



KBC GROUP POLICY ON ARMS-RELATED ACTIVITIES

KBC is very reluctant towards involvement of any kind of arms-related activities. However, since the arms industry has a valid role to play in defence and security, KBC is only willing to finance -under strict conditions- companies:

- with very limited arms related activities only (development, production, sale, maintenance, etc. of weapons or arms-related equipment);
- with the additional requirement that these weapons are delivered exclusively to NATO armies or NATO/OECD/ EU police forces or their equivalent; and
- that it is clear that no deliveries are made to countries under UN, EU or US embargo or to non-governmental armed groups without UN, EU or US support.

For the avoidance of doubt, it is understood that so-called lethal autonomous weapon systems (LAWS) are also considered as arms under this policy.

Controversial Weapons

For KBC Group, controversial weapon systems cover both:

- Weapon systems which are prohibited by international (and national) law
- Weapon systems for which there is a broad consensus that they should be banned.

These systems include:

- Nuclear weapons as banned by the 2017 UN Treaty on the Prohibition of Nuclear Weapons;
- Cluster bombs and sub-munitions,¹ chemical or biological weapons² and anti-personnel mines (including Claymore mines);³
- Weapons containing depleted uranium or white phosphorus (used in incendiary munitions and weapons).

Companies that are assessed to be involved in the production and/or development of controversial weapons are blacklisted by KBC through the [KBC Group Policy on Blacklisted Companies](#).

¹ Banned by the Convention on Cluster Munitions (2008).

² Banned by both the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (Organisation for the Prohibition of Chemical Weapons) and the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction (United Nations Office for Disarmament Affairs)

³ Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction

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