

KBC Group
Naamloze Vennootschap (company with limited liability)
Havenlaan 2 – 1080 Brussels
VAT BE 0403.227.515 (RLP Brussels)

Annual General Meeting of Shareholders held on Thursday, 3 May 2018

at the company's registered office at Havenlaan 2, 1080 Brussels

MINUTES

The meeting was opened at 10 a.m. under the chairmanship of Mr Thomas Leysen, Chairman of the Board of Directors.

The chairman welcomed those present.

The chairman appointed Mr Johan Tyteca as secretary. Mr Thomas Debacker and Mr Wilfried Kupers were appointed as tellers who, together with the chairman, were the officers of the meeting.

A convening notice had been sent by ordinary post to all registered shareholders and the statutory auditor on 29 March 2018. The directors were likewise called to the meeting on 29 March 2018 by letter sent via an electronic means of communication that – with endorsement of the Board of Directors – the company uses to send documents to its directors.

A number of documents had been attached to the convening notices, including the company annual accounts for the period to and as at 31 December 2017, the statutory auditor's report on the company annual accounts, the 2017 Annual Report containing inter alia the combined annual report of the Board of Directors, the consolidated financial statements and the statutory auditor's report on the consolidated financial statements.

These documents had also been sent to share and bond holders so requesting.

The convening notices had additionally been published in the Belgian Official Gazette, De Standaard and Le Soir on 29 March 2018.

The convening notices had also been intimated on the company's website (www.kbc.com) starting 29 March 2018, together with all information legally required to be made available to shareholders on the company's website.

Last, the convening notices had been published in the media and on the Euronext website.

The officers of the meeting duly confirmed that the meeting was properly convened.

In addition, the chairman stated that, pursuant to the Royal Decree of 27 November 1973 regulating the provision of financial and economic information to works councils, management had provided the Works Council with the requisite annual information on Thursday, 23 April 2018.

The following documents were tabled:

1. The text of the convening notice sent to all registered shareholders and the directors and statutory auditor.
2. Evidence of publication of the convening notices in the Belgian Official Gazette and the press, namely:
 - the Belgian Official Gazette of 29 March 2018;
 - De Standaard and Le Soir of 29 March 2018.
3. The attendance roster, signed by the share and bond holders or, for such as had appointed one, their proxies, who had satisfied the requirements set out in Articles 27, 28 and 30 of the Articles of Association, in order to be admitted to the meeting.

These documents were initialled and signed by all the officers of the meeting; together with the proxies, they will be kept with the minutes of the meeting.

At the time of the meeting, a total of 418 597 567 shares representative of share capital had been issued at no par value.

Based on the entries recorded on the attendance roster, it was determined that 318 915 871 voting shares were taking part at the general meeting, representing 76.19% of the company's share capital.

In addition, the Annual General Meeting was attended by a number of directors, the company's statutory auditor, several members of the press, a number of the company's employees plus students from Artesis Plantijn Hogeschool in Antwerp.

The meeting noted these points and confirmation was given that it was properly constituted and could therefore properly and validly decide on all the items on the agenda.

The chairman went through the agenda, the meeting dispensing with the requirement of reading it forth to them.

Johan Thijs presented the combined annual report of the Board of Directors and the company and consolidated accounts for financial year 2017. He spoke about the results and strategy of the KBC group and significant developments in the company's business.

As chairman of the Remuneration Committee, the chairman presented the remuneration report. With the aid of slides, he explained the remuneration of the non-executive directors and the members of the Executive Committee.

The chairman then handed over to the secretary who used an image on the screen to explain the use of the IML connector as a microphone.

The shareholders were invited to ask questions. In response to shareholders' questions, further information was provided in relation to the following:

- Complaints made by Mr Attila Prelovsky against K&H and the manner in which K&H had handled them.

The Chairman advised that KBC had received written questions from Mr Prelovsky and that he had read them with great care. He pointed out to the shareholder that a general meeting is not the appropriate forum for discussing a shareholders' personal customer relationship with a subsidiary, such as K&H. Shareholders may only raise questions that have a bearing on matters figuring in the agenda and the reports as filed. The Chairman let it be known that personal and individual cases would not be discussed.

The shareholder pointed to issues in relation to sustainability and adherence to codes of conduct and their impact on shareholder value. He accused K&H of withdrawal of a bank guarantee and the loss of his contracts and the possible loss of contracts of other customers.

The Chairman's response was that the general questions stemmed from an individual case that was currently the subject of court litigation.

As far as sustainability is concerned, KBC monitors compliance within all KBC entities, including K&H. There is no loss of trust in K&H and the CFO has no intention of tendering any resignation. The Chairman suggested talks on the matter of trust with the CEO of BU IM. The Chairman added a request for there to be adherence to the meeting's procedures.

Mr Prelovsky insisted on pursuing a number of matters (compliance with the code of conduct, hitting alarm buttons).

The Chairman confirmed how important customer confidence is; KBC monitors it and does not identify any issues.

The Chairman proposed ending the matter there, to which Mr Prelovsky signalled acquiescence.

- The financial risk represented by the residual investment in the coal sector.
- The stress tests that KBC does and the risk posed by developments in climate change: KBC mainly carries out these stress tests in relation to insurance policies.
- Reputation risk: KBC was acting under the impulse of the role it sees itself as donning in terms of sustainability; reputation risk was not a driver in and of itself. KBC takes local conditions into consideration.
- The question to KBC about shortening the deadline for lowering its coal sector exposure had already been touched upon by the CEO. The amended policy would be announced in June 2018.
- The number of insurance policies held by KBC customers in all the core countries.

- The number of KBC, KBC Ancora, Ackermans & Van Haren and Xerox shares comprised in the investment funds under KBC management.
- The manner of giving public notice of the equity and bond positions in the investment funds.
- Attendance by KBC investment fund managers at general meetings.
- How often KBC investment fund managers had voted against an agenda item.
- The ability of KBC investment funds to engage in securities lending.
- How often the KBC investment funds had been obliged to make a notification under the transparency legislation.
- KBC's expectations for 2018, including taking account of how interest rates were developing. KBC does not issue comment on the earnings outlook.
- Communication of results by KBC to institutional investors and to the general public.
- KBC's investment in the equity of the NBB.
- The question on the number of NBB shares that KBC holds as custodian: out of considerations of client confidentiality, no answer can be given to this question.
- KBC's attendance and stance at the NBB's general meeting: KBC is not under an obligation to justify how it casts its votes at a general meeting.
- The number of NBB shares that the KBC investment funds hold: the funds hold no NBB shares.
- Following Ireland, the question about the possible launch of apple wallet and android pay in Belgium. It was advised that KBC would pursue digitisation.

Some of these questions had been submitted in writing beforehand. The written questions and written answers to them would appear on the KBC website.

The chairman then proposed to proceed with voting.

The chairman pointed out that each share gave entitlement to one vote and that the resolutions would be passed by a simple majority of votes.

The chairman explained that voting would be carried out electronically. The equipment and procedures for this had been thoroughly tested beforehand under the supervision of the ICT Audit team from Corporate Audit, which confirmed the proper operation and integrity of the system. The ICT Audit team also supervised the voting during the meeting.

The chairman pointed out that the votes of shareholders who had informed the company in advance of how they intended to vote had already been entered in the database of the electronic voting system and that they would automatically be added to the votes cast at the meeting.

The results of the votes are included in these minutes. The exact totals of all votes cast are appended in an annex to these minutes. That annex constitutes an integral part of these minutes.

The chairman then gave the floor to the secretary, who – using an image projected on the screen – succinctly explained how the voting system worked.

The chairman ran over the first three items on the agenda. He referred to the information provided earlier on the combined annual report of the Board of Directors and the company and the consolidated annual financial statements. He discussed the statutory auditor's report referred to in the second item on the agenda.

He thus determined that the general meeting had taken cognisance of

- the combined annual report of the Board of Directors;
- the reports by the statutory auditor; and
- the consolidated annual financial statements.

The meeting subsequently voted as follows.

FIRST RESOLUTION

Resolution to approve the company annual accounts of KBC Group NV for the financial year ending on 31 December 2017.

The resolution was passed by a majority of	99.65	%
The resolution was rejected by a majority of		%

SECOND RESOLUTION

Resolution to approve the proposed profit distribution by KBC Group NV for the financial year ending on 31 December 2017, whereby

- 1 255 567 216 euros would be paid as a gross dividend, i.e. a gross dividend per share of 1.31 euros. Further to payment of an interim dividend in the sum of 418 372 082 euros, the balance of gross dividend remaining to be paid would be 837 195 134 euros, i.e. a gross final dividend of 2 euros per share.
- 10 925 522.55 euros would be allocated in the form of a profit premium to the employees, of which:
 - a. 9 954 629.69 euros as categorised profit premium as stipulated in the collective labour agreement of 9 February 2018 with regard to the categorised profit premium concerning financial year 2017;
 - b. 970 892.86 euros as identical profit premium. An identical profit premium of 300 euros would be granted to each of the employees, regardless of any seniority requirement. This amount is only prorated in accordance with the dates of commencement and termination of employment and taking into account the (non)assimilated grounds for suspension in financial year 2017, both as stipulated in the collective labour agreement of 9 February 2018 with regard to the categorised profit premium concerning financial year 2017.

This second resolution has the effect of expressing the meeting's consent to distribution of the profit balance of 6·364·127·202.55 euros available for appropriation, follows:

Profit available for appropriation for the financial year	1 037 832 479.64
Profit brought forward from the previous financial year	5 326 294 722.91
Profit to be appropriated	6 364 127 202.55
Appropriations to capital and reserves	78 468.78
- to the legal reserve	78 468.78
- to other reserves	0.00
Profit to be carried forward	5 097 555 995.22
Profit to be paid	1 266 492 738.55
- dividends	1 255 567 216.00
- directors	

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- employees' profit premium	10 925 522.55
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The resolution was passed by a majority of	99.95	%
The resolution was rejected by a majority of		%

THIRD RESOLUTION

At the request of the statutory auditor and following favourable endorsement by the Audit Committee, resolution to raise the statutory auditor's fee for financial year 2017 by increasing it from 152 000 euros to 229 445 euros.

The resolution was passed by a majority of	99.24	%
The resolution was rejected by a majority of		%

FOURTH RESOLUTION

Resolution to approve the remuneration report of KBC Group NV for the financial year ending on 31 December 2017, as included in the combined annual report of the Board of Directors of KBC Group NV referred to under item 1 of this agenda:

The resolution was passed by a majority of	89.24	%
The resolution was rejected by a majority of		%

FIFTH RESOLUTION

Resolution to grant discharge to the directors of KBC Group NV for the performance of their duties during financial year 2017.

The resolution was passed by a majority of	99.22	%
The resolution was rejected by a majority of		%

SIXTH RESOLUTION

Resolution to grant discharge to the statutory auditor of KBC Group NV for the performance of its duties during financial year 2017.

The resolution was passed by a majority of	99.15	%
The resolution was rejected by a majority of		%

SEVENTH RESOLUTION

Appointments

- a) *Resolution to re-appoint Mr Marc Wittemans as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.*

The meeting resolved in favour of the re-appointment of Mr Marc Wittemans as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The resolution was passed by a majority of	68.98	%
The resolution was rejected by a majority of		%

- b) *Resolution to re-appoint Mrs Christine Van Rijseghem as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.*

The meeting resolved in favour of the re-appointment of Mrs Christine Van Rijseghem as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The resolution was passed by a majority of	75.01	%
The resolution was rejected by a majority of		%

- c) *Resolution to re-appoint Mrs Julia Kiraly as independent director within the meaning of and in line with the criteria set out in Article 526ter of the Companies Code for a period of four years, i.e. until the close of the Annual General Meeting of 2022.*

The meeting resolved in favour of the re-appointment of Mrs Kiraly as independent director within the meaning of and in line with the criteria set out in Article 526ter of the Companies Code for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The resolution was passed by a majority of	97.78	%
The resolution was rejected by a majority of		%

Mr Prelovsky raised the question with the auditors in relation to the loss of his contracts. Had they investigated the loss and did they think that it was a serious problem? Was it necessary to increase your fee?

Answer: the auditor had read the e-mails and forwarded them to group compliance. The auditor's role is not to render opinions on individual cases. He referred to the auditor's opinion on the results of KBC (consolidated and unconsolidated): unqualified. This opinion contains an utterance on KBC's internal control.

A shareholder asked further questions with regard to the policy on the coal sector in the Czech Republic.

Of which record.

The requirement for the secretary to read the minutes forth was dispensed with. The minutes were signed by the officers of the meeting and by the shareholders who expressed the wish to do so.

The meeting ended at 12.32 p.m.

Secretary
J. Tyteca

Chairman
T. Leysen

Tellers
W. Kupers and T. Debacker



Resolution 4.

Resolution to approve the company annual accounts of KBC Group NV for the financial year ending on 31 December 2017.

The number of shares for which valid votes were cast	318 915 666	
% of capital represented by the aforementioned shares		76.23 %
For	317 744 580	99.65 %
Against	1 105 222	0.35 %
Abstentions	66 069	



Resolution 5.

Resolution to approve the proposed profit distribution by KBC Group NV for the financial year ending on 31 December 2017.

The number of shares for which valid votes were cast	318 914 767	
% of capital represented by the aforementioned shares		76.23 %
For	317 665 940	99.95 %
Against	145 393	0.05 %
Abstentions	1 104 538	



Resolution 6.

At the request of the statutory auditor and following favourable endorsement by the Audit Committee, resolution to raise the statutory auditor's fee for financial year 2017, by increasing it from 152 000 euros to 229 445 euros

The number of shares for which valid votes were cast	318 915 641	
% of capital represented by the aforementioned shares		76.23 %
For	316 469 608	99.24 %
Against	2 420 830	0.76 %
Abstentions	25 433	



Resolution 7.

Resolution to approve the remuneration report of KBC Group NV for the financial year ending on 31 December 2017, as included in the combined annual report of the Board of Directors of KBC Group NV referred to under item 1 of this agenda.

The number of shares for which valid votes were cast	318 914 722	
% of capital represented by the aforementioned shares		76.23 %
For	280 874 007	89.24 %
Against	33 877 921	10.76 %
Abstentions	4 163 943	



Resolution 8.

Resolution to grant discharge to the directors of KBC Group NV for the performance of their duties during financial year 2017.

The number of shares for which valid votes were cast	318 914 142	
% of capital represented by the aforementioned shares		76.23 %
For	315 792 659	99.22 %
Against	2 479 512	0.78 %
Abstentions	643 700	



Resolution 9.

Resolution to grant discharge to the statutory auditor of KBC Group NV for the performance of its duties during financial year 2017.

The number of shares for which valid votes were cast	318 914 542	
% of capital represented by the aforementioned shares		76.23 %
For	315 553 194	99.15 %
Against	2 719 339	0.85 %
Abstentions	643 338	



Resolution 10 a.

Resolution to re-appoint Mr. Marc Wittemans as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The number of shares for which valid votes were cast		318 915 042
% of capital represented by the aforementioned shares		76.23 %
For	219 978 772	68.98 %
Against	98 917 737	31.02 %
Abstentions	19 362	



Resolution 10 b.

Resolution to re-appoint Mrs. Christine Van Rijseghem as director for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The number of shares for which valid votes were cast		318 914 167
% of capital represented by the aforementioned shares		76.23 %
For	239 157 823	75.01 %
Against	79 668 124	24,99 %
Abstentions	89 924	



Resolution 10 c.

Resolution to re-appoint Mrs. Julia Kiraly as independent director within the meaning of and in line with the criteria set out in Article 526ter of the Companies Code for a period of four years, i.e. until the close of the Annual General Meeting of 2022.

The number of shares for which valid votes were cast	318 912 842	
% of capital represented by the aforementioned shares		76.23 %
For	311 647 929	97.78 %
Against	7 076 018	2.22 %
Abstentions	191 924	

