

Group Environmental, Social and Governance (ESG) Policy

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Document Control

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1.0	Baseline Document	ESG Governance & Risk Committee Executive Committee Board of Directors

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1 Introduction

1.1 Purpose

Sustainability has emerged as a significant topic affecting business and the communities where NBK operates. The National Bank of Kuwait recognizes the growing significance of Environmental, Social, and Governance (ESG) factors in shaping the global financial landscape, and the catalytic role of sustainable finance in driving the global transition by generating long-term value for the Bank's stakeholders, fostering innovation, and driving positive change in society.

The objective of this policy is to guide and enable NBK to govern and implement its strategic objectives defined by its ESG Strategy by setting the governance structure, processes, and reporting mechanisms that integrates ESG principles into its policies, procedures, operations, and culture.

This policy defines and sets a comprehensive framework that translates NBK's ESG commitments into actions and instills a governance framework to monitor proper implementation. This policy shall be supported by a series of additional policies catering to specific themes and lines of business.

The policy is defined by the following principles which aim to ultimately enable NBK to achieve its ESG objectives:

- Integrate ESG risks and opportunities into its systems.
- Inform responsible decisions that align its commitments with sustainability.
- Provide guidance on sustainable finance and responsible banking practices in line with global frameworks and requirements.
- Define and inform NBK's internal ESG governance structure.
- Empower employees to have a clear understanding of NBK's ESG Strategy and objectives.
- Define the communication and reporting mechanisms to all stakeholders.
- Support adherence to internationally recognized standards, frameworks, and initiatives.
- Guide business and operational performance for ESG integration.
- Achieve a positive impact on the environment, society, and economy.

1.2 Scope

This policy is produced by National Bank of Kuwait S.A.K.P. ("the Bank" or "NBK"), and is applicable to Kuwait, its international branches in Kingdom of Bahrain, Kingdom of Saudi Arabia, United Arab Emirates ("UAE"), New York, Singapore, and Shanghai and its subsidiaries National Bank of Kuwait – Egypt S.A.E. ("NBK – Egypt"), National Bank of Kuwait France SA, National Bank of Kuwait (International) PLC, and NBK Banque Privée (Suisse) S.A. (together referred to as "the Group"). This is an overarching policy which contains the Bank's general ESG principles and strategic commitments, and not a complete set of detailed rules that cover all situations for implementation. The more detailed rules are, or will be as deemed necessary, described in topic-specific policies, operating procedures, and guidelines to support effective implementation across the Group.

NBK Group entities are responsible for aligning with the requirements of this Policy through the establishment of their own internal governance and ensuring compliance with all applicable local laws, regulations, and standards.

This policy is relevant to all employees in NBK Group. It is the responsibility of the management of each country across NBK Group's international network to ensure that the policy is implemented and complied with where relevant to their respective areas of responsibility, based on the national laws and regulations where applicable.

This policy could be read in conjunction with:

- NBK Statement on “Protecting and Advancing Human Rights”
- NBK Sustainable Financing Framework
- NBK Group Code of Conduct
- NBK Group Confidentiality Policy
- NBK Conflict of Interest Policy
- NBK Disclosure Manual
- NBK Financial Inclusion Policy
- NBK Financial Awareness and Transparency Policy
- NBK Staff Complaint Grievance and Non-Retaliation Policy
- NBK Whistle Blowing Policy

1.3 Document Governance

The policy is owned by NBK Sustainability Department and requires the approval of NBK’s Board of Directors (BoD). The policy must be reviewed and amended as per the country’s Central Bank regulations, or at other times during the year if changes in the circumstance require so, or as stated per the policy governance. It is the responsibility of each relevant stakeholder to provide the required input and maintain the accuracy and relevance of its respective parts of this document.

1.4 Approval and Update

Revisions of this policy are the principal way of implementing and communicating changes to the policies that may arise in response to the changing needs and requirements of the Group to provide flexibility and ensure that the Policy remains relevant at all times. This Policy is dynamic in nature and is reviewed at least every three years by the policy owner from the date of the Board of Directors approval. All the proposed changes are subject to review and approval of the Board of Directors.

1.5 Applicability / Adherence to Policy

It is the responsibility of the related staff in the Bank to adhere to the policy.

1.6 Communication

This Policy will be published on NBK’s Policy and Procedure Repository and accessible as per the classification, once it has been approved by the Board of Directors.

1.7 Definitions

Terms	Definitions
Sustainability	A focus on business strategies that generate long-term value for all stakeholders. Sustainability encompasses the three pillars of ESG. The emerging concerns related to climate change, human rights, financial inclusion and accessibility, community investment, privacy and data security, corporate governance, and systemic and climate risk management, among others, formulate the pillars of ESG: Environmental, Social, and Governance.
Sustainable Finance	The process of taking environmental, social, and governance (ESG) considerations into account when making financial decisions.
Net Zero / Carbon Neutrality	When greenhouse gas (GHG) emissions from human activity are in balance with emissions reductions. At net zero, carbon dioxide emissions are still generated, but an equal amount of carbon dioxide is removed from the atmosphere as is released into it, resulting in zero increase in net emissions.
Materiality	Materiality refers to the business importance, financial significance, and stakeholder value of a specific environmental, social, and governance (ESG) topic.
ESG Strategy	Integrates environmental, social, and governance factors into important and material business and operational decisions.
Sustainability Report	NBK's disclosure and communication of environmental, social, and governance (ESG) goals—as well as the bank's progress towards them.
Rating Agencies	Evaluates a company's performance on environmental, social, and governance (ESG) factors.

2 General Content

1.	<ul style="list-style-type: none"> The ESG Policy shall be validated by the ESG Governance & Risk Committee. The ESG Governance & Risk Committee is responsible for overseeing the implementation of this Policy across NBK Group and providing oversight and advisory on implementation to counterparties at NBK international branches and subsidiaries listed in section 1.2 of this policy.
2.	<ul style="list-style-type: none"> All Group Heads shall ensure that relevant staff are aware of the content of this policy and is formally acknowledged, in order to enable and ensure consistent bank-wide measures of implementation. It is the responsibility of each relevant stakeholder to provide the required input and maintain the accuracy and relevance of their respective scope of implementation.
3.	<ul style="list-style-type: none"> Since ESG requirements are continuously evolving, NBK shall monitor ESG requirements derived from relevant laws, regulations, and standards in the jurisdictions where it operates. At minimum, this policy requires compliance with all relevant legislative and regulatory ESG

	requirements in the markets where NBK operates in and adherence to internationally recognized sustainability principles which the Bank adopts and aligns with.
4.	<ul style="list-style-type: none"> To enable adherence to this policy, the required system enhancements, ESG capacity building and / or necessary business-level readiness shall be provided to relevant stakeholders. Applicability and adherence to the policy shall be effective once such conditions are in place according to the relevant departmental strategic priorities for the Bank's ESG Strategy implementation. Each business group and function should identify ways and required tools to integrate ESG considerations into its policies, standard operating procedures, and into business-level strategies and day-to-day operations.

2.1 ESG Strategy Commitments and Principles

1.	<p>The ESG Strategy serves as a three-year strategy, and outlines NBK's ESG commitments across four interrelated pillars which NBK Group shall adhere to:</p> <ul style="list-style-type: none"> Responsible Banking Capitalizing on our Capabilities Investing in our Communities Governance for Resilience
2.	<p>Responsible Banking:</p> <p>To achieve the strategic initiatives and ambitions outlined by this pillar, the Bank shall address the following principles:</p> <ul style="list-style-type: none"> Adopting responsible procurement and supply chain management approaches by embedding ESG-related criteria in all procurement decisions and vendor sourcing activities and collaborating with suppliers and service providers in mitigating ESG-related risks and pursuing ESG-related opportunities. Developing formal systems to assess and manage ESG-related risks and opportunities in financing activities as well as gain a greater understanding of the climate risks faced by NBK and its clients and the possible transition pathways. Aligning the portfolio with the Bank's decarbonization goals by conducting climate scenario analysis of its portfolio to understand the differentiated impacts and opportunities its clients exhibit to transition or physical climate risks, in line with climate science. Advancing sustainable finance, and this extends beyond financing and facilitating transactions to working collaboratively with all clients in decarbonizing and helping them in their transitions. In addition, NBK shall aim to provide a wide array of sustainable financial instruments as described and governed by NBK Sustainable Financing Framework. Taking necessary measures to manage and reduce the direct environmental impacts and carbon footprint of its own operations. This also requires expanding the Bank's GHG assessment approach to develop reduction targets to guide its net zero commitment across its value chain, including financed emissions.

<p>3.</p>	<p>Governance for Resilience:</p> <p>In concert with NBK Group commitment to adhering to the highest ethical standards that are hand-in-hand with comprehensive strategic planning and effective, transparent, and reliable governance structures, policies, and processes, the Bank shall address the following in designing an ESG risk and governance framework and approach:</p> <ul style="list-style-type: none"> • Transforming the ESG Strategy into a set of Key Performance Indicators (KPIs) and specific targets, linked to the achievement of the business strategy short- and long-term objectives. This also includes integrating ESG performance measures into senior management remuneration. • Developing formal systems to identify, assess, and manage climate and ESG-related risks and opportunities. This is through policy development, integrating climate risk into NBK's risk policies and governance framework, and portfolio analysis and measurement to understand the differentiated impacts the Bank's clients exhibit to climate change risks. • Applying robust categorization to project finance transactions and integrating environmental and social risk management into the credit processes. • Integrating ESG governance and accountability across NBK Group by establishing a holistic and robust governance structure supported by the Bank's highest governing body and cascaded across the Group. • Enhancing NBK's ESG competitiveness and international alignment by engaging with and supporting industry-led initiatives, coalitions, and industry players.
<p>4.</p>	<p>Capitalizing on our Capabilities:</p> <p>In delivering on NBK's commitment to promote organizational resilience through this strategy pillar, the following shall be applied or adhered to:</p> <ul style="list-style-type: none"> • Integrating ESG principles into workplace management practices, which includes policies, procedures, culture, practices, and programs that enable bank wide ESG transformation through enhanced employee engagement, capacity building, and development opportunities. • Promoting diversity, equity, and inclusion in the workplace. • Promoting health, safety, and wellbeing. • Establishing an innovative, digital, and agile work environment.
<p>5.</p>	<p>Investing in our Communities:</p> <p>NBK's community investment focuses on providing optimal customer service and advocacy, increasing financial inclusion, accessibility, and literacy, and ensuring customer protection and data privacy and security. In maximizing value creation through community contributions, the following shall be met:</p> <ul style="list-style-type: none"> • Maximizing financial independence, confidence, and security of NBK customers, existing or potential, by enhancing financial accessibility and proximity through innovative programs or services.

	<ul style="list-style-type: none"> • Providing optimal customer experience and service excellence by establishing unique collaborations and conducting active engagement with customers. • Designing tailored talent acquisition and development programs for integrating the national youth into the workforce and nurturing local talent, in line with national development plan. • Aligning corporate social responsibility (CSR) investments with NBK's ESG Strategy as well as the UN Sustainable Development Goals (SDGs).
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3 ESG Strategy Management and Implementation

3.1 ESG Strategy Oversight

1.	<ul style="list-style-type: none"> • The Board of Directors has the overall responsibility to oversee and ensure effective implementation of NBK Group ESG Strategy through its designation to the Sustainability & Climate Change Committee, which is chaired by the Vice Chairman & GCEO. • The Board shall be apprised of the Bank's approach, performance, targets, and key initiatives towards addressing climate, environmental, and social risks.
2.	<ul style="list-style-type: none"> • The Sustainability & Climate Change Committee shall supervise, coordinate, and manage the overall Group ESG Strategy and the implementation of NBK Group's ESG commitments, initiatives, and activities in line with the Group ESG Strategy.
3.	<ul style="list-style-type: none"> • The Sustainability Department shall be the custodian and responsible for coordinating the implementation of the ESG Strategy, projects and initiatives and shall provide specialized focus and guidance on the material topics identified through stakeholder engagement.

3.2 ESG Strategy Review and Update

1.	<ul style="list-style-type: none"> • The ESG Strategy shall be reviewed every three years unless an emerging circumstance requires an earlier review or update.
2.	<ul style="list-style-type: none"> • The update of NBK Group ESG Strategy may be initiated by the Sustainability & Climate Change Committee, which has the highest authority at the management-level. This could be as a result of the recommendations made by the Sustainability Sub-Committees which operate under the jurisdiction of the Sustainability & Climate Change Committee. • Recommendations of updates to the ESG Strategy can also be drawn as a result of stakeholders' engagements, emerging regulations, or second party review.

3.3 ESG Strategy Scope

1.	<ul style="list-style-type: none"> The ESG Strategy aims to establish the strategic direction of NBK Group. NBK's international branches and subsidiaries listed in Section 1.2 of this policy shall tailor the ESG strategy to their operating and regulatory landscapes in the form of material topics and strategic initiatives, however their approach must be in line and consistent with the Group's ESG Strategy and overall direction.
2.	<ul style="list-style-type: none"> NBK's international branches and subsidiaries listed in Section 1.2 of this policy shall report their progress towards NBK Group ESG Strategy to NBK Sustainability Department at least annually to allow for homogenous and consistent group-level reporting of NBK's sustainability commitments and impacts.

3.4 ESG Governance Framework

3.4.1 Board of Directors

1.	<ul style="list-style-type: none"> The Board of Directors is the highest governing body and has the ultimate responsibility to implement the Group's ESG direction and strategy. The Board is in charge of setting the Group's sustainability direction, ambitions, and commitments.
2.	<ul style="list-style-type: none"> The Board Sub-Committees shall exercise direct oversight over sustainability issues relevant to their delegated authority, and roles and responsibilities.

3.4.2 Sustainability & Climate Change Committee

1.	<ul style="list-style-type: none"> Sustainability & Climate Change (S&CC) Committee is the highest executive governing body at the management-level. The S&CC Committee is accountable to the Board of Directors and shall reflect this accountability through regular periodic reporting to the Board of Directors.
2.	<p>The S&CC Committee is responsible for:</p> <ul style="list-style-type: none"> Executing the Board's direction through assessing and reporting on the Bank's Sustainability and ESG performance. Provision of guidance, feedback, and support to the Sustainability Sub-committees on the identification of risks and opportunities and controls, resources mobilization, and strategy execution. Facilitate engagement and collaboration across the Group on ESG Strategy implementation.

3.4.3 Sustainability Sub-Committees

	<ul style="list-style-type: none"> The Sustainability Sub-Committees operate under the delegated authority of the Sustainability & Climate Change Committee. 												
1.	<ul style="list-style-type: none"> Details of the Sub-Committees and their purpose can be found in the table below. <table border="1" data-bbox="331 495 1449 1473"> <thead> <tr> <th>Sub-Committee</th> <th>Purpose</th> </tr> </thead> <tbody> <tr> <td>Sustainable & Transition Finance Committee</td> <td>To supervise, manage, and approve the development of sustainable finance value propositions and realization of business opportunities presented by the transition to a low carbon economy, in line with the Group's ESG Strategy and NBK Sustainable Financing Framework. This also includes managing the Bank's strategic approach to reducing its environmental impact from its portfolio.</td> </tr> <tr> <td>Social & Community Development Committee</td> <td>To oversee and govern the Group's efforts in expanding community engagement and investment, and social considerations for NBK's stakeholders, in line with the Group's ESG Strategy and CSR focus areas.</td> </tr> <tr> <td>ESG Governance & Risk Committee</td> <td>To supervise, manage, and approve the integration of ESG matters into the Group's overall governance and risk activities. The Committee is in charge of governing the alignment of the Group's activities with international sustainability frameworks, emphasizing the Group's commitment to transparency and accountability.</td> </tr> <tr> <td>Responsible Operations & Corporate Culture Committee</td> <td>To supervise, manage, and approve the integration of ESG matters into the Group's own operations, including environmental footprint (operational), supply chain and procurement practices, human capital management, and digital transformation elements, in line with the Group's ESG Strategy.</td> </tr> <tr> <td>Sustainable Finance Working Group (SFWG)</td> <td>To govern the selection and monitoring of eligible projects in line with NBK Sustainable Financing Framework. The SFWG is also responsible for aligning with and supporting the Sustainable & Transition Finance Committee in fulfilling its responsibilities.</td> </tr> </tbody> </table>	Sub-Committee	Purpose	Sustainable & Transition Finance Committee	To supervise, manage, and approve the development of sustainable finance value propositions and realization of business opportunities presented by the transition to a low carbon economy, in line with the Group's ESG Strategy and NBK Sustainable Financing Framework. This also includes managing the Bank's strategic approach to reducing its environmental impact from its portfolio.	Social & Community Development Committee	To oversee and govern the Group's efforts in expanding community engagement and investment, and social considerations for NBK's stakeholders, in line with the Group's ESG Strategy and CSR focus areas.	ESG Governance & Risk Committee	To supervise, manage, and approve the integration of ESG matters into the Group's overall governance and risk activities. The Committee is in charge of governing the alignment of the Group's activities with international sustainability frameworks, emphasizing the Group's commitment to transparency and accountability.	Responsible Operations & Corporate Culture Committee	To supervise, manage, and approve the integration of ESG matters into the Group's own operations, including environmental footprint (operational), supply chain and procurement practices, human capital management, and digital transformation elements, in line with the Group's ESG Strategy.	Sustainable Finance Working Group (SFWG)	To govern the selection and monitoring of eligible projects in line with NBK Sustainable Financing Framework. The SFWG is also responsible for aligning with and supporting the Sustainable & Transition Finance Committee in fulfilling its responsibilities.
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2.	<ul style="list-style-type: none"> The Sub-Committees, each within their own scope, shall ensure ESG integration into policies, procedures, and activities in line with the Group ESG Strategy and objectives. The Sub-Committees are responsible for setting the annual boundaries on material topics the Bank has identified based on continuous stakeholder engagement as well as providing input on controls, mitigation, and action plans, as required. 												

3.4.4 Sustainability Department

1.	<ul style="list-style-type: none"> The Sustainability Department is responsible for developing NBK's ESG Strategy and key initiatives in collaboration with business partners across the Group for coordinating and monitoring implementation.
2.	<p>The Sustainability Department main responsibilities include, but are not limited to:</p> <ul style="list-style-type: none"> Developing the Bank's annual Sustainability Report and required internal and external disclosures. Managing communication and actively engaging with ESG rating agencies on NBK's ESG performance and progress. Providing advice and supporting with advancing sustainable finance and climate risk management. Facilitating cross-business learning, coordination, and collaboration across the Group. Engaging with NBK's internal and external stakeholders on ESG practices and initiatives. Managing participation in sustainability disclosure standards, frameworks, and voluntary initiatives.

3.4.5 Sustainability Champions

1.	<ul style="list-style-type: none"> The Sustainability Department has identified strategic Sustainability Champions across the Bank who have dedicated focus on specific aspects of Sustainability including but not limited to Sustainable Finance, Climate Change Risk, ESG Governance, Environmental Footprint, Responsible Procurement, and Diversity, Equity & Inclusion, relevant to their area of expertise and scope.
2.	<ul style="list-style-type: none"> The Sustainability Champions are responsible for leading on activities that contribute to NBK's ESG Strategy and objectives, through engagement with the Bank's relevant stakeholders to provide transition and change management support and allow for sustainability and climate-related considerations to be better integrated into NBK's business decision-making and operations.

3.5 Corporate Governance, Compliance, and Risk Management

1.	<ul style="list-style-type: none"> NBK Group stands committed to maintaining the highest levels of fairness, integrity, and responsibility. Its Corporate Governance Framework ensures that the Bank is fully compliant across all facets in applicable jurisdictions across the Group and are able to effectively and prudently manage all risks. NBK Group's robust approach to risk management is a critical component of its operations, safeguarding its clients, financial stability, and reputation.
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	<ul style="list-style-type: none"> As a critical enabler to achieving the ambitions of the ESG Strategy, the Bank shall maintain robust corporate governance measures across the Group that combine all aspects of internal control, risk, and compliance, in line with the evolving regulatory landscape.
2.	<ul style="list-style-type: none"> Recognizing the emerging need for fully integrating climate-related risks into the Bank's overall risk management framework, Group Risk Management shall regularly identify, assess, and manage climate-related risks and opportunities, taking into consideration applicable existing and emerging regulatory requirements related to climate change.

4 NBK's International Commitments

1.	<ul style="list-style-type: none"> NBK adopts a comprehensive multi-stakeholder materiality assessment process and system thinking approach to ESG which acknowledges the broader ecosystem the Bank operates within, has an impact on, and is impacted by. The Bank's sustainability commitments and approach are aligned with or endorsed by external principles and standards listed below, including but not limited to: <ul style="list-style-type: none"> Global Reporting Initiative (GRI) Standards Sustainability Accounting Standards Board (SASB) United Nations Global Compact (UNGC) Taskforce for Climate-related Disclosures (TCFD) GHG Protocol United Nations Sustainability Development Goals (UN SDGs) United Nations Women's Empowerment Principles (WEP) International Capital Markets Association (ICMA) Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainability Bond Guidelines (SBG)
2.	<ul style="list-style-type: none"> Given that ESG requirements are continuously evolving, NBK shall monitor and stay up to date with relevant instructions and regulations as well as national development plans that are applicable to NBK's international branches and subsidiaries.

5 Materiality Assessment

5.1 Overview

1.	<ul style="list-style-type: none"> In formulating or defining the Group's ESG Strategy, approach, and initiatives, NBK shall determine what ESG-related risks, issues, impacts, and opportunities are most important for NBK and its stakeholders. NBK shall adopt a holistic perspective to sustainability by considering stakeholder engagement, annual materiality, and sustainability strategy mapping. By working closely with NBK's stakeholders, the Bank will be able to understand what is vital to the stakeholders and where its efforts should be best directed to achieve the greatest positive impact.
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	<ul style="list-style-type: none"> NBK shall ensure alignment of its performance with the UN SDGs along with international reporting frameworks and standards listed in Section 4 of this policy.
2.	<p>NBK Sustainability Department shall adopt the following materiality assessment process in identifying material topics:</p> <ul style="list-style-type: none"> Assess the sustainability practices and activities among NBK's local and global operations (Section 5.2). Establish a comprehensive preliminary list of material topics, inclusive of NBK's stakeholders' needs and expectations (Section 5.3). Facilitate stakeholder engagement to assimilate their perspectives on the preliminary list of material topics identified (Section 5.4). Conclude and authorize the final list of material topics aligned with global reporting frameworks and reflective of NBK's stakeholders' perspectives (Section 5.5).

5.2 Assessment of Sustainability Practices

1.	<ul style="list-style-type: none"> NBK shall conduct an assessment of global sustainability trends to evaluate emerging themes and compare them with its local and global operations.
2.	<ul style="list-style-type: none"> NBK shall benchmark its ESG Strategy and approach based on regulatory requirements, peer analysis, global trends, and rating agency requirements that are most material to its business.

5.3 Material Topics Selection

1.	<ul style="list-style-type: none"> Based on the assessment of NBK's sustainability practices and to refresh the predefined list of material topics, the Bank shall assess current emerging topics in the banking sector, while focusing on those identified by leading peers. A preliminary list of material topics shall be identified to design a stakeholder engagement plan accordingly.
2.	<ul style="list-style-type: none"> Concurrently, NBK shall probe these topics within applicable ESG frameworks and standards which the Bank aligns with or is impacted by, most prominently the GRI standards and SASB. In addition, the topics shall be assessed against the requirements of pertinent rating entities such as MSCI, S&P, and CDP.
3.	<ul style="list-style-type: none"> Post the benchmarking assessment, the material topics shall be aligned with national as well as international regulations and guidelines relevant to NBK Group and the jurisdictions it operates within.

5.4 Stakeholder Engagement

1.	<ul style="list-style-type: none"> • The Bank shall actively and regularly engage with all its stakeholders on its sustainability initiatives and overall performance. NBK’s key internal and external stakeholders include: <ul style="list-style-type: none"> ▪ Employees ▪ Customers ▪ Shareholders and Investors ▪ Regulators ▪ ESG Rating Agencies ▪ Suppliers ▪ Community Partners ▪ Non-Governmental Organizations (NGOs) ▪ Standard-setters ▪ Governments and Policy makers
2.	<ul style="list-style-type: none"> • The integration of stakeholder engagement into the Bank’s governance, strategy, and operations requires a well-designed and systemic approach that establishes long-term connections with the stakeholders and encourages cross collaboration within the Bank’s ecosystem. • NBK shall follow the stakeholder engagement principles and methodologies defined by internationally recognized standards, including but not limited to, the GRI Standards and Accountability 1000 Stakeholder Engagement Standard (AA1000SES).
3.	<p>The following elements shall be considered when planning for and conducting stakeholder engagement:</p> <ul style="list-style-type: none"> • Purpose and scope of the engagement. • Identification of stakeholder group, its definition, and impact. • Stakeholder selection criteria and methodology. • Channel or method of communication. • Frequency of engagement. • Initial material topics identified.
4.	<ul style="list-style-type: none"> • Given that different stakeholders come with distinct attributes and often with diverse and conflicting interests and concerns, a variety of proven engagement methods shall be used to understand stakeholder needs, requirements, and priorities, obtain input and feedback, solicit ideas, engage in dialogue, and collaborate in finding solutions.

5.5 Final Material Topics List

1.	<ul style="list-style-type: none"> • Following the engagement with stakeholders, NBK shall undertake a review of the preliminary list of material topics. • Based on the feedback and perspectives received, a refreshed materiality matrix shall be generated that signals the prioritization of these issues. The resulting final list forms the basis
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	of discussions with the stakeholders, promoting engagement and shared understanding of the Bank's current material topics.
2.	<ul style="list-style-type: none"> Considering the reassessment of the material topics, NBK shall revisit its ESG Strategy, initiatives, and actions to ensure that the Bank's future ESG roadmap is closely aligned to the material topics that its stakeholders have identified as significant.

6 Reporting, Disclosures, and Transparency

1.	<ul style="list-style-type: none"> NBK shall regularly provide its stakeholders with information about the Bank's sustainability performance and approach by publicly disclosing its sustainability progress in NBK's Annual Report and standalone NBK Sustainability Report, in accordance with the GRI Standards, SASB, GHG Protocol, and other national and international sustainability frameworks as listed in Section 4 of this policy. Reporting refers to external communication as publicly available information and / or reporting directly to regulators or a relevant stakeholder. Reporting can take place on a quarterly, semi-annual, or annual basis as per the requirements or the Bank's commitments made to relevant stakeholders.
2.	<ul style="list-style-type: none"> NBK shall proactively engage with and disclose the Bank's ESG data and performance to several ESG rating agencies including, MSCI, FTSE Russell, CDP, Sustainalytics, and S&P Global.
3.	<ul style="list-style-type: none"> NBK shall maintain strong and transparent communication with all its stakeholders.
4.	<p>The Sustainability Department is responsible to ensure NBK's ESG performance and progress are reflected effectively and in a timely manner across the Bank's platforms, which include:</p> <ul style="list-style-type: none"> The Sustainability webpage of the Group website, which highlights the Bank's ESG Strategy, key commitments, annual achievements, sustainability policies, Sustainable Financing Framework, and provides links to sustainability disclosures and annual reports. The ESG Profile webpage which provides up to date insights for a broad investor and business audience on NBK's sustainability performance and activities, and can be downloaded in multiple formats. The Investor Relations webpage which provides regular updates to the Bank's investors on NBK's ESG Strategy and progress.

7 Appendix

7.1 Acronyms List

Acronym	Expanded Term
AA1000SES	Accountability 1000 Stakeholder Engagement Standard
BOD	Board of Directors
CDP	Carbon Disclosure Project
CSR	Corporate Social Responsibility
DE&I	Diversity, Equity, and Inclusion
ESG	Environmental, Social, Governance
FTSE	Financial Times Stock Exchange
GBP	Green Bond Principles
GCEO	Group Chief Executive Officer
GHG	Greenhouse Gases
GRI	Global Reporting Initiative
ICMA	International Capital Markets Association
KPI	Key Performance Indicators
MSCI	Morgan Stanley Capital International
NBK	National Bank of Kuwait
NGOs	Non-Governmental Organizations
S&CC	Sustainability & Climate Change
S&P	Standard and Poor's
SASB	Sustainability Accounting Standards Board
SBG	Sustainability Bond Guidelines
SBP	Social Bond Principles
SFWG	Sustainable Finance Working Group
SMEs	Small and Medium Sized Enterprises
TCFD	Taskforce for Climate-related Disclosures
UN SDGs	United Nations Sustainable Development Goals
UNGC	United Nations Global Compact
WEP	United Nations Women's Empowerment Principles