



# KBC MODERN SLAVERY ACT STATEMENT 2024

This statement applies to KBC Group and its subsidiaries located in the United Kingdom.

## Introduction

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015 which addresses the issues of modern slavery and human trafficking. It describes the steps KBC has taken to prevent modern slavery and human trafficking in their business and their supply chain for the financial year ended 31 December 2024.

## About KBC

KBC is an integrated bank-insurance group, catering mainly for retail, private banking, small and medium-sized enterprises and mid-cap clients. Through our activities, we want to help our clients to both realise and protect their projects. We operate in our core markets of Belgium, Bulgaria, the Czech Republic, Hungary and Slovakia. We are also present to a limited extent in several other countries (e.g. the United Kingdom) to support corporate clients from our core markets.

## Commitments, policies and due diligence

KBC's human rights approach is guided by the following internationally recognised principles and guidelines:

- The International Bill of Human Rights
- The principles and rights set out in the eight fundamental conventions identified in the Declaration of Fundamental Principles and Rights at Work
- UN Declaration on the Rights of Indigenous Peoples

KBC is a signatory of international standards:

- the UNEP FI Principles for Responsible Banking
- the UNEP FI Principles for Sustainable Insurance
- the UN Principles for Responsible Investment
- the Equator Principles
- the UN Global Compact Principles

The above commitments are backed by policies implemented within the Group, with the goal of preventing the risk of modern slavery in its business, within its internal operations, or within its supply chains. These policies include, but are not limited to:

- [KBC Group Code of Conduct](#)
- [KBC Group Code of Conduct for Suppliers](#)
- [KBC Group Anti-Money Laundering policy](#)
- [KBC Group Policy for the protection of Whistleblowers](#)

- [KBC Group Human Rights Policy](#)
- [KBC Group Policy on Blacklisted companies](#)
- [KBC Group Investment Policy](#)
- [KBC Group Sustainability Policy Framework](#)

To help us respect human rights, we implement procedures aligned with the 'UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework' – the global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

As a financial institution, our highest risks in terms of potential breaches of modern slavery, human trafficking and other human rights controversial developments arise through our client relationships. KBC has developed a specific due diligence process for lending, insurance activities, advisory services and investment activities.

KBC actively monitors compliance of its corporate clients with its sustainability policies by e.g. a general ESG assessment of the sustainability performance of the relevant companies by external parties with the emphasis on sustainability strategy, the companies' public sustainability policies and any recent controversies in which they may have been involved. Through the credit, insurance and advisory services acceptance process, KBC assesses the client's potential human rights risk and its respect for the UN Global Compact Principles.

Both our conventional and Responsible Investing funds are subjected to the zero tolerance policies related to blacklisted companies (UN Global Compact Offenders and companies related to controversial weapons), companies on the KBC Human Rights Offenders List, and to controversial regimes. Our KBC Group Investment Policy provides an overview of the excluded/restricted activities applicable to our conventional and Responsible Investing funds and to investments for our own account. For the Responsible Investing Funds, KBC goes one step further and applies additional exclusion policies which are publicly available on our commercial website.

The prevention of money laundering (often associated with human trafficking and modern slavery activities) and terrorism financing is a top priority for KBC. It is an area where knowledge of the client (Know Your Customer, KYC) and updating their profiles and monitoring transactions (Know Your Transaction) are essential. Increased efforts are continuously made to adapt our organization to the constantly changing regulatory environment, particularly with regard to clients who present an increased risk and for whom additional information is required. In 2022, we launched DISCAI, our proprietary AI fintech solution. DISCAI is an innovative, AI-based Know Your Transaction (KYT) Anti-Money Laundering solution. This solution has been tested extensively inhouse in recent years and was commercialized in 2022. At the close of 2024, Discai's solution is operational across five European countries, where it scans nearly 14 million clients for potential money laundering activities. By expanding this tool to other financial institutions worldwide, Discai can play an important role in the fight against financial crime and hence tries to reduce the social cost of modern slavery.

KBC encourages its employees to speak up and report actual or potential misconduct by using our dedicated [reporting@kbc.be](mailto:reporting@kbc.be) mailbox or our user-friendly [tool](#) in observance of the requirements of new Belgian legislation on the protection of whistleblowers. To mitigate the potential risks of

misconduct, our employees are also encouraged to report products and processes that appear unethical, unfair or contradictory to our values. In 2024, 25 significant cases of whistleblowing were reported to our group management.

The Code of Conduct for Suppliers outlines the minimum expectations our suppliers should adhere to and is aligned with the KBC Group Code of Conduct and the UN Global Compact Principles. It informs our suppliers that KBC is entitled to conduct interim screenings to evaluate whether suppliers comply with the agreed sustainability principles. To this end, KBC leverages external and internal databases which provide signals about suppliers. Signals such as lawsuits and other wrongdoings (e.g., negative media attention) of suppliers are captured, evaluated and decided upon by our procurement department in consultation with the relevant competent departments (such as, e.g., Group Corporate Sustainability). If any violations come to light that cannot be fundamentally resolved within a reasonable period of time, KBC has the right to terminate all contracts with the supplier concerned.

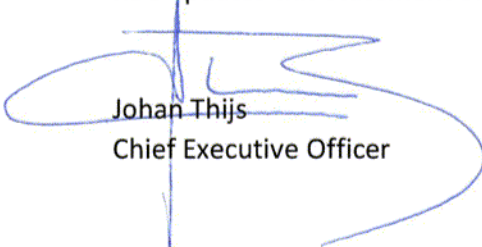
### Training

Because KBC does not want to be involved in activities such as money laundering and terrorism financing, we train our employees to increase awareness on this topic. All our employees, including senior managers, receive training that details their duties regarding anti-money laundering. These training courses take place online or face-to-face. During the training sessions, real case-studies are explored. In 2024, 98% of the selected target audience completed a training in anti-money laundering. Furthermore, employees, tied agents and their staff are expected to strictly follow established procedures and guidelines and to exercise due diligence when identifying customers and checking transactions.

To raise and keep awareness on responsible behaviour among our employees high on the agenda, a mandatory webinar on responsible behaviour was launched in September 2023. The webinar deals with the importance of business ethics and responsible behaviour within financial institutions. Building further on these initiatives, an internal, group-wide website was launched in October 2024. The website centralises all available information on responsible behaviour and business ethics. It is available at the group and local levels.

More information can be found in the [KBC Group Sustainability Report 2024](#) and the [KBC Group Annual Report 2024](#).

KBC updates this statement on an annual basis.



Johan Thijs  
Chief Executive Officer



Koenraad Debackere  
Chairman of the Board of Directors