

ESG Newsletter

September 2025

Your Knowledge Digest

What are carbon credits and how can they help fight climate change? | World Economic Forum 
Energy Transition: strategic investment and deal opportunities 

News | Regional

Acwa Power leads consortium to develop \$4bn Kuwait power and water project | The National



The deal is in line with Kuwait's push to boost its electricity generating capacity and further build its water infrastructure. Kuwait, in the recent past, had to implement temporary power cuts in select industrial and agricultural areas as demand surged beyond the available capacity.



Kuwait rewrites development method with mega projects, new vision



This transformation reflects a clear vision to improve performance efficiency, enhance transparency and accelerate implementation. This comes within strategic plans aimed at diversifying income, developing infrastructure and achieving sustainable development in line with the New Kuwait 2035 Vision.

Kuwait aims to convert tire waste into a profitable industry | arabtimes



Kuwait is moving to transform its stockpile of used and damaged tires into a new economic industry, aiming to turn a long-standing environmental burden into a source of investment, jobs, and sustainable development. For years, millions of tires were dumped, posing significant hazards to public health and the environment.



News | International

IFRS - Disclosing information about anticipated financial effects of sustainability-related risks and opportunities



IFRS publishes educational material about disclosing anticipated financial effects of sustainability-related risks and opportunities —that are, on the company's financial position, financial performance and cash flows. Information about both the current effects for the reporting period and the anticipated effects over the short, medium and long term.



EFRAG releases proposed simplified European Sustainability Reporting Standards - ESG Today



Additional simplification levers included improving the readability of sustainability statements and their connectivity with corporate reporting, and improving the clarity and accessibility of the ESRS. As well as enhancing the interoperability of the ESRS with the IFRS sustainability reporting standards.

EU launches consultation on upcoming circular economy regulation - ESG Today



The Commission aims to solve a series of problems through its planned upcoming act, including the EU's dependence on the import of many raw materials, including critical ones, as well as Europe's insufficient resource efficiency and the lack of internalization of the environmental externalities of the linear economy.



EBA instructs regulators to hold off on enforcement of ESG disclosure requirements for banks - ESG Today



The European Banking Authority (EBA) published a no action letter, recommending that regulators not to prioritize the enforcement of the new ESG Pillar 3 disclosure requirements for banks, as it awaits clarity on the outcome of the European Commission's Omnibus initiative to simplify sustainability reporting and compliance obligations.

UK launches consultation on Transition Finance Guidelines



This voluntary framework proposes a series of principles and factors designed to establish common minimum expectations, enabling transitioning business and investors, financial institutions, insurers, governments and international organizations to confidently distinguish what is credible transition finance.



China releases new green finance taxonomy - ESG Today

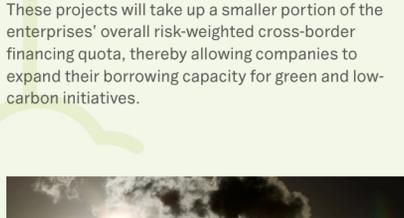


The new catalogue is intended to "enhance the liquidity of the green finance market, improve the efficiency of green financial asset management, and reduce the cost of project identification.

China launches pilot program for green foreign debt financing | SCIO



China launched a pilot program to allow enterprises greater access to overseas financing in support of green and low-carbon transformation projects. These projects will take up a smaller portion of the enterprises' overall risk-weighted cross-border financing quota, thereby allowing companies to expand their borrowing capacity for green and low-carbon initiatives.



China to expand carbon market to major industries by 2027 - The Business Times



China's carbon market was launched four years ago, covering only power generators, the country's main source of emissions. Three other heavily polluting industries – steel, aluminum and cement – will be added this year. The plan is to add more industries by 2027 in efforts to meet climate targets.



California climate reporting law survives court challenge - ESG Today



Disclosures of Scope 1 and 2 emissions under the new law is scheduled to begin in 2026, covering the previous fiscal year, while Scope 3 emissions reporting will begin in 2027, while the first climate-related risk reports are to be published by January 1, 2026.



Trump says U.S. will not approve solar or wind power projects



Trump has launched a sweeping attack on renewables since taking office. His One Big Beautiful Bill Act terminates the investment and production tax credits for wind and solar by the end of 2027. Those credits have played a key role in the expansion of renewable energy in the U.S.



NBK ESG Highlights of the Month



NBK earns top-tier ESG ratings across the MENA region

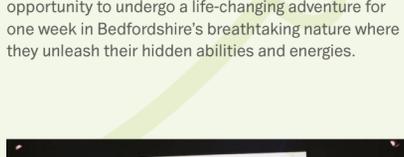


In its latest assessment, Morningstar Sustainability improved NBK's ESG Risk Rating from 27.4 (medium risk) to 19.4 (low risk), reflecting the Bank's enhanced ability to manage material ESG risks. Concurrently, MSCI upgraded NBK's ESG rating from 'BBB' to 'A'—a notable leap that places the Bank firmly among the top five regional banks in ESG ratings.

NBK sponsors Youth Leadership Program (YLP) in collaboration with Loyac



The Youth Leadership Program is a transformative and unique experience in which participants get the opportunity to undergo a life-changing adventure for one week in Bedfordshire's breathtaking nature where they unleash their hidden abilities and energies.



NBK continues to support "Kon" Social Entrepreneurship Program in its 10th edition



Kon is a five-week extensive program that encompasses educational activities, specialized training sessions, interactive discussions, online lectures, and virtual workshops all tailored to enhance and develop pioneering social programs in Kuwait.



NBK celebrates the graduation of NBK Tech Wave 2



The latest training program covered the latest developments in banking technology, including vital technical skills such as financial technology (FinTech), data analysis, technology ethics, cybersecurity, fundamentals of digital payments, digital innovation, AI, programming, blogging basics, and finance for non-specialists.



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