

ESG Newsletter

June 2025

Your Knowledge Digest

Carbon pricing: Using market-based mechanisms to mitigate climate change

Financing the future: Insights into sustainable energy investments through scientific mapping and meta-analysis

News | Regional

Kuwait aims for 50% renewable energy use by 2050 | ArabTimes

The need for renewable energy investment to tackle global environmental and economic challenges is a key driver to achieving Kuwait's target of 50% renewable energy by 2050, according to Minister AlMukhaizeem. He affirmed its importance for Kuwait's future and the global energy transition.



Kuwait rolls out power cuts in 51 areas amid 50°C heat | ArabTimes

Kuwait is experiencing unprecedented heat this summer, with temperatures soaring close to 50 degrees Celsius. This extreme heat has led to a significant surge in electricity demand. The Ministry of Electricity, Water and Renewable Energy has declared scheduled power cuts affecting a total of 51 areas.



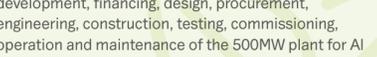
Saudi Capital Markets Authority (CMA) approves new guidelines for sustainable debt instruments

Saudi Arabia's CMA approved new guidelines for green, social, sustainable, and sustainability-linked debt instruments. represent a crucial milestone in the CMA's broader strategy to deepen the domestic debt market and align the Kingdom's financial sector with the sustainability objectives outlined in Vision 2030.



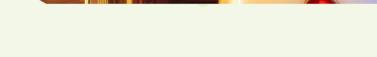
Kuwait issues RFQ for 500MW renewable power plant

The consortium will be responsible for the development, financing, design, procurement, engineering, construction, testing, commissioning, operation and maintenance of the 500MW plant for Al Shagaya Renewable Energy Phase III – Zone 2 Solar PV IPP project as well as transfer of the key Al Dibdibah Power Renewable Energy project.



Kuwait's return to global markets, a strategic step toward sustainable growth, says Minister Al-Fassam - Times Kuwait

Kuwait is advancing toward a comprehensive economic vision rooted in sustainability, diversification, and innovation. At the heart of this vision is the goal of building a resilient, adaptable economy—one capable of withstanding global challenges and reducing reliance on oil as the primary source of national income.



Oman: Pact signed to jointly develop hydrogen transport network

The agreement builds on an earlier Memorandum of Understanding (MoU) signed in September 2023 which aims to accelerate the rollout of hydrogen transport systems to support Oman's clean energy ambitions.



News | International

EU considers looser criteria to help countries meet climate goals

The EU provided options to member states for ways to ease its proposed 2040 climate target amid efforts to cut legislation and water down some of its more ambitious environmental rules, following political pushback, urging the need for supporting mechanisms and easing rules to make targets more realistic.



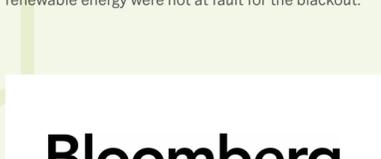
EU Parliament Committee proposes much deeper cuts than Omnibus to sustainability reporting laws - ESG Today

The draft amendments suggest raising the reporting threshold with more than 3,000 employees and €450 million in annual revenue, as well as limiting mandatory ESG data points to 100 and removing the requirement for companies to adopt climate transition plans.



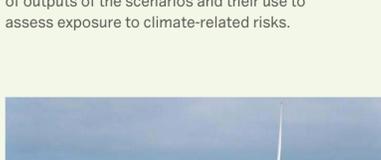
Spain power outage sparks a blackout blame game over green energy

A catastrophic power outage affecting much of Spain, Portugal and the south of France has thrust the role of renewables and energy security into the spotlight. Spanish Prime Minister Pedro Sanchez and the country's grid operator have both said record levels of renewable energy were not at fault for the blackout.



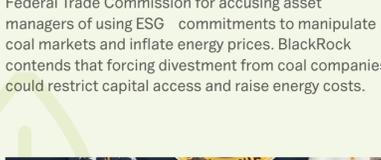
BoE raises climate risk management expectations for banks, insurers - ESG Today

Among the key expectations is the placement of a greater emphasis on scenario analysis, with firms encouraged to enhance their scenario analysis capabilities, and demonstrate understanding of outputs of the scenarios and their use to assess exposure to climate-related risks.



BlackRock hits back at Trump Administration's support for case accusing asset managers of using net zero to manipulate energy prices - ESG Today

BlackRock criticized the US department of Justice and Federal Trade Commission for accusing asset managers of using ESG commitments to manipulate coal markets and inflate energy prices. BlackRock contends that forcing divestment from coal companies could restrict capital access and raise energy costs.



California plans to proceed with carbon Cap-and-Invest program despite pressure from Trump - ESG Today

The proposed extension of the carbon pricing program, which was set to expire in 2030, comes despite growing pressure by the Trump administration and Republican state politicians targeting state initiatives charging companies for their greenhouse gas emissions.



Parliament supports proposals to simplify EU carbon leakage instrument | European Parliament

The proposed changes would exempt 90% of importers - mainly small and medium-sized enterprises and individuals - who import only small quantities of CBAM goods. However, 99% of total CO2 emissions from imports of iron, steel, aluminum, cement and fertilizers would still be covered by the rules.



ECB warns EU against removing 80% of companies from mandatory Corporate Sustainability Reporting Directive (CSRD) - ESG Today

The ECB warned of increased risks for investors, the economy and the EU's sustainability goals. The ECB notes that the availability of harmonized, standardized and reliable sustainability information is essential to help ensure the flow of capital to activities supporting the EU's sustainability goals.



UK and EU seek to link carbon markets in wider post-Brexit reset - Bloomberg

The UK and EU have agreed to link their carbon markets, a move anticipated to save British businesses approximately £800 million in taxes and shield UK steel exports from EU carbon tariffs. This alignment aims to harmonize emissions trading systems and reduce trade barriers while supporting shared net-zero commitments.



Trump reverses ban on massive New York offshore wind project - ESG Today

The Trump administration has reversed its decision to halt the Empire Wind offshore project near New York, allowing construction to resume on the \$5 billion initiative aimed at powering 500,000 homes by 2027. The project is anticipated to be the first offshore wind project to connect into the New York City grid, with a contracted capacity of 810 MW.

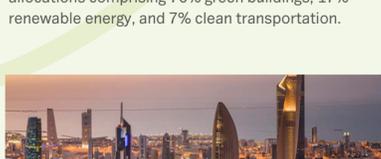


NBK ESG Highlights of the Month



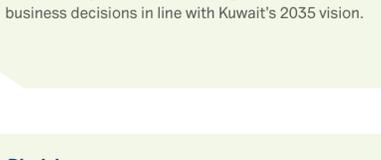
NBK publishes its first Task Force on Climate-related Financial Disclosures (TCFD) report

NBK published its inaugural TCFD report for 2024, marking a first among Kuwaiti banks. The report details NBK's integration of climate risk into strategic planning and capital adequacy assessments, alongside progress toward its \$10 billion sustainable assets by 2030 goal.



NBK is the diamond sponsor for Kuwait Sustainable Energy Week Conference

NBK was the diamond sponsor for Kuwait Sustainable Energy Week Conference, underscoring its commitment to advancing clean energy investments, and its leadership in green projects to integrate sustainable practices within its operational and business decisions in line with Kuwait's 2035 vision.



NBK Issues 2024 Sustainability Report

NBK published its 2024 Sustainability Report, a reflection of its unwavering commitment to integrating ESG principles into the core strategic vision and operations. NBK continued to advance its ESG road map, achieving meaningful progress in its journey toward building a resilient, inclusive, climate-conscious financial institution.



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