



KBC Group  
KBC Bank  
KBC Insurance

Brussels, 31 May 2018

Chairman  
of the Board of Directors

The People's Tribunal on Economic Crime  
Constitution Hill, Johannesburg  
South Africa

Dear Sirs,

**Invitation to respond to evidence submitted at the People's Tribunal on Economic Crime**

We thank you for your letter dd. 1 March 2018 and your invitation to respond to evidence submitted at the People's Tribunal on Economic Crime.

At the same time we have also taken cognisance of the complaint filed at the end of April by the South African NGOs *Open Secrets* and the *Centre for Applied Legal Studies* with the OECD for alleged violations of the OECD Guidelines for Multinational Enterprises.

In the complaint both NGOs refer to the alleged support to the apartheid regime and the purported involvement in setting up controversial financial structures to fund illegal arms trade with that regime in the period between 1977-1994. The alleged support would have been given by the Luxembourg bank KBL and its sister company, the former Kredietbank at the time.

For good order's sake, we would like to point out that both Kredietbank and KBL were subsidiaries of the same holding company Almanij. Kredietbank has never been a parent company of KBL, as is erroneously mentioned in the complaint. Kredietbank became a member of the KBC Bank and Insurance Holding Company in 1998. Almanij merged with the KBC Bank and Insurance Holding Company in 2005 to become KBC group. KBL was sold in 2011 to Precision Capital, an investment vehicle owned by members of Qatar's royal family.

KBC group has noted the complaint of both NGOs and has submitted the complaint and the attached documents to a thorough examination. However the facts mentioned took place a long time ago. As a consequence of the legal archiving policy, which entails the destruction of customer records 10 years after termination of the relationship, KBC can no longer verify the allegations related to Kredietbank.

Moreover, it is important to note in this regard that KBL has no longer formed part of KBC group since 2011. KBC group no longer has access to any documents or archives of KBL and therefore cannot comment on its behalf.



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Today, KBC group's extremely comprehensive and openly communicated sustainability framework forms the touchstone for its policies. It has implemented groupwide policies and procedures to guarantee sustainable, ethical, responsible behaviour. KBC group has signed the UN Global Compact and fully respects the founding principles of the Universal Declaration of Human Rights. It shuns financial activities involving the most controversial of regimes (governments, public authorities, central and state-owned banks, and state-owned companies).

As we already expressed in our official reaction and press release of 25 April 2018 (available on [www.kbc.com](http://www.kbc.com)) we would like to repeat that, should the allegations that KBL or Kredietbank provided support in the past or were involved in this matter prove to be true, it would be deeply regretted by KBC today.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T. Leysen', written in a cursive style.

Thomas Leysen