

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT STATEMENT

Consolidated Bank of Kenya Limited is committed to proactive management of the Environmental and Social (E&S) risks associated with its financial services business. The Bank is committed to incorporating E&S considerations in its decision-making processes in line with international best practices. The Bank's commitment to Environmental & Social Risk Management (ESRM) aligns with its vision, "To be the Bank of choice offering pleasant and convenient services".

Over and above the financial due diligence considerations, the Bank shall perform Environmental and Social Due Diligence (ESDD) of all loan proposals considered for financing in order to ensure that all the financed projects are environmentally and socially sound and meet the compliance thresholds spelt out on the national environmental and social laws and regulations including but not limited to; the Guidance note on Climate Related Risk Management, and the Kenya Bankers Association's Sustainable Financing Initiative guiding principles.

In addition to compliance with the applicable laws and regulations, the Bank supports the following international conventions and protocols, codes of conduct and industry best practice initiatives;

- (i) International Finance Corporation's Performance Standards on Environmental and Social Sustainability (IFC,PS)
- (ii) United Nations Environment Programme (UNEP) Finance Initiative
- (iii) Global Reporting Initiative (GRI)
- (iv) International Sustainability Standards Board (ISSB)
- (v) Partnerships for Carbon Accounting Financials (PCAF)
- (vi) UN Global Compact

Moreover, the Bank commits to maintain high level of transparency and good governance in all its activities including open dialogue with its stakeholders. It's a policy standard for the Bank to maintain high standards of business ethics and anchor in robust measures to fight any fraud and operate in a corruption free environment.

The Bank shall seek to work with service providers who subscribe to similar high E&S standards. Consolidated Bank E&S standards shall also be communicated to the management and shareholders of companies it finances.

Our ESRM Policy has been reviewed and approved by the Management and the Board of Directors in line with the Bank's governance requirements. The Bank shall monitor the effectiveness of its approach and practice through periodic reviews of the laid down frameworks, policies and set standards.



Sam Muturi

Chief Executive Officer.