

# ESG Newsletter

January 2024

## Your Knowledge Digest

**COP28: Key takeaways for financial services**   
**How decarbonization and energy transition can create value for MENA's energy sector** | Bain & Company 

## News | Regional

**KUNA: Kuwait committed to confront climate change challenges - SCPD Chief**   
 During an interview that took place at COP28 in Dubai, Dr. Khaled Mahdi, Secretary-General of the Supreme Council for Planning and Development (SCPD), stressed that Kuwait, is committed to facing the climate change challenges, including reaching Carbon Neutrality by 2060.



**Kuwait Petroleum International declares first SAF blending in approach to cut carbon emissions (zawya.com)**   
 The successful process constituted a step forward in the company's endeavors to secure Sustainable Aviation Fuel (SAF) for the markets. SAF's carbon dioxide (CO2) emissions are 90% less than the gases produced by the burning of conventional jet fuel.

**Visa reveals Kuwait consumers seek banks help in understanding environmental impact of spending - (arabtimesonline.com)**   
 The study results revealed that sustainability awareness among Kuwaiti consumers is significantly rising and highlighted their expectations of the products/services they consume. Over two-thirds of Kuwaiti consumers believe that decarbonization is not limited to corporate entities, and individuals can make a difference.



**Around 8% of Gulf countries' GDP at risk of extreme heat, water stress by 2050: S&P report - Arabian Business**   
 While the GCC has developed significant adaptation and resilience measures to address physical climate risks, the report finds these defenses will face growing challenges as hazards intensify by mid-century.

**UAE's First Abu Dhabi Bank commits \$135bn in sustainable finance by 2030 (zawya.com)**   
 First Abu Dhabi Bank committed to lend, invest, and facilitate over USD 135 billion in sustainable and transition financing by 2030. The new target is an 80% increase over the lender's 2021 commitment.



**ADCB introduces the region's first Mastercard Carbon Calculator to support sustainability ambitions of business clients | Mastercard**   
 ADCB, member of the Net-Zero Banking Alliance (NZBA), launched the Mastercard Carbon Calculator, an innovative tool that supports the sustainability ambitions of businesses by providing data on the estimated carbon footprint of their corporate expenditure using the ADCB corporate cards.

**Dubai Financial Services Authority and Hong Kong Monetary Authority join efforts to accelerate sustainable finance across Middle East and Asia (hkma.gov.hk)**   
 Building on the long-standing relationship between DIFC and the HKMA, this new partnership aims to bolster cross-border collaboration to advance sustainable finance across the two regions and contribute to the net-zero transition.



**Egypt advances green economy with tax incentives, global green bonds (zawya.com)**   
 Egypt's Minister of Finance has announced a series of climate-friendly measures aimed at fostering a green economy. These include tax exemptions of 33% to 55% for income from green hydrogen projects initiated within the next five years.

## News | International

**COP28 agreement signals "Beginning of the End" of the fossil fuel era | UNFCCC**   
 The Global Stocktake calls on Parties to take actions towards tripling renewable energy capacity and doubling energy efficiency improvements by 2030. This also includes accelerating efforts to phase-down unabated coal power, phase out inefficient fossil fuel subsidies, and other measures that drive the transition away from fossil fuels.



**COP28 unveils global plan for near-zero emission buildings by 2030 - ESG News**   
 The Governments of France and Morocco, together with the UN Environment Programme (UNEP), launched the Buildings Breakthrough at COP28, to accelerate the transformation of the sector, which accounts for 21% of global GHG emissions, with the aim to accelerate near-zero emissions and climate-resilient buildings.

**50 oil and gas companies sign Oil and Gas Decarbonization Charter (OGDC) launched at COP28 (oilreviewmiddleeast.com)**   
 Under the Global Decarbonization Accelerator (GDA), 50 companies, representing more than 40% of global oil production, have signed the Oil and Gas Decarbonization Charter, committing to near-zero upstream methane emissions, ending routine flaring by 2030, and total net-zero operations by 2050.



**Basel Committee consults on a disclosure framework for climate-related financial risk (bis.org)**   
 The Committee aims to analyze how a Pillar 3 disclosure framework for climate-related financial risks would further its mandate to strengthen the regulation, supervision, and practices of banks worldwide with the purpose of enhancing financial stability.

**Monetary Authority of Singapore (MAS) launches world's first multi-sector transition taxonomy**   
 The Monetary Authority of Singapore (MAS) launched the Singapore-Asia Taxonomy for Sustainable Finance (Singapore-Asia Taxonomy) – which sets out detailed thresholds and criteria for defining green and transition activities that contribute to climate change mitigation across eight focus sectors.



**IFRS - ISSB at COP28: Close to 400 organizations from 64 jurisdictions, join multilateral and market authorities to advance the ISSB climate global baseline**   
 Earlier this year, the ISSB Standards were endorsed by the global body for international securities regulators - IOSCO - and since then companies, jurisdictions, and other market players from around the world have been paving the way towards adopting the ISSB Standards.

**IFRS - New and updated resources to help companies apply IFRS S1 and IFRS S2 from 2024**   
 As part of efforts to support application of IFRS S1 and IFRS S2, the IFRS Foundation published new educational material to help companies consider 'nature and social aspects' of climate-related risks and opportunities when applying IFRS S2.



**Crédit Agricole ends financing for new oil and gas projects - ESG Today**   
 Crédit Agricole announced that it will no longer finance new fossil fuel extraction projects and will end financing of independent producers focused exclusively on exploration or production of oil and gas.

**UK implements new carbon pricing mechanism to equalize imports and local production**   
 Goods imported into the UK from production with a lower or no carbon price will have to pay a levy by 2027, ensuring products from overseas face a comparable carbon price to those produced in the UK.



## NBK ESG Highlights of the Month



**NBK RISE receives Bronze Award for Excellence in Diversity & Inclusion**   
 The Bank was awarded the Annual Human Resources Conference and Expo in Dubai. The Excellence in Diversity and Inclusion Awards aims at recognizing organizations which show a growing trend for setting transparent targets and increase organizational accountability towards D&I.

**NBK organizes a masterclass titled "Effective Change Leadership"**   
 The masterclass shed light on the radical transformations in business and operating models due to rapid technological advances, changes in consumer behavior, seismic geopolitical shifts, and the climate crisis.



**Kicking off the fifth edition of "Tamakan" training program for Kuwaiti fresh graduates**   
 Creative Confidence has kicked off the fifth edition of "Tamakan" training program for Kuwaiti fresh graduates, with the strategic sponsorship of NBK for the fifth consecutive year.

**NBK partners with Qatar Airways and British Airways to launch NBK Avios Visa signature card**   
 The NBK Avios Visa Signature Card is a Visa prepaid card and the first of its kind in the MENA region, reflecting NBK's commitment to innovation. This Visa card empowers customers to earn Avios on every transaction they make.



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