

KBC Group Environmental Policy

The KBC Group environmental policy is in line with its overall corporate strategy, which covers a number of different areas, including KBC's role in society. We have endorsed the [UN Global Compact](#) as our guiding principles in this regard.

KBC Group recognises the importance of climate change and the direct and indirect impact it has on the environment. We are aware of the social, environmental and economic risks that climate change, environmental pollution and resource depletion entail for society.

KBC Group is aware of the leverage it can generate for the transition to a low carbon and circular economy, both by **increasing its positive impact** and by **limiting its adverse impact**.

- Environmental responsibility is one of the focus areas closely related to our core business. We develop and offer banking, insurance and investment products and services to support a sustainable, low carbon and climate resilient society. More specifically, we offer our clients solutions for and also invest in sustainable mobility, energy efficiency, renewable energy and sustainable and circular businesses.
- We have strict policies to limit the environmental impact of our core activities by reducing the climate and environmental impact of our portfolio of loans, investments and insurance policies, and have adopted the Equator Principles for assessing environmental and social risks of actual projects.
- We have a complete offering of Socially Responsible Investment funds, which invest in companies that make a sustainable contribution in the search for alternative energy sources, and that address the problem of climate change and the looming shortage of drinking water.
- We concentrate on decreasing our own footprint by reducing the environmental impact of our operations, i.e. the use and impact of fossil fuels and electricity, commuter and business travel, waste production and materials and resources:
 - To support the continuous reduction of our environmental footprint, we implement environmental and energy management systems according to ISO standards in all our core countries.
 - We set clear targets to reduce our carbon and environmental footprints.
 - We monitor and evaluate our progress and periodically review our targets and action plans.

- We apply BATNEEC principles (Best Available Technique/Technology Not Entailing Excessive Cost) for the technical investments needed to reduce our environmental impact.
- We create awareness among our employees.
- We encourage suppliers to adopt a similar approach to ours (see [KBC Group supplier Policy](#)).
- We report on our approach and the result of our efforts on a voluntary basis, including on our core website, via Carbon Disclosure Project (CDP), in our integrated annual report based on Global Reporting Initiative (GRI) standards, and during management system audits.

KBC Group fully complies with relevant environmental legislation.

We periodically review our approach, taking into account new trends in science and technology and the changing visions of our stakeholders towards the urgency of addressing and tackling climate change and environmental issues.

The KBC Group environmental policy covers our 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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