EXECUTION VERSION

DATED 27 NOVEMBER 2019

NATIONAL BANK OF KUWAIT S.A.K.P.
AS GUARantor

__________________________________________
SUBORDINATED GUARANTEE
U.S.$750,000,000 PERPETUAL TIER 1
CAPITAL SECURITIES ISSUED BY
NBK TIER 1 FINANCING (2) LIMITED
THIS SUBORDINATED GUARANTEE is given on 27 November 2019 by National Bank of Kuwait S.A.K.P. (the "Guarantor")

WHEREAS:

(A) The Guarantor has agreed to guarantee the obligations of NBK Tier 1 Financing (2) Limited (the "Issuer") under the U.S.$750,000,000 Perpetual Tier 1 Capital Securities (the "Capital Securities") to be issued by the Issuer pursuant to an agency agreement (the "Agency Agreement") dated 27 November 2019 between, inter alios, the Issuer, the Guarantor and Citibank N.A., London Branch as fiscal agent (the "Fiscal Agent"); and

(B) Terms defined in the Conditions of the Capital Securities (the "Conditions") and in the Agency Agreement and not otherwise defined in this Subordinated Guarantee shall have the same meaning when used in this Subordinated Guarantee.

NOW THIS DEED WITNESSETH as follow:

1. The Guarantor as primary obligor unconditionally and irrevocably (a) guarantees to the holder from time to time of each Capital Security by way of continuing guarantee the due and punctual payment of all amounts payable by the Issuer on or in respect of the Capital Securities (including any additional amounts which may become payable under Condition 9 but subject to any write-down of the Capital Securities pursuant to Condition 8) as and when the same shall become due according to the Conditions and (b) agrees that, if and each time that the Issuer shall fail to make any payments as and when the same become due, the Guarantor will on demand (without requiring the relevant holder of any Capital Securities first to take steps against the Issuer or any other person) pay to the relevant holder of any Capital Securities the amounts (as to which the certificate of the relevant holder of any Capital Securities shall in the absence of manifest error be conclusive) in the currency in which the amounts are payable by the Issuer.

(b) The Guarantor irrevocably and unconditionally agrees as a primary obligation to indemnify the holders of the Capital Securities from time to time from and against any loss incurred by such holders as a result of any of the obligations of the Issuer under or pursuant to the Conditions or the Capital Securities being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever, whether or not known to such holder or any other person, the amount of such loss being the amount which such holder would otherwise have been entitled to recover from the Issuer. Any amount payable pursuant to this indemnity shall be payable in the manner and currency prescribed by the Conditions for payments by the Issuer in respect of the Capital Securities. This indemnity constitutes a separate and independent obligation from the other obligations under this Subordinated Guarantee and shall give rise to a separate and independent cause of action.
2. The Guarantor covenants in favour of the holder from time to time of each Capital Security that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions.

3. The obligations of the Guarantor under this Subordinated Guarantee shall not be affected by any matter or thing which but for this provision might operate to affect the obligations including, without limitation:

(a) any time or indulgence granted to or composition with the Issuer or any other person;

(b) the taking, variation, renewal or release of remedies or securities against the Issuer or any other person; or

(c) any unenforceability, invalidity or irregularity of this Subordinated Guarantee.

4. Where any discharge (whether in respect of the obligations of the Issuer or any security for the obligations of the Issuer or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be repaid on bankruptcy, liquidation or otherwise without limitation, the liability of the Guarantor under this Subordinated Guarantee shall continue as if there had been no discharge or arrangement. The holder of any Capital Security, acting in good faith, shall be entitled to concede or compromise any claim that any payment, security or other disposition is liable to avoidance or repayment.

5. The Guarantor undertakes that its obligations under this Subordinated Guarantee constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and do and will (a) rank junior to all Senior Obligations of the Guarantor, (b) rank pari passu with all Pari Passu Obligations of the Guarantor and (c) rank senior to all Junior Obligations of the Guarantor.

6. The Guarantor represents and warrants that all necessary governmental consents and authorisations for the giving and implementation of this Subordinated Guarantee have been obtained.

7. Until all amounts which may be or become payable under the Capital Securities have been irrevocably paid in full, the Guarantor shall not by virtue of this Subordinated Guarantee be subrogated to any rights of any holder of any Capital Security or any registered holders of any Capital Securities or claim in competition with the holders against the Issuer.

8. In the event that payment is due under this Subordinated Guarantee and payment in full of the amount due under this Subordinated Guarantee has not been made to the registered holder(s) of the relevant Capital Securities in accordance with this Subordinated Guarantee and the Conditions, then holders of interests in the relevant Global Certificate will become entitled to proceed directly against the Guarantor on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg or DTC, as the case may be, with all rights which such holder would have if, prior to that time, it was entered in the register as a registered holder of the Capital Securities.
9. The Guarantor shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable on or in connection with the execution, performance and delivery of this Subordinated Guarantee and shall indemnify each holder of the Capital Securities against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

10. This Subordinated Guarantee shall enure for the benefit of the holders of any Capital Securities and shall be deposited with and held by the Fiscal Agent.

11. If any provision in or obligation under this Subordinated Guarantee is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this Subordinated Guarantee, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Subordinated Guarantee.

11.1 This Subordinated Guarantee (including the remaining provisions of this Clause 11) and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be construed in accordance with, English law.

11.2 Any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Subordinated Guarantee (including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it) (a "Dispute") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules (the "Rules") of the London Court of International Arbitration (the "LCIA"), which Rules (as amended from time to time) are incorporated by reference into this paragraph 11.2. For these purposes:

(a) the seat of arbitration shall be London, England;

(b) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party to the Dispute and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party-nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

(c) the language of the arbitration shall be English.

11.3 The Guarantor irrevocably appoints Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD, United Kingdom as its authorised agent for service of process in England. If for any reason such agent shall cease to be
such agent for service of process or ceases to be registered in England, the Guarantor shall forthwith appoint a new agent for service of process in England and shall notify the holders of any Capital Securities of such appointment. The Guarantor will procure that, so long as any of the Capital Securities remains outstanding, a person with an office in London shall be appointed to accept service. Nothing in this Subordinated Guarantee shall affect the right to serve process in any other manner permitted by law.

11.4 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Guarantor or its assets or revenues, the Guarantor agrees not to claim and irrevocably and unconditionally waives such immunity to the fullest extent permitted by the laws or such jurisdiction. Further, the Guarantor irrevocably and unconditionally consents to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Disputes.
IN WITNESS WHEREOF this Subordinated Guarantee has been entered into as a deed by the Guarantor.

EXECUTED as a DEED
by NATIONAL BANK OF KUWAIT S.A.K.P. ()
acting by
acting under the authority of that company, in the presence of:

Witness's Signature:

________________________________________
Name: RAVI SERWAK
Address: A-3394 Bui, 8th Flr., 36th Rd., Sharq, Kuwait

Dated 27 November 2019