

ESG Newsletter

December 2024

Your Knowledge Digest

Moody's: Global climate finance gap COP29 🖱️

IFRS - Global progress towards both mandated and voluntary corporate climate-related disclosures 🖱️

News | Regional

Saudi Arabia hosts UN talks on drought, desertification

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Saudi Arabia hosts the COP16 UN conference on land degradation and desertification in December. The subject of desertification is close to home for the Gulf kingdom, which has one of the biggest deserts on the planet. Land degradation disrupts ecosystems and makes land less productive for agriculture, leading to food insecurities.



وزارة الطاقة والبنية التحتية
MINISTRY OF ENERGY & INFRASTRUCTURE

UAE plans to invest \$54 billion by 2030 to meet sustainable energy demand - ESG Today

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The UAE plans to invest up to USD 54.5 billion in order to meet its targets to significantly increase clean energy capacity and production over the next several years and to progress towards its 2050 climate goals.



وزارة الطاقة والبنية التحتية
MINISTRY OF ENERGY & INFRASTRUCTURE



Egypt reaffirms 42% renewable energy goal for 2030, but urges international help

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Egypt faced power outages last year as natural gas production was hit by financial constraints and declining local extraction, which prompted a government search for foreign investment in renewable projects. Egypt's petroleum ministry reaffirmed 42% target share for renewables by 2040, while the country maintaining a major reliance on natural gas.



Oman: Green energy powerhouse in the making

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Oman is targeting an estimated \$49 billion in investments in the country's nascent green hydrogen industry to help achieve an annual output of 1.38 million tonnes of zero-carbon hydrogen by 2030. Investment inflows are anticipated to soar to a total of \$140 billion by 2050.

News | International

Jurisdictions representing over half of global GHG emissions are moving towards adopting ISSB Standards - ESG Today

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16 jurisdictions have finalized decisions on the adoption or other use of ISSB Standards, while another 14 are currently making progress to adopt or otherwise use the standards. The 30 jurisdictions represent 57% of global GDP, more than 40% of global market capitalization, and more than half of global greenhouse gas emissions.



IFRS publishes guide to help companies identify sustainability-related risks and opportunities and material information to provide

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The new comprehensive guide is designed to help companies with the fundamental task of identifying and disclosing material information about sustainability-related risks and opportunities that could reasonably be expected to affect their cash flows, their access to finance or cost of capital over the short, medium or long term.



COP29 achieves early success with consensus on Article 6.4 carbon credit standards - ESG News

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COP29 witnessed an agreement on carbon credit standards under Article 6.4, a significant milestone that enhances the integrity of international carbon markets. The standards aim to facilitate climate action by increasing demand for carbon credits, potentially reducing the cost of implementing national climate plans by \$250 billion annually.



COP29: Key outcomes agreed at the UN climate talks in Baku - Carbon Brief

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Developed nations have agreed to help channel at least \$300bn a year into developing countries by 2035 to support their efforts to deal with climate change. Negotiators agreed to raise \$1.3tn each year from a wide range of sources, including private investment, by 2035.



California climate disclosure regulation passes major legal hurdle - ESG Today

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A new California law that will effectively require most large U.S. companies to disclose their value chain emissions and report on climate-related financial risks survived a major legal challenge brought by the U.S. Chamber of Commerce. Corporate reporting under the new law is set to begin in 2026.



Council greenlights EU certification framework for permanent carbon removals - Consilium

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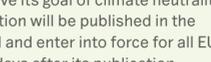
The regulation introduces a comprehensive certification framework for carbon removals and soil emission reductions into EU legislation. It will help the EU to achieve its goal of climate neutrality by 2050. The regulation will be published in the EU's Official Journal and enter into force for all EU member states 20 days after its publication.



EU regulators, ECB Release climate stress test results highlighting transition risks - ESG News

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The test evaluated the impact of transition risks and macroeconomic shocks on the EU financial system under various scenarios. It revealed that transition risks combined with adverse macroeconomic factors, could lead to substantial losses for financial institutions and disrupt the green transition.

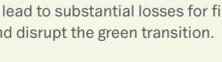


EUROPEAN CENTRAL BANK
EUROSYSTEM

EU insurance regulator calls for higher capital requirements for fossil fuel assets due to transition risk - ESG Today

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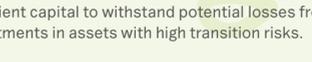
Research has found that fossil fuel-related stocks and bonds have greater exposure to transition risks than other assets. Additional capital charges must be put in place to ensure that insurers set aside sufficient capital to withstand potential losses from investments in assets with high transition risks.



What must the UK do to reach the new goal of 81% emissions cut by 2035? | The Independent

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In a speech at Cop29, UK Prime Minister announced a target to cut UK emissions by 81% by 2035, compared with the country's 1990 levels. According to the Government's adviser's, electricity will need to be zero carbon by 2035 with a phaseout of natural gas boilers and a switch to renewable energy.



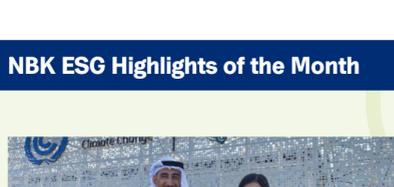
Government action 'vital to unlock green investments'

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In a recent report by the World Business Council for Sustainable Development (WBCSD), it highlights how governments can unlock substantial private investment by tackling market barriers to deploying low-carbon technology. It warns that without bold government policy, the next wave of large-scale investments in the net zero transition are at risk.



NBK ESG Highlights of the Month



NBK joins COP29 discussions to advance sustainable financing and bridge the climate investment gap

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Reaffirming its dedication to fostering a sustainable, low-carbon economy and supporting Kuwait's sustainability vision, NBK participated in the 29th United Nations Climate Change Conference (COP29), held in Baku, Azerbaijan, which covered climate finance, the energy transition and the green hydrogen transition.

NBK RISE advances its mission, paving the way to empower women in leadership

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Following the success of its inaugural edition, NBK launches the second edition of NBK RISE. NBK is committed to supporting the NBK RISE program and its mission to foster professional growth and leadership development in women, creating a path of learning and empowerment opportunities.



NBK earns gold award for "Excellence in Health and Wellbeing"

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NBK won the Gold Award for "Excellence in Health and Wellbeing" from the prestigious US-based Society for Human Resource Management (SHRM) at the MENA STAR Awards 2024 held in Riyadh. Key topics discussed included human capital development, talent attraction and retention, as well as exploring future workplace strategies.

NBK named market leader in digital payment acceptance

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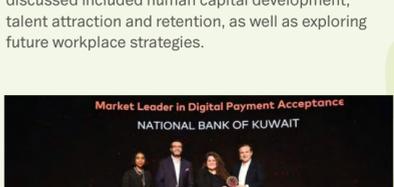
NBK received the "Market Leader in Digital Payment Acceptance" Award at the Mastercard EDGE Forum 2024 in Dubai. This award acknowledges NBK as a leader in the digital payments space, recognizing its role in shaping the future of commerce and financial services.



NBK holds a fraud awareness session for AUK students

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In addition to highlighting fraud techniques, NBK team provided prevention measures and tips to be followed in case of any suspicious activity. By understanding these schemes, students learned to recognize red flags and acquired practical steps for safeguarding their personal and financial information.



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