

NBK ESG Policy Statement

April 2022

NBK Group (NBK) was founded with distinctive reason of serving the needs of the local community. That commitment transformed into a vision to create a bank that inspires trust and confidence across Kuwait and the world, building on our core values. Our ESG Policy Statement is a formalization of NBK's commitment to continue its planned evolution in responsible banking and addressing global sustainability challenges.

NBK recognizes that Environmental, Social and Governance (ESG) issues and impacts are salient considerations for its business. Important future risks as well as opportunities relevant for NBK's business and industry are presented by ESG / Sustainability challenges. Further, NBK appreciates the role of finance in solving ESG challenges and advancing societal transition towards sustainable economy. Building on the long history of Corporate Social Responsibility (CSR) in giving back to the community along with our constant progress on an expanded set of ESG / Sustainability elements, NBK intends to continue its ESG advancement, support in achieving Kuwait's sustainability vision, and ensuring leadership in the region.

Our ESG Policy Statement embodies NBK Board of Director's commitment to integrate ESG management into the Bank's governance processes, core risk and opportunity assessment, business strategy, ethical policies and conduct, operations management, human resource management, investment decisions, and provision of products and services. Our ESG Policy reflects the intention and commitment of NBK Board and Leadership to effectively manage ESG issues such as:

- Conscientious management to analyze and address NBK's ESG-related impacts, issues, and opportunities,
- Highest standards of ethics,
- Consumer/customer protection and data security,
- Understanding the risks and implications of climate change,
- Diversity and inclusion,
- Human capital development
- Protection of human rights,
- Health and safety of employees, customers, suppliers, and communities.

In developing our ESG policy, strategy and initiatives, NBK focuses on stakeholder expectations and priorities, ESG criteria employed by external raters, and national and international standards and frameworks. The Group's decisions consider ESG risks trade-offs and the optimal strategies to mitigate environmental impact, and to maintain desired diversity, uphold human rights, and adhere fully to applicable laws and regulations. NBK conducts materiality assessments annually to ensure its ESG/ Sustainability policy and initiatives are aligned with expectations of key stakeholders, i.e., investors, corporate customers, consumer and private banking customers, strategic partners, employees, regulators, and the communities where NBK conducts business.