

# ESG Newsletter

April 2024

## Your Knowledge Digest

**Making the business case for Sustainability - WSJ**

**IEA: Major growth of clean energy limited the rise in global emissions in 2023**

## News | Regional

**KUNA: Ministry launches renewable energy strategy**

The Ministry of Electricity, Water and Renewable Energy announced Kuwait's 2030-2050 Renewable Energy Strategy, aiming to produce 22,100 MW of renewable energy by 2030.

وزارة الكهرباء والماء  
والطاقة المتجددة  
Ministry of Electricity & Water  
& Renewable Energy



**KUNA : Minister of Oil calls for addressing environmental issues linked to oil, gas industries**

Deputy Prime Minister and Oil Minister emphasized the need to address environmental concerns regarding fossil fuels. He highlighted the importance of diversifying energy resources and advancing collaborations between Kuwait and OPEC, while condoning their efforts to address climate change and the global energy transition.



وزارة النفط  
Ministry of Oil

**KUNA: OPEC Chief: Oil will remain the main energy source for many decades**

OPEC Chief emphasized crude oil will remain a primary energy source for decades. He invited stakeholders to collaborate in addressing energy security on both demand and supply ends. He further stressed the growing need to invest in clean energy research and infrastructure to achieve energy efficiency and security amid the global energy transition.

Organization of Arab Petroleum Exporting Countries



**Kuwait Oil Company Q8 to buy 50% of Italy's EcoFox (gulfbusiness.com)**

The Italian branch of Kuwait Petroleum International (KPI), Q8, to buy a 50 per cent stake in Italian biodiesel producer, EcoFox, as part of efforts to reduce its fossil-fuel emissions.



**The Global Financial Centers Index Report 2023 calls for financial reforms in Kuwait ARAB TIMES**

The report monitored 10 recommendations to strengthen and develop Kuwait's financial position which aim to achieve economic sustainability by developing the country's investment sectors and diversifying the production base and sources of income.



**Climate transition may lead to increased credit risk, losses for GCC banks | Khaleej Times**

Climate transition can increase credit risks and losses for banks in the GCC region, especially in cases where lenders are exposed to high-emitting industries and borrowers that are most vulnerable to the climate transition, S&P Global Ratings said in its report.

S&P Global Ratings

**The emergence of ESG in Middle East real estate (zawya.com)**

The Middle East real estate industry is experiencing a paradigm shift where ESG considerations are becoming increasingly significant. Leading real players are integrating ESG principles into their operating models, redefining the region's urban landscapes and shaping the future of the industry.



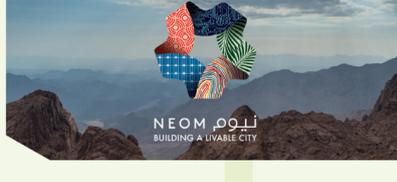
**Middle East registered over 16% increase in renewable energy capacity in 2023 - IRENA report (zawya.com)**

The Middle East region added 5GW of new renewable energy capacity in 2023, according to the report. This extraordinary surge in renewable generation capacity shows that renewables are the only technology available to rapidly scale up the energy transition aligned with the goals of the Paris Agreement.



**NEOM to produce its first green hydrogen | Gulf News**

The project is projected to become the world's largest green hydrogen production facility. The Hydrogen Innovation Development Centre (HIDC) will produce eight tons of green hydrogen a day on launch this year. Mega-city NEOM targets to produce 600 tons of the fuel per day by the end of 2026.



## News | International

**Business and investors call on the EU to set a greenhouse gas emissions reduction target of at least 90% by 2040 | Corporate Leaders Groups**

In an open letter coordinated by CLG Europe, CEOs, leading businesses, investors, networks, and SMEs across the EU, call on the EU to set a greenhouse gas emissions reduction target of at least 90% by 2040. This science-based target reflects the urgency and benefits of near-term action.

CLG Europe

**EU members call for revision of anti-deforestation law - Brussels Signal**

The EU law aims to root deforestation out of supply chains for beef, soy, and other agricultural products sold in Europe. Those rules equally apply to European farmers who will be banned from exporting products cultivated on deforested or degraded woodlands.



**Consultation on the introduction of a UK carbon border adjustment mechanism (www.gov.uk)**

The UK carbon border adjustment mechanism (CBAM) will place a carbon levy on some of the most emissions-intensive industrial goods imported into the UK, ensuring that a carbon price is paid regardless of where the goods are produced.

UK Government

**Canada announces first Canadian sustainability disclosure standards - ESG News**

The Canadian Sustainability Standards Board (CSSB) released its first proposed Canadian Sustainability Disclosure Standards (CSDS), marking a significant milestone in advancing sustainability reporting in Canada. The proposed Standards builds on the IFRS S1 and S2.

FRAS Financial Reporting & Assurance Standards Canada

**Sinopec, Total to build 230,000 ton sustainable aviation fuel plant (zawya.com)**

Chinese state-owned Sinopec and French oil major Total Energies signed an agreement to produce sustainable aviation fuel (SAF). The European Union is set to introduce a blending mandate requiring airports to supply jet fuel at 2% SAF blends from 2025.



**Singapore to provide funding for companies to meet new climate reporting requirements-ESG Today**

The Government of Singapore launched a new Sustainability Reporting Grant, providing companies with support covering up to nearly a third of the cost of producing their first sustainability reports.



**Gender diverse boards show correlation with higher credit ratings - Moody's (zawya.com)**

Board gender diversity can be seen to correlate with credit quality in advanced economies according to a sector in-depth update from ratings agency Moody's. The ratings agency said board diversity is reflected in relative governance strength.

MOODY'S

## NBK ESG Highlights of the Month

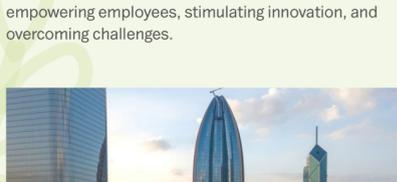


**NBK hosts a series of knowledge sharing sessions with managers from KNPC and KAFCO**

The sessions brought together NBK's executive leadership and their counterparts from KNPC and KAFCO. They engaged in open discussions on a range of topics, including effective communication and motivation strategies, building high-performance teams, empowering employees, stimulating innovation, and overcoming challenges.

**NBK ranks among the top-rated GCC financial institutions for climate actions by CDP**

NBK has received a score of "C" for the second consecutive year in the categories of Climate Change and Forests 2023, as announced by CDP, a globally recognized non-profit organization overseeing the leading environmental disclosure platform.



**NBK Talent Management successfully completes the UNGC Target Gender Equality Accelerator**

Talent Management recently completed the Target Gender Equality Accelerator programme provided by UN Global Compact (UNGC), which NBK joined in January 2023. The programme completion further reflects NBK's unwavering commitment to advance equity and inclusion under NBK Group ESG strategy.



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