



KCB Group Plc
Kencom House
P. O. Box 48400 – 00100
Nairobi, Kenya

Tel: +254 20 3270000 / 2851000 / 2852000
Mobile: +254 711 012 000 / 734 108 200
SMS: 22522
Email: contactus@kcbgroup.com

August 19, 2019.

Mr. Johan Frijns

Director – Bank Track

Vismarkt 15, 6511 VJ NIJMEGEN,

NETHERLANDS

Dear Mr. Frijns

RE: KCB GROUP IMPLEMENTATION PLAN FOR PRINCIPLES FOR RESPONSIBLE BANKING (PRB)

Please refer to your letter dated 29th July, 2019 on the above mentioned subject and your interest in the global Principles for Responsible Banking (PRB).

As you are aware, the Principles are ambitious and aspirational, and they contain a strong underlying commitment to transparency, accountability and impact once implemented. Their purpose is to provide signatory banks with guidance and one comprehensive framework to support each bank's approach to addressing sustainable development across its entire business.

Banks that sign up to the Principles are taking a leading step forward towards aligning their operations with society's goals and supporting their customers, clients, employees and investors in adopting sustainable practices that create measurable, significant and positive impacts to realize the UN Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change. This includes strong underlying requirements and mechanisms around transparency and accountability which require banks to manage what matters most by setting targets and publicly reporting back to stakeholders on progress made.

Given the urgency of the recognized need to transform the business world, signatory banks are expected to start implementing the Principles immediately after signing up. However, given the diversity of the banks around the world that have and are expected to adopt the Principles, flexibility is needed to allow progress at the appropriate pace for the markets in which each bank operates and based on their respective prior experience

KCB Group Plc

Directors: A. W. Kairu (Chairman); J. N. Oigara; L. K. Kiambi; C.S. – National Treasury;
A. A. Khawaja; T. D. Ipomai; J. O. A Nyerere; Ms. G. M. Malombe; L. M. Njiru

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in the area of sustainable development. This approach allows for future signatory banks to benefit from the practical experiences of the Founding Signatory banks as well as from other stakeholders such as research centers and experts, through the network community created through the UNEP Finance Initiative.

Development of the Principles included a six-month consultative process, in which more than 500 stakeholders provided valuable feedback, including BankTrack. As a result, more than 100 banks are now poised to become signatories at the formal launch of the Principles in September 2019. With this high number of initial banks committed to supporting the achievement of the Sustainable Development Goals and the Paris Agreement for climate change, through the Principles for Responsible Banking, significant impacts will be realized around the globe.

After the launch of the Principles in September 2019, we look forward to sharing with you and our other stakeholders, in our public reporting as per the timeline and requirements of the Principles and their implementation Framework, the targets we will set and the subsequent progress we will achieve towards these. We encourage you and our other stakeholders to review this public reporting, so that you are aware of the impacts we will be working to realize.

Thank you again for your interest in this important initiative, the Principles for Responsible Banking (PRB), and your positive contribution to the public consultation process that contributed to its development.

I have also attached our 2018 KCB Group Sustainability Report for your reference about the organization's investment in creating shared value in the markets we operate in.

Your sincerely,

JUDITH SIDI ODHIAMBO

GROUP CORPORATE AND REGULATORY AFFAIRS