of the Issuer falling under the applicable Belgian or foreign bankruptcy, insolvency or other similar law now or hereafter in effect (including Book XX of the Belgian Code of Economic Law), unless the Issuer defends itself in good faith against such proceedings and such a defence is successful, and a judgment in first instance (*eerste aanleg/première instance*) has rejected the petition within the framework of the proceedings within three months following the commencement of such proceedings, or (b) the Issuer is unable to pay its debts as they fall due (*staking van betaling/cessation de paiements*) under applicable law, or (c) the Issuer is announced bankrupt by an authorised court; or

(iv) an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation, following which the surviving entity assumes all rights and obligations of the Issuer (including the Issuer's rights and obligations under the Senior Notes); or

(v) an enforceable judgment (*uitvoerend beslag/saisie exécutoire*), attachment or similar proceeding is enforced against all or a substantial part of the assets of the Issuer and is not discharged, stayed or paid within 60 Business Days, unless the Issuer defends itself in good faith against such proceedings,

then any Senior Note may, by notice in writing given to the Issuer at its address of correspondence by the holder with a copy to the Agent at its specified office, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest (if any) without further formality unless such Event of Default shall have been remedied prior to the receipt of such notice by the Agent.

Without prejudice to the foregoing, holders of Senior Notes in respect of which this this Condition 10(a) is specified as applicable, waive to the fullest extent permitted by law all their rights whatsoever pursuant to Articles 5.90, second paragraph of the Belgian Civil Code.

(b) Senior Notes – Enforcement

If the applicable Final Terms in respect of Senior Notes specify that this Condition 10(b) applies, then, any holder of such Senior Notes may, without further notice, institute proceedings for the dissolution or liquidation of the Issuer in Belgium if default is made in the payment of any principal or interest due in respect of such Senior Notes or any of them and such default continues for a period of 30 days or more after the due date.

In the event of the dissolution or liquidation (other than on a solvent basis) of the Issuer (including, without limiting the generality of the foregoing, bankruptcy (*faillissement/faillite*), and judicial or voluntary liquidation (*gerechtelijke of vrijwillige vereffening/liquidation forcée ou volontaire*) (other than a voluntary liquidation in connection with a reconstruction, merger or amalgamation where the continuing corporation assumes all liabilities of the Issuer), under the laws of Belgium), any holder of Senior Notes of the relevant Series may give written notice to the Issuer with a copy to the Agent at its specified office that the relevant Senior Note is, and it shall accordingly forthwith become, immediately due and repayable at its principal amount, together with interest accrued to the date of repayment.

No remedy against the Issuer other than as referred to in this Condition 10(b), shall be available to the holders of the relevant Senior Notes, whether for recovery of amounts owing in respect of the relevant Senior Notes or in respect of any breach by the Issuer of any of its obligations under or in respect of the relevant Senior Notes.

For the avoidance of doubt, the holders of the relevant Senior Notes in respect of which this Condition 10(b) is specified as applicable, waive to the fullest extent permitted by law (i) all their rights whatsoever pursuant to Articles 5.90 to 5.93 (inclusive) of the Belgian Civil Code to rescind (*ontbinden/résoudre*), or to demand legal proceedings for the rescission (*ontbinding/résolution*) of, the relevant Senior Notes, and (ii) to the extent applicable, all their rights whatsoever in respect of the relevant Senior Notes pursuant to Article 7:64 of the Belgian Companies and Associations Code.

11 Subordinated Tier 2 Notes – Enforcement

If default is made in the payment of any principal or interest due in respect of the Subordinated Tier 2 Notes or any of them and such default continues for a period of 30 days or more after the due date any holder may, without further notice, institute proceedings for the dissolution or liquidation of the Issuer in Belgium.

In the event of the dissolution or liquidation (other than on a solvent basis) of the Issuer (including, without limiting the generality of the foregoing, bankruptcy (*faillissement/faillite*), and judicial or voluntary liquidation (*gerechtelijke of vrijwillige vereffening/liquidation forcée ou volontaire*) (other than a voluntary liquidation in connection with a reconstruction, merger or amalgamation where the continuing corporation assumes all liabilities of the Issuer), under the laws of Belgium), any holder may give written notice to the Issuer with a copy to the Agent at its specified office that the relevant Subordinated Tier 2 Note is, and it shall accordingly forthwith become,

immediately due and repayable at its principal amount, together with interest accrued to the date of repayment.

No remedy against the Issuer other than as referred to in this Condition 11, shall be available to the holders of Subordinated Tier 2 Notes, whether for recovery of amounts owing in respect of the Subordinated Tier 2 Notes or in respect of any breach by the Issuer of any of its obligations under or in respect of the Subordinated Tier 2 Notes.

For the avoidance of doubt, the holders of Subordinated Tier 2 Notes waive to the fullest extent permitted by law (i) all their rights whatsoever pursuant to Articles 5.90 to 5.93 (inclusive) of the Belgian Civil Code to rescind (*ontbinden/résoudre*), or to demand legal proceedings for the rescission (*ontbinding/résolution*) of, the Subordinated Tier 2 Notes, and (ii) to the extent applicable, all their rights whatsoever in respect of the Subordinated Tier 2 Notes pursuant to Article 7:64 of the Belgian Companies and Associations Code

12 No Hardship

For the avoidance of doubt, the Issuer hereby acknowledges that the provisions of Article 5.74 of the Belgian Civil Code shall not apply to it with respect to its obligations under these Conditions and that it shall not be entitled to make any claim under Article 5.74 of the Belgian Civil Code.

13 No Security or Guarantee

Senior Notes (where Condition 10(b) is specified as applicable in the applicable Final Terms) and Subordinated Tier 2 Notes are not and will not at any time be subject (i) to a security interest or guarantee that enhances the seniority of the respective claims of each of the holders of the relevant Notes, provided by any of the entities listed in articles 72b(2)(e) or 63(e) of CRR, as applicable, or (ii) to any arrangement that otherwise enhances the respective claims of such holders in respect of such Notes.

14 Meetings of Noteholders and Modifications

(a) Meetings of Noteholders

Schedule 1 (*Provisions on Meetings of Noteholders*) of these Conditions contains provisions for convening meetings of Noteholders (the "**Meeting Provisions**") to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Notes. For the avoidance of doubt, any modification or waiver of the Conditions shall be subject to the consent of the Issuer. The provisions of this Condition 14(a) are subject to, and should be read together with, the more detailed provisions contained in the Meeting Provisions (which shall prevail in the event of any inconsistency).

All meetings of Noteholders will be held in accordance with the Meeting Provisions. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than 20% of the aggregate nominal amount of the outstanding Notes.

Any modification or waiver of the Conditions proposed by the Issuer may be made if sanctioned by an Extraordinary Resolution. An "**Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders duly convened and held in accordance with these Conditions and the Meeting Provisions by a majority of at least 75% of the votes cast, provided, however, that any such proposal (i) to amend the dates of maturity or redemption of the Notes or date for payment of interest or interest amounts, (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest, (iii) to assent to a reduction of the nominal amount of the Notes or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment in circumstances not provided for in the Conditions, (v) to change the currency of payment of the Notes, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or (vii) to amend the requirement for an Extraordinary Resolution for the sanctioning of any modification or waiver of the Conditions or the Notes, may, in each case, only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum.

Resolutions duly passed in accordance with the Meeting Provisions shall be binding on all Noteholders, whether or not they are present at the meeting (if applicable) and whether or not they vote in favour of such a resolution (whether at any such meeting or pursuant to a Written Resolution or by way of Electronic Consent).

The Meeting Provisions furthermore provide that, for so long as the Notes are in dematerialised form and settled through the Securities Settlement System, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing systems as provided in the Meeting Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) by or on behalf of the holders of not less than 75% in aggregate nominal amount of the Notes outstanding. To the extent such electronic consent is not being sought, the Meeting Provisions provide that a resolution in writing signed by or on behalf of the holders of not less than 75% in aggregate nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by, or on behalf of, one or more Noteholders.

Resolutions of Noteholders will only be effective if such resolutions have been approved by the Issuer and, if so required, by the Relevant Regulator and/or the Resolution Authority.

For the avoidance of doubt, modifications to the Conditions to effect any amendments to these Conditions determined pursuant to Condition 3(k)(v) may be made without any requirement for the consent or approval of the Noteholders.

(b) Modification and Waiver

Without prejudice to Condition 3(k) (*Benchmark replacement*) and subject to obtaining the approval therefor from the Relevant Regulator and/or the Resolution Authority if so required pursuant to applicable regulations, the Agent and the Issuer may agree, without the consent of the holders, to:

(i) any modification (except such modifications in respect of which an increased quorum is required, as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the holders; or

(ii) any modification of these Conditions, the Agency Agreement or of any agreement supplemental to the Agency Agreement, which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

Any such modification shall be binding on the holders and any such modification shall be notified to the holders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

15 Notices

Notices to the holders shall be valid if (i) delivered by or on behalf of the Issuer to the NBB (in its capacity as operator of the Securities Settlement System), for onward communication by it to the participants of the Securities Settlement System, (ii) in the case of Notes held in a securities account, through a direct notification through the applicable clearing system, (iii) in the case of Notes which are not listed or if otherwise required by applicable law, any notice sent pursuant to Condition 4(b) (*Redemption upon the occurrence of a Tax Event*), Condition 4(c) (*Redemption of Subordinated Tier 2 Notes following the occurrence of a Capital Disqualification Event*), Condition 4(d) (*Redemption at the Option of the Issuer*) or Condition 4(e) (*Redemption of Senior Notes following the occurrence of a Loss Absorption Disqualification Event*), shall be published in compliance with all applicable legal requirements. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above or, in the case of delivery to the NBB or direct notification through the applicable clearing system, any such notice shall be deemed to have been given on the date immediately following the date of delivery/notification.

In addition to any of the methods of delivery mentioned above, the Issuer shall ensure that all notices are duly published in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Agent may approve.

16 Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further notes shall be consolidated and form a single Series with the Notes. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 16 and forming a single Series with the Notes.

17 Governing Law and Jurisdiction

(a) Governing Law

The Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Belgian law.

(b) Jurisdiction

The Issuer agrees, for the exclusive benefit of the Noteholders that the courts of Brussels, Belgium are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including, in each case, any dispute relating to any non-contractual obligations arising therefrom or in connection therewith) and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes (including, in each case, any Proceedings relating to any non-contractual obligation arising therefrom or in connection therewith) may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in the courts of Brussels, Belgium and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the courts of Brussels, Belgium shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

(c) Acknowledgement of and Consent to the Bail-in Power

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder (which, for the purposes of this Condition 17(c), includes any current or future holder of a beneficial interest in the Notes), by its subscription to or acquisition of the Notes, each Noteholder acknowledges and accepts that any liability arising under the Notes may be

subject to the exercise of the Bail-in Power by the Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

(i) the effect of the exercise of any Bail-in Power by the Resolution Authority in relation to any liability of the Issuer to any Noteholder under these Conditions, which exercise may (without limitation) include and result in any of the following, or a combination thereof:

(A) the reduction or cancellation, on a permanent basis, of all, or a portion, of the Relevant Amounts in respect of the Notes;

(B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into ordinary shares, other instruments of ownership, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder of such ordinary shares, other instruments of ownership, securities or obligations, including by means of an amendment, modification or variation of the Conditions of the Notes;

(C) the cancellation of the Notes or the Relevant Amounts in respect of the Notes; and

(D) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the Conditions of the Notes, as deemed necessary by the Resolution Authority, to give effect to the exercise of any Bail-in Power by the Resolution Authority.

Neither a reduction or cancellation, in part or in full, of the Relevant Amount(s) or the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Resolution Authority with respect to the Issuer, nor the exercise of the Bail-in Power by the Resolution Authority with respect to the Notes, will constitute a breach of, or default under, the terms of the Notes or a default or event of default for any other purpose.

Any delay or failure by the Issuer to notify the Noteholders of the exercise of the Bail-in Power by the Resolution Authority shall not affect the validity and enforceability of the bail-in or write-down and conversion powers of the Resolution Authority.

For the purpose of this Condition,

"**Bail-in Power**" means any write-down, conversion, transfer, modification or suspension power existing from time to time under, and exercised in compliance with, applicable Loss Absorption Regulations or under applicable laws, regulations, requirements,

guidelines, rules, standards and policies relating to the transposition of the BRRD and Regulation (EU) No 806/2014 (as amended from time to time, "**SRM Regulation**") pursuant to which the obligations of the Issuer (or an affiliate of the Issuer) can be reduced (in part or in whole), cancelled, written down, suspended, transferred, varied or otherwise modified in any way, or converted into shares, other securities or other obligations of the Issuer or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution or otherwise;

"**Relevant Amounts**" means the principal amount of, and/or interest payable on, the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Bail-in Power by the Resolution Authority.

SCHEDULE 1
PROVISIONS ON MEETINGS OF NOTEHOLDERS

Interpretation

1. In this Schedule:

1.1 references to a "**meeting**" are to a meeting of Noteholders of a single Series of Notes and include, unless the context otherwise requires, any adjournment;

1.2 references to "**Notes**" and "**Noteholders**" are only to the Notes of the Series and in respect of which a meeting has been, or is to be, called and to the holders of those Notes, respectively;

1.3 "**agent**" means a holder of a Voting Certificate or a proxy for, or representative of, a Noteholder;

1.4 "**Block Voting Instruction**" means a document issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 8;

1.5 "**Electronic Consent**" has the meaning set out in paragraph 29.1;

1.6 "**Extraordinary Resolution**" means a resolution passed (a) at a meeting of Noteholders duly convened and held in accordance with this Schedule 1 (*Provisions on Meetings of Noteholders*) by a majority of at least 75% of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;

1.7 "**Ordinary Resolution**" means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50% of the votes cast;

1.8 "**Recognised Accountholder**" means a member (*aangesloten lid/afilié*) referred to in the Belgian Companies and Associations Code with whom a Noteholder holds Notes on a securities account;

1.9 "**Securities Settlement System**" means the securities settlement system operated by the NBB or any successor thereto;

1.10 "**Voting Certificate**" means a certificate issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 7;

1.11 "**Written Resolution**" means a resolution in writing signed by the holders of not less than 75% in principal amount of the Notes outstanding; and

1.12 references to persons representing a proportion of the Notes are to Noteholders, proxies or representatives of such Noteholders holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding.

General

2. All meetings of Noteholders will be held in accordance with the provisions set out in this Schedule.

Extraordinary Resolution

3. A meeting shall, subject to the Conditions and (except in the case of sub-paragraph 3.5) only with the consent of the Issuer and, where applicable, the Relevant Regulator and/or the Resolution Authority, and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:

3.1 to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);

3.2 to assent to any modification of the Conditions or the Notes proposed by the Issuer or the Agent;

3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;

3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;

3.5 to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers (or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;

3.6 to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Notes in circumstances not provided for in the Conditions or in applicable law; and

3.7 to accept any security interests established in favour of the Noteholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests.

provided that the special quorum provisions in paragraph 17 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 3.6 or for the purpose of making a modification to the Conditions or the Notes which would have the effect of (other than in accordance with the Conditions or pursuant to applicable law):

(i) to amend the dates of maturity or redemption of the Notes or date for payment of interest or interest amounts;

(ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;

(iii) to assent to a reduction of the nominal amount of the Notes or a modification of the conditions under which any redemption, substitution or variation may be made;

(iv) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment in circumstances not provided for in the Conditions;

(v) to change the currency of payment of the Notes;

(vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or

(vii) to amend this proviso.

Ordinary Resolution

4. Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Noteholders shall have power by Ordinary Resolution:

4.1 to assent to any decision to take any conservatory measures in the general interest of the Noteholders;

4.2 to assent to the appointment of any representative to implement any Ordinary Resolution; or

4.3 to assent to any other decisions which do not require an Extraordinary Resolution to be passed.

For the avoidance of doubt, any modification or waiver of the Conditions shall always be subject to the consent of the Issuer and, where applicable, the Relevant Regulator and/or the Resolution Authority.

Convening a meeting

5. The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Noteholders holding at least 10% in principal amount of the Notes for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent, it being understood that meetings can be held by way of conference call or by use of a videoconference platform.

6. Convening notices for meetings of Noteholders shall be given to the Noteholders in accordance with Condition 15 (*Notices*) not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting (or, if relevant, the applicable dial-in details when the meeting will be held by way of conference call or by use of a videoconference platform) and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

Arrangements for voting

7. A Voting Certificate shall:

7.1 be issued by a Recognised Accountholder or the Securities Settlement System;

7.2 state that on the date thereof (i) the Notes (not being Notes in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and

(ii) the surrender of the Voting Certificate to the Recognised Accountholder or the Securities Settlement System who issued the same; and

7.3 further state that until the release of the Notes represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate.

8. A Block Voting Instruction shall:

8.1 be issued by a Recognised Accountholder or the Securities Settlement System;

8.2 certify that the Notes (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and

(ii) the giving of notice by the Recognised Accountholder or the Securities Settlement System to the Issuer, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;

8.3 certify that each holder of such Notes has instructed such Recognised Accountholder or the Securities Settlement System that the vote(s) attributable to the Note or Notes so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 48 hours prior

to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;

8.4 state the principal amount of the Notes so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and

8.5 naming one or more persons (each hereinafter called a "**proxy**") as being authorised and instructed to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in 8.4 above as set out in such document.

9. If a holder of Notes wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Notes for that purpose at least 48 hours before the time fixed for the meeting to the order of the Agent with a bank or other depositary nominated by the Agent for the purpose. The Agent shall then issue a Block Voting Instruction in respect of the votes attributable to all Notes so blocked.

10. No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.

11. The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Noteholder.

12. Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Notes held to the order or under the control and blocked by a Recognised Accountholder or the Securities Settlement System and which have been deposited at the registered office at the Issuer not less than 48 hours before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Notes continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates.

13. In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.

Chairman

14. The chairman of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairman, failing which the Issuer may appoint a chairman. The chairman need not be a

Noteholder or agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

Attendance

15. The following may attend and speak at a meeting:

15.1 Noteholders and their agents;

15.2 the chairman and the secretary of the meeting;

15.3 the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers.

No one else may attend or speak.

Quorum and Adjournment

16. No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

17. One or more Noteholders or agents present in person shall be a quorum:

17.1 in the cases marked "**No minimum proportion**" in the table below, whatever the proportion of the Notes which they represent

17.2 in any other case, only if they represent the proportion of the Notes shown by the table below.

Purpose of meeting	**Any meeting except for a meeting previously adjourned through want of a quorum**	**Meeting previously adjourned through want of a quorum**
	Required proportion	Required proportion
To pass a special quorum resolution	75%	25%
To pass any Extraordinary Resolution	A clear majority	No minimum proportion

To pass an Ordinary Resolution	10%	No minimum proportion

18. The chairman may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 16.

19. At least ten days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

Voting

20. Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2% of the Notes.

21. Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

22. If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

23. A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.

24. On a show of hands or a poll every person has one vote in respect of each Note so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

25. In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

Effect and Publication of an Extraordinary Resolution

26. An Extraordinary Resolution and an Ordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Ordinary Resolution or

an Extraordinary Resolution to Noteholders within fourteen days but failure to do so shall not invalidate the resolution.

Minutes

27. Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

28. The minutes must be published on the website of the Issuer within fifteen (15) days after they have been passed.

Written Resolutions and Electronic Consent

29. For so long as the Notes are in dematerialised form and settled through the Securities Settlement System, then in respect of any matters proposed by the Issuer:

29.1 Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s) as provided in sub-paragraphs 29.1.1 and/or 29.1.2, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75% in nominal amount of the Notes outstanding (the "**Required Proportion**") by close of business on the Relevant Date ("**Electronic Consent**"). Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.

29.1.1 When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

29.1.2 If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to

Noteholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph 29.1.1 above. For the purpose of such further notice, references to "**Relevant Date**" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

29.2 To the extent Electronic Consent is not being sought in accordance with paragraph 29.1, a resolution in writing signed by or on behalf of the holders of not less than 75% in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Noteholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Notes or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the Securities Settlement System, Euroclear Bank, Clearstream or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders of the relevant Series, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

30. A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution or an Ordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all

Noteholders whether or not they participated in such Written Resolution and/or Electronic Consent.

DESCRIPTION OF THE ISSUER

This section provides a description of the Issuer's and the Group's business activities as well as certain financial information in respect of the Issuer and the Group.

1 Corporate structure, share capital and credit ratings

General information

KBC Group NV (the "**Issuer**") is incorporated as a limited liability company (*naamloze vennootschap*) under the laws of Belgium. The Issuer's LEI code is 213800X3Q9LSAKRUWY91. Its registered office is at Havenlaan 2, B-1080 Brussels, Belgium, it can be contacted via +32 (0)2 429 11 11 and its website is www.kbc.com. Unless specifically incorporated by reference into this Base Prospectus, information contained on this website does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian Financial Services and Markets Authority ("**Belgian FSMA**").

Corporate object (Article 2 of the articles of association of the Issuer)

The company has as its object the direct or indirect ownership and management of shareholdings in other companies, including but not restricted to credit institutions, insurance companies and other financial institutions.

The company also has as object to provide services to third parties, either for its own account or for the account of others, including to companies in which the company has an interest -either directly or indirectly- and to (potential) clients of those companies. The object of the company is also to acquire in the broadest sense of the word (including by means of purchase, hire and lease), to maintain and to operate resources, and to make these resources available in the broadest sense of the word (including through letting and granting rights of use) to the beneficiaries referred to in the second paragraph.

In addition, the company may function as an intellectual property company responsible for, among other things, the development, acquisition, management, protection and maintenance of intellectual property rights, as well as for making these rights available, granting rights of use in respect of these rights and/or transferring these rights. The company may also perform all commercial, financial and industrial transactions that may be useful or expedient for achieving the object of the company and that are directly or indirectly related to this object. The company may also by means of subscription, contribution, participation or in any other form whatsoever participate in all companies, businesses or institutions that have a similar, related or complementary activity.

In general, the company may, both in Belgium and abroad, perform all acts which may contribute to the achievement of its object.

Short history of the Issuer

KBC Group NV was incorporated in Belgium on 9 February 1935 for an indefinite duration in the form of a public limited liability company (under number BE 0403.227.515) as Kredietbank NV. In 1998 Kredietbank merged with CERA Bank and ABB (Insurance). A short history since then is provided below:

1998:	Two Belgian banks (Kredietbank and CERA Bank) and a Belgian insurance company (ABB) merge to create the KBC Bank and Insurance Holding Company. KBC's unique bancassurance model is launched in Belgium
1999:	The group embarks upon its policy of expansion in Central and Eastern Europe with the acquisition of ČSOB (in the Czech Republic and the Slovak Republic).
2000–2005:	The group continues to expand its position in the banking and insurance markets of Central and Eastern Europe by acquiring banks and insurance companies in Poland, Hungary, the Czech Republic and the Slovak Republic. The bancassurance model is gradually introduced to the home markets in Central and Eastern Europe.
2005:	The KBC Bank and Insurance Holding Company merges with its parent company (Almanij) to create KBC Group NV. The benefits to the group include the addition of a network of European private banks.
2006-2008:	KBC's presence in Central and Eastern Europe is stepped up through acquisitions in Bulgaria, Romania and Serbia. KBC establishes a presence on the Russian banking market. Add-on acquisitions/greenfield operations in various countries Capital transactions (state aid) and guarantee agreements with the government (in 2008 and 2009)
2009:	Renewed strategy focuses on home markets in Belgium and five countries in Central and Eastern Europe (the Czech Republic, the Slovak Republic, Hungary, Poland and Bulgaria)
2010:	Start of divestment programme (related to the state aid)
2011–2013:	Strategic plan is amended (including planned sale of activities in Poland). Further execution of divestment programme First partial repayment of state aid (in 2012, remainder in 2013, 2014 and 2015)
2014:	Divestment programme finished Updated strategy and targets announced on an Investor Day
2015:	Repayment of all remaining outstanding state aid
2016:	Update of corporate sustainability strategy
2017:	Ireland also defined as home market Acquisition of UBB and Interlease in Bulgaria Update of KBC Group strategy, capital deployment plan and financial guidance 2020
2019:	Acquisition of remaining part in ČMSS in the Czech Republic
2020:	KBC shifts digital transformation and customer experience up a gear with updated strategy 'Differently: the Next Level' Acquisition of OTP Banka Slovensko in Slovakia
2021:	Acquisition of NN's Bulgarian pension insurance and life insurance businesses.

	KBC reaches agreement on disposal of KBC Ireland's non-performing loan portfolio. Memorandum of Understanding that could lead to a transaction in which Bank of Ireland undertakes to acquire virtually all of KBC Bank Ireland's performing loan assets and liabilities. Successful completion of both transactions may ultimately result in withdrawal from the Irish market. KBC reaches agreement on the acquisition of the Bulgarian activities of Raiffeisen Bank International
2022:	Finalisation of the acquisition of Raiffeisenbank Bulgaria. Further tightening and expanding of climate-related targets and publication of the Group's first Climate Report
2023:	Finalisation of the sale agreement(s) for KBC Bank Ireland

Organisation of the Group

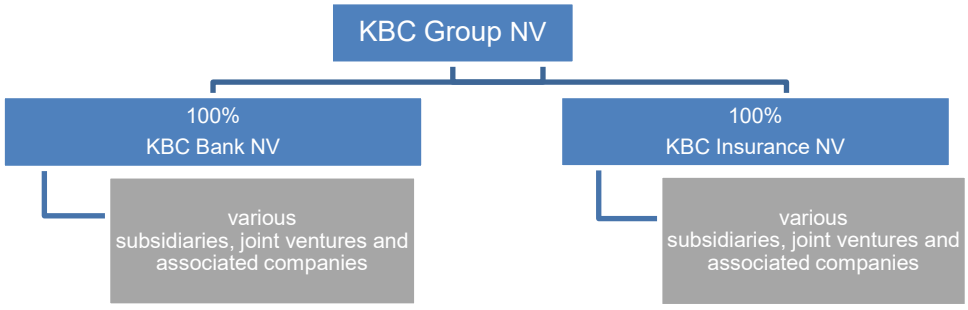
The Issuer has two main subsidiaries (besides some smaller subsidiaries such as KBC Global Services (see below) and DISCAI):

(i) KBC Bank NV ("**KBC Bank**"), incorporated as a limited liability company (*naamloze vennootschap/société anonyme*) under the laws of Belgium, having its registered office is at Havenlaan 2, B-1080 Brussels, Belgium and registered with the Crossroads Bank for Enterprises under number 0462.920.226 (RLP Brussels), Belgian FSMA 26 256; and

(ii) KBC Verzekeringen NV ("**KBC Insurance**"), incorporated as a limited liability company (*naamloze vennootschap/société anonyme*) under the laws of Belgium, having its registered office is at Professor Roger Van Overstraetenplein 2, 3000 Leuven, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.552.563 (RLP Leuven) and authorised for all classes of insurance under code number 0014 (Royal Decree of 4 July 1979; Belgian Official Gazette, 14 July 1979),

as shown in the simplified schematic below.

"**KBC Group**" or the "**Group**" means KBC Group NV including all group companies that are included in the scope of consolidation.



A list containing the main group companies as at the end of 2022 is set out further below in the section entitled "*Main companies belonging to the Group (as at 31 December 2022)*".

In compliance with MREL subordination requirements, KBC Group NV (the parent company) was recently converted to a mere holding company, whose main operations involve financing activities and group-wide control activities and functions. Other activities of KBC Group NV have been transferred to KBC Global Services. For more information, see the 'Company annual accounts and additional information' in the Issuer's 2022 annual report.

Main companies belonging to the Group (as at 31 December 2022)

The Group's legal structure comprises KBC Group NV which controls two large companies, being KBC Bank NV and KBC Insurance NV. Each of these companies has several subsidiaries and sub-subsidiaries, the most important of which are listed in the table.

A full list of all companies belonging to the Group is available on www.kbc.com.

KBC Group: main companies included in the scope of consolidation at year-end 2022				
Com-pany	Registered office	Share of capital held at group level (in %)	Business unit*	Activity
KBC Bank (group)				
KBC Bank NV	Brussels – BE	100.00	BEL/GRP	credit institution
KBC Bank Bulgaria EAD (formerly Raiffeisenbak Bulgaria)	Sofie - BG	100.00	IMA	credit institution
CBC BANQUE SA	Namur – BE	100.00	BEL	credit institution
Československá Obchodná Banka a.s.	Bratislava – SK	100.00	IMA	credit institution
Československá Obchodní Banka a.s.	Prague – CZ	100.00	CZR	credit institution
KBC Asset Management NV	Brussels – BE	100.00	BEL	asset management
KBC Autolease NV	Leuven – BE	100.00	BEL	leasing
KBC Bank Ireland Plc. (sale agreements finalised in February 2023)	Dublin – IE	100.00	IMA	credit institution
KBC Commercial Finance NV	Brussels – BE	100.00	BEL	factoring
KBC IFIMA SA	Luxembourg – LU	100.00	GRP	financing
KBC Securities NV	Brussels – BE	100.00	BEL	stockbroker
K&H Bank Zrt.	Budapest – HU	100.00	IMA	credit institution
Loan Invest NV	Brussels – BE	100.00	BEL	securitisation
United Bulgarian Bank AD	Sofia – BG	99.91	IMA	credit institution
KBC Insurance (group)				
KBC Insurance NV	Leuven – BE	100.00	BEL/GRP	insurance company
ADD NV	Heverlee – BE	100.00	BEL	insurance broker
KBC Group Re SA	Luxembourg – LU	100.00	GRP	reinsurance company
ČSOB Pojišťovna a.s.	Pardubice – CZ	100.00	CZR	insurance company
ČSOB Poisťovňa a.s.	Bratislava – SK	100.00	IMA	insurance company
DZI (group)	Sofia – BG	100.00	IMA	insurance company
Groep VAB NV	Zwijndrecht – BE	100.00	BEL	driving school/roadside assistance
K&H Biztosító Zrt.	Budapest – HU	100.00	IMA	insurance company
KBC Group				
DISCAI	Brussels - BE	100,00	GRP	software company
KBC Group NV	Brussels – BE	100.00	GRP	bank-insurance holding company
KBC Bank (group)	various locations	100.00	various	credit institution
KBC Global Services	Brussels - BE	100,00	GRP	Cost-sharing structure
KBC Insurance (group)	various locations	100.00	various	insurance company

* BEL = Belgium Business Unit, CZR = Czech Republic Business Unit, IMA = International Markets Business Unit, GRP = Group Centre.

Share capital and major shareholders

Share capital

The share capital of the Issuer now consists of 417,169,414 ordinary shares with no nominal value. All ordinary shares carry voting rights and each share represents one vote. The shares are listed on Euronext Brussels.

Recent capital increase: In December 2022, the Issuer increased its capital by issuing 285,822 new shares following the capital increase reserved for staff.

Authorisation to increase capital: the General Meeting authorised the Board of Directors to increase, in one or more steps, the share capital, including by issuing subordinated or unsubordinated convertible bonds or subscription rights, whether or not linked to subordinated or unsubordinated bonds, that could lead to increases in capital. This authorisation is valid until 23 October 2023 and may be renewed. The authorisation has been granted (i) for an amount of EUR 291,000,000, whereby the Board of Directors is entitled – in the Issuer's interest – to restrict or suspend the preferential subscription rights of existing shareholders and (ii) for an amount of EUR 409,000,000, without the Board of Directors having the power to restrict or suspend the preferential subscription rights. Consequently, when taking into account the accounting par value of a share in the Issuer at the end of December 2022 (EUR 3.51) and the issuance of shares related to the past capital increases reserved for staff, the Board of Directors of the Issuer is authorised to still issue up to a maximum of 198 158 352 new shares of which up to 81 634 135 shares can be issued with the possibility for the Board of Directors to restrict or suspend the preferential subscription rights of the existing shareholders.

Additional Tier 1 capital instruments: as at 31 December 2022, the Issuer's total equity also included additional Tier-1 (AT1) instruments for a total consideration of EUR 1.5 billion.

Dividends

The Issuer's dividend policy comprises:

- a pay-out ratio (i.e. dividend + AT1 coupon) of at least 50% of consolidated profit for the financial year.

- an interim dividend of 1 euro per share (payable in November of the financial year) as an advance on the total dividend for the financial year

In addition, the following applies from 2022: on top of the pay-out ratio of 50% of the consolidated profit, the Board of Directors decides every year (when announcing the annual results) at its own discretion on the payment made to the shareholders of the capital exceeding a 15.0% fully loaded common equity ratio (the 'surplus capital'). This may occur in the form of a cash dividend, a share buy-back, or a combination of both.

Dividend over 2022: the Issuer will propose to the General Meeting of Shareholders in May 2023 a gross total dividend of 4 euros per share for 2022, comprising an interim dividend of 1 euro,

paid in November 2022, and a final dividend of 3 euros, payable in May 2023. In addition, and in line with the capital allocation plan for 2022, the Issuer aims to pay out the surplus capital exceeding a 15% fully loaded common equity ratio in the form of a share buyback (subject to ECB approval) and/or an exceptional cash dividend. It also aim to pay out the capital release resulting from the sale transaction completed in Ireland (roughly 1 billion euros) in the form of a share buyback (subject to ECB approval) and/or an exceptional interim dividend. The Board of Directors will make the final decision on these matters in the first half of 2023.

Major shareholders

The shareholder structure shown in the table below is based on the notifications received under the transparency rules until the date of this Base Prospectus or, if they are more recent, disclosures made under the Law of 1 April 2007 on public takeover bids or other available information. The number of shares stated in the notifications and other disclosures (situation as at the date of this Base Prospectus and hence in the table below) may differ from the current number in possession, as a change in number of shares held does not always give rise to a new notification or disclosure.

Shareholder structure of KBC Group NV (based on notifications as at 18 April 2023)	Number of voting rights at the time of disclosure	% of the current number of voting rights
KBC Ancora	77,516,380	18.58%
Cera	15,555,143	3.73%
MRBB	47,887,696	11.48%
Other core shareholders	30,623,645	7.34%
Subtotal for core shareholders	171,582,864	41.13%
Free float	245,586,550	58.87%
Of which*:		
BlackRock Inc. (1 December 2022)	20,651,401	4.95%
FMR LLC (7 December 2022)	12,618,677	3.03%
Total	417,169,414	100.0%

*including potential voting rights ("TOTAL A+B" in the original notification sheets which are available on www.kbc.com). Only mentioned if they surpass the minimal level of 3%.q2

Core shareholders: According to the notifications received under the transparency rules until the date of this Base Prospectus, the core shareholders own approximately 41.1% of the Issuer's shares between them. The current core shareholders of the Issuer are MRBB, Cera, KBC Ancora and a group of legal entities and individuals referred to as 'Other core shareholders'. A shareholder agreement was concluded between these core shareholders in order to ensure shareholder stability and guarantee the continuity of the Group, as well as to support and co-ordinate the Group's general policy. To this end, the core shareholders act in concert at the General Meeting of the Issuer and are represented on its Board of Directors. The current shareholder agreement entered into force on 1 December 2014, for a period of ten years.

Notifications received under the transparency rules are available on www.kbc.com. These notifications are not incorporated by reference into and do not form part of this Base Prospectus and have not been scrutinised or approved by the Belgian FSMA.

Credit ratings

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

Fitch	A
According to Fitch's Rating Definitions, an A rating is described as high credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.	
Moody's	Baa1
According to Moody's Rating Symbols and Definitions, obligations rated Baa are judged to be medium grade and are subject to moderate credit risk and as such may possess certain speculative characteristics. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category.	
Standard and Poor's	A-
According to Standard and Poor's Global Ratings Definitions, an obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The addition of a plus (+) or minus (-) sign shows relative standing within the rating categories.	

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

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

These credit ratings relate to the Issuer's financial obligations generally, and not to any specific financial obligation such as the Notes or any Series thereof. If a certain Series of Notes is assigned an issue-specific credit rating on or prior to the issuance with the cooperation of the Issuer in the rating process, this may be specified in the applicable Final Terms.

Each credit rating agency referred to above is established in the EEA and is listed on the "*List of Registered and Certified CRA's*" as published by ESMA in accordance with Article 18(3) of Regulation (EC) No. 1060/2009 on credit rating agencies (the "**CRA Regulation**"). If an issue-specific credit rating is specified in the applicable Final Terms, then those Final Terms will also specify whether that credit rating is (i) issued by a credit rating agency established in the EEA and registered under the CRA Regulation or (ii) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (iii) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation.

2 The Issuer's business

The strategy of the Group

A summary is given below of the strategy of the Group, where KBC Bank NV is essentially responsible for the banking business and KBC Insurance NV for the insurance business.

The Group's strategy rests on four principles:

- The Group places its clients at the centre of everything it does.
- The Group looks to offer its clients a unique bank-insurance experience.
- The Group focuses on the Group's long-term development and aims to achieve sustainable and profitable growth.
- The Group meets its responsibility to society and local economies.

The Group implements its strategy within a strict risk, capital and liquidity management framework.

As part of its PEARL+ business culture (see the Issuer's 2022 annual report, which is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*" on page 49 of this Base Prospectus), it focuses on jointly developing solutions, initiatives and ideas within the group.

A summary of the Group's strategy is set out on pages 32 to 72 of the Issuer's 2022 annual report, which is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

The impact of the coronavirus crisis and/or the war in Ukraine on the Group's business model, staff, clients etc. is set out in following chapters of the Issuer's 2022 Annual Report, which is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

- The macroeconomic context (see 'In what environment do we operate?' and 'Our business units')

- The Group's clients (see 'The client is at the centre of our business culture' and 'Our business units')
- The Group's employees (see 'Our employees, capital, network and relationships')
- The Group's risk management (see 'How do we manage our risks?')
- Consolidated financial statements (see Note 1.4)

General description of the activities of the Group

The Group is an integrated bank insurance group, catering mainly for retail, private banking, small and medium sized enterprises ("**SMEs**") and mid-cap clients. Its geographic focus is on Europe. In its "home" (or "core") markets Belgium, the Czech Republic, the Slovak Republic, Hungary and Bulgaria, the Group has important and (in some cases) even leading positions (based on internal data). The Group is also present in other countries where the primary focus is on supporting the corporate clients of the home markets.

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

Network (as at 31 December 2022)

Distribution network in Belgium:	420 bank branches, 298 insurance agencies, various electronic channels
Distribution network in Central and Eastern Europe (Czech Republic, Slovak Republic, Hungary and Bulgaria):	772 bank branches, insurance via various channels (agents, brokers, multi-agents, etc.), various electronic channels
Distribution network in the rest of the world:	mainly 23 bank branches of KBC Bank and KBC Bank Ireland (sale agreement finalised in February 2023)

Activities in Belgium

Market position in the Belgian market of the Group's network in Belgium, as at 31 December 2022*
420 bank branches
298 insurance agencies
Estimated market share of 20% for traditional banking products, 28% for investment funds, 12% for life insurance and 9% for non-life insurance
Approx. 3.8 million customers

** Market shares and customer numbers: based on own estimates and latest available data. Share for traditional bank products: average estimated market share for loans and deposits. Market share for life insurance: based on reserves.*

The Group has a network of 420 bank branches and 298 insurance agencies in Belgium: KBC Bank and KBC Insurance NV branches in Flanders, CBC Banque SA and CBC Assurances SA branches in Wallonia and KBC Brussels branches in the Brussels area. The branches focus on providing clients with a broad area of credit (including mortgage loans), deposit, investment fund and other asset management products, insurance products (in cooperation with the Issuer's subsidiary, KBC Insurance NV) and other specialised financial banking products and services. KBC Bank's bricks-and-mortar networks in Belgium are supplemented by electronic channels, such as ATMs, telephones and the Internet (including a mobile banking app). The Group serves, based on its own estimates, approximately 3.8 million clients in Belgium.

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

At the end of 2022, the Group had, based on its own estimates (see table above), a 20% share of traditional banking activities in Belgium (the average of the share of the lending market and the deposit market). Over the past few years, KBC Group has built up a strong position in investment funds too, with an estimated market share of approximately 28%.

The Group's share of the insurance market came to an estimated 12% for life insurance and 9% for non-life insurance.

Client expectations have shifted enormously in recent years, with efficient and user-friendly products and services becoming the norm, powered by technology. For that reason, the Group has been engaged for several years now in the digitalisation of processes that allow simple, high-quality products to be brought to clients in a smooth and rapid manner. For a few years now, it has been designing products, services and processes from a 'digital-first' perspective. This implies that they were modified before being digitalised to make them simpler, more user-friendly and scalable and that they allow a fast and appropriate response to clients' questions and expectations. For clients who so desire, the Group will use the available data in an intelligent and appropriate manner, as the Group has seen that clients increasingly demand more proactive and personal products and services in addition to speed and simplicity. This is why the Group is transitioning from an omnichannel distribution model towards a digital-first distribution model. The human factor remains important in both models and KBC's staff and branches will be fully at the disposal of its clients. In a digital-first distribution model, digital interaction with clients will form the initial basis. The Group therefore aims over time to provide all relevant commercial solutions via mobile applications. In addition to a digital product range, The Group will offer clients digital advice and develop all processes and products as if they were sold digitally. For clients who so

wish, Kate – the Group's personal digital assistant – plays an important role in digital sales and advisory, so that personalised and relevant solutions can be offered proactively. Clients can personally ask Kate questions regarding their basic financial transactions. They also receive regular discrete and proactive proposals at appropriate times in their mobile app to ensure maximum convenience. Clients are entirely free to choose whether or not to accept a proposal. If they do, the solution will be offered and processed completely digitally. Initially, Kate focused on the mobile application for retail clients in Belgium and the Czech Republic, but in 2022 Kate was introduced in the other core countries of the Group, i.e. in Bulgaria in February, and in Slovakia and Hungary in August. Kate for businesses (with a focus on SMEs) was launched in 2021 and is already available in the Czech Republic and Belgium. Employees in the branch network and contact centres continue to function as a beacon of trust for the clients. The human touch is particularly important in more complex services and solutions and in matters requiring emotional intelligence. The Group's employees will also support, encourage and monitor use of digital processes, assisted by artificial intelligence, data and data analysis. To guarantee the clients maximum ease of use and to be able to offer a growing number of possibilities via Kate, the Group will also change its internal processes, the way it supplies its products and services, and how it organises itself internally. At the same time, this will require a further change in mentality and in-service training for staff. For instance, Kate automates certain administrative acts, helping clients as well as employees save time. The Group's employees use this extra time to connect with clients and speak with them about anything that might be on their minds. Kate also helps prepare for appointments, which again saves employees time.

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

The Group's aim in Belgium is:

- To continue pursuing its strategy of putting the interests of the client at the heart of all the products and services it develops and at the centre of everything it does. The focus here is on a 'digital first' approach with a human touch, and on investing in the seamless integration of the various distribution channels. The group is working on the further digitalisation of its banking, insurance and asset management services and exploiting new technologies and data to provide clients with more personalised and proactive solutions. Its digital assistant 'Kate', launched in November 2020, is taking this to the next level.

- To support these activities, the group is also fully engaged in introducing end-to-end straight-through processing into all commercial processes, making full use of all technological capabilities such as artificial intelligence.

- To expand its service provision through own and other channels. The group collaborates to this end with partners through 'eco-systems' that enable it to offer clients comprehensive solutions. It is also integrating a range of selected partners into own mobile app and making products and services available in the distribution channels of selected third parties.

- To grow bank-insurance further at CBC in specific market segments and to expand the accessibility in Wallonia, again with a strong focus on 'Digital first with a human touch'.
- To work tirelessly on the ongoing optimisation of its bank-insurance model in Belgium.
- To express its commitment to Belgian society by leading the way in the sustainability revolution. The Group is making its banking, insurance and asset management products more sustainable to create financial leverage in achieving global climate targets. It aims to be more than a provider of pure bank-insurance services: as a partner in the climate transition, it is working with other partners on developing housing, mobility and energy solutions. The Group also continues to focus on financial literacy, entrepreneurship and population ageing.

Activities in Central and Eastern Europe

Market position in 2022*	**Czech Republic**	**Slovak Republic**	**Hungary**	**Bulgaria**
Bank branches	201	110	195	266
Insurance agencies	Various distribution channels	Various distribution channels	Various distribution channels	Various distribution channels
Customers (millions)	4.3	0.8	1.6	2.4
Market shares (estimates by the issuers)				
– Bank products	21%	12%	11%	19%
– Investment funds	24%	7%	11%	13%
– Life insurance	7%	2%	3%	26%
– Non-life insurance	9%	5%	7%	12%

** Market shares and customer numbers: based on own estimates and latest available data. For bank products: average estimated market share for loans and deposits. For life insurance: based on premiums.*

In the Central and Eastern European region, the Group focuses on four home countries, being the Czech Republic, the Slovak Republic, Hungary and Bulgaria. The main Central and Eastern European entities of the Group in those home markets are United Bulgarian Bank, KBC Bank Bulgaria (ex-Raiffeisenbank Bulgaria, acquired in 2022) and DZI Insurance in Bulgaria, ČSOB and ČSOB Poist'ovna in the Slovak Republic, ČSOB and ČSOB Pojist'ovna in the Czech Republic, and K&H Bank and K&H Insurance in Hungary. The group reached agreement with NN in February 2021 to acquire its Bulgarian pension and life insurance businesses, a move that will enable it to further consolidate its position on its Bulgarian home market. That acquisition was completed in July 2021. In November 2021, KBC reached agreement on another acquisition in Bulgaria: Raiffeisenbank (Bulgaria), a universal bank in Bulgaria offering private individuals, SMEs and business clients a full range of banking, asset management, leasing and insurance

services. Upon completion of the transaction (in July 2022, and hence included in the table above) the plan is to merge Raiffeisenbank (Bulgaria) and UBB. The acquisition will also create ample opportunity for insurance cross-selling with DZI.

In its four home countries, the Group now caters to roughly 9 million customers. This customer base makes KBC Group one of the larger financial groups in the Central and Eastern European region. The Group companies focus on providing clients with a broad area of credit (including mortgage loans), deposit, investment fund and other asset management products, insurance products and other specialised financial products and services. As is the case in Belgium, the bricks-and-mortar networks in Central and Eastern Europe are supplemented by electronic channels, such as ATMs, telephone and the internet. As regards the digital first strategy, including the digital assistant Kate, please refer to the previous section on Activities in Belgium.

The Group's bank-insurance concept has over the past few years been exported to its Central and Eastern European entities. In order to be able to do so, KBC Group has built up a second home market in Central and Eastern Europe in insurance. KBC Group has an insurance business in every Central and Eastern European home country. Contrary to the situation of KBC Group in Belgium, the Group's insurance companies in Central and Eastern Europe operate not only via tied agents (and bank branches) but also via other distribution channels, such as insurance brokers and multi-agents.

The Group's estimated market share as at 31 December 2022 (the average of the share of the lending market and the deposit market, see table above) amounted to 21% in the Czech Republic, 12% in the Slovak Republic, 11% in Hungary, and 19% in Bulgaria (rounded figures). The Group also has a strong position in the investment fund market in Central and Eastern Europe (estimated at 24% in the Czech Republic, 7% in the Slovak Republic, 11% in Hungary and 13% in Bulgaria) as at 31 December 2022. The estimated market shares in insurance are (figures for life and non-life insurance, respectively): Czech Republic: 7% and 9%; Slovak Republic: 2% and 5%; Hungary: 3% and 7%; and Bulgaria: 26% and 12% as at 31 December 2022.

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

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

- in relation to the Czech Republic Business Unit:
    - To retain its reference position in banking and insurance services by offering its retail, SME and mid-cap clients a hassle-free, no-frills client experience.

- To use data and AI to offer personalised solutions proactively to its clients, including via Kate, its personalised digital assistant.
- To continue the further digitalisation of its services and to introduce new and innovative products and services, including open bank-insurance solutions aimed at boosting the financial well-being of its clients.
- To concentrate on rolling out straight through processing and further simplifying products, head office, distribution model and branding, in order to enable it to operate even more cost-effectively.
- To further increase the client base and further strengthen its market position, especially in insurance and investment services.
- To strengthen its business culture on the values responsive, respectful and result driven.
- To become the reference in advisory services in terms of climate change and sustainable lending and investments. To also express its social engagement To also express its social engagement by focusing on financial literacy, entrepreneurship, population ageing and cybersecurity;

- in relation to the International Markets Business Unit:
  - The updated group strategy presents a number of challenges for all countries in the business unit, viz.:
    - To develop new and unique 'bank-insurance+' propositions.
    - To continue digitally upgrading their distribution model.
    - To drive up the volume of straight-through and scalable processing.
    - To increase the capacity in relation to data and AI to enable them to proactively offer relevant and personalised solutions.
    - To selectively expand activities with a view to securing a top-three position in banking and insurance.
    - To implement a socially responsible approach in all countries, with a particular focus on environmental awareness, financial literacy, entrepreneurship and health.
  - Country-specific:
    - To become the undisputed leader in the area of innovation in Hungary. The group is aiming to raise profitability by targeting income through vigorous client acquisition in all banking segments and through more

intensive cross-selling. It also aims to expand its insurance activities substantially, primarily through sales at bank branches for life insurance and both online and via agents, brokers and bank branches for non-life insurance.

- To maintain robust growth in strategic products in Slovakia (i.e. home loans, consumer finance, SME funding, leasing and insurance), partly through cross-selling to group clients and via digital channels. Other priorities include the sale of funds and increased fee income.

- To focus in Bulgaria on the merger between UBB and the acquired Raffeisenbank Bulgaria to create the leading bank in Bulgaria, including in the area of digitalisation and innovation, and to become the reference in bank-insurance in all segments. The group's insurer, DZI, is likewise maintaining its goal of growing faster than the market in both life and non-life insurance.

An overview of the Group's recent acquisitions is set out in the chapter "*We focus on sustainable and profitable growth*" of the Issuer's 2022 annual report, which is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Activities in the rest of the world

A number of companies belonging to the Group are also active in, or have outlets in, countries outside the home markets, among which KBC Bank, which has a network of foreign branches and KBC Bank Ireland (until finalisation of the sale in February 2023). Please also refer to the list of main companies under the section entitled "*Main companies belonging to the Group (as at 31 December 2022)*" above or the full list which is available on www.kbc.com.

KBC Bank Ireland

In February 2022, KBC Bank Ireland sold nearly all of its non-performing mortgage loan portfolio of roughly 1.1 billion euros in a transaction financed by funds managed by CarVal Investors. In October 2021, KBC Bank Ireland confirmed that it had entered into a legally binding agreement with Bank of Ireland relating to the sale of substantially all of KBC Bank Ireland's performing loan assets and its deposit book to Bank of Ireland Group. As part of the transaction, the latter also acquired a small non-performing mortgage loan portfolio. The Irish Competition and Consumer Protection Commission (CCPC) approved the transaction in May 2022, and the Irish Minister for Finance gave his approval in early December 2022. The transaction was ultimately finalised in early February 2023.

In the Group's financial reporting, KBC Bank Ireland was included in the International Markets Business Unit as at end 2021 and in 'Group Centre' in 2022. The sale transactions were finalised in February 2023.

Foreign branches of KBC Bank

The foreign branches of KBC Bank are located mainly in Western Europe, Southeast Asia and the U.S. and focus on serving customers that already do business with KBC Bank's Belgian or Central and Eastern European network. In the past years, many of the other (niche) activities of these branches have been built down, stopped or sold, and the purely international credit portfolio has been scaled down.

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

Group Centre

The three business units (Belgium, Czech Republic and International Markets) are supplemented by the group centre. The group centre includes, among other things, costs related to the holding of participations and the results of the remaining companies or activities earmarked for divestment or in run-down. As of 2022, KBC Bank Ireland will also be included in the Group Centre.

Competition

All of the Group's operations face competition in the sectors they serve.

Depending on the activity, competitor companies include other commercial banks, saving banks, loan institutions, consumer finance companies, investment banks, brokerage firms, insurance companies, specialised finance companies, asset managers, private bankers, investment companies, fintech and e-commerce companies etc.

In both Belgium and Central and Eastern Europe, the Group has an extensive bank-insurance network of branches, insurance agencies and other distribution channels. The Group believes most of its companies have strong name brand recognition in their respective markets.

In Belgium, the Group is perceived as belonging to the top three (3) financial institutions. For certain products or activities, the Group estimates it has a leading position (e.g. in the area of investment funds). The main competitors in Belgium are BNP Paribas Fortis, Belfius, ING, Ageas, Ethias and AXA, although for certain products, services or markets, other financial institutions may also be important competitors.

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

Staff

As at the end of 2022, the Group had on a consolidated basis, about 42,000 employees (this is around 39,000 in full time or equivalent-numbers), the majority of whom were located in Belgium (largely employed by KBC Bank) and Central and Eastern Europe. In addition to consultations at works council meetings and at meetings with union representatives and with other consultative

bodies, the Group also works closely in other areas with employee associations. There are various collective labour agreements in force.

Risk management

Mainly active in banking, insurance and asset management, the Group is exposed to a number of typical risks such as – but certainly not exclusively – credit risk, market risks, movements in interest rates and exchange rates, currency risk, liquidity risk, insurance underwriting risk, operational risk, exposure to emerging markets, changes in regulations and customer litigation as well as the economy in general. Material risk factors affecting the Issuer are mentioned in the section entitled "*Risk Factors*".

Risk management in the Group is effected group-wide. An overview of KBC Group's risk management approach is set out in the section entitled "*How do we manage our risks?*" on pages 94 to 123 of the Issuer's 2022 annual report, which is incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

More detailed information can be found in the Issuer's 2022 risk report, which is available at www.kbc.com. The Issuer's 2022 Risk Report is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

Banking supervision and regulation

Introduction: supervision by the European Central Bank

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

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

The Belgian FSMA, an autonomous public agency, is in charge of the supervision of conduct of business rules for financial institutions and financial market supervision.

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

Supervision and regulation in Belgium

The banking regime in Belgium is governed by the Law of 25 April 2014 on the legal status and supervision of credit institutions (the "**Belgian Banking Law**"). The Belgian Banking Law implements various EU directives, including, without limitation:

(i) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, as amended by Directive (EU) 2019/878 of 20 May 2019, and as may be further amended or replaced from time to time ("**CRD**") and, where applicable, Regulation (EU) n° 575/2013 of the European Parliament and of the Council of 26 June 2013, as amended by Regulation (EU) 2019/876 of 20 May 2019, and as may be further amended or replaced from time to time ("**CRR**", and together with CRD, "**CRD IV**"), implementing the revised regulatory framework of Basel III in the European Union and

(ii) Directive 2014/59 of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 of 20 May 2019 ("**BRRD**") by setting up a new recovery and resolution regime for credit institutions which introduced certain tools and powers with a view to addressing banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

(iii) CRD IV applies in Belgium since 1 January 2014, subject to certain requirements being phased in over a number of years, as set out therein. BRRD has formally been transposed into Belgian law by amending the Belgian Banking Law with effect from 16 July 2016. Directive (EU) 2019/878 of 20 May 2019 and Directive (EU) 2019/879 of 20 May 2019 have been transposed into Belgian law by the law of 11 July 2021 to ensure the transposition of Directive 2019/878 of the European Parliament and of the Council of 20 May 2019, Directive 2019/879 of the European Parliament and of the Council of 20 May 2019, Directive 2019/2034 of the European Parliament and of the Council of 27 November 2019, Directive 2019/2177 of the European Parliament and of the Council of 19 December 2019, Directive 2021/338 of the European Parliament and of the Council of 16 February 2021, thereby amending the Belgian Banking Law.

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

On 28 April 2020, the European Commission adopted a banking package aimed at facilitating bank lending to support the economy and help mitigate the economic impact of COVID-19. The European Commission proposed a few targeted "quick fix" amendments to the EU's banking prudential rules in the CRR in order to maximise the ability of banks to lend and absorb losses related to COVID-19. Pursuant to Regulation (EU) 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 (the "**CRR Quick Fix**"), the date of application of a number of requirements under the CRR, such as the leverage ratio buffer, was deferred to 1 January 2023. These requirements have since entered into force.

On 27 October 2021, the European Commission has adopted a review of the CRR and the CRD (the "**2021 Banking Package**") in order to ensure that European banks become more resilient to potential future economic shocks, while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality.

Supervision of credit institutions

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

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

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

Moreover, every shareholder acquiring a holding or increasing its holding (directly or indirectly, individually, or acting in concert with third parties) to 5% or more of the voting rights or of the capital without acquiring a qualifying holding, must notify the ECB and NBB thereof within 10 working days. The same shall apply to a shareholder who no longer holds, directly or indirectly, more than 5% of the voting rights or capital in a credit institution.

The same provisions apply to the acquisition and disposal of holdings in KBC Group NV.

The Belgian Banking Law requires credit institutions to provide detailed periodic financial information to the ECB and, under certain circumstances, the Belgian FSMA. The ECB also supervises the enforcement of laws and regulations with respect to the accounting principles applicable to credit institutions. The ECB sets the minimum capital adequacy ratios applicable to credit institutions. The ECB may also set other ratios, for example, with respect to the liquidity and gearing of credit institutions. It also sets the standards regarding solvency, liquidity, risk concentration and other limitations applicable to credit institutions, and the publication of this information. The NBB may in addition impose capital requirements for capital buffers (including countercyclical buffer rates and any other measures aimed at addressing systemic or macro-prudential risks). In order to exercise its prudential supervision, the ECB may require that all information with respect to the organisation, the functioning, the position and the transactions of a credit institution be provided to it. Further, the ECB supervises, among other things, the management structure, the administrative organisation, the accounting and the internal control mechanisms of a credit institution. In addition, the ECB may conduct on-site inspections (with or without the assistance of NBB staff). The comprehensive supervision of credit institutions is also exercised through statutory auditors who cooperate with the supervisor in its prudential supervision. A credit institution selects its statutory auditor from the list of auditors or audit firms accredited by the NBB. Within the context of the European System of Central Banks, the NBB issues certain recommendations regarding monetary controls.

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

Bank governance

The Belgian Banking Law also puts a lot of emphasis on the solid and efficient organisation of credit institutions and introduces to that effect a dual governance structure at management level, specialised advisory committees within the Board of Directors (Audit Committee, Risk Committee, Remuneration Committee and Nomination Committee), independent control functions, and strict remuneration policies (including limits on the amount of variable remuneration, the form and timing for vesting and payment of variable remuneration, as well as claw-back mechanics).

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

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

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

As required by the Belgian Banking Law and the Governance Manual, the KBC Group Internal Governance Memorandum[1] (the "**Governance Memorandum**") sets out the corporate governance policy applying to KBC Group and its subsidiaries and of which the governance memorandum of KBC Bank forms part. The corporate governance policy of a credit institution must meet the principles set out in the law and the Governance Manual. The most recent version of the Governance Memorandum was approved on 16 December 2021 by the Board of Directors of the Issuer, KBC Bank and KBC Insurance.

KBC Bank also has a Corporate Governance Charter which is published on www.kbc.com. This Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

Solvency supervision

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

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

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

– can require the Issuer to maintain higher minimum ratios (i.e., the pillar 2 requirements which in 2016 have been split by the ECB in a pillar 2 requirement and a pillar 2 guidance) because, for instance, not all risks are properly reflected in the regulatory pillar 1 calculations.

[1] This document is not incorporated by reference and does not form part of this Base Prospectus, and has hence not been scrutinised or approved by the FSMA.

– can take other measures such as imposing the reservation of distributable profits in whole or in part, requiring that variable remuneration be limited to a percentage of the profits and requiring the Issuer to limit the risk associated with certain activities or products or with its organisation, where appropriate by imposing the total or partial transfer of its business or network.

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

The following table provides an overview of the fully loaded CET1 ratio requirement at the level of the Issuer as at 31 December 2022:

KBC Group	
Pillar 1 minimum requirement (P1 min)	4.50%
Pillar 2 requirement (P2R)	1.86%
Conservation buffer	2.50%
O-SII buffer	1.50%
Countercyclical buffer*	0.75%
Overall capital requirement (OCR)	11.30%
CET1 requirement for MDA**	11.82%

** The fully loaded countercyclical buffer of the Issuer takes into account all known buffer rates of the national authorities as at 31-12-2022.*

*** Maximum Distributable Amount under CRD V. The 1.5% Pillar 1 minimum requirement for additional tier-1 capital and the 2% Pillar 1 minimum requirement for tier-2 capital are not completely filled-up with additional tier-1, respectively tier-2 instruments. The shortfall is satisfied with CET1 capital.*

KBC Group clearly exceeds these targets: on 31 December 2022, the fully loaded CET1 ratio for the Issuer came to 15.3%, (15.5% at 31 December 2021) which represented a capital buffer of EUR 3,820 million relative to the fully loaded CET1 requirement for MDA of 11.82%. The leverage ratio (Basel III, fully loaded) stood at 5.3% (5.4% at 31 December 2021) relative to the minimum requirement of 3%.

The payment of dividends by Belgian credit institutions is not limited by Belgian banking regulations, except indirectly through capital adequacy and solvency requirements when capital ratios fall below certain thresholds. The pay-out is further limited by the general provisions of Belgian company law. Share buybacks may only be performed if the prior permission of the competent supervisory authority has been obtained.

Large exposure supervision

European regulations ensure the solvency of credit institutions by imposing limits on the concentration of risk in order to limit the impact of failure on the part of a large debtor. For this purpose, credit institutions must limit the amount of risk exposure to any single counterparty to

25% of the Tier 1 capital. European regulations also require that the credit institutions establish procedures to contain concentrations on economic activity sectors and geographic areas.

Money laundering

Belgium has implemented Directive (EU) 2015/849 (amended by Directive EU 2018/843) of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, by the law of 18 September 2017 (amended by the law of 20 July 2020) of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, by the law of 18 September 2017 on the prevention of money laundering, terrorist financing and on the limitation of the use of cash (the "**Law of 18 September 2017**"). This legislation contains a preventive system imposing a number of obligations in relation to money laundering and the financing of terrorism. These obligations are related, among other things, to the identification of the client, special attention for unusual transactions, internal reporting, processing and compliance mechanisms with the appointment of a compliance officer, and employee training requirements. A risk-based approach assumes that the risks of money laundering and terrorism financing may take various forms. Accordingly, businesses/individuals subject to the Law of 18 September 2017 do have to proceed to a global assessment of the risks they are facing and formulate efficient and adequate measures. The definition of politically exposed people is being broadened. It will encompass not only national persons who are or who have been entrusted with prominent public functions residing abroad, but also those residing in the country. Member States also have to set up a central register which identifies the ultimate beneficial owner of companies and other legal entities. Payments/donations in cash are capped at EUR 3,000. Member States must also provide for enhanced customer due diligence measures for the obliged entities to apply when dealing with natural persons or legal entities established in high-risk third countries.

When, after investigation, a credit or financial institution suspects money laundering to be the purpose of a transaction, it must promptly notify an independent administrative authority, the Financial Intelligence Unit. This Unit is designated to receive reports on suspicious transactions, to investigate them and, if necessary, to report to the criminal prosecutors to initiate proceedings. The NBB has issued guidelines for credit and financial institutions and supervises their compliance with the legislation. Belgian criminal law specifically addresses criminal offences of money-laundering (Article 505, subsection 1, 2°-4° of the Criminal Code) and sanctions them with a jail term of a minimum of fifteen days and a maximum of five years and/or a fine of a minimum of EUR 26 and a maximum of EUR 100,000 (to be multiplied by 8) or, for legal entities, a fine of a minimum of EUR 500 and a maximum of EUR 200,000 (to be increased with the additional penalty or, in other words, to be multiplied by 8).

Consolidated supervision – supplementary supervision

KBC Group NV has been approved by the ECB as a mixed financial holding company. To the extent and in the manner provided for in Book 2, Title III, Chapter IV, Sections II and IV of the Belgian Banking Law and their implementing decrees and regulations, KBC Group is subject to supervision on the basis of its consolidated position.

KBC Bank is subject to consolidated supervision by the ECB on the basis of the consolidated financial situation of KBC Group NV, which covers among other things solvency as described above, pursuant to Articles 165 and following of the Belgian Banking Law. As a subsidiary of a Belgian mixed financial holding company (KBC Group NV) and part of a financial conglomerate, KBC Bank is also subject to the supplementary supervision by the ECB, according to Directive 2011/89/EU of 16 November 2011 amending Directives 98/78/EC, 2002/87/EC, 2006/48/EC and 2009/138/EC as regards the supplementary supervision of financial entities in a financial conglomerate (implemented in Articles 185 and following of the Belgian Banking Law). The supplementary supervision relates to, among other things, solvency, risk concentration and intra-group transactions and to enhanced reporting obligations.

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

KBC Asset Management

As from June 2005, the status of KBC Asset Management has been changed from "investment firm" to a "management company of undertakings for collective investment in transferable securities (UCITS)" (a "**UCITS-management company**"). Its activities are, inter alia, the management of UCITS and the management of portfolios of investments in accordance with mandates given by investors on a discretionary, client-by-client basis. KBC Asset Management is subject to detailed, comprehensive regulation in Belgium, supervised by the Belgian FSMA.

The UCITS-management company regime in Belgium is governed by the Law of 3 August 2012 regarding collective investment undertakings that comply with the conditions of Directive 2009/65/EC and the undertakings for the investment in receivables (the "**Law of 3 August 2012**"). The Law of 3 August 2012 implements various European Directives. It regulates management companies and sets forth the conditions under which UCITS-management companies may operate in Belgium; furthermore, it defines the regulatory and supervisory powers of the Belgian FSMA.

The regulatory framework concerning supervision on UCITS-management companies is mostly similar to the regulation applicable to investment firms. The Law of 3 August 2012 contains, *inter alia*, the following principles:

- certain minimum paid-up capital requirements and rules relating to changes affecting capital structure;
- obligation for management companies to carry out their activities in the interests of their clients or of the UCITS they manage (e.g. creation of Chinese walls);
- obligation to provide, on a periodical basis, a detailed financial statement to the Belgian FSMA;
- supervision by the Belgian FSMA; and
- subjection to the control of the statutory auditor.

Bank recovery and resolution

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

Preparation and prevention

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

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

Early intervention

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

Resolution

Pursuant to the Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund, as amended by Regulation (EU) 2019/877 of 20 May 2019 (the "Single Resolution Mechanism" or "**SRM**"), the Single Resolution Mechanism entered into force on 19 August 2014 and applies to credit institutions which fall under the supervision of the ECB. It established a Single Resolution Board ("**SRB**"), a resolution decision-making authority

replacing national resolution authorities (such as the Resolution College of the NBB) for resolution decisions with regard to significant credit institutions. The SRB is responsible since 1 January 2016 of vetting resolution plans and carrying out any resolution in cooperation with the national resolution authorities (the SRB together with the resolution college of the NBB is hereinafter referred to as the "**Resolution Authority**").

The Issuer and KBC Bank NV are within the scope of the Single Supervisory Mechanism.

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

The fourth resolution tool, i.e. the bail-in tool, entered into force on 1 January 2016. It was implemented into Belgian law through the Royal Decree of 18 December 2015 implementing the Belgian Banking Law. Bail-in is a mechanism to write down the eligible liabilities (subordinated debt, senior debt and eligible deposits) or to convert debt into equity, as a means of restoring the institution's capital position. The resolution authority is also empowered (and in certain circumstances required) to write down or convert capital instruments (such as Common Equity Tier 1-, Additional Tier 1- and Tier 2-instruments) and eligible liabilities, before or together with the use of any resolution tools.

The applicability of the resolution tools and measures to credit institutions that are part of a cross-border group are regulated by the Royal Decree of 26 December 2015 amending the Belgian Banking Law, which entered into force on 1 January 2016.

Insurance supervision and regulation

Introduction

KBC Insurance NV, an insurance company governed by the laws of Belgium, is subject to detailed, comprehensive regulation in Belgium, supervised by the NBB.

Since the implementation on 1 April 2011 of the "Twin Peaks Act", the powers relating to prudential supervision have been transferred from the *Commissie voor het Bank-, Financie- en Assurantiewezen/ Commission bancaire, financière et des assurances* ("**CBFA**") (now the FSMA) to the NBB. The remaining supervisory powers previously exercised by the CBFA are now exercised by the Belgian FSMA. This autonomous public agency is in charge of supervision with regard to conduct of business rules and financial services providers (intermediaries).

EU directives have had and will continue to have a significant impact on the regulation of the insurance business in the EU, as such directives are implemented through legislation adopted

within each Member State, including Belgium. The general objective of these EU directives is to promote the realisation of a unified internal market and to improve standards of prudential supervision and market efficiency through harmonisation of core regulatory standards and mutual recognition among EU Member States of regulatory supervision, and in particular, licensing.

Supervision and regulation in Belgium

The insurance regime in Belgium is governed by the Law of 13 March 2016 on the legal status and supervision of insurance and reinsurance undertakings (the "**Insurance Supervision Law**"), and the (general) Insurance Act of 4 April 2014.

The Insurance Supervision Law, among other things, implements the European legislation on EU Directive 2009/138/EC of 25 November 2009 (Solvency II). It sets forth the conditions under which insurance companies may operate in Belgium and defines the regulatory and supervisory powers of the NBB.

The Insurance Act of 4 April 2014, among other things, implements European legislation such as the consumer related aspects provided in Solvency II. It sets forth the conditions under which insurance companies may operate on the Belgian insurance market and defines the regulatory and supervisory powers of the Belgian FSMA.

The regulatory framework is applicable to insurance companies in some respects similar to the regulation applicable to banks in Belgium.

Supervision of insurance companies

All Belgian insurance companies must obtain a licence from the NBB before they commence operations. In order to obtain a licence and maintain it, each insurance company must fulfil numerous conditions, including certain minimum capital requirements. This requires the calculation of best estimate cash flows, raised with a risk margin, corresponding to what was previously known as "technical reserves". In addition, a Solvency Capital Requirement ("**SCR**") and a Minimal Capital Requirement ("**MCR**") should be calculated and respected. The SCR is the capital an insurer needs to limit the default risk to less than 0.5% in the next twelve months.

In addition, any shareholders holding (directly or indirectly, acting alone or in concert with third parties) a substantial stake in the company (in general, this means 10% or more of the capital or the voting rights) must be of ''fit and proper'' character to ensure proper and prudent management of the insurance company.

Moreover, any shareholder wishing to increase such substantial stake to a 20%, 30% or 50% capital or voting interest or to any stake that allows him to exercise control over the company, must disclose this to the NBB. If the NBB considers that the influence of such a shareholder in an insurance company jeopardises its sound and prudent management, it may suspend the voting rights attached to this participation. Furthermore, a shareholder who wishes to sell his participation or a part thereof, which sale would result in his shareholding dropping below any of the above-mentioned thresholds, must notify the NBB thereof. The Belgian insurance company itself is obliged to notify the NBB of any such transfer when it becomes aware of it.

The Insurance Supervision Law requires insurance companies to provide detailed periodic financial information to the NBB and the public (i.a. through the Solvency and Financial Conditions Reporting ("**SFCR**") and the Regular Supervisory Reporting ("**RSR**"). The NBB also supervises the enforcement of laws and regulations with respect to the accounting principles applicable to insurance companies.

Pursuant to the Insurance Supervision Law, the NBB may, in order to exercise its prudential supervision, require that all information with respect to the financial position and the transactions of an insurance company be provided to it, either by the insurance company itself or by its affiliated companies. The NBB may supplement these communications by on-site inspections. The NBB also exercises its comprehensive supervision of insurance companies through statutory auditors who collaborate with the NBB in its prudential supervision. An insurance company selects its statutory auditors from among the list of auditors or audit firms accredited by the NBB.

If an insurance company does not provide for the required capital requirements, the NBB may restrict or prohibit the company's free use of its assets. If an insurance company no longer meets the SCR, the NBB must require that a recovery plan be prepared. If an insurance company no longer meets the MCR, its authorisations should be withdrawn.

In general, if the NBB finds that an insurance company is not operating in accordance with the provisions of the Insurance Supervision Law, the decrees and regulations implementing the Insurance Supervision Law or the directly applicable European regulations, that its management policy or its financial position is likely to prevent it from honouring its commitments or that its administrative and accounting procedures or internal control systems present deficiencies, it will set a deadline by which the situation must be rectified. If the situation has not been rectified by the deadline, the NBB has the power to appoint a special commissioner to replace management, to prohibit or limit certain activities, to dispose of all or part of its activities, and to order the replacement of the Board of Directors and management, failing which it will itself appoint a provisional manager.

Insurance governance

The Insurance Supervision Law puts a lot of emphasis on the solid and efficient organisation of insurance companies and introduces to that effect a dual governance structure at management level, specialised advisory committees within the Board of Directors (Audit Committee, Risk Committee and Remuneration Committee), independent control functions, and sound remuneration policies.

The Insurance Supervision Law makes a fundamental distinction between the management of insurance activities, which is the competence of the Executive Committee, and the supervision of management and the definition of the insurance company's general and risk policy, which is entrusted to the Board of Directors. KBC Insurance has an Executive Committee of which each member is also a member of the Board of Directors.

Pursuant to the Insurance Supervision Law, the members of the Executive Committee need to permanently have the required professional reliability and appropriate experience. The same goes for the responsible persons of the independent control functions. The fit and proper standards have

been further elaborated by the NBB in the Circular of 18 September 2018 and the Manual on Assessment of Suitability.

The Circular of 5 July 2016 regarding the prudential expectations of the NBB with respect to the governance system of the insurance and reinsurance sector, as amended in September 2018 and May 2020 (the "**Overarching circular on system of governance**") contains recommendations to assure the autonomy of the insurance function, the organisation of the independent control functions and the proper governance of the insurance company.

As required by the Insurance Supervision Law and the Overarching circular on system of governance, the Group has a Governance Memorandum, which sets out the corporate governance policy applying to KBC Group and its subsidiaries and of which the Governance Memorandum of KBC Insurance forms part. The corporate governance policy of an insurance company must meet the principles set out in the law and the Overarching circular on system of governance. The most recent version of the Governance Memorandum was approved on 16 December 2021 by the Board of Directors of the Issuer, KBC Bank NV and KBC Insurance NV. The public part of the governance memorandum of KBC Insurance (SFCR) is updated annually and published on www.kbc.com. The governance memorandum of KBC Insurance is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

Money laundering

Belgian insurance companies are also subject to the Law of 18 September 2017 referred to above.

Material contracts

As at the date of this Base Prospectus, the Issuer has not entered into any material contracts outside the ordinary course of its business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to holders of the Notes.

Trend information

The first two months of 2023 were marked by renewed (cautious) optimism about the global economy. This optimism was driven in particular by lower energy prices and the Chinese reopening.

In China, the government's decision, late last year, to abandon its zero-Covid policy set the stage for a strong economic rebound in 2023. The reopening happened faster than expected and drove consumer and producer confidence upwards, especially in the service sector. Its reopening is also reducing pressure on global supply chains as Chinese companies are facing fewer Covid-related restrictions and absences.

In Europe, the continued decline in gas prices is bolstering industry and improves purchasing power of consumers. European gas prices declined for the fourth month in a row in March. They are now around 85% lower than their August 2022 peak, though they remain more than two times

higher than their pre-war averages. The downward pressure on gas prices was primarily caused by lower gas demand, as a result of soft winter weather in Europe. Consequently, European gas reserves declined less than usual this winter and are now around 20% higher than usual at this time of the year. This exceptionally high fill rate will make the replenishment of European gas reserves much easier. The risk of energy shortages is relatively low. Nonetheless, gas futures markets expect prices to increase again in the coming months as the winter of 2024 arrives.

Oil prices also declined in March. The decline was partly driven by the risk-off mode in financial markets following the turbulence in the financial sector. Contrary to expectations, the US is not taking advantage of the lower oil prices to replenish its strategic reserves, due to maintenance works at two of the four sites where the reserves are held. However, from April onwards, oil prices are likely to move much higher as OPEC+ recently announced to cut oil supply by 1 million barrels per day.

Unfortunately, in March, the prospects for the global economy took a turn for the worse. Pessimism about the global economy has increased in the wake of the collapse of three US banks and the take-over of Credit Suisse by UBS. In the short run, these events only had a limited impact on the global economy. Though the turbulence in the financial sector has so far had a modest impact on consumer and producer confidence, it will likely induce (mainly smaller US) banks to strengthen their balance sheets and hence tighten lending standards. These tighter lending standards may start weighing on investment and consumption.

Unfortunately, this development will coincide with continued monetary tightening. Though inflation has declined in recent months in the euro area and the US, it remains elevated and is broadening as core inflation remains persistent. Hence the Fed and the ECB will likely keep their monetary policy tight, keeping policy rates elevated and continuing their Quantitative Tightening programs.

A global slowdown of growth is thus expected going forward. Furthermore, risks remain tilted to the downside as further turbulence in the financial sector, even if a tail risk, cannot be excluded.

Recent events

Information about recent events in relation to the Issuer can be found in the following sections: "*General description of the activities of the Group*", "*Activities in Belgium*", "*Activities in Central and Eastern Europe*", "*Activities in the rest of the world*", "*Banking supervision and regulation*", "*Insurance supervision and regulation*" and "*Litigation*".

Litigation

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

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

Lazare Kaplan International Inc.

Lazare Kaplan International Inc. is a U.S. based diamond company ("**LKI**"). Lazare Kaplan Belgium NV is LKI's Belgian affiliate ("**LKB**"). LKI and LKB together are hereinafter referred to as "**LK**". The merger between KBC Bank and Antwerpse Diamantbank NV ("**ADB**") on 1 July 2015 entails that KBC Bank is now a party to the proceedings below, both in its own name and in its capacity as legal successor to ADB. However, for the sake of clarity, further reference is made to ADB on the one hand and KBC Bank on the other hand as they existed at the time of the facts described.

Fact summary

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

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

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

Overview Legal Proceedings

(A) Belgian proceedings (overview per court entity)

A.1. Company Court of Antwerp, section Antwerp

On 16 March 2010, proceedings were initiated by ADB against LKI in order to recover the monies owed to it under the terminated credit facility (approximately USD 45 million in principal). LKB voluntarily intervened in this proceeding and claimed an amount of

USD 350 million from ADB. LKI launched a counterclaim of USD 500 million against ADB (from which it claims any amount awarded to LKB must be deducted).

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

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

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

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

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

However LKB and LKI lodged separate appeals against the decision of 3 June 2021. The Antwerp Court of Appeal merged the two appeals and set a hearing for 15 June 2023.

A.2. Company Court of Antwerp, section Antwerp

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

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

A.3. Company Court of Antwerp, section Antwerp

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

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

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

LKI – which was not a party to the first instance proceedings – commenced third-party opposition proceedings against the decision of 7 February 2017 with the Company Court of Antwerp, section Antwerp. By decision of 7 May 2019, the Company Court dismissed the third-party opposition proceedings initiated by LKI. The court ordered LKI to pay the legal representation cost of EUR 1,440.

A.4. Criminal complaint

On 13 October 2016, LK filed a criminal complaint with the Investigating Magistrate at the Dutch speaking Court of First Instance of Brussels against KBC Bank. On 9 April 2019 LK filed an additional complaint with the same Investigation Magistrate against KBC Bank and certain of its (former) employees. The criminal complaints are based, inter alia, on: embezzlement, theft and money-laundering. On 29 September 2021, KBC Bank received notification that the chambers section of the Criminal Court of Brussels will decide on the closure of the criminal investigation and on the regulation of procedure (either dismissal of charges or referral to the criminal court). On 16 November 2021 the chambers section of the Criminal Court decided to postpone indefinitely the proceedings because of LKI and LKB's request for additional investigation.

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

On 6 October 2011, Irving H. Picard, trustee for the substantively consolidated SIPA (Securities Investor Protection Corporation Act) liquidation of Bernard L. Madoff Investments Securities LLC and Bernard L. Madoff, sued KBC Investments Ltd before the bankruptcy court in New York to recover approximately USD 110 million worth of transfers made to KBC entities. The basis for this claim were the subsequent transfers that KBC had received from Harley International, a

Madoff feeder fund established under the laws of the Cayman Islands. This claim is one of a whole set made by the trustee against several banks, hedge funds, feeder funds and investors. In addition to the issues addressed by the district court, briefings were held on the applicability of the Bankruptcy Code's 'safe harbor' and 'good defenses' rules to subsequent transferees (as is the case for KBC). KBC, together with numerous other defendants, filed motions for dismissal. District court Judge Jed Rakoff has made several intermediate rulings in this matter, the most important of which are the rulings on extraterritoriality and good faith defences.

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

On 21 November 2016, Judge Bernstein issued a memorandum decision regarding claims to recover foreign subsequent transfers, including the transfers which the trustee seeks to recover from KBC. In this memorandum decision, Judge Bernstein concluded that the trustee's claims based on foreign transfers should be dismissed out of concern for international comity and ordered a dismissal of the action against KBC. On 3 March 2017, the Bankruptcy Court issued an appealed order denying Madoff trustee's request for leave to amend his complaint and dismissing the complaint. On 16 March 2017, the trustee Picard filed an appeal of dismissal, on 27 September 2017 the Second Circuit granted trustee Picard's petition for a direct appeal, on 10 January 2018 trustee Picard filed his opening brief in appeal to Second Circuit. Briefing in the appeal was completed on 8 May 2018, and the Second Circuit held oral argument on 16 November 2018.

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

In April 2019, a request for rehearing was denied.

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

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

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

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

On August 1, 2022, the Bankruptcy Court judge issued a stipulation and order regarding the filing of an amended complaint and subsequent scheduling of proceedings. As a result, the Trustee amended his complaint on August 5, 2022 by reducing his claim to U.S.$86,000,000, consisting of subsequent transfers received by KBC Investments Ltd from Harley (a feeder fund). KBC filed a motion to dismiss the amended complaint on 18 November 2022. The court will render a decision probably in May 2023. If the motion to dismiss is unsuccessful and the case proceeds to litigation on the merits, KBC still believes, although the burden of proof has been increased, it has good and credible defenses, both procedurally as on the merits including demonstrating its good faith. The procedure may still take several years.

On 6 March 2007, ICEC-HOLDING, a.s. ("ICEC") initiated an ad-hoc arbitration proceedings with CSOB as the legal successor of Investicni a Postovni Banka ("IPB"). ICEC claimed that in 1999, IPB breached the pre-emption right of ICEC, related to the shares of Slovenian paper mill VIPAP, under the purchase agreement concluded between ICEC and IPB in 1998 (the "Share Purchase Agreement"). In this regard, ICEC claimed a payment of app. CZK 11,89 billion, together with the statutory default interests from 1 January 2007. In following years, the arbitral tribunal has been repeatedly reconstituted. In April 2021, the courts finally appointed Mr. Ivan Cestr as the chairman of the tribunal. In June 2022, the oral hearing took place and later in July 2022, the parties submitted its final written submissions.

On 16 February 2023, CSOB received the final arbitral award (the "Award"), in which the arbitral tribunal ordered CSOB pay to ICEC the amount of CZK 1,576,000,000 plus default interest in the amount of CZK 2,082,441,329.74 for the period from 1 January 2007 until 31 December 2022, and also the default interest accruing from 1 January 2023 until payment. The rest of the claim (to the end of the year 2022, the claim with interests reached app. CZK 27,6 billion) was dismissed. The costs of proceedings were distributed between the parties based on the outcome of the Arbitration. ICEC was ordered to pay to the CSOB the amount of CZK 17,380,536.23 in costs of proceedings and CSOB was ordered to pay to ICEC the amount of CZK 4,985,014.22.

In short, the tribunal acknowledged the ICEC´s claim for damages (however, contractually limited to CZK 1,576 bn.) and refused the claim for the contractual penalty and for reimbursement of the inflation

3 Financial information of the Issuer

Financial statements

The Issuer's 2021 and 2022 annual reports contain:

- the Issuer's audited consolidated financial statements drawn up in accordance with International Financial Reporting Standards (IFRS) for the last two financial years (2021 and 2022); and

- the Issuer's audited non-consolidated financial statements drawn up in accordance with Belgian Generally Accepted Accounting Principles (GAAP) for the last two financial years (2021 and 2022).

Additionally, the Issuer has published unaudited condensed consolidated financial statements for the first quarter of 2022 and for the first quarter of 2023, drawn up in accordance with IFRS, in its extended quarterly report for the first quarter of 2022 and its extended quarterly report for the first quarter of 2023, respectively.

These annual reports and the extended quarterly reports of the Issuer are incorporated by reference into this Base Prospectus as set out in the section entitled "*Documents Incorporated by Reference*".

Audit and review by the Issuer's statutory auditors

PricewaterhouseCoopers Bedrijfsrevisoren BV (*erkende revisor/réviseur agréé*), represented by Damien Walgrave and Jeroen Bockaert, with offices at Culliganlaan 5, B-1831 Diegem ("**PwC**"), has been appointed as auditor of the Issuer for the financial years 2016-2022. The consolidated financial statements of the Issuer (as well as the annual accounts of the Issuer) for the years ended 31 December 2021 and 31 December 2022 have been audited in accordance with International Standards on Auditing by PwC and the audits resulted, in each case, in an unqualified opinion.

PwC is a member of the *Instituut der Bedrijfsrevisoren/Institut des Reviseurs d'Entreprises*.

The report of the Issuer's auditor on (i) the audited consolidated annual financial statements of the Issuer and its consolidated subsidiaries for the financial years ended 31 December 2021 and 31 December 2022 and (ii) the unaudited condensed consolidated interim financial statements of the Issuer and its consolidated subsidiaries for the first quarter of 2022 and for the first quarter of 2023 are incorporated by reference in this Base Prospectus (as set out in the section entitled "*Documents Incorporated by Reference*"), with the consent of the auditor.

Changes since the most recent published financial statements

Other than as disclosed in this Base Prospectus, there has been no significant change in the financial position or the financial performance of the Group since 31 March 2023 and no material adverse change in the prospects of the Issuer since 31 December 2022.

4 Administrative, management and supervisory bodies

In accordance with the Belgian Companies and Associations Code, the Belgian Banking Law and the Insurance Supervision Law, the Issuer is managed by a Board of Directors and an Executive Committee.

Board of Directors

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

The Issuer's corporate object is set out in the description on page 109 of this Base Prospectus.

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

Pursuant to Article 24 of the Belgian Banking Law, the Issuer's Board of Directors has set up an Executive Committee which has the powers to perform all acts that are necessary or useful in achieving the company's object, apart from those powers invested in the Board of Directors pursuant to article 20 of the Issuer's articles of association.

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

Name and business address	**Position**	**Expiry date mandate**	**External mandates**
VLERICK Philippe Ronsevaalstraat 2 8510 Bellegem Belgium	Deputy Chairman	2025	Chairman of Vlerick Business School Non-executive Director of B.M.T. NV Non-executive Director of KBC Verzekeringen NV Chairman of the Board of Directors of Midelco NV Chairman of the Board of Directors of BIC NV Chairman of the Board of Directors of Vobis Finance NV Executive Director of CECAN Invest NV Non-executive Director of De Robaertbeek NV Chairman of BESIX Group NV Non-executive Director of Concordia Textiles NV Non-executive Director of Exmar NV Non-executive Director of LVD Company NV Chairman of the Board of Directors of Point NV Chairman of the Board of Directors of Smartphoto Group NV Chairman of the Board of Directors of Vlerick Investeringsmaatschappij CVBA

Name and business address	**Position**	**Expiry date mandate**	**External mandates**
			Chairman of the Board of Directors of UCO NV Non-executive Director of Oxurion NV Non-executive Director of Mediahuis NV Chairman of the Board of Directors of Vlerick Vastgoed NV Chairman of the Board of Directors of Pentahold NV Executive Director of Cecan NV Non-executive Director of KBC Global Services NV
DEPICKERE Franky KBC Group NV Havenlaan 2 1080 Brussels Belgium	Non-executive Director	2027	Executive Director of Almancora Beheers-maatschappij NV Executive Director of Cera CV Executive Director of Cera Beheersmaatschappij NV Non-executive Director of KBC Bank NV Non-executive Director of BRS Microfinance Coop cvba Non-executive Director of KBC Verzekeringen NV Member of the Supervisory Board of Ceskoslovenska Obchodni Banka a.s. (CR) Non-executive Director of Euro Pool System International BV Non-executive Director of United Bulgarian Bank AD Non-executive Director of CBC Banque SA Non-executive Director of KBC Global Services NV
DONCK Frank KBC Group NV Havenlaan 2 1080 Brussels Belgium	Non-executive Director	2027	Executive Director and CEO of 3D NV Executive Director and CEO of TRIS NV Executive Director of Ibervest NV

Name and business address	Position	Expiry date mandate	External mandates
			Non-executive Director of Anchorage NV Non-executive Director of Winge Golf NV Non-executive Director of KBC Verzekeringen NV Non-executive Director of Elia Group NV Non-executive Director of Group Ter Wyndt BV Non-executive Director of Ter Wyndt cvba Executive Director of 3D Private Investeringen NV Chairman of the Board of Directors of BARCO NV Non-executive Director of Academie Vastgoedontwikkeling NV Non-executive Director of Bowinvest NV Non-executive Director of 3D Real Estate NV Chairman of the Board of Directors of Atenor NV Non-executive Director of Tasco NV Non-executive Director of 3D Land NV Non-executive Director of ForAtenor NV Non-executive Director of Markizaat NV Non-executive Director of Luxempart SA Executive Director of 3D Skywalkers BV Executive Director of House of Odin BV Non-executive Director of Imdona BV Non-executive Director of Mado NV

Name and business address	**Position**	**Expiry date mandate**	**External mandates**
			Non-executive Director of Immobiliën Donck NV Non-executive Director of KBC Global Services NV Non-executive Director of Golfzicht BV Member of Commissie Corporate Governance Non-executive Director of Anfra BV Non-executive Director of Iberis BV Non-executive Director of Iberint SA Executive director of Huon & Kauri NV
VAN RIJSSEGHEM Christine KBC Group NV Havenlaan 2 1080 Brussels Belgium	Executive Director (CRO)	2026	Executive Director of KBC Bank NV Executive Director of KBC Verzekeringen NV Non-executive Director of Ceskoslovenska Obchodni Banka a.s. (CR) Non-executive Director of K & H Bank Zrt. Non-executive Director of KBC Bank Ireland Plc. Non-executive Director of United Bulgarian Bank AD Member of the Management Board of KBC Global Services NV Non-executive Director of Women in Finance vzw Non-executive Director of De Warande vzw
DEBACKERE Koenraad Alfons Stesselstraat 8 3012 Leuven Belgium	Independent Director (Chairman)	2027	Non-executive Director of KBC Bank NV Non-executive Director of KBC Verzekeringen NV Non-executive Director of KBC Global Services NV Non-executive Director of

Name and business address	**Position**	**Expiry date mandate**	**External mandates**
			Umicore NV Non-executive Director of Holding Wetenschapspark Waterschei NV Non-executive Director of Mo-Thor NV
POPELIER Luc KBC Group NV Havenlaan 2 1080 Brussels Belgium	Executive Director (CFO)	2025	Executive Director of KBC Verzekeringen NV Executive Director of KBC Bank NV Chairman of the Board of Directors of KBC Securities NV Chairman of the Board of Directors of KBC Focus Fund NV Member of the Management Board of KBC Global Services NV
ROUSSIS Theodoros KBC Group NV Havenlaan 2 1080 Brussels Belgium	Non-executive Director	2024	Executive Director of Asphalia NV Non-executive Director of KBC Verzekeringen NV Non-executive Director of KBC Global Services NV Non-executive Director of Pentahold NV
THIJS Johan KBC Group NV Havenlaan 2 1080 Brussels Belgium	Executive Director (CEO)	2024	Executive Director and CEO of KBC Verzekeringen NV Chairman of the Board of Directors of Febelfin Executive Director and CEO of KBC Bank NV Non-executive Director of VOKA Non-executive Director of the European Banking Federation Non-executive Director of Museum Nicolaas Rockox Non-executive Director of BVB – Belgische Vereniging van Banken

Name and business address	Position	Expiry date mandate	External mandates
			Non-executive Director of Discai NV Member of the Management Board of KBC Global Services NV Non-executive Director Festival Van Vlaanderen
DE BECKER Sonja MRBB Diestsevest 32/5b 3000 Leuven Belgium	Non-executive Director	2024	Non-executive Director of KBC Bank NV Chairman of the Board of Directors of M.R.B.B. BV Chair of the Board of Directors of Agri Investment Fund CVBA Non-executive Director of KBC Verzekeringen NV Chair of the Board of Directors of Aktiefinvest Non-executive director of K&H Bank zrt Chair of the Board of Directors of SBB Gecertificeerde Accountants en Adviseurs BV Chair of the Board of Directors of SBB Bedrijfsdiensten BV Non-executive Director of KBC Global Services NV
PAPIRNIK Vladimira KBC Group NV Havenlaan 2 1080 Brussels Belgium	Independent Director	2024	Non-executive Director KBC Bank Non-executive Director of KBC Global Services NV
BOSTOEN Alain Coupure 126 9000 Gent Belgium	Non-executive Director	2027	Executive Director of Quatorze Juillet BVBA Non-executive Director of KBC Verzekeringen NV Non-executive Director of Group Depré NV Non-executive Director of KBC Global Services NV
CLINCK Erik KBC Group NV Havenlaan 2	Non-executive Director	2024	Non-executive Director of Cera Beheersmaatschappij NV Executive Director of Prieel 18

Name and business address	**Position**	**Expiry date mandate**	**External mandates**
1080 Brussels Belgium			Non-executive Director of KBC Verzekeringen NV Non-executive Director of Van Breda Risk and Benefits NV Non-executive Director of KBC Global Services NV
OKKERSE Liesbet KBC Group NV Havenlaan 2 1080 Brussels Belgium	Non-executive Director	2024	Non-executive Director of KBC Bank NV Non-executive Director of KBC Verzekeringen NV Non-executive Director of Almancora Beheersmaatschappij NV Non-executive Director Cera Beheersmaatschappij NV Non-executive Director of KBC Global Services NV
REYES REVUELTA Alicia KBC Group NV Havenlaan 2 1080 Brussels Belgium	Independent Director	2026	Non-executive director of Banco Sabadell S.A. Non-executive director of Ferrovial S.A. Non-executive director of FareShare UK Non-executive director of KBC Bank NV Non- executive director of KBC Global Services NV
Marc De Ceuster	Non-executive Director	2027	Non-executive Director of KBC Bank NV Non-executive Director of KBC Verzekeringen NV Non- executive director of KBC Global Services NV Executive Director of Cera Beheersmaatschappij NV Executive Director of Almancora Beheersmaatschappij NV Non-executive director of CBC Banque SA Executive director of Fintrac BV
Raf Sels	Non-executive director	2027	Non-executive Director of KBC Verzekeringen NV

Name and business address	Position	Expiry date mandate	External mandates
			Non- executive director of KBC Global Services NV Executive director and CEO of MRBB BV Executive director of SBB Gecertificeerde Accountants en Adviseurs BV Non-executive director of Arvesta BV Non-executive Director of Acerta BV Non-executive Director of Agri Investment Fund CVBA Non-executive Director of Aktiefinvest Non-executive Director of Arda Immo NV

The Board of Directors does not include any legal persons among its members and its Chairman may not be a member of the Executive Committee. A mandate is no longer than four years. Directors can be re-elected when their term expires. The mandate of non-executive directors comes to an end at the date of the annual meeting following the day on which they reach the age of 70, save for exceptional situations. The mandate of executive directors ends at the end of the month when they reach the Belgian statutory retirement age, save for exceptional situations.

The Board of Directors is responsible for determining the overall strategy and to perform all acts which, by law, are reserved specifically for it. The Board of Directors is also responsible for monitoring the Executive Committee. It meets at least eight times a year and decides by simple majority. The activities of the Board are governed by the Belgian Companies and Associations Code, the Belgian Banking Law, the Insurance Supervision Law and the articles of association of the Issuer.

Audit Committee

The Audit Committee has been set up by the Board of Directors in accordance with the Belgian Banking Law and has – with some limited legal exceptions – an advisory role. The Audit Committee, among other things, supervises the integrity and effectiveness of the internal control measures and the risk management in place, paying special attention to correct financial reporting. The powers and composition of the Audit Committee, as well as its way of functioning, are extensively dealt with in the Corporate Governance Charter of the Issuer which is published on www.kbc.com. The Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

The members of the Issuer's Audit Committee are:

- Marc De Ceuster (chair)
- Alicia Reyes Revuelta (independent director)
- Vladimira Papirnik (independent director)

Risk & Compliance Committee

The Risk & Compliance Committee has been set up by the Board of Directors in accordance with the Belgian Banking Law and has an advisory role. The Risk and Compliance Committee, among other things, provides advice to the Board of Directors about the current and future risk tolerance and risk strategy.

The powers and composition of the Risk and Compliance Committee, as well as its way of functioning, are extensively dealt with in the Issuer's Corporate Governance Charter, which is available on www.kbc.com. The Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

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

- Franky Depickere (chair)
- Frank Donck
- Sonja De Becker
- Vladimira Papirnik (independent director)

Nomination Committee

The Nomination Committee has been set up by the Board of Directors in accordance with the Belgian Banking Law and has an advisory role. The Nomination Committee, among other things, provides advice to the Board of Directors about the selection of suitable candidate members for the Board of Directors, its advisory committees, and the Executive Committee of the Issuer.

The powers and composition of the Nomination Committee, as well as its way of functioning, are extensively dealt with in the Issuer's Corporate Governance Charter, which is available on www.kbc.com. The Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

The members of the Issuer's Nomination Committee are:

- Koenraad Debackere (chair) (independent director)

- Franky Depickere
- Philippe Vlerick
- Sonja De Becker
- Vladimira Papirnik (independent director)

Remuneration Committee

The Remuneration Committee has been set up by the Board of Directors in accordance with the Belgian Banking Law and has an advisory role. The Remuneration Committee, among other things, provides advice to the Board of Directors on the remuneration policy that the Board of Directors has to draw up and on any amendment to that policy.

The powers and composition of the Remuneration Committee, as well as its way of functioning, are extensively dealt with in the Issuer's Corporate Governance Charter, which is available on www.kbc.com. The Corporate Governance Charter is not incorporated by reference into and does not form part of this Base Prospectus and has not been scrutinised or approved by the Belgian FSMA.

The members of the Issuer's Remuneration Committee are:

- Koenraad Debackere (chair) (independent director)
- Alicia Reyes Revuelta (independent director)
- Philippe Vlerick

Executive Committee

The Executive Committee is empowered to perform all acts that are necessary or useful in achieving the Issuer's object, apart from those powers invested in the Board of Directors (Article 7:110 of the Belgian Companies and Associations Code, Article 212 *juncto* Article 24 of the Belgian Banking Law and Article 443 *juncto* Article 45 of the Insurance Supervision Law).

The Executive Committee exercises such powers autonomously, but always within the framework of the strategy adopted by the Board of Directors. The Executive Committee consists of seven members appointed by the Board of Directors.

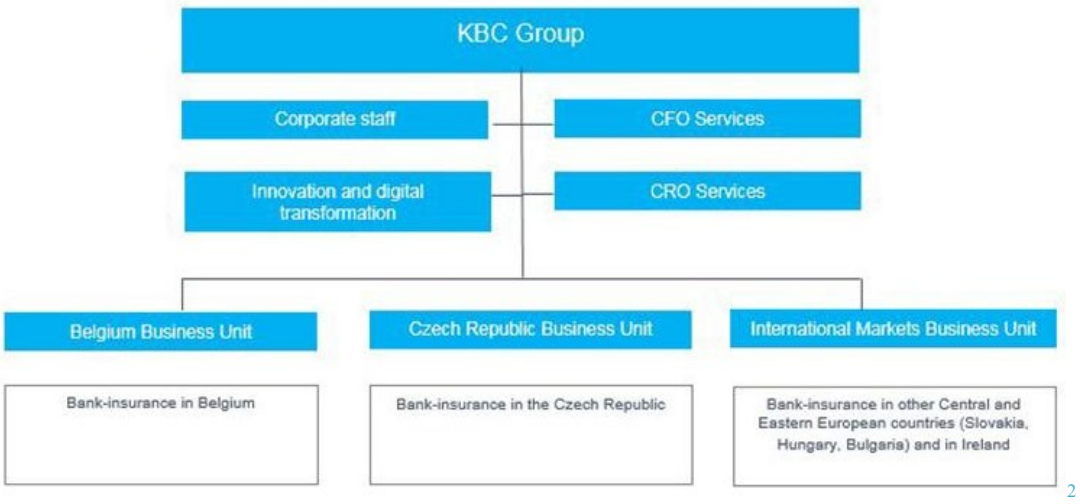
As at the date of this Offering Memorandum, the members of the Executive Committee are as follows:

Name	Elected/ Appointed	Position
Johan Thijs	2009	CEO (Chief Executive Officer)
Luc Popelier	2009	CFO (Chief Financial Officer)

Christine Van Rijsseghem	2014	CRO (Chief Risk Officer)
David Moucheron	2021	CEO Belgium Business Unit
Aleš Blažek	2022	CEO Czech Republic Business Unit
Peter Andronov	2021	CEO International Markets Business Unit
Erik Luts	2017	CIO (Chief Innovation Officer)

Management structure

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



[2]

The management structure of KBC Group essentially comprises:

- the three business units, which focus on local business and are expected to contribute to sustainable profit and growth:
  - Belgium Business Unit;
  - Czech Republic Business Unit; and
  - International Markets Business Unit: this encompasses the other core countries in Central and Eastern Europe (the Slovak Republic, Hungary and Bulgaria);
- the pillars 'CRO Services' and 'CFO Services' (which act as an internal regulator, and whose main role is to support the business units), 'Corporate Staff' (which is a competence centre for strategic know-how and best practices in corporate organisation and communication) and 'Innovation and digital transformation'.

[2] ***Note to FSMA:*** updated and machine-readable schematic will be included in the next version.

Each business unit is headed by a Chief Executive Officer (CEO), and these CEOs, together with the Group CEO, the Chief Risk Officer (CRO), the Chief Innovation Officer (CIO) and the Chief Financial Officer (CFO) of KBC Group constitute the executive committee of KBC Group.

Corporate governance

The Belgian Banking Law and the Insurance Supervision Law, of which certain provisions also apply to (mixed) financial holding companies, make a fundamental distinction between the management of the activities of KBC Group, which is within the competence of the Executive Committee, and the supervision of management and the definition of the institution's general policy, which is entrusted to the Board of Directors. According to these laws, KBC Group has an Executive Committee of which at least three members are also a member of the Board of Directors.

The members of the Executive Committee and the Board of Directors need to permanently have the required professional reliability and appropriate experience. The same goes for the responsible persons of the independent control functions. The fit and proper standards have been further elaborated by the NBB in a Circular of 18 September 2018 and the Manual on Assessment of Suitability.

KBC Group has a Governance Memorandum, which sets out the corporate governance policy applying to the Issuer and its subsidiaries.

Furthermore, in its capacity as listed company, KBC Group uses the Belgian Corporate Governance Code 2020 (the "**Code**") as reference code. The Code seeks to ensure transparency in the area of corporate governance through the publication of information in the Corporate Governance Charter and the Corporate Governance Statement.

The Corporate Governance Memorandum sets out the main aspects of the policy of KBC Group in the area of corporate governance, such as the governance structure, the internal regulations of the Board of Directors, its advisory committees and the Executive Committee, and other important topics.

The Corporate Governance Statement is published in the annual report and contains more factual information about the corporate governance of KBC Group, including a description of the composition and functioning of the Board, relevant events during the year, provisions of the Code which may be waived, the remuneration report and a description of the main features of the internal control and risk management systems.

Conflicts of interests policy

Conflicts of interest on the part of members of the Executive Committee or Board of Directors and Intragroup conflicts of interest

The policy related to these conflicts of interests can be found in the Corporate Governance Charter of the Issuer.

The information regarding conflicts of interest which took place in the course of the year is mentioned in the Corporate Governance Statement in the annual reports of the Issuer.

The Issuer is not aware of any potential conflicts of interests between the obligations which a director has with respect to the Issuer and the personal interests and / or other obligations of that director.

Other conflicts of interests

The information related to the policy of other conflicts of interest (e.g. intragroup conflicts of interest, conflicts of interest between shareholders/employees/clients and the Issuer) is set out in the Governance Memorandum.

USE OF PROCEEDS

The net proceeds from the Notes to be issued under the Programme will be used for general corporate purposes of the Group.

The net proceeds of the Subordinated Tier 2 Notes will strengthen the Issuer's capital base under a fully loaded CRD IV approach and are part of the Issuer's long-term funding, which the Issuer uses to fund and manage its activities and which it may on-lend to its subsidiaries. The Issuer may on-lend the proceeds of the Subordinated Tier 2 Notes to KBC Bank NV under a framework agreement which will also qualify at the level of KBC Bank NV as Tier 2 capital for regulatory capital purposes.

The Issuer may, if it so elects, on-lend the proceeds of the Senior Notes to its subsidiaries on a senior non-preferred or subordinated basis in order for the relevant loan to be included as minimum requirement for own funds and eligible liabilities ("**MREL**") under applicable regulation.

If in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

In particular, the Issuer may issue Notes where the applicable Final Terms specify that the Issuer will apply an amount equivalent to the net proceeds from the offer of the Senior Notes or Subordinated Tier 2 Notes exclusively for loans, assets, projects and activities of the Group that promote climate-friendly and other environmental or sustainable purposes (Green Bond Eligible Assets) or social purposes (Social Bond Eligible Assets), in each case in accordance with the Issuer's Green Bond Framework or Social Bond Framework, respectively (such capitalised terms as defined in the section entitled "*Green Bonds and Social Bonds*"). The Issuer will on-lend the net proceeds to KBC Bank NV in order for KBC Bank NV to finance and/or refinance the relevant Green Bond Eligible Assets or Social Bond Eligible Assets.

GREEN BONDS AND SOCIAL BONDS

The Issuer may issue Notes where the use of proceeds is specified in the relevant Final Terms to be for the financing and/or refinancing of specified "green", "sustainability" or "social" projects of the Group, in each case in accordance with the Issuer's Green Bond Framework or Social Bond Framework, as defined below.

Green Bond Framework

Introduction

In May 2018, the Group developed and published a framework for the issue of green bonds (the "**Green Bond Framework**") under which the Issuer, KBC Bank NV or any of its other subsidiaries can attract funding to finance and/or refinance "green" or "sustainable" projects with a positive environmental benefit, in accordance with certain prescribed eligibility criteria, through the issuance of bonds (any bonds issued by reference to the Green Bond Framework are referred to as "**Green Bonds**").

The Issuer's Green Bond Framework is publicly available on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html). The Issuer's Green Bond Framework is not incorporated by reference in, and does not form part of, this Base Prospectus.

The Green Bond Framework has been prepared in line with the voluntary guidelines of the International Capital Markets Association ("**ICMA**") Green Bond Principles (version 2017). The EU Taxonomy and EU GBS have not been considered in the development of the Issuer's Green Bond Framework. The Issuer has not updated the Green Bond Framework in accordance with any subsequent versions of the ICMA Green Bond Principles.

This section contains a short summary of the Green Bond Framework as at the date of the Base Prospectus. Prospective investors should take note that the Green Bond Framework may be amended, supplemented or replaced from time to time. This summary does not replace, and must be read in conjunction with, the Issuer's Green Bond Framework.

For all Green Bonds, (i) the use of proceeds, (ii) the process for project evaluation and selection, (iii) the management of the net proceeds, (iv) the reporting on allocation and impact and (v) the external review will be carried out in accordance with the Green Bond Framework.

Use of proceeds

An amount equivalent to the net proceeds of Green Bond issuances is exclusively used to finance and/or refinance, in whole or in part, projects and activities falling within the following categories: 1) Renewable Energy, 2) Energy Efficiency, 3) Clean Transportation, 4) Green Buildings, 5) Pollution Prevention & Control, 6) Water Management and 7) Sustainable Land Use (the "**Use of Proceeds Categories**").

Such allocation shall take place via the on-lending by the Issuer of an amount equal to the net proceeds of the Green Bonds to KBC Bank NV in order for KBC Bank NV to finance and/or refinance the relevant Green Bond Eligible Assets (as defined below).

To qualify as eligible assets (the "**Green Bond Eligible Assets**"), the selected loans are required to meet the following eligibility criteria:

1. Renewable Energy	
Renewable energy power generation	• Loans to finance equipment, development, manufacturing, construction, operation, distribution and maintenance of renewable energy generation sources: o Onshore and offshore wind energy o Solar energy o Geothermal energy (with direct emissions ≤ 100g CO2/kWh) o Energy from biomass, that is: ▪ not grown in areas converted from land with previously high carbon stock such as wetlands or forests ▪ not obtained from land with high biodiversity such as primary forests or highly biodiverse grasslands ▪ not suitable for human consumption ▪ and subject to sustainable transport5: no excessive transport of input material or end product o Waste-to-energy
2. Energy Efficiency	
KBC 'Green Energy Loans'	• Green energy loans for home improvements of KBC retail clients where at least 50% of the home improvements are for energy-efficiency purposes, including: o water pumps and other geothermal energy systems o high-efficiency glazing o new insulation o thermostatic taps o solar panels o energy audits *Note: As retail clients are required to use at least 50% of the loan for energy-efficiency purposes, conservatively 50% of the outstanding loan amount is viewed as 'eligible'.*
3. Clean Transportation	
Low carbon land transport	• Loans to finance low carbon land transport: o Public passenger transport, including electric, hybrid-electric, hydrogen or other non-fossil fuel vehicles, rail transport, metros, trams, cable cars, and bicycle schemes o Private light-duty and heavy goods vehicles that are electric, hybrid-electric, hydrogen or other non-fossil fuel based. o Dedicated freight railway lines (excluding transport with the main objective of transporting fossil fuels) o Supporting infrastructure for low carbon land transport e.g. IT upgrades, signalling, communication technologies and charging infrastructure
4. Green Buildings	
Residential real estate	• Real estate loans for new constructed energy efficient residential buildings in the Flemish Region that comply with the "Energieprestatie en Binnenklimaat" (EPB) requirements included in the building code of the Flemish Region as of 2014 or later (E-level ≤ 60) and for which the first drawdown has occurred after January 1, 2016.
Commercial real estate	• New or recently built commercial real estate buildings belonging to the top 15% of the commercial real estate building stock in terms of energy performance in the country of location, or which have obtained any of the following green building certificates:

	○ LEED: [≥ "**Gold**"] ○ BREEAM: [≥ "**Very Good**"] ○ HQE: [≥ "**Excellent**"]
5. Pollution Prevention & Control	
Waste reduction & recycling	• Loans to finance equipment, development, manufacturing, construction, operation and maintenance of facilities and infrastructure for waste prevention, reduction and recycling, including: ○ sharing, repairing, reusing, refurbishing and remanufacturing of goods and recycling of waste
6. Water Management	
Sustainable water & wastewater management	• Loans to finance equipment, development, manufacturing, construction, operation and maintenance of: ○ water recycling and wastewater treatment facilities ○ water storage facilities ○ water distribution systems with improved efficiency/quality ○ urban drainage systems ○ flood mitigation infrastructure, such as infiltration infrastructure
7. Sustainable Land Use	
Sustainable land use	• Loans to finance sustainable land use: ○ sustainable agriculture in the EU, comprised of organic farming as certified in compliance with the EU and national regulation ○ environmentally-sustainable forestry6 including afforestation or reforestation, and preservation or restoration of natural landscapes soil remediation

The allocation of the proceeds of the Green Bonds to the underlying Green Bond Eligible Assets may not meet all investors' expectations and in particular, may not be aligned with future guidelines and/or regulatory or legislative criteria regarding sustainability performance.

Process for project evaluation and selection

Upon submission of projects by the business units, the Green and Social Bond Committee, comprised of representatives including at least one general manager from Group Treasury, Corporate Sustainability and representatives from the business units (when required), will verify the compliance of the projects with the Use of Proceeds requirements and select projects as Green Bond Eligible Assets. The Green and Social Bond Committee also verifies that all selected Green Bond Eligible Assets comply with the standards of the KBC Group Sustainability Framework[3], where applicable.

The Green and Social Bond Committee will document the assessment process with the view to demonstrate to an independent auditor that funded loans meet the applicable eligibility criteria.

Management of proceeds

The net proceeds of the Green Bonds will be managed by the Treasury team of the Issuer on a portfolio basis. As long as any Green Bonds are outstanding, it is intended that an amount equivalent to the net proceeds of the Green Bonds will be allocated exclusively to a portfolio of Green Bond Eligible Assets in line with the above mentioned eligibility criteria and evaluation and selection process. The Issuer will

[3] The KBC Group Sustainability Framework is not incorporated by reference into and does not form part of this Base Prospectus, and has not been scrutinised or approved by the FSMA

individually label all allocated Green Bond Eligible Assets in its internal information systems and will monitor these allocations on a monthly basis. If an asset no longer meets the eligibility criteria, the Issuer will remove the loan from the Green Bond portfolio and will strive to replace it with a Green Bond Eligible Asset as soon as possible, subject to availability.

Pending the full allocation of the proceeds to Green Bond Eligible Assets, or in case insufficient Green Bond Eligible Assets are available, the Issuer commits to hold the balance of net proceeds not allocated to Green Bond Eligible Assets within the treasury of the Group, invested in money market products, cash and/or cash equivalent.

Reporting

The Issuer has the ambition to regularly provide investors with information on both the allocation of proceeds and the non-financial impact of the Green Bond Eligible Assets included in its Green Bond portfolio, as further specified in the Green Bond Framework.

Both the allocation report and non-financial impact report will be made publicly available in the Green Bond section of the Issuers website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html). Any reports made available on the Issuer's website do not form part of, and are not incorporated by reference into, this Base Prospectus.

External review

The Issuer has commissioned Sustainalytics to provide a second party opinion for its Green Bond Framework. Sustainalytics has reviewed KBC Green Bond Framework and issued a second party opinion (the "**Green Bond Framework Opinion**") confirming the alignment of it with the Green Bond Principles. The Green Bond Framework Opinion does not assess or confirm compliance of the any Green Bonds and the use of proceeds with the criteria and procedures set out in the Green Bond Framework. The Green Bond Framework Opinion is available on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html) and is not incorporated in and does not form part of this Base Prospectus and may be, amended, updated, expanded or replaced from time to time.

The Issuer will request on an annual basis, starting one year after issuance and until maturity, a limited assurance report of the allocation of the Green Bond proceeds to Green Bond Eligible Assets, provided by a reputable external auditor.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Green Bond Framework Opinion or the limited assurance report, or any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Green Bonds, and in particular as to whether any Green Bond Eligible Assets fulfil any environmental or other criteria. Any such opinion, report or certification is not nor should be deemed to be, a recommendation by the Issuer, the Dealer, or any other person to buy, sell or hold any Green Bonds. As a result, neither the Issuer nor the Dealer will be, or shall be deemed, liable for any issue in connection with its content. For the avoidance of doubt, this is without prejudice to the responsibility of the Issuer for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes, as set out in the paragraph entitled "*Important information relating to the use of this base prospectus*".

Social Bond Framework

Introduction

In April 2022, the Group developed and published a framework for the issue of social bonds (the "**Social Bond Framework**") under which the Issuer or KBC Bank NV can attract funding to finance and/or refinance "green" or "sustainable" projects and activities with clear social benefits, in accordance with certain prescribed eligibility criteria, through the issuance of bonds (any bonds issued under the Social Bond Framework are referred to as "**Social Bonds**").

The Issuer's Social Bond Framework is publicly available on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html). The Issuer's Social Bond Framework is not incorporated by reference in, and does not form part of, this Base Prospectus.

The Social Bond Framework has been prepared in line with the voluntary guidelines of the ICMA Social Bond Principles (version 2021). The EU Taxonomy and EU GBS have not been considered in the development of the Issuer's Social Bond Framework. The Issuer has not updated the Social Bond Framework in accordance with any subsequent versions of the ICMA Social Bond Principles.

This section contains a short summary of the Social Bond Framework as at the date of the Base Prospectus. Prospective investors should take note that the Social Bond Framework may be amended, supplemented or replaced from time to time. This summary does not replace, and must be read in conjunction with, the Issuer's Social Bond Framework.

For Social Bonds, (i) the use of proceeds, (ii) the process for project evaluation and selection, (iii) the management of the net proceeds, (iv) the reporting on allocation and impact and (v) the external review will be carried out in accordance with the Social Bond Framework.

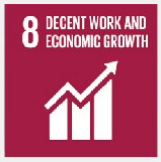
Use of proceeds

An amount equivalent to the proceeds of Social Bond issuances will be exclusively used to finance or refinance, in whole or in part, projects and activities with clear social benefits in the categories listed in the tables below.

Such allocation shall take place via the on-lending by the Issuer of an amount equal to the net proceeds of the Social Bonds to KBC Bank NV in order for KBC Bank NV to finance and/or refinance the relevant Social Bond Eligible Assets (as defined below).

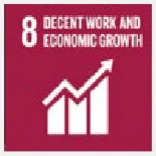
To qualify as eligible assets ("**Social Bond Eligible Assets**"), the selected loans are required to have originated in Belgium and meet the following eligibility criteria (each asset category a "**Use of Proceeds Category**"):

Social Bond Category	Eligibility Criteria	Target Populations	Alignment with SDG(s)
Access to Essential Services - Education **Objectives:** Increase access to quality education **Social Benefits:** Reduce education inequalities			

Access to education	(Re)financing of activities for public schools, including kindergarten and universities: • Construction, extension or refurbishment of equipment and infrastructures • Dedicated programmes, furniture, learning materials and other equipment	General public access to state/public schools and free private schools	
Affordable basic infrastructure for sport and culture	Support of projects (including those subsidised by local authorities) improving access to sport and cultural facilities (e.g. construction of public sport and cultural facilities)	General public	

Social Bond Category	Eligibility Criteria	Target Populations	Alignment with SDG(s)
Access to Essential Services - Health **Objectives:** Increase access to healthcare **Social Benefits:** Reduce health related inequalities			
Hospitals	(Re)financing for the development, acquisition, construction, extension or refurbishment of buildings, equipment, infrastructures and general corporate purposes related to hospitals	General public	
Care facilities	(Re)financing of residential care centres, elderly care centres, disabled care, and service flats: • Construction, extension or refurbishment of equipment and infrastructures • Acquisition of buildings, facilities or equipment	Aging population, People with disabilities	

Social Bond Category	Eligibility Criteria	Target Populations	Alignment with SDG(s)
Affordable Housing **Objectives:** Support access to housing **Social Benefits:** Reduce inequalities			
Social housing	(Re)financing of social housing: • Development, construction, renovation and maintenance of social housing projects	Governmental agencies that provide social mortgages and housing	

Social Bond Category	Eligibility Criteria	Target Populations	Alignment with SDG(s)
Employment Generation **Objectives:** Foster economic growth **Social Benefits:** Employment generation including to alleviate the impact of socioeconomic crisis			
SME[4] loans	(Re)financing of: • SMEs in socio-economically disadvantaged areas (see the Appendix) • SMEs impacted by the consequences of extreme events such as extreme weather events and natural disasters • SMEs affected by a pandemic crisis such as the Covid-19 crisis (including, but not limited to hospitality, entertainment & leisure services, and manufacturing activities assigned within the shipping sector)	SMEs in socio-economically disadvantaged areas, SMEs impacted by the consequences of extreme events or pandemics	 

The Issuer refers to Appendix 2 to the Social Bond Framework for further information relating to eligibility criteria and to Appendix 1 for further information relating to the exclusions and restrictions applicable to lending by the Group.

Process for project evaluation and selection

Upon submission of projects by the business units, the Green and Social Bond Committee, comprised of representatives including at least one general manager from Group Treasury, Corporate Sustainability and representatives from the business units (when required), will verify the compliance of the projects with the Use of Proceeds requirements and select projects as Social Bond Eligible Assets. The Green and Social Bond Committee also verifies that all selected Social Bond Eligible Assets comply with the standards of the KBC Group Sustainability Framework[5], where applicable. Furthermore, the Green and Social Bond Committee will consider perceived environmental and social risks associated with each of the relevant projects as a part of the approval and monitoring of Social Bond Eligible Asset allocation.

The Green and Social Bond Committee will document the assessment process with the view to demonstrate to an independent auditor that funded loans meet the applicable eligibility criteria.

Management of proceeds

The net proceeds of the Social Bonds will be managed by the Treasury team of the Issuer on a portfolio basis. As long as any Social Bonds are outstanding, it is intended that an amount equivalent to the net proceeds of the Social Bonds will be allocated exclusively to a portfolio of Social Bond Eligible Assets in

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[4] As defined by the European Commission on its website https://single-market-economy.ec.europa.eu/smes/sme-definition_en. This website is not incorporated by reference into and does not form part of this Base Prospectus, and has not been scrutinised or approved by the FSMA.

[5] The KBC Group Sustainability Framework is not incorporated by reference into and does not form part of this Base Prospectus, and has not been scrutinised or approved by the FSMA.

line with the abovementioned eligibility criteria and evaluation and selection process. The Issuer will individually identify all allocated Social Bond Eligible Assets in its internal information systems and will monitor these allocations on a quarterly basis. If an asset no longer meets the eligibility criteria, the Issuer will remove the loan from the Social Bond portfolio and will strive to replace it with a Social Bond Eligible Asset as soon as possible, subject to availability.

Pending the full allocation of the proceeds to Social Bond Eligible Assets, or in case insufficient Social Bond Eligible Assets are available, the Issuer commits to hold the balance of net proceeds not allocated to Social Bond Eligible Assets within the treasury of the Group, invested in money market products, cash and/or cash equivalent.

Reporting

The Issuer intends to regularly provide investors with information on both the allocation of proceeds and the non-financial impact of the Social Bond Eligible Assets included in its Social Bond portfolio, as further specified in the Social Bond Framework.

Both the allocation report and the social report will be made publicly available in the Social Bond section of the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html). Any reports made available on the Issuer's website do not form part of, and are not incorporated by reference into, this Base Prospectus.

External review

The Issuer has commissioned Sustainalytics to provide a second party opinion for its Social Bond Framework. Sustainalytics has reviewed KBC Social Bond Framework and issued a second party opinion (the "**Social Bond Framework Opinion**") confirming the alignment of it with the Social Bond Principles. The Social Bond Framework Opinion does not assess or confirm compliance of the Social Bonds and the use of proceeds with the criteria and procedures set out in the Social Bond Framework. The Social Bond Framework Opinion is available on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html) and is not incorporated in and does not form part of this Base Prospectus and may be, amended, updated, expanded or replaced from time to time.

The Issuer will request on an annual basis, starting one year after issuance and until maturity, a limited assurance report of the allocation of the Social Bond proceeds to Social Bond Eligible Assets, provided by a reputable external auditor.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Social Bond Framework Opinion or the limited assurance report, or any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Social Bonds, and in particular as to whether any Social Bond Eligible Assets fulfil any environmental or other criteria. Any such opinion, report or certification is not nor should be deemed to be, a recommendation by the Issuer, the Dealer, or any other person to buy, sell or hold any Social Bonds. As a result, neither the Issuer nor the Dealer will be, or shall be deemed, liable for any issue in connection with its content. For the avoidance of doubt, this is without prejudice to the responsibility of the Issuer for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes, as set out in the paragraph entitled "*Important information relating to the use of this base prospectus*".

TAXATION

The tax legislation in force in the jurisdiction of a potential investor, in the Issuer's country of incorporation (i.e., Belgium) and in any other relevant jurisdiction may have an impact on the income which may be received from the Notes. The statements herein regarding taxation are based on the laws in force in Belgium as of the date of this Base Prospectus and are subject to any changes in law, potentially with a retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective Noteholder or beneficial owner of Notes should consult its tax advisor as to the Belgian tax consequences of any investment in, or ownership and disposition of, the Notes or that of any other relevant jurisdiction.

Belgium

The following summary describes the principal Belgian tax considerations of acquiring, holding and selling the Notes. This information is of a general nature based on the Issuer's understanding of current law and practice and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Notes. In some cases, different rules can be applicable. The summary is based on laws, treaties and regulatory interpretations in effect in Belgium on the date of this Base Prospectus, all of which can be amended in the future, possibly implemented with retroactive effect. Furthermore, the interpretation of the tax rules may change. Investors should appreciate that, as a result of evolutions in law or practice, the eventual tax consequences may be different from what is stated below.

Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes, taking into account their own particular circumstances and the influence of each regional, local or national law.

For purposes of this summary, a Belgian resident is an individual subject to Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) (that is, an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident for purposes of Belgian tax law), a company subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*) (that is, a corporate entity that has its main establishment, its administrative seat or seat of management in Belgium), an Organisation for Financing Pensions subject to Belgian corporate income tax (i.e., a Belgian pension fund incorporated under the form of an Organisation for Financing Pensions), or a legal entity subject to Belgian income tax on legal entities (*rechtspersonenbelasting/impôt des personnes morales*) (that is, a legal entity other than a company subject to Belgian corporate income tax, that has its main establishment, its administrative seat or seat of management in Belgium). A Belgian non-resident is any person that is not a Belgian resident.

Belgian withholding tax

For Belgian income tax purposes, interest includes (i) periodic interest income, (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer), and (iii) in case of a realisation of the Notes between interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the holding period.

Payments of interest on the Notes made by or on behalf of the Issuer are as a rule subject to Belgian withholding tax, currently at a rate of 30% on the gross amount.

However, the holding of the Notes in the securities settlement system of the NBB (the "**Securities Settlement System**") permits investors to collect payments of interest and principal on their Notes free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Notes are held by certain investors (the "**Eligible Investors**", see below) in an exempt securities account ("**X-account**") that has been opened with a financial institution that is a direct or indirect participant (a "**Participant**") in the Securities Settlement System. Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD are directly or indirectly Participants for this purpose.

Holding the Notes through the Securities Settlement System enables Eligible Investors to receive the gross interest income on their Notes and to transfer the Notes on a gross basis.

Participants to the Securities Settlement System must keep the Notes which they hold on behalf of Eligible Investors on an X-account, and those which they hold on behalf of non-Eligible Investors in a non-exempt securities account ("**N-account**"). Payments of interest made through X-accounts are free of withholding tax; payments of interest made through N-accounts are subject to withholding tax, currently at a rate of 30%, which is withheld from the interest payment and paid by the NBB to the tax authorities.

Eligible Investors are those entities referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*), which includes *inter alia*:

(i) Belgian resident companies referred to in Article 2, §1, 5°, b) of the Belgian Income Tax Code of 1992 (*wetboek van inkomstenbelastingen 1992/code des impôts sur les revenus 1992*) ("**BITC**");

(ii) Without prejudice to Article 262, 1° and 5° of the BITC, the institutions, associations or companies referred to in Article 2, §3 of the law of 9 July 1975 with respect to the control of insurance companies other than those referred to in (i) and (iii);

(iii) Semi-governmental institutions (*parastatalen/institutions parastatales*) for social security or institutions equated therewith referred to in Article 105, 2° of the Royal Decree of 27 August 1993 implementing the BITC (*koninklijk besluit tot invoering van het wetboek inkomstenbelastingen 1992/arrêté royal d'exécution du code des impôts sur les revenus 1992*) ("**RD/BITC**");

(iv) Non-resident investors referred to in Article 105, 5° of the RD/BITC whose holding of the Notes is not connected to a professional activity in Belgium;

(v) Investment funds referred to in Article 115 of the RD/BITC;

(vi) Investors referred to in Article 227, 2° of the BITC, subject to non-resident income tax (*belasting van niet inwoners/impôt des non-résidents*) in accordance with Article 233 of the BITC and which have used the income generating capital for the exercise of their professional activities in Belgium;

(vii) The Belgian State, in respect of investments which are exempt from withholding tax in accordance with Article 265 of the BITC;

(viii) Investment funds governed by foreign law (such as *beleggingsfondsen/fonds de placement*) that are an undivided estate managed by a management company for the account of the participants, provided the funds units are not publicly issued in Belgium or traded in Belgium; and

(ix) Belgian resident companies not referred to under (i), whose activity exclusively or principally exists of granting credits and loans.

Eligible Investors do not include, *inter alia*, Belgian resident individuals and Belgian non-profit organisations, other than those mentioned under (ii) and (iii) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, as amended, to which investors should refer for a precise description of the relevant eligibility rules.

Transfers of Notes between an X-account and an N-account give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-account (to an X-account or N-account) gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.

- A transfer to an N-account (from an X-account or an N-account) gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.

- Transfers of Notes between two X-accounts do not give rise to any adjustment on account of withholding tax.

When opening an X-account with the Securities Settlement System or with a Participant for the holding of Notes, an Eligible Investor will be required to certify its eligible status on a standard form claimed by the Belgian Minister of Finance and send it to the participant to the Securities Settlement System where this account is kept. This statement needs not be periodically reissued (although Eligible Investors must update their certification should their eligible status change). Participants to the Securities Settlement System are however required to annually make declarations to the NBB as to the eligible status of each investor for whom they hold Notes in an X-account during the preceding calendar year.

An X-account may be opened with a Participant by an intermediary (an "**Intermediary**") in respect of Notes that the Intermediary holds for the account of its clients (the "**Beneficial Owners**"), provided that each Beneficial Owner is an Eligible Investor. In such case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor and (ii) the Beneficial Owners holding their Notes through it are also Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the intermediary.

These identification requirements do not apply to central securities depositaries, as defined by Article 2, §1, 1) of Regulation (EU) n° 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012, acting as Participants to the Securities Settlement System, provided that (i) they only hold X-accounts, (ii) they are able to identify the holders for whom they hold Notes in such account and (iii) the contractual rules agreed upon by these central securities depositaries acting as Participants include the contractual undertaking that their clients and account owners are all Eligible Investors.

Hence, these identification requirements do not apply to Notes held in Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD, or any other central securities depository as Participants to the Securities Settlement System, provided that (i) Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD only hold X-accounts, (ii) they are able to identify the holders for whom they hold Notes in such account and (iii) the contractual rules agreed upon by these central securities depositaries include the contractual undertaking that their clients and account owners are all Eligible Investors.

Belgian income tax and capital gains

Belgian resident individuals

For natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) and who hold the Notes as a private investment, payment of the 30% withholding tax fully discharges them from their personal income tax liability with respect to these interest payments (*bevrijdende roerende voorheffing/précompte mobilier libératoire*). This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided that the Belgian withholding tax of 30% was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare the interest payment (as defined above in the Section "*Belgian withholding tax*") in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at the interest withholding tax rate of 30% or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is lower. No local surcharges will be due. If the interest payment is declared, the Belgian withholding tax retained is creditable in accordance with the applicable legal provisions.

Capital gains realised on the transfer of the Notes are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate (in which case the capital gain will be taxed at 33% plus local municipality surcharge) or unless the capital gains qualify as interest (as defined above in the Section "*Belgian withholding tax*"). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment.

Belgian resident companies

Corporate Noteholders who are Belgian residents for tax purposes, i.e., who are subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*) are subject to the following tax treatment in Belgium with respect to the Notes.

Interest derived by Belgian corporate investors on the Notes and capital gains realised on the Notes are taxable at the ordinary corporate income tax rate of 25%. Subject to certain conditions, a reduced corporate income tax rate of 20% applies for small enterprises (as defined by Article 1:24, §1 to §6 of the Belgian Companies and Associations Code) on the first EUR 100,000 of taxable profits.

Capital losses realised upon the disposal of the Notes are, in principle, deductible.

Any Belgian withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

Other tax rules apply to investment companies within the meaning of Article 185bis of the BITC.

Belgian legal entities

For legal entities subject to Belgian legal entities tax (*rechtspersonenbelasting/impôts des personnes morales*) which have been subject to the 30% Belgian withholding tax on interest payments, such withholding tax constitutes the final taxation.

Belgian legal entities which have received interest income on Notes without deduction for or on account of Belgian withholding tax are required to declare and pay the 30% withholding tax to the Belgian tax authorities themselves.

Capital gains realised on the transfer of the Notes are in principle tax exempt, unless the capital gain qualifies as interest (as defined above in the Section "*Belgian withholding tax*"). Capital losses are in principle not tax deductible.

Organisation for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible. Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

Belgian non-residents

Holders of Notes who are non-residents of Belgium for Belgian tax purposes and are not holding the Notes through a Belgian establishment and do not invest the Notes in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains by reason only of the acquisition, ownership or disposal of the Notes, provided that they qualify as Eligible Investors and hold their Notes in an X-account.

If the Notes are not entered into an X-account by the Eligible Investor, withholding tax on the interest is in principle applicable at the current rate of 30%, possibly reduced pursuant to a tax treaty, on the gross amount of the interest.

Non-resident individuals who do not use the Notes for professional purposes and who have their fiscal residence in a country with which Belgium has not concluded a tax treaty or with which Belgium has concluded a tax treaty that confers the authority to tax capital gains on the Notes to Belgium, will be subject to tax in Belgium if the capital gains are obtained or received in Belgium and are deemed to be realised outside the scope of the normal management of the individual's private estate. Capital losses are generally not deductible.

Non-resident investors who have allocated the Notes to the exercise of a professional activity in Belgium through a permanent establishment are subject to the same income tax treatment as Belgian resident companies or Belgian resident individuals holding the Notes for professional purposes (see above).

Tax on stock exchange transactions

The purchase and sale and any other acquisition or transfer for consideration of the Notes on the secondary market that is (i) either entered into or carried out in Belgium through a professional intermediary or (ii) deemed to be carried out in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by a private individual with habitual residence in Belgium or by a legal entity for the account of its seat or establishment in Belgium (both referred to as a "**Belgian Investor**"), will be subject to the tax on stock exchange transactions (*taks op beursverrichtingen/taxe sur les operations de bourse)* at a current rate of 0.12% of the purchase/sale price, capped at EUR 1,300 per transaction and per party. The tax is due separately from each party to any such transaction, i.e., the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. No tax will be due on the issuance of the Notes (primary market transaction).

If the intermediary is established outside Belgium, the tax on stock exchange transactions is due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In such a case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with an qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day the transaction concerned was realised. The qualifying order statements must be numbered in series and a duplicate must be retained by the financial intermediary. The duplicate can be replaced by a qualifying day-today listing, numbered in series. Alternatively, professional intermediaries established outside Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (the "**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions due and for complying with the reporting obligations and the obligations relating to the order statement (*borderel/bordereau*) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

However, the tax on stock exchange transactions will not be payable by exempt persons acting for their own account including investors who are not Belgian residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional

investors as defined in Article 126[1] 2° of the Code of miscellaneous taxes and duties (*wetboek diverse rechten en taksen/code des droits et taxes divers*) for the tax on stock exchange transactions.

As stated below, the EU Commission adopted on 14 February 2013 the Draft Directive on a FTT (as defined below in the Section "*Financial Transaction Tax*"). The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States (excluding Estonia) and therefore may be changed at any time. The Draft Directive is further described below.

Annual tax on securities accounts

Following the Law of 11 February 2021, an annual tax on securities accounts was introduced (the **Annual Tax on Securities Accounts**) (*jaarlijkse taks op de effectenrekeningen/taxe annuelle sur les comptes-titres*). The Annual Tax on Securities Accounts is levied on securities accounts of which the average value during the reference period (i.e a period of twelve consecutive months beginning on 1 October and ending, in principle, on 30 September of the next year), exceeds EUR 1,000,000. The Annual Tax on Securities Accounts is applicable to securities accounts that are held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary in Belgium or abroad. The Annual Tax on Securities Accounts also applies to securities accounts held by non-residents individuals, companies and legal entities with a financial intermediary in Belgium. However, the Annual Tax on Securities Accounts is not levied on securities accounts held by specific types of regulated entities in the context of their own professional activity and for their own account.

The applicable tax rate is equal to the lowest amount of either 0.15% of the average value of the financial instruments and funds held on the account or 10% of the difference between the average value of the financial instruments and funds held on the account and EUR 1,000,000. The tax base is the sum of the values of the taxable financial instruments at the different reference points in time, i.e. 31 December, 31 March, 30 June and 30 September, divided by the number of those points in time.

The Annual Tax on Securities Accounts needs to be withheld, declared and paid by the Belgian intermediary. Intermediaries not established or set up in Belgium have the possibility, when managing a securities account subject to the tax, to appoint a representative in Belgium approved by or on behalf of the Minister of Finance (the **Annual Tax on Securities Accounts Representative**). The Annual Tax on Securities Accounts Representative is jointly and severally liable vis-à-vis the Belgian State to declare and pay the tax and to fulfil all other obligations for intermediaries related to the Annual Tax on Securities Accounts, such as compliance with certain reporting obligations. In cases where no intermediary has withheld, declared and paid the Annual Tax on Securities Accounts, the holder of the securities account needs to declare and pay the tax himself, unless he can prove that the tax has already been withheld, declared and paid by either a Belgian intermediary or Annual Tax on Securities Accounts Representative of a foreign intermediary.

Anti-abuse provisions, retroactively applying from 30 October 2020, were initially also introduced: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. However, on 27 October 2022, the Constitutional Court annulled (i) the two irrebuttable specific anti-abuse provisions

and (ii) the retroactive effect of the rebuttable general anti-abuse provision, meaning that the latter provision can only apply as from 26 February 2021.

Investors should consult their own tax advisers in relation to this Annual Tax on Securities Accounts.

Common Reporting Standard

The exchange of information is governed by the Common Reporting Standard ("**CRS**"). As of 22 November 2022, 119 jurisdictions had signed the multilateral competent authority agreement ("**MCAA**"), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation ("**DAC2**"), which provides for mandatory automatic exchange of financial information between EU Member States as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The Belgian government implemented DAC2 and the CRS, pursuant to the law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the "**Law regarding Exchange of Information**").

The Notes are subject to DAC2 and to the Law regarding Exchange of Information. Under DAC2 and the Law regarding Exchange of Information, Belgian financial institutions holding the Notes for tax residents in another CRS contracting state shall report financial information regarding the Notes (e.g. in relation to income and gross proceeds) to the Belgian competent authority, who shall communicate the information to the competent authority of the state of the tax residence of the beneficial owner.

As a result of the Law regarding Exchange of Information, the mandatory exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States, (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of a date to be further determined by Royal Decree.

In a Royal Decree of 14 June 2017, as amended, it was determined that the automatic provision of information has to be provided as from (i) 2017 (for the 2016 financial year) for a first list of eighteen foreign jurisdictions, (ii) as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions,

(iii) as from 2019 (for the 2018 financial year) for another jurisdiction and (iv) as from 2020 (for the 2019 financial year) for a list of six jurisdictions.

Investors who are in any doubt as to their position should consult their professional advisers.

Financial Transaction Tax

On 14 February 2013, the European Commission published a proposal for a Directive (the "**Draft Directive**") for a common financial transaction tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and the Slovak Republic (the "**Participating Member States**"). In December 2015, Estonia withdrew from the Participating Member States.

The Draft Directive currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax).

The Draft Directive has a very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Draft Directive, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. According to the Draft Directive, the FTT shall be payable on financial transactions provided that at least one party to the financial transaction is established (or deemed established) in a Participating Member State and that there is a financial institution established (or deemed established) in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. The FTT shall, however, not apply to among others primary market transactions referred to in Article 5 (c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The rates of the FTT shall in principle be fixed by each Participating Member State, but for transactions involving financial instruments other than derivatives they shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer or the market price (whichever is higher). The FTT shall be payable by each financial institution which is established (or which is deemed to be established) in a Participating Member State (i) which is a party to the financial transaction, (ii) which is acting in the name of a party to the transaction or (iii) where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to the relevant financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT.

However, the proposed FTT remains subject to negotiation between the Participating Member States (excluding Estonia) and the scope of any such tax is uncertain. Therefore, it may be altered prior to any

implementation, the timing of which also remains unclear. Additional Member States may decide to participate and/or other Participating Member States may decide to withdraw.

In any event, the European Commission declared that, if there is no agreement between the Participating Member States by the end of 2022, it would endeavour to propose a new own resource, based on a new FTT, by June 2024 in view of its introduction by 1 January 2026. No agreement was found between the Participating Member States at the end of 2022. The European Commission has, however, not published any proposals so far.

Prospective holders of the Notes are strongly advised to seek their own professional advice in relation to the FTT.

FATCA withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Belgium) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Summary of Programme Agreement

Subject to the terms and on the conditions contained in a programme agreement dated on or about the date of this Base Prospectus (the "**Programme Agreement**") between the Issuer, the Permanent Dealer and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealer. However, the Issuer has reserved the right to sell Notes directly on its own behalf to dealers that are not the Permanent Dealer. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

As set out in the Programme Agreement, the Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date (the "**Resale Restriction Termination Date**"), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells any Notes prior to the Resale Restriction Termination Date a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such series of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

Prohibition of Sales to Consumers

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to Consumers" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available, and it will not offer, sell or otherwise make available, the Notes to consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available, and will not offer, sell or otherwise make available, any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**") and each Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and any other relevant laws and regulations of Japan.

Czech Republic

The Base Prospectus has not been and will not be approved by the Czech National Bank.

No action has been taken in the Czech Republic (including the obtaining of the prospectus approval from the Czech National Bank and the admission to trading on a regulated market (as defined in section 55(1) of the Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the "**Capital Market Act**")) for the purposes of any Securities to qualify as securities admitted to trading on the regulated market in the Czech Republic within the meaning of the Capital Market Act.

No offers or sales of any Securities may be made in the Czech Republic through a public offering (*veřejná nabídka*) (as defined in the Prospectus Regulation), except if in compliance with the Prospectus Regulation and the Capital Market Act.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has complied with and will comply with all applicable provisions of

the Capital Market Act, the Act of the Czech Republic No. 21/1992 Coll., on Banks, as amended, the Act of the Czech Republic No. 240/2013 Coll., on Management Companies and Investment Funds, as amended or any other applicable laws of the Czech Republic in respect of the Securities and its offering in the Czech Republic.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Neither the Issuer nor any Dealer represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Neither the Issuer nor the Dealers have authorised, nor do they authorise, the making of any offer of Notes through any financial intermediary, other than offers made by Dealers which constitute the final placement of Notes contemplated in this Base Prospectus.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall, to the best of its knowledge and belief, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms and, that it will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws, regulations and directives in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries, and neither the Issuer nor any Dealer shall have any responsibility therefor.

Any person intending to acquire or acquiring any Notes from any person should be aware that, in the context of an offer to the public as defined in Article 2(d) of the Prospectus Regulation, the Issuer may be responsible to the investor for the Base Prospectus under Article 11 of the Prospectus Regulation, only if the Issuer has authorised the offeror to make the offer to the investor. Each investor should therefore enquire whether the offeror is so authorised by the Issuer. If the offeror is not authorised by the Issuer, the investor should check with the offeror whether anyone is responsible for the Base Prospectus for the purposes of Article 11 of the Prospectus Regulation in the context of the offer to the public, and, if so, who that person is. If the investor is in any doubt about whether it can rely on the prospectus and/or who is responsible for its contents it should take legal advice.

An investor intending to acquire or acquiring any Notes from an offeror will do so, and offers and sales of the Notes to an investor by an offeror will be made, in accordance with any terms and other arrangements in place between such offeror and such investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with investors (other than a Dealer) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information and an investor must obtain such information from the offeror.

FORM OF FINAL TERMS

[MiFID II Product Governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II") and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR Product Governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA") ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II] or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, the Issuer has not prepared a key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018 ("EUWA")/EUWA]; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or

regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of [Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA/UK MiFIR]. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[PROHIBITION OF SALES TO CONSUMERS – The Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, by any Dealer to any "consumer"(*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended.]

Final Terms dated [●]

KBC Group NV

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the EUR 20,000,000,000
Euro Medium Term Note Programme

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 23 May 2023 [and the supplement(s) to it dated [*date*]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus (including any supplement thereto). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus (including any supplement thereto). The Base Prospectus and any supplement thereto has been or will be published on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html).

(The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under a base prospectus with an earlier date.)

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the base prospectus dated [4 June 2019]/[2 June 2020]/[1 June 2021]/[24 May 2022] [and the supplement(s) to it dated [*date*]], which are incorporated by reference in the base prospectus dated 23 May 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and must be read in conjunction with the base prospectus dated 23 May 2023 [and the supplement(s) to it dated [*date*]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**"), save in respect of the Conditions which are extracted from the base prospectus dated [4 June 2019]/[2 June 2020]/[1 June 2021]/[24 May 2022] [and the supplement(s) to it dated [*date*]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the base prospectus dated

[4 June 2019]/[2 June 2020]/[1 June 2021]/[24 May 2022] (in respect of the Conditions set forth therein) and the base prospectus dated 23 May 2023 (other than in respect of the Conditions). The Base Prospectus and any supplement thereto has been or will be published on the Issuer's website (www.kbc.com/en/investor-relations/debt-issuance/kbc-group.html).

1	(i)	Series Number:	[●]
	(ii)	[Tranche Number:]	[●]
	(iii)	[Date on which Notes will be consolidated and form a single Series:]	[The Notes will be consolidated and form a single Series with [●] on [[*insert date*]/the Issue Date] [Not Applicable]]
2	Specified Currency:		[●]
3	Aggregate Nominal Amount:		[●]
	(i)	[Series:]	[●]
	(ii)	[Tranche:]	[●]
4	Issue Price:		[●]% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*]]
5	(i)	Specified Denominations:	[●]
	(ii)	Calculation Amount:	[●]
6	(i)	[Issue Date:]	[●]
	(ii)	[Interest Commencement Date:]	[Issue Date/[●]/Not Applicable]
7	Maturity Date:		[[●]/Interest Payment Date falling in [or nearest to] [*specify month and year*]]
8	Interest Basis:		[Fixed Rate/ Fixed Rate Reset / Floating Rate]
9	Redemption Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●]% of their nominal amount.
10	Change of Interest Basis:		[[●]/Not Applicable]
11	Issuer Call Option:		[Applicable/Not Applicable] [(further particulars specified below)] (*The Issuer Call Option should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable.*)
12	(i)	Status of the Notes:	[Senior Notes] [Subordinated Tier 2 Notes]
	(ii)	Waiver of set-off in respect of Senior Notes:	Condition 2(a)(ii): [Applicable/Not Applicable]
	(iii)	Event of Default or Enforcement in respect of Senior Notes:	Condition 10(a): [Applicable/Not Applicable]

Condition 10(b): [Applicable/Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i)	Rate(s) of Interest:	[[●]% per annum payable in arrear [on each Interest Payment Date]]
	(ii)	Interest Payment Date(s):	[[●] [and [●]] in each year [from and including [●]][until and excluding [●]]]
	(iii)	Fixed Coupon Amount[(s)]:	[[●] per Calculation Amount] [Not Applicable]
	(iv)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(v)	Day Count Fraction:	[Actual/365] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA]
	(vi)	Determination Dates:	[[●] in each year/Not Applicable]
14	**Fixed Rate Reset Note Provisions**		[Applicable/Not Applicable]
	(i)	Initial Rate of Interest:	[●]% per annum payable in arrear [on each Interest Payment Date]
	(ii)	Interest Payment Date(s):	[●] [and [●]] in each year [from and including [●]][until and excluding [●]]
	(iii)	First Reset Date:	[●]
	(iv)	Second Reset Date:	[[●]/Not Applicable]
	(v)	Subsequent Reset Date(s):	[[●] [and[●]]/Not Applicable]
	(vi)	Reset Determination Dates:	[●]
	(vii)	Reset Reference Rate:	[Mid-Swap Rate / Sterling Reference Bond Rate]
	(viii)	Mid-Swap Rate:	[semi-annual] / [annualised] / [Not Applicable]
	(ix)	Swap Rate Period:	[[●]] / [Not Applicable]
	(x)	Fixed Leg Swap Payment Frequency:	[Annual / Semi-annual / [●] / Not Applicable]

	(xi)	Fixed Leg Swap Payment Frequency Day Count Fraction:	[Actual/365] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA] [Not Applicable]
	(xii)	Mid-Swap Floating Leg Benchmark Rate:	[[6]-month EURIBOR (calculated on an Actual/360 day count basis)] / [Overnight SONIA rate compounded for the Mid-Swap Maturity (calculated on an Actual/365 day count basis)] / [Overnight SOFR rate compounded for the Mid-Swap Maturity (calculated on an Actual/360 day count basis)] / [●] / [Not Applicable]
	(xiii)	Mid-Swap Maturity:	[12 months / 6 months / 3 months / [●] / Not Applicable]
	(xiv)	Relevant Screen Page:	[●] [Not Applicable]
	(xv)	Margin(s):	[+/–][●]% per annum [in respect of the First Reset Period] [+/–][●]% per annum [in respect of each Subsequent Reset Period]
	(xvi)	Fixed Coupon Amount[(s)] in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date:	[[●] per Calculation Amount]
	(xvii)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
	(xviii)	Day Count Fraction:	[Actual/365] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA]
	(xix)	Determination Dates:	[[●] in each year/Not Applicable]
15	**Floating Rate Note Provisions**		[Applicable/Not Applicable]

(i)	Interest Period(s):	[[●][, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]]
(ii)	Specified Interest Payment Dates:	[●][from and including [●]][up to and [including/excluding] [●]][, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]] [Not Applicable]
(iii)	First Interest Payment Date:	[●]
(iv)	Business Day Convention:	[Following Business Day Convention/Preceding Business Day Convention/ Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(v)	Additional Business Centre(s):	[●] (*please specify other financial centres required for the Business Day definition*)
(vi)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Agent):	[●]
(vii)	Screen Rate Determination:	
	– Reference Rate:	[EURIBOR][CMS]
	– Interest Determination Date(s):	[●] [TARGET/[●]] Business Days [in [●]] prior to the [●] day in each Interest Accrual Period/each Interest Payment Date
	– Relevant Screen Page:	[●] [Reuters Page <ISDAFIX2>, under the heading "EURIBOR Basis-EUR"] (*if CMS*)
	– Relevant Time:	[●]
(viii)	Margin(s):	[+/–][●]% per annum [in respect of each Interest Accrual Period ending on [●]]

		[[+/–][●]% per annum in respect of each Interest Accrual Period ending on [●]]
(ix)	Minimum Rate of Interest:	[[•]% per annum][Not Applicable]
(x)	Maximum Rate of Interest:	[[•]% per annum][Not Applicable]
(xi)	Day Count Fraction:	[Actual/365] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA]

PROVISIONS RELATING TO REDEMPTION

16	**Tax Call Option**	[Applicable/Not Applicable] (*The Tax Call Option should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable. If not applicable, delete the remaining sub-paragraph of this paragraph.*)
	Notice periods for Condition 4(b):	Minimum period: [15] [●] days Maximum period: [45] [●] days
17	**Capital Disqualification Event**	[Applicable/Not Applicable] (*Capital Disqualification Event should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable. If not applicable, delete the remaining sub-paragraph of this paragraph.*)
	Notice periods for Condition 4(c):	Minimum period: [15] [●] days Maximum period: [45] [●] days
18	**Capital Disqualification Event Variation**	[Applicable/Not Applicable] (*Capital Disqualification Event Variation should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable.*)
19	**Loss Absorption Disqualification Event Variation or Substitution**	[Applicable/Not Applicable] (*Loss Absorption Disqualification Event Variation or Substitution should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable.*)
20	**Issuer Call Option**	[Applicable/Not Applicable]

			(*The Issuer Call Option should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable. If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s):	[[●] per Calculation Amount/Early Redemption Amount]
	(iii)	If redeemable in part:	[Applicable/Not Applicable]
		(a) Minimum Callable Amount:	[●]/[Not Applicable]
		(b) Maximum Callable Amount:	[●]/[Not Applicable]
	(iv)	Notice period:	Minimum period: [15] [●] days Maximum period: [45] [●] days
21	**Loss absorption Disqualification Event in respect of Senior Notes**		Condition 4(e): [Applicable from [●]/Not Applicable] (*Loss Absorption Disqualification Event should only be specified to be applicable if the Prohibition of Sales to Consumers is specified to be applicable. If not applicable, delete the remaining sub-paragraph of this paragraph.*)
	Notice periods for Condition 4(e):		Minimum period: [●] days Maximum period: [●] days
22	**Final Redemption Amount**		[[●] per Calculation Amount/[●]]
23	**Early Redemption Amount**		
	Early Redemption Amount(s) payable on redemption following a Tax Event, following a Capital Disqualification Event (in the case of Subordinated Tier 2 Notes), following a Loss Absorption Disqualification Event (in the case of Senior Notes) or on event of default or other early redemption:		[[●] per Calculation Amount/[●]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24	**Form of Notes**	Dematerialised form

THIRD PARTY INFORMATION

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: [●]
Duly authorised

By: [●]
Duly authorised

PART B – OTHER INFORMATION

1	**LISTING AND ADMISSION TO TRADING**		
	(i)	Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [*specify relevant regulated market, other stock exchange, third country market, SME growth market or MTF*] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [[Euronext Brussels][*specify relevant regulated market, other stock exchange, third country market, SME growth market or MTF*]] with effect from [●].] [Not Applicable.]
	(ii)	Estimate of total expenses related to admission to trading	[●]
2	**RATINGS**		[The Notes to be issued [are not]/[have been]/[are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: (*Need to include here a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.)* [name of rating agency]: [●] [[●] is established in the EU and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"). As defined by [●] a [●] rating means that the obligations of the Issuer under the [Programme] [Notes] are [●].] / [[●] is established in the United Kingdom and registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation"**). As defined by [●] a [●] rating means that the obligations of the Issuer under the [Programme] [Notes] are [●].] / [[●] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**"), although

notification of the registration decision has not yet been provided.] /

[[●] is established in the EU and has applied for registration under Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /

[[●] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**").] /

[[●] is established in the United Kingdom and is neither registered nor has it applied for registration under Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /

[[●] is not established in the EU but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency(ies)*], and such endorsement has not been withdrawn, [each of] which is established in the EU and registered under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**").] /

[[●] is not established United Kingdom but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency(ies)*], and such endorsement has not been withdrawn, [each of] which is established in the UK and registered under the Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /

[[●] is not established in the EU but is certified under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**").] /

[[●] is not established in the United Kingdom but is certified under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /

[[●] is not established in the EU and is not certified under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.] /

[[●] is not established in the United Kingdom and is not certified under Regulation (EC) No. 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the United Kingdom and registered under the UK CRA Regulation.]

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue." [●]]

(*Amend as appropriate if there are other interests*)

4 REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT

Reasons for the offer:

[See "Use of Proceeds" in the Base Prospectus]/[The Issuer will apply the net proceeds exclusively to [Green Bond Eligible Assets]/[Social Bond Eligible Assets] in accordance with the [Green Bond Framework]/[Social Bond Framework]]/[●]

(See "Use of Proceeds" in the Base Prospectus – if reasons for the offer are different from general corporate purposes, include those reasons here, including if the Issuer will apply the net proceeds exclusively to Green Bond Eligible Assets or Social Bond Eligible Assets in accordance with the Green Bond Framework or the Social Bond Framework (respectively).

If the Issuer will apply the net proceeds exclusively to Green Bond Eligible Assets or Social Bond Eligible Assets in accordance with the Green Bond Framework or the Social Bond

Framework (respectively), specify whether proceeds will be applied to (i) finance or refinance, (ii) in whole or in part, (iii) Green Bond Eligible Assets or Social Bond Eligible Assets. Where relevant, also specify the type or category of the relevant Green Bond Eligible Assets or Social Bond Eligible Assets.)

Estimated net amount: [●]

5 **YIELD** (*Fixed Rate Notes only*) [Not Applicable]

(*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)

Indication of yield:

(i) Gross yield: [●]

[Calculated as [*include details of method of calculation in summary form*] on the Issue Date.]

[Not Applicable]

(ii) Net yield: [●]

[Calculated as [*include details of method of calculation in summary form*] on the Issue Date.]

[Not Applicable]

Maximum yield: [●] (*Include for Floating Rate Notes only where a maximum rate of interest applies*)

[Calculated as [*include details of method of calculation in summary form*] on the Issue Date.]

[Not Applicable]

Minimum yield: [●] (*Include for Floating Rate Notes only where a minimum rate of interest applies*)

[Calculated as [*include details of method of calculation in summary form*] on the Issue Date.]

[Not Applicable]

6 **HISTORIC INTEREST RATES** (*Floating Rate Notes only*) [Not Applicable]

(*If not applicable, delete the remaining sub-paragraph of this paragraph.*)

[Details of historic [EURIBOR/CMS] rates can be obtained from [Reuters].][Not Applicable]

7 **OPERATIONAL INFORMATION**

(i)	ISIN:	[●]
(ii)	[Temporary ISIN:	[●]]
(iii)	Common Code:	[●]
(iv)	[Temporary Common Code:	[●]]
(v)	[CFI:	[Not Applicable/[●]]]
(vi)	[FISN:	[Not Applicable/[●]]]
(vii)	Any clearing system(s) other than the Securities Settlement System, Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s):	[Not Applicable/[●]]
(viii)	Delivery:	Delivery against payment
(ix)	Names and addresses of additional Agent(s) (if any):	[●]/[Not Applicable]
(x)	Name and address of the Calculation Agent when the Calculation Agent is not KBC Bank NV:	[●]/[Not Applicable]
(xi)	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes, provided that Eurosystem eligibility criteria have been met.] [No]
(xii)	[Relevant Benchmark[s]:	[Not Applicable]/[[*specify benchmark*] is provided by [*administrator legal name*]. As at the date hereof, [*administrator legal name*][appears]/[does not appear] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation.]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmark Regulation.]]

8 **DISTRIBUTION**

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated:	

	(A)	Names and addresses of Dealers:	[Not Applicable/give names and addresses]
	(B)	Date of [Subscription] Agreement:	[Not Applicable]/[●]
	(C)	Stabilising manager(s) (if any):	[Not Applicable/[●]]
(iii)	If non-syndicated, name and address of Dealers:		[Not Applicable/[●]]
(iv)	US Selling Restrictions		Reg. S Category 2; TEFRA not applicable
(v)	Prohibition of Sales to Consumers:		[Applicable/Not Applicable]
(vi)	Additional selling restrictions:		[Not Applicable/[●]]

GENERAL INFORMATION

(1) The update of the Programme and the issue of Notes have been duly authorised by resolutions of the Issuer's Executive Committee dated 8 December 2020 and by resolution of Rik Janssen (Group Treasurer) dated 11 May 2023.

(2) This Base Prospectus has been approved on 23 May 2023 by the Belgian FSMA in its capacity as competent authority under the Prospectus Regulation as a base prospectus for the purposes of Article 8 of the Prospectus Regulation in respect of the issue by the Issuer of Notes. Application has also been made to Euronext Brussels for Notes issued under the Programme during the period of twelve months from the date of approval of this Base Prospectus to be listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. The regulated market of Euronext Brussels is a regulated market for the purposes of MiFID II.

(3) Other than as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 March 2023 and no material adverse change in the prospects of the Issuer since 31 December 2022.

(4) Other than as set out in Section "*Description of the Issuer – Litigation*", the Issuer is not involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the twelve months preceding the date of this Base Prospectus a significant effect on the financial position or profitability of the Issuer.

(5) No entity or organisation has been appointed to act as representative of the Noteholders. The provisions on meetings of Noteholders are set out in Condition 14(a) (*Meetings of Noteholders*) and Schedule 1 (*Provisions on Meetings of Noteholders*) to the Conditions.

(6) Notes have been accepted for clearance through the facilities of the Securities Settlement System, Euroclear Bank, Clearstream Banking Frankfurt, Clearstream Banking Luxembourg, SIX SIS, Euroclear France, Euronext Securities Milan, Euronext Securities Porto and LuxCSD. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms. As at the date of this Base Prospectus, the address of the National Bank of Belgium (i.e., the operator of the Securities Settlement System) is Boulevard de Berlaimont 14, B-1000 Brussels, Belgium and the address of the operator of any Alternative Clearing System will be specified in the relevant Final Terms.

(7) Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

(8) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. Subject to any

period or *ad hoc* reporting obligations under applicable laws, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

(9) For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available on the website of the Issuer (www.kbc.com):

(i) the constitutional documents of the Issuer;

(ii) the audited consolidated financial statements of the Issuer for each of the two financial years ended 31 December 2021 and 31 December 2022, in each case together with the audit reports in connection therewith;

(iii) the unaudited condensed consolidated financial statements of the Issuer for the first quarter of 2022 and for the first quarter of 2023, in each case together with the report of the auditor in connection therewith;

(iv) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Agent as to its holding of Notes and identity); and

(v) a copy of the Base Prospectus together with any further or supplement prospectuses relating to the Programme.

This Base Prospectus, the Final Terms for Notes that are listed and admitted to trading on the regulated market of Euronext Brussels and each document incorporated by reference will be published on the website of Euronext Brussels (www.euronext.com).

The Agency Agreement will, for so long as Notes may be issued pursuant to this Base Prospectus, be available during usual business hours on any weekday (Saturdays and public holidays excepted) for inspection at the registered office of the Agent.

(10) Copies of the latest annual report and audited consolidated annual financial statements of the Issuer and the latest unaudited interim condensed consolidated financial statements of the Issuer may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified offices of the Agent during normal business hours, so long as any of the Notes is outstanding.

PricewaterhouseCoopers Bedrijfsrevisoren BV (*erkende revisor/réviseur agréé*), represented by Damien Walgrave and Jeroen Bockaert, with offices at Culliganlaan 5, B-1831 Diegem ("**PwC**"), has been appointed as auditor of the Issuer for the financial years 2016-2022. PwC is a member of the *Instituut der Bedrijfsrevisoren/Institut des Reviseurs d'Entreprises*. The consolidated financial statements of the Issuer (as well as the annual accounts of the Issuer) for the years ended 31 December 2021 and 31 December 2022 have been audited in accordance with ISA by PwC and the audits resulted, in each case, in an unqualified opinion. The reports of the auditor of the

Issuer on the Issuer's consolidated financial statements are included or incorporated in the form and context in which they are included or incorporated, with the consent of the auditors.

(11) The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

GLOSSARY

The below list contains an overview of certain defined terms which are frequently used in the sections "Risk Factors" and "Description of the Issuer" of this Base Prospectus and are not defined in the Terms and Conditions of the Notes.

Belgian Banking Law:	The Belgian law of 25 April 2014 on the status and supervision of credit institutions, as amended.
Belgian FSMA:	The Belgian Financial Services and Markets Authority.
BRRD:	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as amended.
Common Equity Tier 1 ratio or **CET1:**	Common Equity Tier 1 ratio, i.e., the common equity tier 1 capital of the Group (including the core-capital securities sold to the government that are grandfathered by the regulator) divided by the risk weighted assets of the Group, as calculated based on CRD IV.
CRD:	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions on prudential requirements for credit institutions and investment firms.
CRD IV:	CRR and CRD.
CRR:	Regulation (EU) n° 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.
CRS:	The Common Reporting Standard.
ECB:	European Central Bank.
HVaR:	Historical Value-at-Risk estimates the maximum amount of money that can be lost on a given portfolio due to adverse market movements over a defined holding period, with a

	given confidence level and using real historical market performance data.
IFRS:	International Financial Reporting Standards
Liquidity Coverage Ratio or **LCR:**	Stock of high-quality liquid assets divided by total net cash outflows over the next 30 calendar days.
MREL	Minimum requirement for own funds and eligible liabilities
NBB:	National Bank of Belgium.
NSFR:	available amount of stable funding divided by the required amount of stable funding
Single Resolution Mechanism or **SRM:**	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Bank Resolution Fund and amending Regulation (EU) No 1093/2010 of the European Parliament and of the Council, as amended.
Single Supervision Mechanism or **SSM:**	Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, as amended.
Solvency II:	Directive 2009/138/EC on the taking-up and pursuit of the business of insurance and reinsurance of 25 November 2009, as amended.
Total capital ratio:	The total regulatory capital of the Group (including the core-capital securities sold to the government that are grandfathered by the regulator) divided by the risk weighted assets of the Group, as calculated based on CRD IV.

THE ISSUER

KBC Group NV
Havenlaan 2
B-1080 Brussels
Belgium

THE DEALER AND ARRANGER

KBC Bank NV
Havenlaan 2
B-1080 Brussels
Belgium

THE AGENT

KBC Bank NV
Havenlaan 2
B-1080 Brussels
Belgium

LEGAL ADVISER

Allen & Overy (Belgium) LLP
Tervurenlaan 268A avenue de Tervueren
B-1150 Brussels
Belgium

AUDITORS

PricewaterhouseCoopers Bedrijfsrevisoren BV
Culliganlaan 5
B-1831 Diegem
Belgium