

ESG Newsletter

April 2025

Your Knowledge Digest

The critical role of cost-of-capital and climate policies in net-zero transitions 🖱️

AI-driven climate leaders achieve significant financial gains, averaging \$200M in annual decarbonization benefits: BCG Study 🖱️

News | Regional

GCC calls for enhanced global cooperation to combat pollution and climate change

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The Gulf Cooperation Council (GCC) emphasized the importance of strengthening international cooperation to tackle pollution, climate change, and environmental degradation in the oceans, while addressing their causes and impacts in line with relevant global frameworks.



Oman's first green hydrogen project FID in 2026-27

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The first Final Investment Decision (FID) is anticipated during the 2026-27 to develop green hydrogen (GH2) projects in the Sultanate of Oman. The national goal is to achieve an average 30 per cent from renewables annually by 2030.



KUNA : Kuwait, China sign framework agreement on renewable energy technology

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Kuwait and China have signed a framework agreement to enhance cooperation in renewable energy and solar plant technology. As part of the deal, China will oversee the development of the third and fourth zones of the Al-Shagaya and Al-Abdiliya solar plant projects and further increasing the capacity of the solar park.



India's Sterlite Power eyes \$6bln green hydrogen grid project in Egypt

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Egypt enjoys high capabilities in clean energy production, making it a regional energy hub amid increasing global demands for sustainable energy sources. The project would boost Egypt's energy infrastructure and accelerate its transition toward clean energy.

News | International

EU to give automakers more time to meet emissions goals - ESG Today

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Under the current rules, which require a 100% reduction in CO2 emissions from new cars and vans registered in the EU from 2035, as well as interim emissions reduction targets for new vehicles, would face significant fines. The delay to the regulation gives companies three years to meet the required targets to avoid extreme costs.



EU launches series of actions and investments to decarbonize steel, metal sectors - ESG Today

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The new action plan focuses on sector decarbonization mainly through the use of clean energy in Power Purchase Agreements (PPA), as the European steel and metals industry faces a series of challenges, including high energy costs, unfair global competition, as well as a need for investments to reduce greenhouse gas emissions.

FCA, PRA drop plans for new diversity and inclusion rules - ESG Today

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The announcement comes as diversity and inclusion policies and regulations are also being pulled back rapidly in the U.S., which began following a Supreme Court ruling that struck down Harvard's use of race-based affirmative action criteria in college admissions.



UK plans levy on jet fuel producers to fund sustainable aviation fuel "Revenue Certainty Mechanism"

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A key barrier to ramping up SAF production is the high start-up cost, with the government estimating investments of £600 million to £2 billion for new commercial plants to reach economies of scale, with new plants struggling to secure investments due to revenue uncertainty and fluctuating fuel prices.

U.S. rejects UN Sustainable Development Goals - ESG Today

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The U.S. under the Trump administration stated that it "rejects and denounces" the United Nations Sustainable Development Goals (UN SDGs), the key global goals adopted by nations unanimously in 2015 as part of the 2030 Agenda for Sustainable Development.



China vows to expand carbon market in push to control emissions - The Business Times

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China intends to continue to play a key role in diplomacy on emissions reduction, as the US retreats from international cooperation. The plan for construction of clean energy bases in the nation's deserts – a key driver for wind and solar power growth – will be accelerated across the Nation.

Japan releases inaugural IFRS-aligned sustainability reporting standards - ESG Today

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The release by the SSBJ includes 3 standards aligned with the recent IFRS S1 and S2 requirements, in anticipation of globally mandated IFRS disclosure. The standards are expected to apply to companies listed on the Tokyo Stock Exchange's Prime Market, reinforcing Japan's commitment to transparent ESG reporting.



Emissions from building sector stopped rising for first time since 2020, UN finds

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By adopting mandatory building energy codes aligned with net-zero emissions, mandatory performance standards and seizing energy efficiency investments, the sector's energy intensity has reduced by almost 10% on a global level.

Global energy demand growth surges to twice of recent average

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Global energy demand grew at a faster-than-average pace in 2024 as the consumption of electricity rose around the world – with increased supply of renewables and natural gas covering the majority of additional energy needs, according to a new IEA report.



NBK ESG Highlights of the Month



NBK Wealth Thought Leadership: The psychology of investing: managing fear and greed

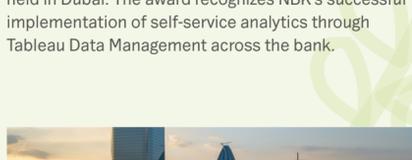
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Fear can lead to panic selling and missed opportunities, while greed can drive reckless risk-taking and speculative bubbles. For long-term investors, understanding these emotions is key to building wealth. The thought paper highlights how to navigate these emotions as an investor.

NBK recognized for excellence in data-driven decision making

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NBK was honored with the "Best Use Case of Data Driven Decision Making" award at the Ninth Middle East Banking AI & Analytics Summit 2025, recently held in Dubai. The award recognizes NBK's successful implementation of self-service analytics through Tableau Data Management across the bank.



NBK accelerates its commitment to a sustainable future

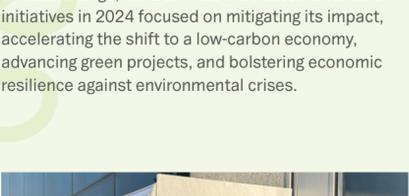
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Amid the escalating global challenges posed by climate change, the Bank has introduced a series of initiatives in 2024 focused on mitigating its impact, accelerating the shift to a low-carbon economy, advancing green projects, and bolstering economic resilience against environmental crises.

NBK launches 'Reduce Food Waste' campaign to promote sustainability and social responsibility

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NBK reinforces its commitment to sustainability and social responsibility with the launch of the Reduce Food Waste Campaign, aimed at minimizing food waste. As part of this initiative, NBK installed refrigerators at the entrances of its branches across all governorates and filled it with iftar meals.



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