



## KBC GROUP ENVIRONMENTAL POLICY

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KBC is an integrated bank-insurance company that provides products and services to finance and insure retail, SME and mid-cap clients. We are active in our core six countries of Belgium, Bulgaria, Czech Republic, Hungary, Ireland and Slovakia and, to a limited extent, in certain other countries. Our 42 000 employees cater for more than 11 million clients through a network of approximately 1 400 bank branches, via tied insurance agents and other channels, including electronic ones.

Environmental responsibility is one of the focus areas of the KBC Group's Sustainability Strategy, with the [UN Global Compact](#) and the [UN Sustainable Development Goals](#) being our guiding principles. We are also a signatory to the [Principles for Responsible Investment](#) and the [Principles for Sustainable Insurance](#) and have expressed our commitment to the UNEP FI [Principles for Responsible Banking](#).

At KBC, environmental responsibility means that we are committed to managing the direct and indirect environmental impact of our business in a responsible way. It also means that we are committed to increasing our positive impact and limiting our adverse impact on the environment, and to supporting the transition toward a sustainable, low-carbon and circular economy.

As a bank-insurer and asset manager, KBC impacts the environment not only directly through its operations, but also even more indirectly through its core activities. We are aware of the social, environmental and economic risks that climate change, environmental pollution and resource depletion entail for society, for our clients and for KBC itself. We are equally aware of the leverage we can generate for sustainable development within the limits of the planet.

Therefore, KBC is committed to:

- developing and offering banking, insurance and investment products and services to support a sustainable, low-carbon and climate-resilient society. This includes a complete offering of fossil-free socially responsible investment funds, with a focus on renewable energy, climate resilience and sustainable water use.
- applying and regularly reviewing strict policies to limit the environmental impact of its core activities by reducing the environmental and climate impact of its portfolio of loans, investments, insurance and advisory services.
- assessing the social and environmental impact of financed projects based on the [Equator Principles](#).

- reducing its direct impact on the climate, environmental quality and resources, through the application of BATNEEC principles (Best Available Technique/Technology Not Entailing Excessive Cost). Environmental and energy management systems based on ISO standards 14001 and 50001 are implemented and certified in all KBC's core countries. We have set ambitious targets that support the continuous reduction of our direct environmental footprint.
- creating awareness of environmental responsibility among its internal and external stakeholders, empowering employees to implement this policy and encouraging suppliers to adopt a similar approach (see KBC Group Supplier Policy).
- complying with relevant environmental legislation.
- aligning its activities with the Paris Climate Agreement to keep the global temperature rise to well below 2°C by 2100.
- complying with the recommendations of the Taskforce on Climate-related Financial Disclosure and contributing to the development of methodologies that measure the impact of its portfolio on climate and setting scientifically based targets in accordance with the Paris Climate Agreement.

KBC reports on its approach, progress and challenges regarding environmental matters on a voluntary basis, including on its corporate website, via sustainability questionnaires (including [CDP](#), [RobecoSAM](#), [Sustainalytics](#), [Vigeo](#)), in its Sustainability Report based on [Global Reporting Initiative \(GRI\) standards](#) and in management system audits.

KBC periodically reviews and tightens its approach, taking into account its own progress, scientific and technological developments, societal trends and the changing views of our stakeholders towards the urgency of addressing and tackling climate change and environmental issues.

The KBC Group Environmental Policy covers business activities and operations throughout the group, and applies to all business units and entities. Individual group entities/business units may take additional initiatives at their own discretion to further enhance environmental performance.

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KBC offers you the possibility to check the authenticity of this document on [www.kbc.com/en/authenticity](http://www.kbc.com/en/authenticity)

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