

INNOVATE. INTEGRATE. SUSTAIN.

IT'S EVERYONE'S RESPONSIBILITY
SUSTAINABILITY REPORT 2017



ABOUT THE REPORT

Reporting Period (102-50)

This, our second full sustainability report, documents the environmental, social, economic and governance-related sustainability performance of NBK, encompassing our annual goals and our progress toward a sustainable future for the period from January 1, 2017, to December 31, 2017.

Inside this Report (102-48, 102-46)

As part of our commitment to provide a transparent account of our progress, we have described details and updates of NBK's sustainability performance, activities, and commitments. This report is aimed at our broad range of stakeholders, including shareholders, customers, employees, management, suppliers, and community, among others. The report is structured to provide highlights and goals within NBK's Six Sustainability Focus Areas:

- * Serving customers
- * Leading in business and governance
- * Caring for the environment
- * Giving back to our community
- * Respecting and developing people
- * Contributing to sustainable economic development

Through this report, NBK aims to track our performance against sustainable and responsible business practices in terms of environmental, social, and governance parameters, while continuing to focus on the impact we can make to the community at large.

The scope of data and information provided in this report covers NBK Kuwait's operations only, unless otherwise stated.

Methodology and Guidelines (102-54)

This report follows the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

The reporting principles and methodology are in accordance with the core option of the GRI Implementation Manual.

Appendix A, at the end of this report, contains full details about GRI reporting standards. Refer to the index in the appendix for each disclosure, its location in the report, and its scope.

The 2017, sustainability data and disclosures are also mapped against Bursa Kuwait sustainability disclosure guide. See Appendix B at the end of this report.

Communication and Feedback (102-53)

In this sustainability report, we document NBK's performance across all the sustainability parameters in terms of our steadfast commitment to our clients, employees, the environment, and the community. Our report is a tool to communicate NBK's sustainability-related impacts, risks and opportunities, both financial and non-financial. It provides a comprehensive understanding of the impact of our business operation and practices.

We would welcome comments, feedback, or any other information that will help us advance our efforts to improve and strengthen NBK's sustainability practices. The contact point for this and any clarifications related to this report is as follows:

sustainability@nbk.com
Tel: (965) 22592665

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CHAIRMAN'S MESSAGE

(102-14)

On behalf of the Board of Directors, I extend my sincere appreciation and gratitude to our valued employees, customers, and shareholders for their invaluable contribution toward National Bank of Kuwait's (NBK) 2017 Sustainability Report. The report is a reflection of our work culture that is now walking down the path of sustainable growth across all operations. In 2016, we identified the key social, economic, and environmental aspects and integrated them in service of creating long-term value. Taking a monumental leap forward, this year we developed sustainability strategy mapping to integrate our key innovative ideas into our core business strategy and operational practices. NBK believes that "Sustainability is everyone's responsibility," and we are committed to becoming a leading advocate of and a national exemplar in sustainability practices.

Our Approach to Sustainability

NBK considers sustainability an integral part of our success. It is an all-out effort to innovate, integrate, and sustain. Our innovative products and services have improved the quality of daily banking transactions and redefined the customer experience and relationship. To maximize the positive impacts of NBK's sustainability practices, we have successfully mapped our six key focus areas and aligned them with the UNSDG (United Nation Sustainable Development Goals), KNDP (Kuwait National Development Plan), and GRI (Global Reporting Initiative) standards. Additionally, I derive beaming pride in announcing that we are one of the first organizations in Kuwait to report our sustainability performance in accordance to Boursa Kuwait Sustainability Disclosure Guide. Moreover, for each action plan we undertook, we identified a short-, medium-, and long-term KPI to measure our progress against the planned targets and objectives to achieve our milestones and assure the success of our efforts. This report shares the details of our work within each of these focus areas.

Our Stakeholder and Material Issues

NBK shares our work transparently throughout the engagement with our stakeholders. By responding to and addressing stakeholders' concerns, we have identified and prioritized the material issues that are important to both internal and external stakeholders with regard to our sustainability goals. NBK has been a proponent of the following core values that enable an environmentally and socially smarter world, thereby making us a responsible bank today and for generations to come: serving customers, leading in business and governance, caring for the environment, giving back to the community,

respecting and developing people, and contributing to sustainable economic development.

Serving Customers

NBK focuses on providing quality services beyond projects and transactions by improving and enhancing the overall experience for our customers and offering them responsible products and services. We strive hard to provide quality services to our customers with our high standard of data security principles. At NBK, we have various channels through which our customers can easily access our products and services to gain an exclusive experience, including branches dedicated for special-needs customers. Moreover, NBK has invested heavily to bring comfort and ease in banking transactions to our customers through our e-banking channels. Our products and services offer a win-win-win situation for all - customer, bank, and the country's economy. In 2017, our overall customer satisfaction score reached a new record of 93% (a 2% increase from 2016).

Leading in Business and Governance

In this digital era, it is necessary to embrace the technological developments to stay in the race and make the customer experience outstanding. To make our customers' financial journey easier and comfortable, NBK has revamped most of our digital channels. Moreover, NBK will continue to lead the sustainability concept through its data management and performance platform, which will allow sustainability integration across all business units. Additionally, NBK is in the process of digitizing its operations and the method of document storage and workflow automation.

The Group is committed to maintaining and upholding high standards of corporate governance with a view to safeguarding the interests of shareholders, customers, employees, and other stakeholders. Therefore, we focus on improving the corporate governance and compliance culture across all of NBK entities, where we constantly review and enhance our corporate governance framework to ensure that it is in line with international and local best practices. NBK have a comprehensive range of policies, procedures and systems in place, which are periodically enhanced to ensure that the bank's operation is well managed, with effective oversight and control across the Group.

Caring for The Environment

Core to NBK's sustainability strategy is investing in projects that have positive and healthy impacts on our natural environment. NBK also judiciously uses



energy through the optimization of our operational systems, making efficient use of water, managing waste treatment and disposal, and reducing greenhouse gas (GHG) emissions. Regular preventive maintenance of our fixtures gives NBK a leg up in extending the useful life of our equipment and resources as well as promoting sustainable practices in our operations. NBK's digitizing project is a unique and important step toward the green cause. Our new headquarters building has been designed and constructed to incorporate positive environmental criteria that will contribute to reducing the harmful impacts of traditional construction and building methods and reduce our environmental footprint in building operations and maintenance.

Giving Back to The Community

For NBK, giving back to our community is embodied through improving health care quality, empowering youth, and improving the environment. For over two decades, NBK's spending on giving back to the community through our social responsibility programs exceeded half a billion dollars. We made a significant community contribution to Kuwait of about USD 22.3 million by developing a state-of-the-art stem cell therapy unit in NBK's Children Hospital to support children suffering from cancer and other blood-related diseases. This will significantly impact the country's economy by reducing the cost incurred by the government for patients seeking advanced medical care and treatment for such conditions in foreign countries. For this year's report, we have measured the impact of our "Giving Back to The Community" projects and programs against UNSDG (United Nation Sustainable Development Goals) and KNDP (Kuwait National Development Plan) to assess the potential areas of community engagement.

Respecting and Developing People

In 2017, NBK worked toward enhancing the workplace through several themes and areas, including social involvement (volunteering); engagement in different sports, trips, and health campaigns; and organizing distinctive humanitarian occasions. We assess our employee retention strategies once a year, as part of our succession planning, to manage human capital and future leadership. We plan individual career development paths for each employee. Nationalization is a core strategy at NBK, resulting in 65.4% of our employees being Kuwaiti nationals. NBK is proud that 45% of total employees are female and that we are a melting pot of a diversity represented by 47 different nationalities from around the world. All NBK facilities ensure a safe work environment for our employees; therefore, NBK did not record or report a single accident at work in 2017.

Contributing to Sustainable Economic Development

To ensure a sustainable growth trajectory, NBK is determined to align our financial goals with our sustainability goals. Toward this end, we work in close proximity with KNDP to support the Kuwait National Vision 2035. The following are the pillars of our strategy that will have a direct impact economically on a new Kuwait and KNDP: advancing the community, strengthening innovation, using green technology and products, building capacities, adopting positive environmental practices, and improving energy efficiency. To support the economic growth of Kuwait, NBK is financing the Kuwait government's infrastructure development projects, including the Build Operate Transfer (BOT) Kabd Municipal Solid Waste mega-project and the Public-Private Partnership (PPP) Sulaibiya Wastewater Treatment Plant project. These two projects will develop alternative solutions to the waste management processes currently in place in the country by utilizing the latest technology and treating raw municipal wastewater to allow reclaimed water to conform to effluent quality parameters.

Moving in the Right Direction

Sustainability is a long-term destination that requires actionable short-term initiatives. We hope that this report will shed light on our sustainability-focused initiatives and inspire others in the industry to pursue similar efforts toward a sustainable future. Stakeholders will recognize our quest to provide relevant updates to our 2016 sustainability performance. We will continue to review our relevant benchmarks and best practices to help guide our next steps. To make this a robust initiative, we invite our valued stakeholders to engage with us by providing proactive feedback about this report and helping us to advance our sustainability journey.

Nasser MUSAED AL-SAYER

Chairman of the Board of Directors
Chairman of the Bank and the Community Committee

AT A GLANCE

(102-14)



7 Million KWD

Community Contribution to
Stem Cell Therapy Unit



115.8 Tons

of Paper Recycled Annually



0 Injuries

In Workplace



65%

Nationalization



6 Branches

Equipped for Special Needs



92% Contribution
to Local Suppliers



93% Customer
Satisfaction Rating



45% Females
in the Workplace



13,298 Participants in
NBK Walkathon



68,000 Hours

of Training & Development



33% Less Material
Consumption Through
Digitization



13 United Nation SDGs
Mapped to Sustainability
Strategy

ABOUT NBK

About NBK (102-1, 102-2, 102-6, 102-7)

National Bank of Kuwait (NBK) is a leading financial organization with a strong presence across four continents. It has grown from three small offices with modest resources back in 1952, into 143 offices around the world.

NBK Profile

NBK was founded in 1952 in Kuwait City as the country's first indigenous bank and the first shareholding company in the entire Arabian Gulf region. As part of its abiding vision to be the trusted bank of choice, it has made a meaningful contribution in the field of innovative and unrivaled banking, financial, investment services to corporate and business customers, institutional clients, private, premium, and personal banking clients in Kuwait and internationally. NBK's badge of honor is our large capital base. Our unsurpassed underwriting capabilities in debt and project financing is a testimony to our dominant market share with a large and ever-expanding local and regional clientele. A vast majority of foreign companies operating in Kuwait rely on NBK to meet their banking needs.

NBK operates through the following six segments:

- 1. The Consumer and Private Banking segment**, which provides loans, credit cards, foreign exchange, deposits, and other branch-related services to our clients.
- 2. The Corporate Banking segment**, which provides deposits, lending, foreign exchange, trade finance, and advisory services to corporate customers.
- 3. The Investment Banking and Asset Management segment**, which provides advisory and execution services for capital market, wealth and asset management, brokerage and custody.
- 4. The Islamic Banking segment**, which serves its clients through our subsidiary, Boubyan Bank.
- 5. The Group Center segment**, which works in the areas of treasury and investments.
- 6. The International segment**, which encompasses all branches, subsidiaries, and associates outside Kuwait.

Renowned for its excellence with regard to our very stable management coupled with our unequivocal strategy, consistent profitability, high asset quality, and strong capitalization, NBK has come to be known as "The Bank You Know and Trust." NBK also has Kuwait's largest overseas branch network spanning across many of the world's financial and business centers.

NBK History

In 1952, a prominent Kuwaiti merchant approached the British Bank of the Middle East to get a letter of guarantee issued for an amount of 10,000 Indian rupees (which is equivalent to 750 KWD today). However, his request was rejected as he could not provide a guarantor, which was a mandate with the bank. He was appalled by the treatment he had received despite the fact that he was a renowned merchant.

The merchant then felt there was a dire need for a local bank that could serve Kuwaiti citizens' needs, giving them priority banking, financial, and investment services, while simultaneously supporting Kuwait's economic growth. With that idea in mind, and accompanied by a group of other merchants, he kept his proposal of founding a bank at a meeting with the late Amir of Kuwait, H.H. Sheikh Abdullah Al-Salem Al-Sabah. Al-Sabah was very supportive of the idea and promised him his complete backing for foraying into the establishment of a local economic institution. Finally, the decree on founding NBK was issued on May 19, 1952, despite an existing contract with the British Bank of the Middle East, which stated that no other banks could be awarded a license. NBK started its operations on November 15, 1952.

All the Board members and founders of NBK were renowned merchants of Kuwaiti origin who established the bank with a capital of 13,100 shares. Over the years, NBK has proved to be a financial leader in the Arab region.

Operational Boundary (102-6)

For the first three decades, our focus was the Kuwaiti market. In the 1980s NBK started expanding by opening full-service branches in Geneva, London, New York, Paris, and Singapore as well as regional centers in Bahrain and Lebanon. Our goals were to better meet the needs of our customers, provide convenient and secure locations for their deposits, and capture investment and trade flows with Kuwait. In 2004, NBK began expansion into high-growth-potential MENA countries, making acquisitions in Iraq, Egypt, and Turkey and establishing itself organically in Jordan, Saudi Arabia (Jeddah), and United Arab Emirates (Dubai). In response to regional instability, NBK's growth strategy moved toward Gulf Cooperation Council (GCC) countries. NBK opened our Abu Dhabi branch in 2013. As of December 31, 2017, NBK operates a network of 143 branches, subsidiaries, and representative offices in 15 countries, eight of which are in the Middle East.

Currently, NBK's business strategy is to defend and grow our leadership position in Kuwait while diversifying our product portfolio and expanding NBK's business geographically (particularly in GCC countries). Continuing our long history of trustworthy and responsible banking is core to this strategy.

Locations (102-3, 102-4)

While maintaining our lead in the domestic market and ensuring a dominant position for ourselves, NBK has expanded geographically as part of our strategy to diversify revenue streams and to achieve growth. Furthermore, we have consolidated our regional operations, bringing the full benefits of our unrivaled core management and treasury function to extract synergies and enable closer integration.

The following are the details about the locations, contact numbers, and the number of local and global NBK branches:



KUWAIT (68 branches)

Tel: +965 2242 2011
Fax: +965 2259 5804

WATANI FINANCIAL BROKERAGE COMPANY

Tel: +965 2259 4948
Fax: +965 2241 6922

NBK CAPITAL

Tel: +965 2224 6901
Fax: +965 2224 6905



UAE (2 branches)

Tel: +971 4 316 1600
Fax: +971 4 388 8588

NBK Capital—UAE

Tel: +971 4 3652800
Fax: +971 4 3652805



JORDAN (1 branch)

Tel: +962 6 580 0400
Fax: +962 6 580 0441



SAUDI ARABIA

Jeddah Branch

Tel: +966 2 603 6300
Fax: +966 2 603 6318



LEBANON (3 branches)

Tel: +961 1 759700
Fax: +961 1 747866



BAHRAIN (2 branches)

Tel: +973 17 155 555
Fax: +973 17 104 860



IRAQ (5 branches)

Credit Bank of Iraq

Tel: +964 1 7182198/
7191944/7188406/7171673
Fax: +964 1 7170156



EGYPT (43 branches)

NBK Egypt

Tel: +202 261 49300
Fax: +202 261 33978

NBK Capital—Egypt

Tel: +202 279 85900
Fax: +202 279 85904/05



UNITED KINGDOM (2 branches)

Tel: +44 20 7224 2277
Fax: +44 20 7224 2101



FRANCE

Paris Branch

Tel: +33 1 5659 8600
Fax: +33 1 5959 8623



Turkey (13 branches)

Turkish Branch

Tel: +90 212373 6373
Fax: +90 212225 0353



SINGAPORE

Singapore Branch

Tel: +65 6222 5348
Fax: +65 6224 5438



UNITED STATES OF AMERICA

New York Branch

Tel: +1 212 303 9800
Fax: +1 212 319 8269



CHINA

Shanghai Branch

Tel: +86 21 8036 0800
Fax: +86 21 8036 0801

NBK'S VISION

(102-16)

NBK's vision is to be the trusted bank of choice, building on our core values, people, and expertise.

NBK'S MISSION

- * To deliver world-class products and the highest quality service to our customers.
- * To attract, develop, and retain the best banking talent in the region.
- * To support the communities in which we operate.
- * To adhere to our core values of passion, integrity, conservatism, and knowledge.

We believe that through our mission we will be able to achieve consistently superior returns to our shareholders.

NBK'S VALUES

(103)

PASSION - INTEGRITY - CONSERVATISM - KNOWLEDGE







OUR APPROACH TO SUSTAINABILITY

NBK has integrated our approach to sustainability by considering stakeholder engagement, annual materiality, and sustainability strategy mapping. Additionally, NBK is keen to align our sustainable development performance with Kuwait National Development Plan (KNDP) and the United Nation Sustainable Development Goals (UNSDG).

Our Approach to Sustainability (102-21, 102-43)

NBK's strategic objective is to establish a sustainable organization that serves our customers' evolving needs and simultaneously generates profitable growth for our investors. This is embedded in the way we operate. By closely working with our stakeholders, we seek to understand what is vital to them and where our efforts should be best directed.

As part of our approach to sustainability, in 2016 we emphasized integrating innovative social, economic, and environmental business practices to provide long-term value to our shareholders, customers, employees, and the community. Value creation is the bedrock of NBK business strategy. We have built our framework around six focus areas to support our approach to sustainability. As a step forward, we developed our first sustainability report in 2016 as proof of our longstanding commitment to reporting our progress on and providing a more comprehensive view of sustainability.

In 2017, we sustained our stakeholder engagement while advancing and strengthening our efforts to structure and perform sustainable development practices toward our mission of being the responsible bank of choice. This report covers the non-financial sustainability data, actions and practices that have been performed in 2017. All financial data has been published in the 2017 Annual Report which you can find in the following link: nbk.com/nbk-group/investor-relations/financial-reports.

We will continue to assess the sustainability practices and activities among NBK's local and global operations to develop and enhance our sustainable future through a clear vision and a roadmap. We have already conducted a sustainability strategy mapping for our six focus areas and aligning them with the United Nation Sustainable Development Goals (UNSDGs), the Kuwait National Development Plan (KNDP), and the Global Reporting Initiatives (GRI).

For this year's reporting, we emphasize covering the following GRI reporting principles:

A. Defining report content

- * Stakeholder inclusiveness
- * Sustainability context
- * Materiality
- * Completeness

B. Defining report quality

- * Accuracy
- * Balance
- * Clarity
- * Comparability
- * Reliability
- * Timelines

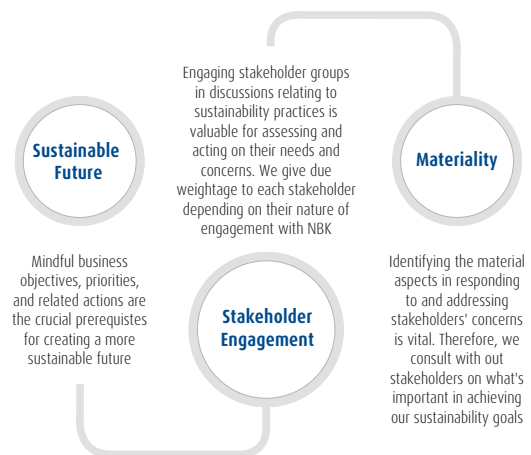
Sustainability Focus Areas

This year's report will again help us communicate and engage with our stakeholders on the progress made for each of the following six sustainability focus areas:



The report structure is intended to facilitate readers of this report in locating the relevant information.

Engaging With Stakeholders Enables Us To Set The Priorities We Need To Pursue For A Sustainable Future



Toward a Sustainable Future

Sustainability Strategy Mapping

Being a responsible bank of choice requires intensive planning for the future with effective contribution from all leaders at NBK. Our sustainability strategy and goals are aimed at enhancing our business and operational practices to more fully integrate sustainability. These goals are cascaded to division leaders to execute. NBK's sustainability strategy is premised on our belief that any business has the capacity to transform society through its spirit of innovation.

actions through multiple workshops with NBK leaders. We chose this participative process to maximize the applicability and outcomes of strategic directions.

Moreover, for each objective, we identified KPIs to measure our progress against the planned short-medium-, and long-term targets. We are pleased to share with our valued stakeholders our sustainability strategy elements for the sake of being informative and transparent regarding our journey toward being a more sustainable and responsible bank.

In 2017, we mapped our objectives, priorities, and

The Following Table Depicts NBK Mapping:

Focus Areas	Objectives	Priorities
Serving Customers	* Be The Bank of Choice	<ul style="list-style-type: none"> * Offering Responsible Products * Providing Quality Service * Communicating Effectively
Leading in Business and Governance	<ul style="list-style-type: none"> * Manage Sustainability Effectively * Drive Sustainable Growth 	<ul style="list-style-type: none"> * Developing Sustainable Supply Chain Management * Engaging Stakeholders * Creating Governance Structure * Acting With Ethics and Integrity * Aligning With International Guidelines
		<ul style="list-style-type: none"> * Designing Effective Processes * Measuring Impact
Caring for Our Environment	<ul style="list-style-type: none"> * Improve Environmental Impacts * Be the Green Building Leader 	<ul style="list-style-type: none"> * Managing Water * Eliminating Waste * Saving and Greening Energy * Managing GHG * Promoting Biodiversity * Develop Management Systems
		<ul style="list-style-type: none"> * Maintain LEED Status * Greening Points of Sale

Focus Areas	Objectives	Priorities
Giving Back to Our Community	<ul style="list-style-type: none"> * Improve Natural Environment * Improve Health Care Quality * Empowering Youth 	<ul style="list-style-type: none"> * Increasing Awareness * Protecting and Restoring the Environment
		<ul style="list-style-type: none"> * Offering Health Check-ups * Encouraging Healthy Lifestyles
		<ul style="list-style-type: none"> * Helping Children to Learn * Improve Education Quality/ Access
Respecting and Developing People	<ul style="list-style-type: none"> * Attract and Retain The Right People * Supporting The National Plan 	<ul style="list-style-type: none"> * Values-Based Recruitment * Training and Empowering our Workforce * Ensuring Effective Succession Planning * Recognizing and Appreciating * Ensuring well-being * Incorporating Sustainability into Performance Management * Ensuring an Equitable Workplace * Living NBK Values
		<ul style="list-style-type: none"> * Leading Nationalization * Supporting Youth Skills Development and Employment
Contributing to Sustainable Economic Development	<ul style="list-style-type: none"> * Support Kuwait Vision 2035 	<ul style="list-style-type: none"> * Financing National Infrastructure Projects * Financing Low-Carbon Investment * Supporting SMEs

Five-Year Road Map

NBK seeks to progress with phase-wise implementation of our policies as per a defined road map. We understand that every aspect of a business relies heavily on the planned budget and resources. Therefore, we have created a five-year road map segmented into quick win, short-term, medium-term, and long-term components to meet our future actions and projects.

The road map is based on three main criteria:

1. Directions, goals, and planning.
2. Execution.
3. Monitoring, measuring, and reporting.

Understanding sustainability best practices is important for plotting out the actions and projects over the five-year period. Therefore, we have conducted a benchmarking assessment of our actions and projects against global, regional, and national sustainability practices.

Aligning Strategy With SDGs and KNDP (102-12, 103)

As a national bank operating within and outside of Kuwait, we are responsible for understanding and assessing the guidelines and frameworks that align with our approach to sustainability.

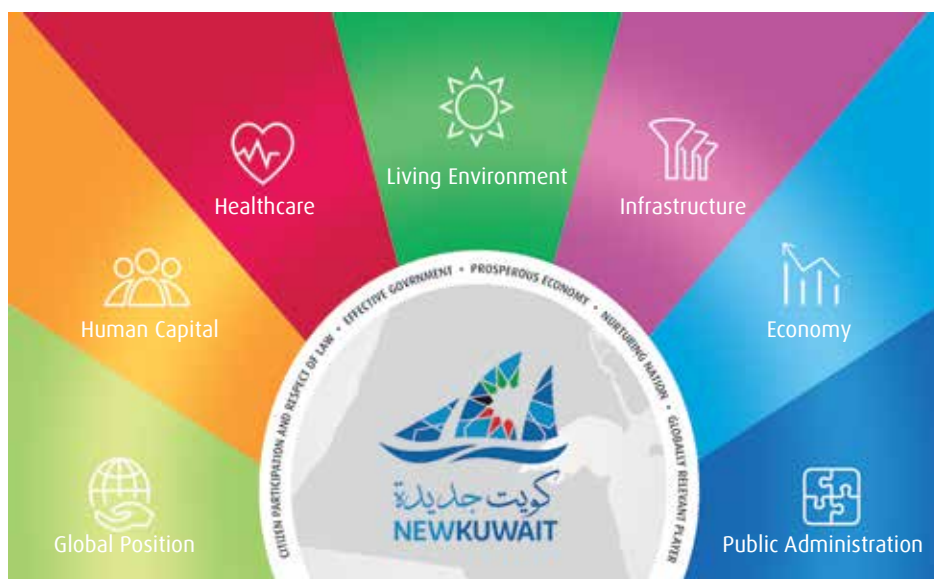
As outlined in the table below, NBK is committed to the following guidelines and frameworks: KNDP—New Kuwait: Understanding the vision, mission, and future

plan of a New Kuwait, which works around the five goals of citizen participation and respect for law, effective and transparent government, prosperous and diversified economy, nurturing and cohesive nation, and globally relevant and influential player. Moreover, we have considered the following seven KNDP themes of infrastructure, education and human capital, economy, health care, administration, living environment, and international positioning.

United Nations 17 Sustainable Development Goals (UNSDG)



Kuwait National Development Plan 7 Sustainable Development Themes (KNDP-New Kuwait)



Global Reporting Initiative (GRI) Standards - NBK Alignment

Focus Areas	Objectives	SDGs	GRI	KNDP
Serving Customers	<ul style="list-style-type: none"> * Be The Bank of Choice 	<ul style="list-style-type: none"> * GOAL 4: Quality Education * GOAL 8: Decent Work and Economic Growth * GOAL 9: Industry, Innovation and Infrastructure 	<ul style="list-style-type: none"> * GRI 200: Economic * GRI 300: Environmental * GRI 400: Social 	<ul style="list-style-type: none"> * Economy
Leading in Business and Governance	<ul style="list-style-type: none"> * Manage Sustainability Effectively * Drive Sustainable Growth 	<ul style="list-style-type: none"> * GOAL 1: No poverty * GOAL 8: Decent Work and Economic Growth * GOAL 9: Industry, Innovation, and Infrastructure * GOAL 10: Reduced Inequalities * GOAL 11: Sustainable Cities and Communities * GOAL 12: Responsible Consumption and Production * GOAL 15: Life on Land * GOAL 16: Peace, Justice and Strong Institutions * GOAL 17: Partnerships for The Goals 	<ul style="list-style-type: none"> * GRI 200: Economic * GRI 300: Environmental * GRI 400: Social 	<ul style="list-style-type: none"> * Economy * Public * Administration * Global Position
Caring for Our Environment	<ul style="list-style-type: none"> * Improve Environmental Impacts * Be The Green Building Leader 	<ul style="list-style-type: none"> * GOAL 7: Affordable and Clean Energy * GOAL 9: Industry, Innovation, and Infrastructure * GOAL 12: Partnerships for The Goals 	<ul style="list-style-type: none"> * GRI 300: Environmental 	<ul style="list-style-type: none"> * Infrastructure * Living Environment
Giving Back to the Community	<ul style="list-style-type: none"> * Improve Natural Environment * Improve Health Care Quality * Empowering Youth 	<ul style="list-style-type: none"> * GOAL 1: No Poverty * GOAL 4: Quality Education * GOAL 6: Clean Water and Sanitation * GOAL 8: Decent Work and Economic Growth * GOAL 12: Responsible Consumption and Production 	<ul style="list-style-type: none"> * GRI 400: Social 	<ul style="list-style-type: none"> * Living Environment * Human Capital * Health Care
Respecting and Developing People	<ul style="list-style-type: none"> * Attract and Retain The Right People * Supporting The National Plan 	<ul style="list-style-type: none"> * GOAL 4: Quality Education * GOAL 5: Gender Equality * GOAL 8: Decent Work and Economic Growth * GOAL 10: Reduced Inequalities * GOAL 16: Peace, Justice and Strong Institutions 	<ul style="list-style-type: none"> * GRI 400: Social 	<ul style="list-style-type: none"> * Human Capital * Global Position

Focus Areas	Objectives	SDGs	GRI	KNDP
Contributing to the Sustainable Economic Development	* Support Kuwait Vision 2035	<ul style="list-style-type: none"> * GOAL 7: Affordable and Clean Energy * GOAL 9: Industry, Innovation, and Infrastructure * GOAL 11 : Sustainable Cities and Communities * GOAL 12 : Responsible Consumption and Production * GOAL 15: Life on Land * GOAL 17: Partnerships for the Goals 	<ul style="list-style-type: none"> * GRI 200: Economic * GRI 400: Social 	<ul style="list-style-type: none"> * Infrastructure * Global Position

Stakeholder Engagement (102-21, 102-40, 102-42, 102-43, 102-44)

NBK firmly believes that stakeholder engagement is an integral part of our sustainability journey. We are therefore committed to understanding our various stakeholders’ needs and interests as we continue along our journey of more fully integrating sustainability consideration into our business strategy and practices. NBK has developed a structured framework summarizing

our processes for engaging with internal and external stakeholders to address their key concerns and embed their feedback into our approach. Successful engagement is based on long-term relationships with our key stakeholders who are impacted by, as well as influenced by our business activities directly or indirectly.

The following table elaborates the method of engagement and feedback of the key stakeholder groups at NBK.

Stakeholder Groups	Method of Engagement	Feedback
Customers	<ul style="list-style-type: none"> * Branches * E-Banking * Mobile Application * Website * Social Media Channels * Contact Center * WhatsApp Customer Service * SMS Banking * Automated Teller Machine (ATM) * Interactive Teller Machine (ITM) 	<ul style="list-style-type: none"> * Innovative Services * Accessibility * Privacy and Security * Customer Experience * Better Satisfaction * Responsible Products * Rewards
Employees	<ul style="list-style-type: none"> * Annual Employee Survey * Bank’s Intranet * Training and Development * Regular Meetings * Annual Performance Management * Team Meetings * Employee Suggestions * E-Learning * Recognition and Awards Programs * Code of Conduct * Group Workshops * Employee Events 	<ul style="list-style-type: none"> * Equal Opportunity * Career Development and Goals * Competitive Salary and Benefits * Transparency

Stakeholder Groups	Method of Engagement	Feedback
Shareholders & Board of Directors	<ul style="list-style-type: none"> * Annual General Assembly * 9 Board of Directors Meetings * Annual, Semi-Annual, and Quarterly Reports * Shareholder Relations Team 	<ul style="list-style-type: none"> * Profitability and Growth * Strong, Sustainable Financial Returns * Excellent Corporate Reputation * Corporate Governance * Transparent Communication * Compliance With all Laws and Regulations * Risk Management * Credit Management
Environmental	<ul style="list-style-type: none"> * Reports on LEED Status and Requirements * Partnership With Government and Non Government Agencies (NGOs) * Annual Sustainability Reports With Environmental Performance Data * Environmental Projects Under PPP and BOT 	<ul style="list-style-type: none"> * Monitoring of Energy and Water Consumption * Improvement in The Measurement of Resource Consumption * Incorporation of Environmental Criteria in Financed Projects, Investments, and Supplier Qualification * Carbon Footprint Report * Waste Recycling and Reduction
Government	<ul style="list-style-type: none"> * Letter Correspondence and Email Communications * Meetings and Onsite Visits * Regular Reporting 	<ul style="list-style-type: none"> * Compliance to Policies and Regulations * Reporting Disclosures as Per Engagements * Delivering Best Banking Practices * Alignment to Kuwait National Development Plan
Community	<ul style="list-style-type: none"> * Public Reports * Website * Social Media * Community Initiatives and Programs * Sponsorship * Social Events 	<ul style="list-style-type: none"> * Increasing Awareness * Protecting and Restoring The Environment * Offering Health Check-ups * Encouraging Healthy Lifestyles * Helping Children to Learn * Improve Education Quality/Access
Suppliers	<ul style="list-style-type: none"> * Tenders and RFPs * Procurement and Supplier Management * Vendor Registration 	<ul style="list-style-type: none"> * Awarding and Selection * Supplier Assessment Based on Mandatory Requirements * Adherence to Local and International Standards * Timely Payment

**Materiality Assessment
(102-21, 102-46, 102-47)**

Our sustainability materiality process is aligned with our wider business practices. In 2017 we conducted our first formal materiality assessment and reported it with clarity. This helped us prioritize and structure our most material issues for sustainability improvement, management and reporting. Materiality assessment and stakeholder inclusiveness were thus important in determining the content for this report. They are also key principles of GRI standards, and we have followed the methodology outlined by the latter.

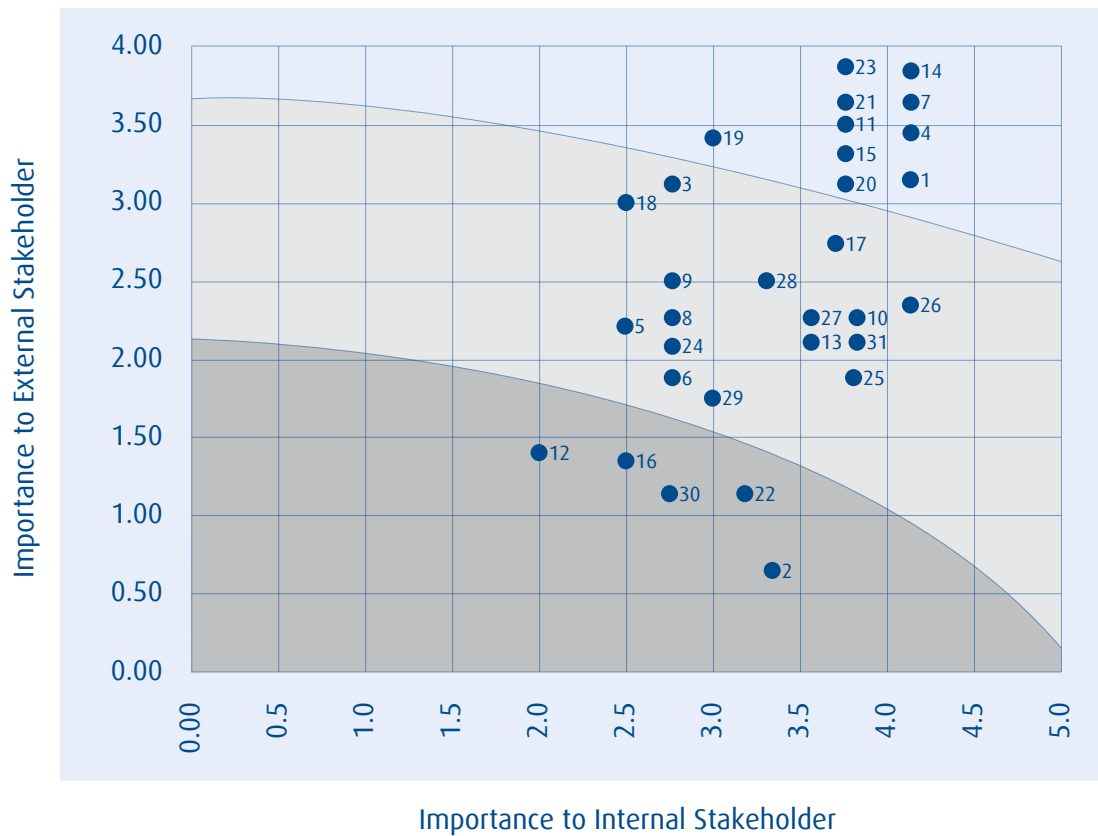
We have defined the importance of each topic in the following manner:

- * Overall business assessment: We conducted an assessment for our 2017 sustainability business and practices to list out the most related topics within the sustainability context. We identified 31 topics, which have also been rated by the stakeholders.
- * Stakeholder survey: We have mapped out a list of internal and external stakeholders who are influenced by and affect our business. We then asked them to rate the importance of each topic on a scale from 1 to 5.
- * Results: We plotted out the average result of each topic according to the internal and external stakeholder rating into a materiality matrix for easy access.

Materiality Topics	Importance to Internal and External Stakeholders	Corresponding to GRI Topic-Specific Standards	Corresponding to NBK's Six Focus Areas
1- Technology and Innovation	High	GRI 200 - Economic GRI 300 - Environmental GRI 400 - Social	* Serving Customers
2- Training and Development	Low	GRI 200 - Economic GRI 400 - Social	* Respecting and Developing People
3- Community Engagement	Medium	GRI 400 - Social GRI 102 - Stakeholder Engagement	* Giving Back to the Community
4- Customer Experience	High	GRI 200 - Economic GRI 400 - Social	* Serving Customers * Leading in Business & Governance
5- Green Building	Medium	GRI 300 - Environmental GRI 200 - Economic	* Caring for Our Environment
6- Employee Engagement	Medium	GRI 400 - Social GRI 102 - Stakeholder Engagement	* Respecting and Developing People
7- E-Banking	High	GRI 200 - Economic GRI 400 - Social	* Serving Customers
8- National Vision	Medium	GRI 200 - Economic GRI 300 - Environmental GRI 400 - Social	* Contributing to Sustainable Economic Development
9- Adhering to NBK Principles and Values	Medium	GRI 102 - Ethics and Integrity	* Leading in Business & Governance
10- Operational Performance	Medium	GRI 200 - Economic	* Leading in Business & Governance * Serving Customers
11- Corporate Governance	High	GRI 102 - Governance	* Leading in Business & Governance

Materiality Topics	Importance to Internal and External Stakeholders	Corresponding to GRI Topic-Specific Standards	Corresponding to NBK's Six Focus Areas
12- GHG Management	Low	GRI 300 - Environmental	* Caring for Our Environment
13- Performance Management	Medium	GRI 400 - Social	* Respecting and Developing People
14- Customer Privacy/Data Security	High	GRI 400 - Social	* Serving Customers * Leading in Business & Governance
15- Risk Management	High	GRI 200 - Economic GRI 102 - Strategy GRI 102 - Governance	* Leading in Business & Governance
16- Partnership	Low	GRI 200 - Economic GRI 400 - Social GRI 102 - General Disclosures	* Contributing to the Sustainable Economic Development * Leading in Business & Governance
17- Responsible Products	Medium	GRI 200 - Economic GRI 400 - Social GRI 102 - Strategy	* Serving Customers
18- SROI	Medium	GRI 200 - Economic GRI 400 - Social	* Giving Back to the Community
19- Social Projects	High	GRI 400 - Social	* Giving Back to the Community
20- Brand Image	High	GRI 200 - Economic GRI 400 - Social GRI 102 - General Disclosures	* Serving Customers * Leading in Business & Governance
21- Accessibility of Service	High	GRI 102 - Stakeholder Engagement GRI 400 - Social GRI 102 - General Disclosures	* Serving Customers
22- Procurement Practices	Low	GRI 102 - General Disclosures GRI 400 - Social	* Leading in Business & Governance
23- Quality of Service	High	GRI 200 - Economic	* Serving Customers
24- Indirect Economic Impact	Medium	GRI 200 - Economic	* Giving back to the Community * Contributing to the Sustainable Economic Development
25- Occupational Health & Safety	Medium	GRI 400 - Social	* Respecting and Developing People
26- Nationalization	Medium	GRI 400 - Social	* Respecting and Developing People
27- Talent Management	Medium	GRI 400 - Social	* Respecting and Developing People
28- Diversity and Inclusion	Medium	GRI 400 - Social	* Respecting and Developing People
29- Energy & Water Management	Medium	GRI 300 - Environmental	* Caring for Our Environment
30- Waste Management	Low	GRI 300 - Environmental	* Caring for Our Environment
31- Ethical Marketing	Medium	GRI 102 - Ethics & Integrity GRI 400 - Social	* Serving Customers * Leading in Business & Governance

NBK'S 2017 MATERIALITY MATRIX



HIGH

- 1- Technology and Innovation
- 4- Customer Experience
- 7- E-Banking
- 11- Corporate Governance
- 14- Customer Privacy/Data Security
- 15- Risk Management
- 19- Social Projects
- 20- Brand Image
- 21- Accessibility of Service
- 23- Quality of Service

MEDIUM

- 3- Community Engagement
- 5- Green Building
- 6- Employee Engagement
- 8- National Vision
- 9- Adhering to NBK Principles and Values
- 10- Operational Performance
- 13- Performance Management
- 17- Responsible Products
- 18- SROI
- 24- Indirect Economic Impact
- 25- Occupational Health & Safety
- 26- Nationalization
- 27- Talent Management
- 28- Diversity and Inclusion
- 29- Energy & Water Management
- 31- Ethical Marketing

LOW

- 2- Training and Development
- 12- GHG Management
- 16- Partnership
- 22- Procurement Practices
- 30- Waste Management

Responsible NBK Brand (102-2, 103)

A responsible and successful brand is a badge of honor and a sustained source of wealth creation for the country it belongs to. NBK believes that it is of paramount importance to establish and nurture a world-class organization that can help create and retain a larger value for the Kuwaiti economy, and also generate sustainable livelihoods.

NBK has the tag of “The Bank You Know And Trust” associated with it. NBK’s aspirations manifest in our management’s dedication to measure and assess the impact of our financial and non-financial activities on the NBK brand. We leave no stone unturned to achieve this goal. It is NBK’s mission to pursue excellence while remaining committed to the values of ethics, accountability, trust, and transparency.

Considering these cornerstones of NBK’s strategy, engaging its varied stakeholders to understand their

effects on the brand value drivers is essential to measure the impact of sustainability on the NBK brand.

The NBK brand is measured and benchmarked across several brand image profiles or statements, under 6 main categories, shown in the table below.

CSR Hub Rating

Based on the above principle of sustainability value on brand and business, NBK adopted the CSR Hub rating, which provides access to sustainability information and aggregated ratings from over 550 sources for more than 17,000 companies from 133 countries. CSR Hub scores provide ratings of 12 subcategories within employee, environment, community, and governance performance. As such, NBK rating is accessible for all stakeholder groups on a monthly basis to understand NBK’s performance against sustainability dimensions. This measure enhances sustainability transparency between NBK and its stakeholders.

Core	<ul style="list-style-type: none"> * Interested in people like me * Bank for the Family * Provides products & service that fit my financial needs * A bank that is relevant to youth
Technology	<ul style="list-style-type: none"> * Technologies convenient for customers * Excellent online banking service * Excellent mobile banking service
Reputation	<ul style="list-style-type: none"> * The safest bank * A bank that gives back to society * A trusted bank
Service	<ul style="list-style-type: none"> * Quickest to disburse loan * Best customer service * Knowledgeable & helpful staff
Communication	<ul style="list-style-type: none"> * Speak to my financial needs * Keeps me informed and up to date * Activities on social media channels
Accessibility	<ul style="list-style-type: none"> * Wide network of ATMs/CDMs * Wide network of branches

Awards and Recognitions

Keeping our badge of honor intact, NBK received numerous national and global awards and recognition during the financial year 2017, which bear testimony to NBK's focus on excellence, quality, and fostering economic growth.



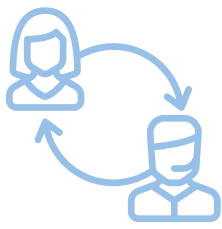
World's Top 50 Safest Banks for 12 consecutive times (from 2009 to 2017, twice in 2009, 2012, 2013)	Best Bank in Kuwait 1994-2017	Bank of the Year in Kuwait 2007 - 2008, 2010 - 2011 - 2012 - 2013 - 2015 - 2016 - 2017
Best Emerging Market Bank in the Middle East 2010 - 2013 - 2015	Best Bank in the Middle East 2007 - 2008, 2010 - 2011, 2013	Bank of the Year in the Middle East 2007 - 2008, 2010 - 2011
Best Emerging Market Bank in Kuwait from 2010 to 2016	Best Managed Company in the Middle East 2012 - 2013	Best Customer Service and Project Finance in the Middle East 2009
Best Private Banking in Kuwait 2015 - 2016 - 2017	Best Private Banking in Kuwait 2006, 2009 - 2015 - 2016 - 2017	Best Deal of the Year in the Middle East 2007, 2009
Best Bank for Financial Risk Management Middle East 2016	Best Investment Bank in Kuwait 2009	Best Deal of the Year in Kuwait 2001 - 2002, 2004, 2005 - 2007
Best Trade Finance Bank in Kuwait from 2008 to 2017	Outstanding Contribution to Middle East Banking 2008	
Best Foreign Exchange Provider in the Middle East 2013 - 2015 - 2016 - 2017		
Best Foreign Exchange Provider in Kuwait from 2013 to 2017		
Best Provider of Money Markets Fund in the Middle East 2011 - 2012		



THE
LITTLE
BLACK
JACKET

MAGNET ON THE GO

FEC



SERVING CUSTOMERS

Customer experience is our priority. Given the importance of customer feedback to enhance that experience, NBK has developed various platforms where customers can easily provide their feedback and trigger an operative and efficient redressal mechanism.

Serving Customers (103)

At NBK, we believe in optimizing every aspect of our customers' experience. We try to instil this practice in our everyday business transactions. We have always focused on serving our customers, not only because we care about them, but also because we understand that a loyal and satisfied customer base will help us outperform our competitors. Our focus is on providing quality services to specific projects and transactions, as well as on improving and enhancing the overall experience for our customers.

Flexibility in our operational model plays an important role in ensuring that a customer is completely satisfied while transacting with us. We continuously develop and improvise the products and services to meet the changing requirements of our customers, and this remains our top-most priority. The products and services do not serve their purpose until and unless their features are communicated effectively to the customers. Therefore, at NBK we have adopted a unique customer experience approach to achieve three defined sustainability priorities:

1. **Offering responsible products:** We offer customers the product that will suit their requirements and

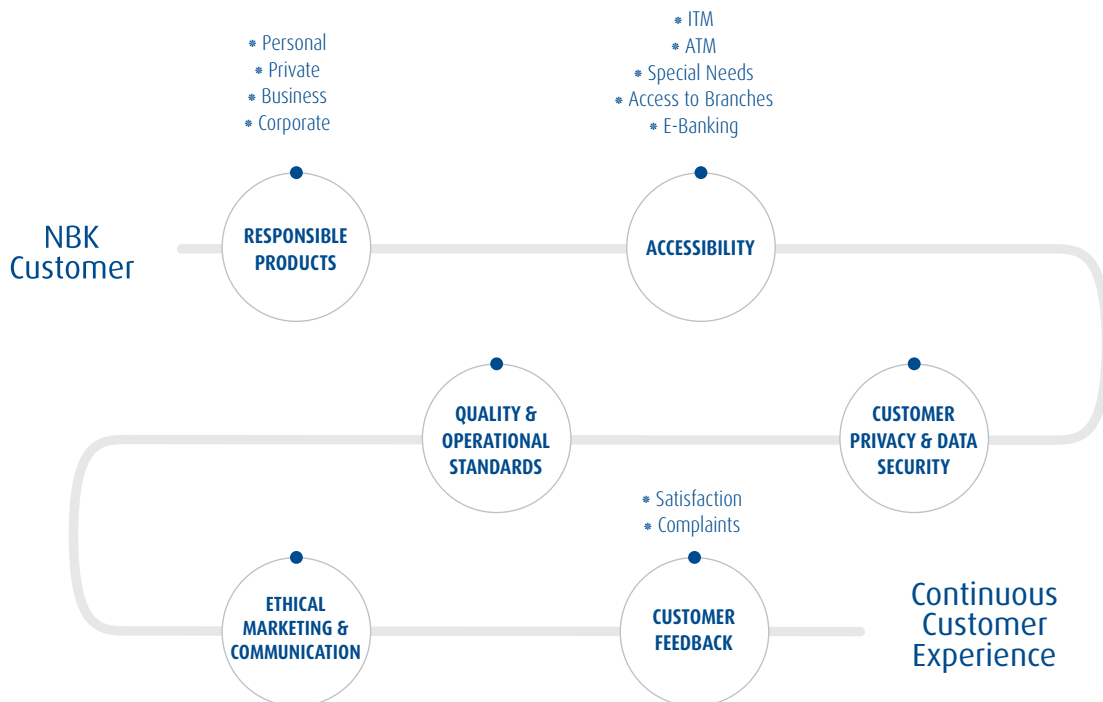
make sure it is beneficial for both the customer and NBK.

2. **Providing quality service:** Once the customer has bought the product, our qualified team works hard to provide quality service and is always ready to help.
3. **Communicating effectively:** Communication plays a vital role in the banking industry. We try to thoroughly communicate all the features, terms, and conditions to the customers so that they can make a better decision.

Customer satisfaction is our priority and we value each relationship with all of our customers. We have regularly interacted with our customers and asked for feedback, suggestions, and areas for improvement. The customer responses are addressed by our senior staff. They analyze the responses and share the findings and solutions with the bank's workforce. The customer experience journey pictured below demonstrates NBK's approach toward a successful customer journey.

This section of the report throws light on customer feedback, customer privacy and data security, quality of service, responsible products, and ethical marketing.

Customer Experience Journey



Customer Feedback

Customer feedback is important for three major reasons:

1. Understanding customers' needs.
2. Improving our products and services.
3. Delighting the customer.

Managing customer feedback involves three steps:

1. Creating a platform where customers can share their suggestions, feedback, and grievances.
2. Creating an effective mechanism to address these feedback and grievances.
3. Proactively collecting customer feedback via research and data collection.

Given the importance of customer feedback, NBK has various platforms where customers can easily provide their feedback and trigger an operative and efficient redressal mechanism.

We have multiple easily accessible channels to receive valuable feedback and suggestions from our customers: suggestions boxes at branches, call center, suggestions forms at NBK.com and social media pages. Through these channels, customers can even suggest new products or services they would like to avail.

In addition, and for more than 10 years, we have implemented a dedicated insight department in charge of collecting, analyzing and reporting the 'Voice of the Customer'. Throughout previous years, this Insight team accumulated a huge amount of data allowing NBK to better understand, measure and improve customer experience with the Bank. In 2017, Insight have conducted 18 projects consisting of more than 57,000 customer interviews using different channels:

1. For quantitative projects:
 - a) Face-to-face interviews
 - b) Telephonic interviews
 - c) Online surveys
 - d) SMS links with surveys
2. For qualitative projects:
 - a) In-depth interviews
 - b) Focus groups
 - c) Central location interviews
 - d) Interviews using telepresence robots were also tested

Customer Satisfaction (102-43)

We conduct a yearly customer satisfaction survey in order to better serve our customers and understand their needs. This survey provides us comprehensive feedback on customer experience with the different bank's channels, products and services. It allows us to identify areas for improvement, opportunities for increased efficiency in addressing customers' needs, and suggestions for changes in products and services.

NBK goes the extra mile to serve our customers. Along with the plethora of services, there are numerous engagement tools to delight the customer. This satisfaction report is the reflection of our sincere efforts to ensure that customer feedback is heard and implemented to make our services better and enhance their experience.

In 2017, our overall customer satisfaction score reached a new record of 93% (+2% VS 2016). Significant improvements were seen for E-channels, Loans, and Complaints and Staff maintained very high scores. In addition improvement actions were identified for some products and services along with the waiting time at branches.

CUSTOMER SATISFACTION SCORE



93%

Customer Complaints (102-44, 418-1)

Quick and effective action on customer complaints is necessary for good customer service. At NBK we view complaints as an opportunity to show our customers that we value their relationship. We encourage our staff to take complaints in a healthy spirit as they reveal our area of weakness and enable us to take measures to improve our services. NBK's customers can easily register their complaints regarding any product or service at any of our multiple communication channels.

Our competent staff works hard to reduce the number of customer complaints by improving the overall banking experience. We can vouch for our positive track record of resolving complaints promptly and sincerely; customers who once had complaints about our products and services are now our strongest advocates.

In 2017, we have received 183 complaints through the following channels: Branches, Call Center, Walk-in to Complaint Center, Social Media & Online. 81.7% of these complaints were resolved within Service Level Agreement of 4 days.

Customer Privacy and Data Security (418-1, 103)

Banks have the database of customers private financial data, hence it is highly important to safeguard the same with utmost care. At NBK we consider our customers' security and privacy as a critical priority. It is imperative that there is no leakage of any financial information as it may lead to fraud and scams.

Any unsecured data can even lead to a loss of our valued customers. To ensure that the data is kept confidential, we regularly train our staff and update them with the probable threats.

Apart from training our team, we also have customer engagement programs to educate them about the various threats. We guide our customers and give them advice on how to secure their personal and financial information.

In case of any complaint, our award-winning service team analyzes and addresses it in the best time possible. If the customer is still not satisfied with the solution provided, he/she can escalate the complaint to the higher office.

To ensure customer privacy and security, we have adopted high standards of data security principles:

- * **PCI – DSS**
Payment Card Industry Data Security Standard (PCI-DSS) consists of technical and operational requirements set by the PCI Security Standards Council (PCI SSC) to protect cardholder data. PCI DSS is the global data security standard adopted by the payment card brands for all entities that process, store or transmit cardholder data and/or sensitive authentication data. It consists of steps that mirror security best practices. PCI SSC is responsible for managing the security standards, while compliance with the PCI set of standards is enforced by the founding members of the Council: American Express, Discover Financial Services, JCB, MasterCard and Visa Inc.
- * **PCI – PIN**
Payment Card Industry PIN security standard outlines a set of requirements for the secure management, processing, and transmission of personal identification number (PIN) data during online and offline payment card transaction processing at ATMs and attended and unattended point-of-sale (POS) terminals. This is a global programme designed to ensure all participants in the acquiring transaction processing chain maintain the highest level of

Personal Identification Number (PIN) security.

- * **GDPR (2017-2018)**
The EU General Data Protection Regulation (GDPR) designed to harmonize data privacy laws across Europe, to protect and empower all EU citizens data privacy and to reshape the way organizations across the region approach data privacy. GDPR applies to the organizations located within the EU but and also to organizations located outside of the EU if they offer goods or services to, or monitor the behavior of, EU data subjects. It applies to all companies processing and holding the personal data of data subjects residing in the European Union, regardless of the company's location.
- * **SAMA Cyber 2017**
Saudi Arabian Monetary Authority (SAMA) Cyber Security Framework enables Financial Institutions regulated by SAMA to effectively identify and address risks related to cyber security. To maintain the protection of information assets and online services, the Member Organizations are required to adopt the Framework. The Framework is based on the SAMA requirements and industry cyber security standards, such as NIST, ISF, ISO, BASEL and PCI.
- * **UAE – NESAS**
The National Electronic Security Authority (NESAS) is a UAE federal authority responsible for the advancement of the nation's cybersecurity, expanding cyber education and creating a collaborative culture rooted in information technology and innovation. NESAS's mandate is to create a Cyber Secure environment that enables the unimpeded progress of the UAE by developing national cyber security standards, policies and regulations and oversee their development, implementation and monitor compliance.
- * **Swift CSP**
SWIFT Customer Security Programme (CSP) aims to improve information sharing throughout the community, enhance SWIFT-related tools for customers and provide a customer security control framework. CSP works in close partnership with the banking community to achieve three major objectives to protect and secure customers local environment, preventing and detecting fraud in customers' commercial relationships and continuously sharing information and preparing to defend against future cyber threats.
- * **ISO 27000**
ISO/IEC 27000 is part of ISO/IEC Information Security Management Systems (ISMS) standards. The standard describes the purpose of an Information Security Management System (ISMS), a management

system similar to those recommended by other ISO standards. This family of standards help organizations manage the security of assets such as financial information, intellectual property, employee details or information entrusted to the organization by third parties.

Quality of Service (103)

Quality of service plays a key role in the banking industry as most banks have similar products to offer to the customers. It is the quality of service that makes a bank stand out and helps it grow its market share. At NBK we strive hard to provide the best quality service to our customers.

Quality Standards

Since banking is a service industry, service quality is of utmost importance. NBK has been providing the highest standard of services to its customers and this has helped the bank to be in a leading position among our competitors.

Our high standard of quality service over the decades has won us numerous awards and recognitions from various national and international institutions. Each unit of NBK follows certain guidelines to service the customers. Our processes and quality service meet international standards, thus helping us carve a prominent place in the international market.

Accessibility of Service (102-2, 203-1, 103)

More than the availability of service, accessibility of service is important. A service that is not known or is not accessible to customers, is simply of no use.

At NBK, we have various channels through which our customers can easily access our products and services without any hassle. These channels are available to all of our customers, particularly those with special needs.

Special Needs

For us, financial inclusion is not only limited to lower income group individuals. People with special needs are an integral part of our community and have the same requirements as any other customer, that is, quality and reliable products and services to meet their financial needs.

Customers with special needs are often referred to as vulnerable customers and need extra support from the community to be independent. These customers often fall prey to fraudsters. NBK has taught and mandated our

employees to be extra polite, patient, and considerate while dealing with customers with special needs.

NBK ensures that customers with special needs are given a chance to become financially independent. We keep our team updated on the vulnerable situations faced by customers with special needs and ensure that the staff is highly empathetic and respectful while dealing with them.

We have opened branches dedicated to meet the special needs of our customers with visual, speech, or physical impairment. Various services are provided in these branches to make their experience seamless. These services include:

- * ATMs with braille keyboards and earphones, enabling visually impaired customers to withdraw money (such ATMs have special branding and enclosures to ensure the physical well-being of our customers)
- * Braille printing facilities
- * Staff trained to provide services in sign language for hearing-impaired customers
- * iPads providing speech-to-text functionality for visually impaired customers
- * Wheelchair facility in all our branches
- * Reserved and clearly marked parking spaces
- * Easily accessible safe deposit boxes
- * Debit and Credit Cards with photo for easy identification, when requested

With these enhancements, our customers with special needs can manage their finances confidently and independently.

To ensure these services are easily accessible to a large number of customers with special needs, NBK has opened six branches with all the above-mentioned specialized services and facilities. There is one branch in each governorate:

1. Capital Governate—Head Office Branch
2. Hawalli—Cinema Salmiya Branch
3. Farwaniya—Rehab Branch
4. Mubarak Al Kabeer—Mubarak Al Kabeer Branch
5. Ahmadi—Fahaheel Saheli Branch
6. Jahra—Saad Al Abdullah Branch

Our team is highly qualified to deal with customers with special needs as they are embedded with values such as fairness, impartiality, and compassion. We welcome all our customers, irrespective of any disability, with open arms. Our employees are ready to help them in any language or format the customer is comfortable with. From our wide range of products and services, we help these customers choose the right product to meet their financial requirements.

E-banking (203-1, 103)

We are in an era where customers want to avail banking services 24/7 whether they are on the go or sitting comfortably at home. NBK has invested heavily to bring comfort and ease of banking transactions to our customers. Our e-banking facilitates customers' access to their accounts and banking services from across the globe and around the clock. Our customers can perform various banking tasks from the comfort of their office or at home. They can carry on with their banking transactions even during bank holidays. Customers do not have to visit the branch for basic transactions like balance inquiry or credit card payment.

NBK's e-banking is making the financial life of our customers much easier. NBK customers can pay their utility bills, make fund transfers, and open accounts without having to visit the branch. E-banking not only saves time but also eliminates the waiting time for emails. Customers do not have to wait for their PIN numbers and other financial details; they can easily view or even change their PIN online.

E-banking also helps customers avoid paying extra charges in case of overdue payment. Customers can set up fixed bill payment dates and their bills will be paid automatically before the due date. Customers will get transaction alerts along with the payment receipts to their registered mobile numbers and e-mail addresses.

Following are the services our customers can avail through e-banking:

1. Check your account balances.
2. Inquire about your loans, including details and transaction history.
3. View transactions and pay your Credit Card bill.
4. View your fixed deposits details.
5. Transfer funds locally and internationally.
6. Pay bills including mobile, electricity, water, and school fees.
7. Open linked accounts (including Al Jawhara) or

fixed deposits online in KWD or other foreign currencies.

8. Manage your investments by opening a brokerage account.
9. Make cash advances from your Credit Card to your other accounts.
10. Subscribe and view e-statements for accounts and Credit Cards.
11. Register to SMS banking service and customize it based on your needs without having to visit the branch.
12. View your IBAN number online.
13. Retrieve your NBK Credit Card PIN.
14. Update your record details online through the Know Your Customer (KYC) form.

Today, customers do not have to go to the branch for every service or transaction. NBK's e-banking ensures smooth business transactions on a daily basis. The customers do not have to wait for the monthly statement; they can easily audit their business transactions every day through our online secured banking.

Accessibility to Branches

In this digital age, we are innovating and developing new modes of banking to make it easier for our valued customers to bank with us. Nevertheless, nothing can replace the human interaction when it comes to customer service.

NBK has the largest network of branches to ensure that our customers can visit the branch and seek advice on any product and service. Although there is an increase in the number of mobile and internet transactions, customers still seek their banker's opinion and suggestion before making any major financial decision, like getting a loan, or making a big investment or business transaction.

Reasons like face-to-face interaction and new business opportunities will always keep the concept of branch banking alive and lucrative. Branch banking creates an opportunity for revenue generation and brand engagement. This is the reason branch banking is still a very profitable mode of banking. For increasing customer base, referrals and reputation are important. Our existing customers become our strong supporters and provide us with referrals. Also, good customer dealing spreads a positive reputation across the market, thus increasing the customer's intention to deal with the bank.

The NBK staff are highly trained and well informed of the

industry's latest trends and updates and we work hard to make each interaction with our customers a pleasant experience. To boost customer interaction and enhance the customer experience, NBK is expanding our branch network services. The details of branches and specific locations are easily accessible on our website. For more convenience, information regarding working hours, holidays, parking spots, and nearest landmark is also mentioned along with the branch details.

Responsible Products (102-21, 203-2, 103)

NBK strongly advocates the concept of responsible banking. We are committed to sustainable development along with corporate social responsibility. Our principles include good and fair governance, positive contribution to the community, financial stability, good compliance, and enhanced relationship with our stakeholders.

NBK strives hard to provide concrete and responsible proposals for customers' everyday banking transactions. As a fiduciary companion, NBK provides state-of-the-art solutions and advice to ensure that the client invests responsibly.

With feedback and suggestions from customers through "Voice of the Customer," NBK develops tailor-made products and services that meet their specific needs. NBK also ensures that our products and services are compliant with the banking regulations.

Every customer has a financial target in mind before he/she seeks financial advice or product and service. To ensure that every customer meets or is at least close to their desired target, NBK has clustered customers on the basis of their risk-taking capacity. Various factors like age, monthly income, profession, and family are taken into consideration before accessing the risk appetite of the customer. NBK thoroughly goes through the Know Your Customer (KYC) documents of the customer before building their profile. Best possible products and services are then suggested accordingly.

NBK offers responsible lending products that are compliant with Central Bank of Kuwait (CBK) regulations. Also, NBK carefully evaluates the customer profile and ensures that the customer is able to repay the installments regularly without disturbing his/her other financial and personal responsibilities.

A list of NBK's products and services is available in the Appendices.

Ethical Marketing (102-21, 417-3)

A good marketing strategy is a must to have a good share of the market. At NBK we not only focus on good customer service and experience, but we also believe in ethical marketing. Ethical practices builds customer confidence, resulting in customer loyalty. In order to cement ethical practices, NBK has developed a Marketing & Advertising code based on the International Chamber of Commerce best practices in this field. The Marketing & Advertising code was approved by the Board of Directors and circulated to Central Bank of Kuwait externally, and to the various stakeholders internally for review and action.

NBK does not believe in unethical practices; hence before selling any product or service, our staff explains to the customers all the benefits, risks, liabilities, lock-in period, charges, etc. NBK is known globally for its transparency and ethical standards. Our products and services offer a win-win-win situation for all—customer, bank, and the country's economy.

There are numerous channels by which we communicate with our esteemed customers. These channels include NBK's website, ATM/CDM/ITM, SMS, emails, flyers, posters, roll-ups, social websites, Google ads, advertisements in newspapers and magazines, hoardings, mall advertising, event booths, canopies, and press releases. Our advertisements do not manipulate the customers; rather they honestly describe the nature of products and services.

We also encourage our customers to inform us if they experience any malpractice in the bank. We aim to be a transparent, responsible, and ethical financial service provider. We want our customers and investors to feel secure while dealing with us. We follow all the regulations set by the Central Bank of Kuwait and government authorities. This emphasis on ethical marketing helps us to establish our brand and maintain a long-term relationship with our customers.





LEADING IN BUSINESS AND GOVERNANCE

NBK gives priority to innovation and technology. We have revamped our digital channels, from websites to mobile banking applications. Automation has touched all the majority of the Group. On the governance side, NBK has improved the corporate governance and compliance culture across all of our entities. We constantly review and enhance our corporate governance framework to ensure that it is in line with international and local best practices.

GRI: 102-5, 102-9, 102-11, 102-18, 102-22, 102-23, 102-24, 102-25, 102-26, 102-33, 204-1, 409-1, 103 Management Approach: Adhering to NBK Principles and Values, Technology and Innovation, Risk Management, Operational Performance.

Kuwait Boursa Sustainability Disclosure Guide: 5. Employee Wages and benefits, 18. Human rights policy, 19. Code of ethics, 20. Community investment, 21. Board independence (%), 22. Risk management committee at the board level, 23. Non-audit fees (%), 25. Links between executive pay and performance, Compliance with the CMA's Corporate Governance regulatory requirements, 3. Local procurement spending (%)

Leading in Business and Governance

Technology and Innovation (103)

Banking has evolved over the years. From products and services to the way banking transactions are done, everything has undergone significant change. In this digital era, it is necessary to embrace the technological developments to stay in the race. With that in mind, we have to develop new means of banking and communication to enhance customer experience.

With advancements in the field of information and communication, marketing, business intelligence and risk management, strategies have also reformed. Many innovative products and services have improved the quality of daily banking transactions and redefined the customer experience and relationship. Banks which have welcomed these changes and are continuously innovating are yielding better returns and cashing in on the market opportunities, compared to the ones which are reluctant to change and banking in the old traditional manner.

The ever-changing needs of the customers are putting pressure on financial institutions to push their limits, revolutionize, and address emerging needs with tailored products and services. With the increase in the demand for customization, new players are entering the market with advanced digital products and services.

NBK Application

In today's fast-paced life, customers want to access their banking products and services on the go. NBK, in an effort to make our customers' financial journey easier and comfortable, has revamped the mobile banking application in response. Our mobile banking is compatible with Android, Windows, and iOS. The mobile application is available in both English and Arabic languages. Customers can download the application and manage their bank accounts and other products and services from their mobile phone or tablets.

Few customers have inhibitions regarding the safety of mobile banking. However, the NBK mobile banking is completely safe as our smart touch option enables customers to safeguard their account with their fingerprint and face recognition for iPhoneX. This ensures that even in the case of loss of mobile phone, customers do not have to worry about the misuse of mobile banking or tampering with their finances.

Moreover, customers do not have to visit the branch for every banking-related request and transaction. They can

check the account balance, request checkbook, change PIN, transfer funds, open a new fixed deposit, buy or renew an insurance policy, and make Credit Card payment from the comfort of their home or office. With NBK mobile application, customers don't have to visit any branch or open any laptop to access banking. Simply put, the bank is in the customer's pocket.

We are motivated to make each customer's interaction a delightful one. NBK's mobile banking is a smooth and easy way to manage finances. NBK is known as one of the best tech-savvy banks that provides world-class service to our customers. We continuously update our mobile application to keep up with the growing market trends. This has made our mobile application simple and easy to navigate and has added more than 31,000 new customers through new downloads across the globe during the year 2017. With an intuitive design, transactions can be made by following a few simple steps. As for the functionalities focused on three main chapters:

- * **Financial:** Customers can make all kinds of transfers and payments using NBK mobile application
- * **Non-financial:** Customers can know details about all NBK products and services
- * **Self-Services:** Customers can open linked accounts through the app, subscribe to SMS services, and create prepaid cards on their own

The NBK mobile application is safe, secure, and available 24/7.

2017
Mobile Banking 2017



ACTIVE USERS

26%

Online Banking 2017



17%

Interactive Teller Machines

More and more, customers are looking for convenient and easy access to banking. At NBK we have revolutionized branch banking by setting-up Interactive Teller Machines (ITMs).

ITMs are like a bank branch in a box, allowing customers

to avail of any service through this machine. Our tellers are available 7 days a week from 9AM until 11PM to assist them. Customers can visit any ITM and enquire about any product and service or place any request.

The interaction with the bank is not pre-recorded; the customer and the teller will rather be communicating in real time. They can even seek a step-by-step guidance to complete any transaction. With ITM, NBK is setting higher standards of customer service.

From a simple transaction like cash deposit to more complex decisions like buying an insurance policy or investment options, any transaction can be done through this Interactive Teller Machine.

Apart from faster and convenient services, ITMs will give customers the flexibility to conduct financial transactions beyond office hours. Customers can virtually interact with our staff and manage their bank accounts, seamlessly. ITM is a perfect amalgamation of convenience, privacy, security, and empowered and personalized customer experience, which will also lead to improved efficiencies. Therefore, it is a win-win situation for all.

We will slowly increase the nature of transactions our customers can avail at the ITMs. At present, NBK offers the following services:

1. Instant debit card replacement.
2. Opening linked accounts.
3. NBK merchant deposits up to KWD 3,000.
4. Extended working hours to serve customers from 9:00 am to 11:00 pm.
5. Printing account statements.
6. Cash withdraw and deposit up to KWD 3,000.
7. NBK cheques withdrawal and deposit.
8. Transfer between NBK accounts.
9. SMS service activation.

Sustainability Platform

Striving towards more sustainable banking helps financial institutions advance sustainable financial practices that are in line with international regulatory standards. Sustainable banking also leads to several business performance benefits, such as improved brand value, innovative financing opportunities, new products and services, and cost reduction.

NBK is in the process of implementing a sustainability data management and performance platform that maps focus areas, priorities, objectives, actions and KPIs to our daily banking operations. Strategy can only

succeed when the implementation backs up the strategic vision. The platform is providing a modern integration of sustainability matters into day-to-day business by supporting the collection, tracking and implementation of sustainability related performance data. This new platform helps not only in data automation and collection for credible and transparent reporting, but also improves business performance by supporting strategy analysis and communication, action planning, understanding the training requirements, implementing the strategy, monitoring and reviewing the existing process, performance management, and also continual improvement by providing insights across the bank.

NBK will continue to lead the sustainability concept through the technology platform by:

1. Mapping and “pressure-testing” our strategies.
2. Linking metrics and data to the strategies.
3. Mapping people and rewards to the strategies.
4. Mapping the strategies and achievements to our brand.
5. Simplifying the creation of both ultra-modern and traditional reports.
6. Removing the “implementation gap” associated with traditional processes/tools for strategy formation.

Apart from reputational, regulatory, and operational benefits, our sustainability approach helps in employee and customer engagement, that is, in attracting and retaining key stakeholders of the bank.

Moving Towards Digitization

Banks deal with high volumes of customer information and therefore an ever-increasing demand for and compliance to safety. This mandate has challenged the IT sector to manage the requirement. NBK has set our strategy to move towards digitization and paperless environment by switching from the traditional processes workflows to electronic workflows where all documentations are securely saved in digital format.

The digital platform facilitates secure capture, storage, retrieval, and distribution of electronic documents, checking of images, and reporting of data. It eases the process of workflow automation, data filtration, and dashboard reporting tools.

With the advancement of technology, our stakeholders, especially customers and employees, want easy and instant access to account and customer information. ECM ensures prompt and easy availability of all the intuitive

and paperless information. It also facilitates users searching for any content from the stored document using natural keywords.

This process of data digitization has several benefits; prominent among them are data digitization:

1. Is eco-friendly as it aims to have paperless operations.
2. Increases productivity as it has a less error-prone manual process.
3. Reduces storage footprint of physical documents.
4. Reduces the potential risk of data loss.
5. Ensures data integrity.
6. Helps in making better and timely decisions by accessing the information instantly.
7. Helps in reliable and precise audit trails.
8. Enhances customer service and experience through online referencing, searching, and retrieval of documents.
9. Reduces costs of filing and document retrieval and photocopying.
10. Improves knowledge and information sharing.

Tap and Pay

Technological innovations are making life easier every single day. A complete digitization is the first step toward making it easier for a customer to be able to purchase goods and services. Taking digitization to the next level, we at NBK have introduced the "Tap and Pay" feature.

The "Tap and Pay" feature, whether on your card, wristband, or sticker, is a contactless mode of payment that doesn't require a sign-in PIN or signing a receipt. We have adopted this system after giving due consideration to the safety aspect of this feature. The payment for a purchased good or service can be made at any POS by waving the card, wristband, or sticker in front of a contactless terminal.

A safe and secure mode of payment, the Tap and Pay by NBK, is applicable with certain pre-conditions:

- * When you use your NBK Tap and Pay Card, wristband, or sticker to make payments amounting to less than KD 10, you can wave or tap on the POS to pay without entering your PIN or signing the receipt
- * When you make a payment between KD 10 and 100 using your NBK Tap and Pay card, wristband, or sticker, you will need to wave or tap on the POS to pay by entering your PIN

- * For any payment above KD 100, you will have to pay via the normal payment process. The NBK Tap and Pay service will not apply to transactions above KD 100
- * The NBK Tap and Pay service is currently available for NBK Visa Credit, Debit, and Prepaid Cards

The technology works toward one primary goal—to make your life easier and convenient. A convenient mode of payment is how the contactless payment system came into being. Paying for everyday groceries was never so convenient, safe, and easy!

CASE STUDY:

ISO Case Study

The current ISO hardware is part of the NBK production infrastructure. The ISO applications are process, memory, include disk read and write. The existing data center resources at NBK have reached their capacity limits and need to be replaced with a new scalable platform and a proper architecture to enable NBK to grow its business while balancing their data security. To achieve this objective, we implemented quick wins in Phase I by moving few of the ISO applications database and storage usage from the production database server. In Phase II, SA did the required analysis of all ISO servers, applications, and database and created HLA with conformation to all hardware requirements. This will enable segregation of the ISO servers to enhance the performance of the NBK business application. Further, we will migrate all the ISO applications except PKI servers to the new ISO hardware.

Project Key Elements:

- * Implement the new server hardware, storage, and networking switches
- * Migrate the ISO servers to the new hardware
- * Implement SQL database for ISO services
- * Implement new storage for ISO applications (such as SIEM, McAfee, etc.)

Project Outcomes:

- * Business continuity and stability: Improve stability (workload management/active-active support/ease of administration)
- * Benefits of ISO hardware governance: Encompass the migration of ISO servers/applications and services and move the high IO usage to a different platform, while balancing security and monitoring

- * Higher operational visibility, risk monitoring, and risk control
- * Better leveraging of separate services: Devise a server model to optimize IT costs and achieve operational synergy and efficiencies among NBK countries
- * NBK Kuwait and international enterprise: Scale up and create centralized security tool integration (capabilities) across the NBK Group.
- * Clear visibility and monitoring capability on the ISO infrastructure

Responsible Procurement Practices (103, 102-9, 204-1)

NBK believes in playing an accountable and positive part when it comes to sustainability. Sustainable procurement is a wide-ranged initiative, and we have taken steps to ensure a socially, environmentally, and financially sustainable procurement policy.

We at NBK believe that growth is a cumulative result of a sustainable policy. A policy that gives due share to the social and environmental impact of our procurement system. NBK has adopted best practices in the procurement system and will continue to abide by what it deems important for the community and environment.

A law-abiding and responsible entity, NBK follows a policy of strict adherence to the labor laws, human rights, and code of conduct followed by the Kuwait government. This includes abiding by core labour standards, allowing workers to join trade unions, and prohibiting child labour, discrimination, and trafficking, both internally and in our expectations of supplier organizations. It is in the best interest of both society and our company to give due consideration to the value of human life, while abiding by the rules and regulations laid down by the Kuwaiti government.

NBK is strongly committed toward advancing the interests of the local market and local vendors. We believe in accountability and showcase the same by disclosing data on the ratio between local and other suppliers in terms of both number of suppliers and percentage of our total expenditures. A fair assessment of this ratio indicates our forthright commitment toward creating a sustainable system for all communities and the environment.

85% of NBK Suppliers are Local

15% of NBK Suppliers are Outside Our Local Region

92% of NBK Expenditures Fulfilled by Local Suppliers

8% of NBK Expenditures Fulfilled by Other Suppliers

Procurement System

We are moving toward a robust procurement system that promotes the best interests of everyone associated with us. Our systematically approved and implemented policy has put in place a balanced and efficient procurement system. A system that supports our operational efficiency and is cost-effective in the long term for each party involved.

Our suppliers are aware of the strict framework that we follow. NBK makes it mandatory for the local and foreign suppliers to register at the procurement system. Our local and foreign suppliers provide necessary documentation and abide by the standards that promote a sustainable procurement system.

Local Suppliers (204-1)

A global entity that promises sustainable procurement takes into account the economic impact of their procurement system on the local suppliers. In an age when the competition is going global, NBK caters to the services of local suppliers to promote their long-term survival.

It is in the best interests of a corporate organization to encourage local suppliers and balance out the impact of foreign suppliers. NBK strictly adheres to this policy, in letter and spirit, and gives local supplier their due share in a competitive economy.

At present, we have entered into contracts with more than 100 local vendors. We update the vendor documents annually to ensure that all our vendors work with a commitment to Kuwait commercial rules. In addition, we request all our vendors to provide local and international references to verify their reputation, procurement standards, market value, etc. We follow up with the outsourcing companies on the employee principles they have implemented and their compliance with the Kuwaiti labor law.

Suppliers Selection and Assessment (308-1)

When it comes to the selection of suppliers, a due diligence system is in place that gives a fair assessment of all the parties involved. NBK follows a strict policy of fairness and accountability, and selects the suppliers based on the vendor domain.

As an effort to display our fairness and accountability in our supplier selection process, we are pleased to share the breakdown from the vendor's domain for both local and other suppliers. Our commitment toward adopting a fair policy gives leverage to the local suppliers who face a stiff local and global competition.

Vendor Domain	% of Annual Contract Value by Local Suppliers
Rental (Buildings & Off-site Locations)	31 %
Technology	28 %
Manpower (Outsourcing)	32 %
Others	9 %
Vendor Domain	% of Annual Contract Value by Other Suppliers
Technology	100%

Risk and Opportunity Management (103)

As one of the world's leading providers of banking services, NBK is subject to various kinds of uncertainties and change. To operate successfully in an ever-volatile environment, NBK has a strong functioning management in place to anticipate any imminent developments at an early stage. This helps us systematically identify, assess, and manage the resulting risks and to recognize and exploit opportunities.

Risk and opportunity management at NBK thus forms its integral part of operational, financial, management, governance, and communication. NBK understands that pursuing opportunities requires risk-taking; therefore, we strike an adequate balance between risk and opportunities across all our operations and functions.

Consistently Strong Ratings

With our feet firmly fixed in the sustainability concept, which spans across the three areas of development—social, environmental, and business—NBK has been consistently producing stable financial performance in the best interest of its stakeholders and shareholders. We have been rated strongly by international agencies. NBK's ever-rising standards have helped seal our relationship with our stakeholders in concrete. NBK's operational standards have always been seen in good stead and been heartening to our stakeholders with regard to enhancing and managing stakeholders' expectations from NBK in terms of risk and opportunity management.

Credit Rating and Reports for NBK			
Credit Rating	Standard & Poor's	Fitch Rating	Moody's
	A+	AA-	Aa3

Operational Performance (103)

Being in a service industry, we rely heavily on the operational performance of various NBK departments. NBK has set high standards to ensure delivering convenient services to its customers; and for that, the Bank has put in place the measures and quality assurance process needed to maintain the quality of these services.

All departments within NBK have Standard Operating Procedures (SOP) where detailed steps to execute any transaction is documented according to NBK standards, taking into consideration the factors and controls to mitigate associated risk for each type of transaction. All our staff follow these procedures to ensure processing the transaction correctly. All critical transactions require supervisor approval, and certain cases may also require a higher level of approvals. The SOPs are subject to periodic update and are reviewed by our experts to ensure that any new risk is considered and a proper control is set to mitigate it.

Each NBK department has an SLA (service-level agreement) with relevant internal customers (and other business units within NBK) to ensure that all services/ transactions are delivered within the agreed timeframe. It helps us provide the best service to our customers, in turn directly impacting our services. This practice helps us maintain the same high quality of service among different units in the organization and also across multiple locations of the organization. The output received by the customer as a result of the service provided is the main focus of the Service Level Agreement.

NBK also uses internal service surveys, that is, questionnaires set for the internal customers to fill and submit to the Senior Management. On an annual basis, group operations conduct service survey with all internal customers to assess various services provided and make sure that further enhancements take place every year.

Through our service catalogs, we manage our employees and consultants with regard to routing their requests for services and various service-related topics to our experts. Each NBK unit has its own service catalog that defines the services provided by that particular unit within Operations Group. This helps us further synergize our operations units

and departments, allowing for more efficiency in delivering the Service.

NBK aims to provide a better experience to our customers by keeping an electronic record of important business documents available on demand. Compared to requesting the physical file, which is time consuming, this process is easy and secure. Also, automating business processes removes inefficiencies present in the process currently, enhances productivity, and streamlines the work practices. Employees at every level of the organization can access and exchange information electronically based on user privileges assigned by our system administrator.

Direct Economic Impact (201-1, 204-1)

NBK directly impacts its stakeholders in terms of economy through its positive and stable contribution to their

Contribution	KWD
Community Investment	12,546,566
Local Suppliers	76,947,933
Employees	77,370,655
Shareholders	166,183,672
Total	333,048,826

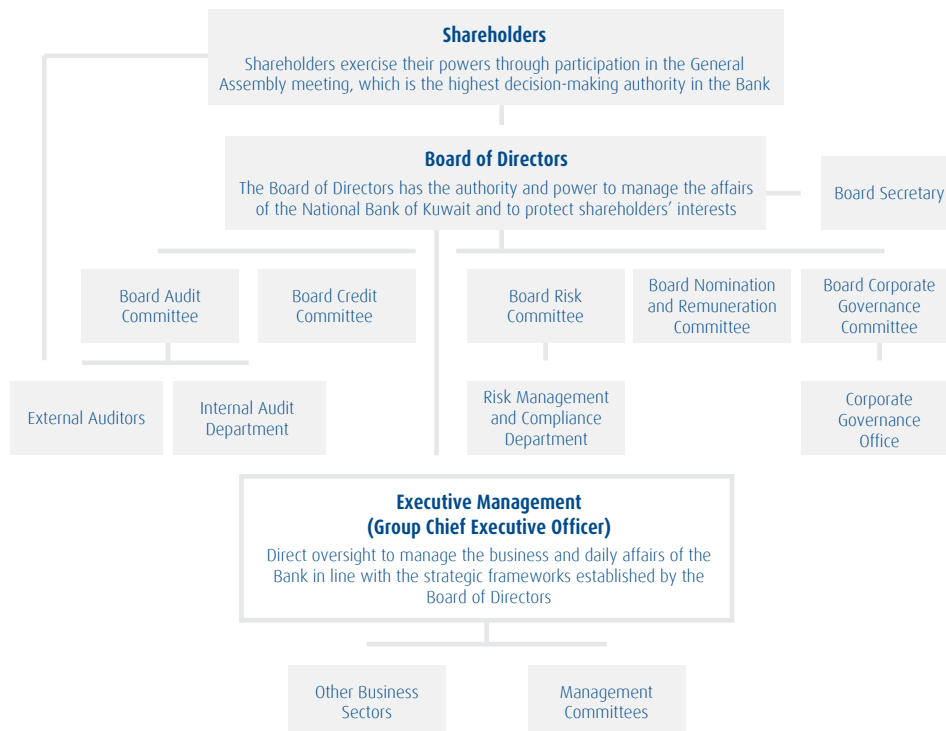
areas of interest. It delivers strong sustainable earnings and dividends. It directly engages or partners with its stakeholders for the sake of growing their business or financial position and impacting their development. Our stakeholder groups include community investments, local suppliers, employees, and shareholders.

Governance, Ethics, and Compliance (102-18, 102-22, 102-23, 102-24, 102-25, 102-26)

As a global financial institution operating across four continents, the NBK Group is committed to following the best international practices with regard to governance, ethics, and compliance. The coherent corporate governance structure of NBK ensures successful integration and effective management of its functions, including the highest standards of sustainable business practices.

Governance Structure (102-5, 102-18, 103)

NBK has aligned its organizational structure in a manner that sharpens its competitive differentiation across its services. The layered but interlinked organizational structure of NBK, depicted on the following page, has been created with a clear focus on nurturing innovation to stay ahead of emerging business trends while retaining focus on each one of the functions.



Board of Directors (102-18)

The NBK Group Board of Directors is composed of nine non-executive members representing shareholders who were elected through the General Assembly Meeting for a period of three years. These members oversee the strong ethical climate established and maintained by the NBK leadership team.

BOD Members met nine times in 2017 to discuss various business topics and shareholders' interests. These discussions helped steer NBK through its mission to establish effective and efficient policies for corporate management and to make decisions about major company issues.

Board Committees (102-33)

NBK Board of Directors delegates specific tasks to its various committees, which jointly oversee its activities.

Core Committees

The NBK Board has five specialized committees to ensure the effective functioning of the organization: Corporate Governance Committee, Nomination and Remuneration Committee, Risk Committee, Audit Committee, and Credit Committee, each with its own set of functions and responsibilities. These committees ensure successful business continuity in terms of governance and decision-making, employees' remuneration, risk management, financial performance, and credit and solvency matters, respectively. They play an important role in representing the perspectives of NBK's core membership.

NBK board sub-committees satisfy internal charters provisions regarding meetings frequency and quorum.

The following table lists these five committees, their Board members, and the key mission of each committee.

Board Members	
Mr. Nasser Musaed Al-Sayer	Chairman
Mr. Ghassan Ahmed Al-Khalid	Vice Chairman
Mr. Hamad Abdul Aziz Al-Sager	Board Member
Mr. Yacoub Yousef Al-Fulaij	Board Member
Mr. Hamad Mohamed Al-Bahar	Board Member
Mr. Muthana Mohamed Ahmed Al-Hamad	Board Member
Mr. Loay Jassim Al-Kharafi	Board Member
Mr. Emad Mohamed Al-Bahar	Board Member
Mr Haitham Al-Khaled	Board Member

The Board and Its Committees				
Corporate Governance Committee	Nomination and Remuneration Committee	Risk Committee	Audit Committee	Credit Committee
5 Non-Executive Board Members	4 Non-Executive Board Members	3 Non-Executive Board Members	3 Non-Executive Board Members	4 Non-Executive Board Members
<ul style="list-style-type: none"> * Mr Nasser Musaed Al-Sayer (Board and Committee Chairman) * Mr Hamad Abdul Aziz Al-Sager * Mr Yacoub Yousef Al-Fulaij * Mr Muthana Mohamed Al-Hamad * Mr Haitham Sulaiman Al-Khaled 	<ul style="list-style-type: none"> * Mr Ghassan Ahmed Al-Khalid (Committee Chairman) * Mr Hamad Mohammed Al-Bahar * Mr Emad Mohamed Al-Bahar * Mr Muthana Mohamed Al-Hamad 	<ul style="list-style-type: none"> * Mr Ghassan Ahmed Al-Khalid (Committee Chairman) * Mr Haitham Sulaiman Al-Khaled * Mr Loay Jassim Al-Kharafi 	<ul style="list-style-type: none"> * Mr Hamad Mohammed Al-Bahar (Committee Chairman) * Mr Haitham Sulaiman Al-Khaled * Mr Loay Jassim Al-Kharafi 	<ul style="list-style-type: none"> * Mr Hamad Abdul Aziz Al-Sager (Committee Chairman) * Mr Yacoub Yousef Al-Fulaij * Mr Muthana Mohamed Al-Hamad * Mr Emad Mohamed Al-Bahar
Key Mission	Key Mission	Key Mission	Key Mission	Key Mission
The committee assists the Board in overseeing the implementation of the Group's corporate governance; it is also responsible for monitoring the implementation progress of the policies and procedures pertaining to governance.	The committee assists the Board in carrying out the nomination and remuneration responsibilities pertaining to the directors and executive management of NBK. The committee also supports the Board in reviewing and enhancing the Board structure and the development of the caliber of the Board members; it assists the Board in setting up the Group's Remuneration Framework and ensures effective implementation in accordance with the Group Remuneration Policy.	The committee assists the Board in carrying out the Risk Management responsibilities by evaluating and monitoring the risk governance framework, risk appetite, risk strategy, and capital planning. In addition, it also carries out the supervision of regulatory compliance across the Group.	The committee assists the Board in a supervisory role regarding the efficiency and independence of the internal and external audit operations for the Group; it also oversees the preparation of the periodic financial statements and other regulatory reports.	The committee is responsible for reviewing the quality and performance of the Group's credit portfolio. The Board has authorized the committee to approve credit facilities that exceed the authorization granted to senior management, in accordance with the credit policy of the Group.

Corporate Social Responsibility (CSR) and Community Committee (419-1)

As a dedicated global organization with a commitment to social responsibility, NBK has also established an executive level CSR and Community Committee. The committee strives to pursue business practices that support the growth of, and the stability of the society through social contributions and initiatives. The committee is chaired by a Board Chairman. However, NBK follows the policy of rotating leadership to inculcate an open and dynamic work environment.

Ethics and Compliance (103)

NBK is committed to achieving the highest level of ethics and compliance with applicable laws, rules, regulations, and guidelines relating to our business and employees. We deliver outstanding customer services while acting ethically in all that we do. Therefore, our code of business ethics defines who we are today.

In today's complex and competitive business environment, legal and regulatory requirements have become ever-evolving. Making the right decision requires careful consideration of many factors. Therefore, it's important to have a well-defined code of business ethics and information, which our people can access easily. NBK ensures this through our guiding principles developed by our Compliance Department. The reports they generate are independent of the Board to ensure integrity and ethics.

At NBK, acting with proper ethics and compliance have been, and will always be, fundamental to how we operate. It protects our employees and our clients, improves our business performance, and has helped us carve a niche for ourselves across the globe. Toward this end, we have developed three main policies:

- * the anti-bribery and corruption policy
- * the anti-fraud policy
- * the anti-money-laundering policy.

Employees, across all levels of NBK, are expected to share the same standards of conduct and value, and to lead by example by adhering to the appropriate regulations, practices, and code of ethics. Additionally, NBK has also developed three other policies:

- * the Stakeholders' Rights Protection Policy
- * the Customer Protection Guide
- * the Special Needs Guide

This helps us deliver excellence to our customers around the world.

Furthermore, we believe in promoting and protecting the human rights of people with disabilities of any kind. Therefore, at all NBK branches, there are specific procedures to manage and handle immediate and long-term special-needs transactions, and requests. For example, we installed an ATM machine designated for special-needs customers in six branches.

To ensure the highest value to our shareholders, the GCEO, DGCEO, CEO-Kuwait and Deputy CEO-Kuwait compensations are based on the achievement of KPIs toward the overall Group's strategy, this includes financial and non-financial criteria and Key Risk Factors (KRIs) at the Group level.

Additionally, NBK adheres to strict ethics and compliance measures related to audit and/or non-audit services, In this regard, all fees paid to audit firms for audit are subject to Board Audit Committee review and approvals and presented to NBK's Board of Directors for approval.

Business Continuity

The stability of our business is vital to the existence and continuity of our operations across the Group. We, therefore, have a foolproof system of planning and preparation to ensure that we continue to operate, with the same excellence and efficiency, in the case of serious incidents or disasters, while recovering any loss within a reasonably short period of time.

Operational Risk (409-1, 103)

NBK's Operational Risk Management Framework (ORMF) is based on the guidelines of the Basel Committee on Banking Supervision's Principles for the Sound Management of Operational Risk. The framework is built on three lines of the defense model: (1) the business units, which are responsible for identifying, measuring, assessing, and mitigating the inherent risks in their activities. (2) The Operational Risk Management Unit within Group Risk Management, which independently reports to the Board Risk Committee. This unit assists the business units (i.e., the first line of defense) in their operational risk management activities by aligning these activities with the methodologies outlined in the Group Operational Risk Management Policy and by utilizing tools such as Risk and Control Self-Assessments, Key Risk Indicators, and Incident Management. (3) The Group Internal Audit, which is responsible for providing assurance to the Board Audit Committee that the ORMF is being implemented.

Both the business units and the Operational Risk Management Unit utilize Risk and Control Self-Assessments to identify, measure, and assess the inherent risks, mitigating controls and resultant residual risks facing NBK in its daily activities. Risks might arise from failures in processes, from the inadequacy of people or systems, or from external events. At NBK, risks are assessed based on the likelihood of their occurrence and their financial and non-financial impacts without taking into account the effects of mitigating controls; this provides a score for inherent risk.

Then, the existing controls are factored in and assessed based on their weight, nature, automation, design, and operational effectiveness to arrive at a score for the residual risk. We focus on high and medium residual risks and develop action plans to enhance their controls and reduce risk rating. Assessment frequency is determined based on the overall "riskiness" of the business unit's activities, with some units being assessed on an annual basis and some requiring assessment every two or three years.

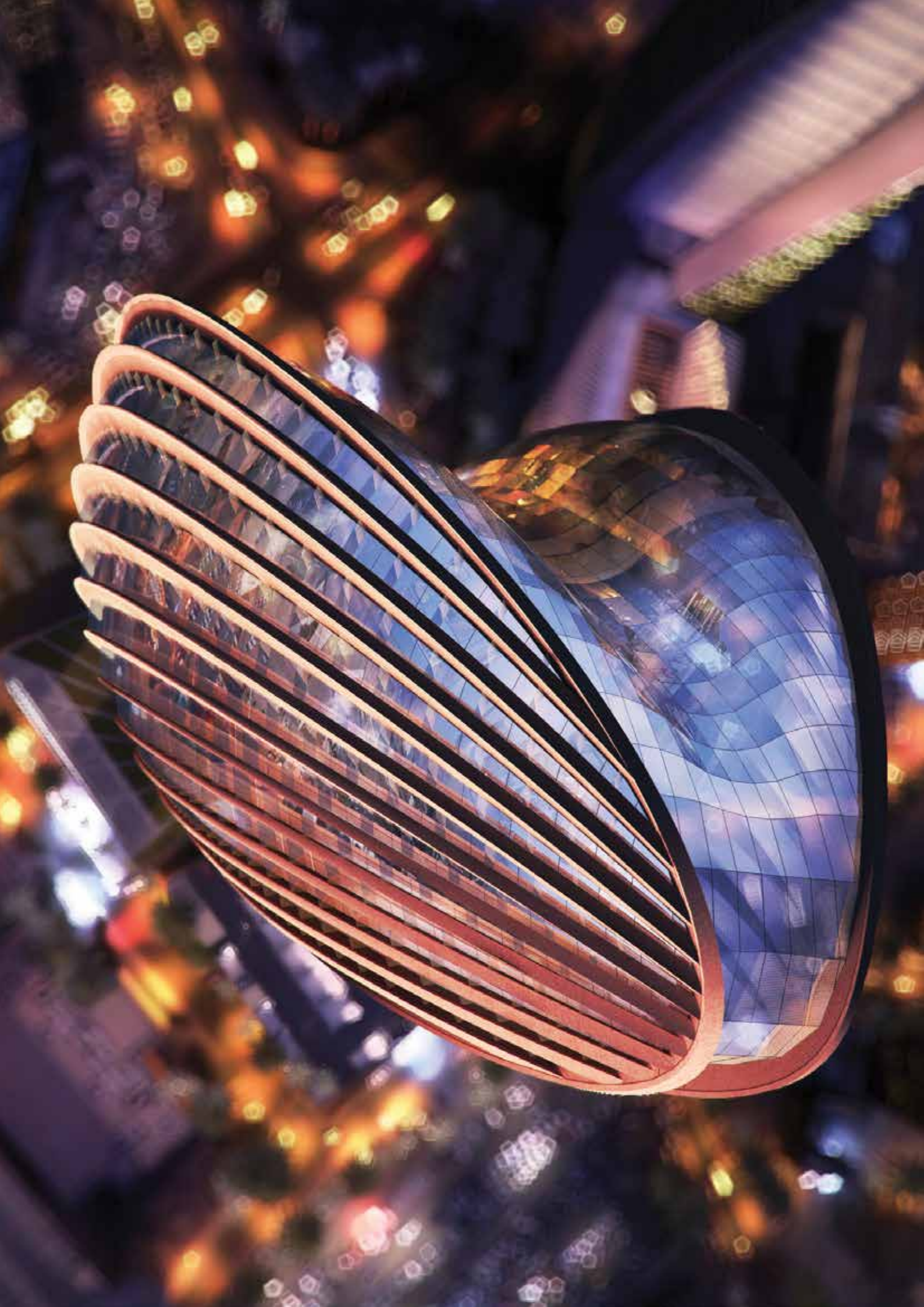
Moreover, Key Risk Indicators (KRI) are developed by both the business units and the Operational Risk Management Unit to monitor risks considered to be high, even if their controls are effective. The KRIs serve as an independent validation of the Risk and Control Self-Assessments results by highlighting instances of control failures and thus providing a better assessment of the adequacy of those controls. The KRIs are measured on a quarterly basis across the NBK Group. The KRIs that fall within the unacceptable range are reported to the Board Risk Committee. Indicators that show multiple quarters with high values are investigated and action plans are developed to reduce the number of control failures and improve control effectiveness.

Incident Management is a tool used by the Operational Risk Management Unit to monitor and record incidents occurring across the group. The amounts of losses and recoveries are logged so that they can be used for calculating the Operational Risk Capital during the ICAAP exercise in addition to being used for insurance claims management. Incidents also serve as an independent indicator of areas where certain controls are failing on a regular basis. The results of incident investigations are used to enhance control effectiveness in those areas to reduce the overall risk exposure.

NBK Group's Risk Management strategy, approach and structure, remuneration policy and framework, our code of ethics and professional conduct, our policies on conflict of interest, confidentiality and whistleblowing along with our statement of stakeholder rights are all published in our 2017 annual report.

Crisis Management Plan (102-11)

To describe the various actions that need to be taken during critical situations or crisis, the NBK Group conducts crisis management programs four times in a year. These programs ensure that the maximum impact can be made and precautionary actions taken pertaining to any potential crisis that may happen in the future. Our crisis management plan facilitates rapid communication for the overall safety of employees, customers and stakeholders.





CARING FOR OUR ENVIRONMENT

NBK has taken practical and cost-effective actions to address environmental concerns. NBK promotes judicious use of the available energy, efficient use of water, proper waste treatment and disposal, and greenhouse gas (GHG) emissions management as part of viable and workable sustainability practices.

Caring for Our Environment

NBK believes in taking practical, prudent, and cost-effective actions as part of our commitment to sustainable business practices to address environmental risks, while unlocking our potential for growth and progress. NBK's robust management processes effectively addresses environment-related risks. We consider judicious use of energy; efficient use of water, careful waste treatment and disposal, and reduction of greenhouse gas (GHG) emissions our business strategies. Our environmental management initiatives are spread across three dimensions: influencing our employees' social behavior, optimizing our processes, and implementing technology. We conduct employee engagement and awareness programs to sensitize NBK employees on environmental practices, waste management and waste segregation at the source. We continuously monitor environmental practices and waste generation patterns in our facilities. Fortunately, since we operate in the banking and investment domain, our operations do not release significant volume of waste, but efforts toward energy and water conservation are quite important.

Our strong belief that economy and environment go hand-in-hand and that we cannot have sustainable banking and development without also sustaining the environment, drives our commitment to our environmentally-friendly approach. NBK's stakeholders are well aware of our environmentally-friendly policies and that we plan our financial operations in line with them. NBK strongly supports the concept of improving the quality of life and contributing to a better future. We are committed to minimizing the potential impacts of our business operations by implementing an efficient environmental management system.

NBK has identified two objectives in our sustainability strategy mapping:

1. Positive environmental impact: We invest in projects that have a positive and healthy impact on natural environment.
2. Green initiatives leader: Apart from waste management, we have invested in green roofs and water recycling.

NBK has identified eight key areas to support these objectives and strive for a healthier environment. The following environmental principles define how we care for our environment in a responsible manner:

1. Managing water.
2. Reducing waste.
3. Conserving and greening energy.
4. Managing GHG.
5. Promoting biodiversity.
6. Developing our environment management system .
7. Maintaining LEED status.

Green Building (103)

NBK continues to work toward our commitment to achieve a sustainable building certification (LEED), as projected in our 2016 sustainability report.

In the present report, we emphasize our leaders' commitment to strive to make the plan successful at our new headquarters. The headquarters building has been constructed keeping in mind all the positive environmental criteria that will contribute to reducing the harmful impacts of the traditional construction and building methods.

Energy and Water Management (103, 302-1, 302-3, 302-4, 303-1)

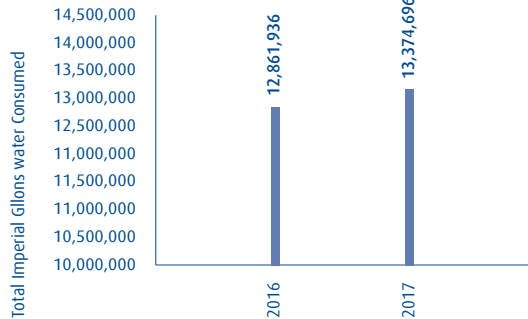
NBK recognizes the importance of water as a fundamental resource. As a global company, we understand that access to adequate supplies of water is essential for the communities in which we operate. NBK is also committed to conserving energy as much as possible. Therefore, we manage both energy and water consumption responsibly across our branches by implementing numerous energy conservation measures and by using the lowest possible volume of fresh water in our operations and by reusing water where conditions permit.

Besides having a beneficial impact on the environment, these measures will also help us reduce operational costs, secure long-term shareholder values, and contribute positively to the environment where we operate.

NBK's several active projects help in reducing and managing energy and water consumption while carrying out our banking operations. The prominent projects include H01, H02, and Al Raya Tower, which branch through optimization, energy fixtures, and regular maintenance.

Water Consumption in Gallon - 2017	Description
13,374,696	Total Water Consumption in NBK Owned Buildings

TOTAL WATER CONSUMPTION IN NBK-OWNED BUILDINGS



All NBK facilities and operations have the following optimization measurements for energy and lighting sources in place, which significantly bring down our energy cost on a sustained basis:

- * **PC screen auto switch off mode:** This is done ideally to save energy when we don't know when we will return to the computer or when we are away from the keyboard
- * **Heating, ventilation, and air conditioning auto saving mode:** Doing this after working hours helps save energy

WATER INTENSITY / FTE - 2017



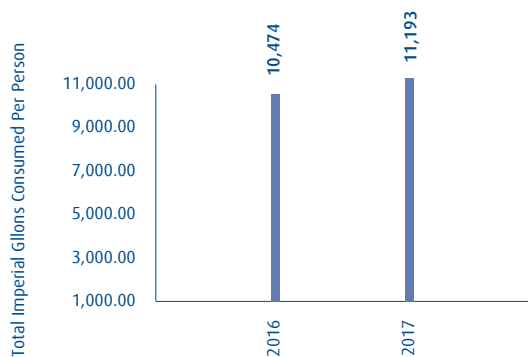
DESCRIPTION

Water Consumption Intensity
Gallons Per Employee in NBK
Owned Buildings

Using Efficient Fixtures

Every business, office, and residence has its own unique energy demand and its own utilization pattern. The needs and availability of the quality and quantity of energy vary from one location to the other. NBK makes informed and appropriate decisions considering short and long-term plans of a phase-wise implementation in sync with its budget and timelines of planned growth. Across all our facilities and operations, NBK uses electrical fixtures that consume less energy and produce 70-90% less heat than the traditional models. Our water-efficient appliances and fixtures save us a significant amount of water and money in the long term.

WATER CONSUMPTION INTENSITY GALLONS PER EMPLOYEE IN NBK-OWNED BUILDINGS



NBK is investing in all of our existing building and new branches to replace the old electrical and water fixtures with energy-efficient ones to ensure optimum efficiency and reduction results. This includes the following:

- * LED lights, which use less energy than other types of lighting
- * Water tap sensors, which saves water dramatically
- * Low-energy hand dryers, which are 95% more energy-efficient than conventional hand dryers
- * Flashing water tank

Optimization

To reduce consumption levels, NBK has optimized our energy and water operational systems which has also helped us reduce our annual energy and water costs, measuring, monitoring, and then benchmarking our energy performance; identifying all possible cost-saving opportunities; and improving our projects based on that.

With the ever-increasing demand for electrical energy in our branches, using comfort gadgets, and other electrical appliances and the ever-increasing cost of energy from conventional sources such as the grid and diesel generator, NBK has prudently moved to using next-generation technology options for optimization of energy.

Regular Maintenance

Keeping our operations running in an efficient and consistent manner requires regular maintenance plans and actions to keep the energy and water consumption at the target levels. NBK's maintenance plan includes schedules for cleaning electrical and water fixtures, replacing non-functioning ones, and measuring our energy use and lighting levels. This has a strong effect on our sustainability efforts as we believe that the greenest of buildings lose much of their performance over time due to lack of proper routine maintenance, which leads to higher energy consumption, increased water consumption, and discarding items before their full useful lifetime. We track

our resource usage to create an organizational culture of caring for the environment.

Thus, regular preventive maintenance gives NBK a leg up in extending the useful life of our equipment and resources as well as promoting sustainable practices in our operations and maintenance organization in the following key areas:

- Annual audit process
- Regular maintenance
- Identifying and then sustaining operating efficiencies
- Data collection through maintenance software

Greenhouse Gas Management (103, 305-1, 305-2, 305-3)

Our GHG management standards help us assess, monitor, and manage GHG emissions and their associated operations and business activities. We maintain an annual inventory report of our GHG emissions and utilize innovative technologies to improve and manage our approach and commitment among NBK's premises: Headquarter 1 & 2, Al Raya Tower, and our branches. NBK's use of automobile transportation is an additional and minor indirect source of GHG emissions.

By doing so, NBK has found an innovative operational solution to mitigate the CO2 intensity for our employees.

Moreover, NBK has taken an advanced step by implementing a GHG monitoring system as part of the sustainability data management platform that will capture all the energy, water, and transportation-related information calculated in accordance with the GHG protocol. This step will help NBK to follow up and improve our existing and new projects that are related to environmental aspects.

GHG Emission (305-4)

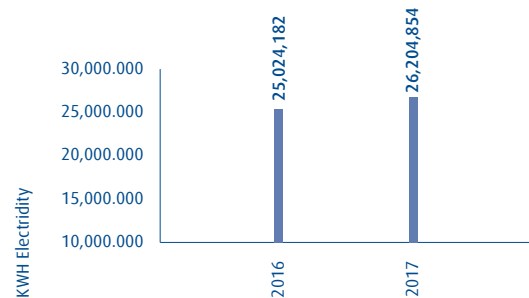
Our activities require the use of natural resources that produce waste and emissions, both directly from our operations and indirectly through our value chain. We seek to measure and calculate our environmental impact, risk, and opportunities to reduce the cost, to enhance long-term returns, and to protect the environment in which we operate.

As part of this year's sustainability report, we are committed to measuring our direct environmental impact following the GHG protocol that includes three main scopes of emissions:

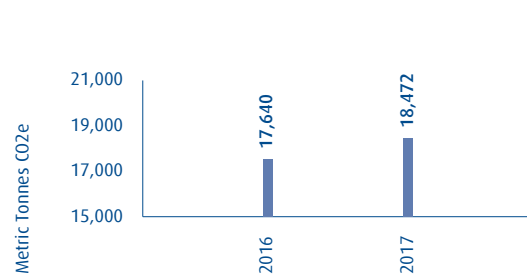
Emission Scope	CO2e MT	Description
Scope 1	34	Total GHG Emissions (Metric Tonnes) From NBK Owned Cars
Scope 2	18,471	Total GHG Emissions (Metric Tonnes) From Electricity at NBK Owned Buildings
Scope 3	661	Total GHG Emissions (Metric Tonnes) From Cars Owned by Third Parties

- *Scope I (Direct GHG): Emissions from sources owned and controlled by National Bank of Kuwait*
- *Scope II (Indirect GHG): Emissions from the consumptions of purchased electricity and other sources of energy*
- *Scope III (Indirect GHG): Emissions that are not directly owned and controlled by National Bank of Kuwait*

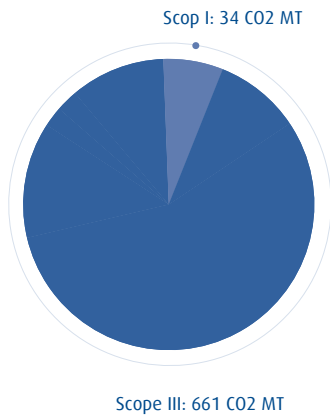
TOTAL ELECTRICITY CONSUMPTION IN NBK-OWNED BUILDINGS



TOTAL METRIC TONNES GHG EMISSIONS FROM ELECTRICITY CONSUMPTION IN NBK-OWNED BUILDINGS



TOTAL METRIC TONNES GHG EMISSIONS FROM FUEL CONSUMPTION IN NBK-TRANSPORTATION



NBK understands that unmanaged waste is not only an environmental hazard but also a serious health hazard besides an enormous waste of resources.

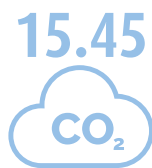
In any financial institution, paper is the main source of waste, which requires efficient management and planning to mitigate improper use. NBK ensures minimal waste generation through proper solutions. We have raised the bar for ourselves to achieve even greater results for the bank, the community, and the environment in which we live. Industry-leading efforts to increase paper recovery are one of the best examples of how NBK is protecting the environment.

PAPER WASTE GENERATED AND RECYCLED YEARLY



115.8 Tons

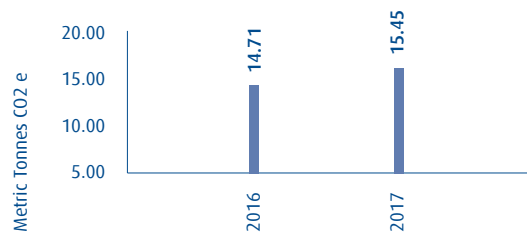
CO2E MT INTENSITY



DESCRIPTION

Intensity Metric Tonnes GHG From Electricity Per Employee In NBK Owned Buildings

GHG EMISSIONS INTENSITY PER EMPLOYEE IN NBK-OWNED BUILDINGS



Managing Printing Service is one of the projects that the NBK administration is planning to initiate in 2018. The MPS solution will help reduce the number of printers, scanners, and faxes currently being used by NBK departments. We will control our staff on a daily basis to print less and eliminate paperwork. Managed printing will help us achieve our environmental sustainability goals by deploying energy-efficient equipment and implementing effective printing practices to minimize overall paper use; and eliminate some other consumables waste altogether. It will help us control, optimize, and secure our print infrastructure.

The common adage 'reduce, reuse, and rethink' is NBK's popular starting point when it comes to consumption of resources. We use it as an unofficial sustainability mantra in many different contexts. We recycle the used paper through a third party that collects and treats the paper based on agreed-upon measurements and solutions. This leads to significantly reduce impact on the environment. The following table (P. 52) gives an overall picture of our beneficial outcomes.

Waste Management (103, 306)

The true cost of any waste is not just the cost of materials that have been discarded; it also encompasses the inefficient use of raw materials, the unnecessary use of energy and water, the use of faulty products, waste disposal of by-products, waste treatment, and wasted labor. NBK aims for a community strategy for sustainable waste management that supports our current and future service expectations in a fiscally responsible, socially acceptable, and environmentally sound manner.

As for the electronic waste, all obsolete office equipment are sent to our stores as scrap. All electronic equipment is wiped clean of data by NBK's IT department prior to leaving the bank.

On many occasions NBK re-sells the equipment to staff through 'garage sale' or sell everything as a whole to an outside buyer for reuse, refurbishing, recycling or resource recovery.

NBK Annual Tonnage of Paper Recycling	Environmental Impact on	Estimated Total Savings
115.8	Mature Trees Saved	1,968.6 Trees
	Water Not Consumed	810,600 Gallons
	Landfill Space Not Used	347.4 Cubic Yards
	Oil Not Consumed	37,056 Liters
	Electricity Not Consumed	474,780 Kilowatt Hours
	Carbon Dioxide Absorbed from the Air	13.131 Metric Tonnes/Year

The revenue from sales of machines sold during the last four years was KWD 32,018.

ELECTRONIC EQUIPMENT RECYCLED IN 2017



KWD 6,959

On any given day, managing and controlling a new building and its infrastructure is much easier than doing so for existing and old ones. Since waste generation rates depend on the type of activity undertaken at each facility, NBK will put in place a Waste Management Strategy Principles for our new HQ building as a stepping stone to achieve the following:

- Reducing staff waste generation rate by 15% within five years from occupation
- Direct costing of waste services to teams, departments, and/or floors—linked to bag use
- Segregating waste into at least five streams and achieving targeted recycling in key areas (paper and cardboard, organic waste, plastics, glass, and metals)
- Using 100% compostable packaging in catering areas
- Banning single desk bins
- Setting printing limitation targets

Besides increasing our focus on waste management, NBK also instills the habit of source segregation and provides recyclables to a number of industries. Overall in society, a large amount of waste generated ends up in landfills, which leads to serious public health concerns and sanitation risks as well as large-scale environmental degradation. NBK has initiated steps to tackle the problem of managing solid waste generated at our various facilities.

We ensure waste segregation at the source and improve reuse/recycle rates of all categories of waste.

The estimated quantity of waste as per the segregated category is as follows:

- Paper and cardboard: 1.5 tons/week
- Organic: 1.3 tons/week
- Plastic: 0.6 tons/week
- Glass: 0.1 tons/week
- Metal: 0.1 tons/week
- Residual: 1.7 tons/week

NBK has also established a digital center for enterprise content management (ECM), as a simple step toward sustainability. An eco-friendly approach that aims to have paperless operations, ECM has digitized the process of document storage. We make in-house archives of our core account processing. Thus, our scalable ECM system has resulted in about 33% less paper consumption. This will have a positive impact on the environment, as it will also reduce operational consumables and the disposal of associated machines.

To sum it up, at NBK we measure our performance in terms of our sustainability practices, including our environment-friendly approach to doing business. We persistently make an effort to reuse, recycle, and responsibly dispose of waste. This helps us make informed business decisions while protecting the environment.

(306-2)

Environmental Policy

NBK has recognized the gap in having an environmental policy and is in the process of developing a comprehensive one.







GIVING BACK TO COMMUNITY

“Giving Back to Community” is a quintessential definition for NBK. NBK has focused its objectives on improving health care quality, empowering youth, and improving the natural environment. NBK has aligned the impacts of its community engagement activities against UNSDGs and KNDP to maximize direct and indirect social and economic returns on its community investment.

Giving Back to Community (413-1)

Giving back to community is a key focus area of our sustainability strategy. NBK intends to build a strong legacy of maximizing the social impact of our daily operations while contributing actively to the local community. For us, “giving back” is a quintessential definition of our commitment to improving health care quality, empowering youth, and improving the environment.

Focused on translating good causes to strategic benefits that are of tremendous value, NBK demonstrates the importance of corporate social responsibility (CSR) initiatives from different perspectives for its stakeholders through its various carefully selected programs and activities, each with its own impact. NBK understands that a key aspect of corporate reputation for any organization is its stakeholder groups’ perceptions of CSR. Therefore, it ensures that its stakeholders are aware of and participate in all corporate social responsibility activities undertaken by the organization.

Through the long years of NBK’s operations and the advanced methods of approaching the community, NBK ensures that the contributions to all our identified stakeholders are both recognized and used in planning and selection to maximize the outcomes and benefits for them.

We engage and network with the stakeholders in the community to promote community awareness, which help us better understand their needs. All such efforts by NBK provide our community members and stakeholder groups the sense of belonging and strengthen community relationships and cohesion. These efforts build trust, collaboration, and openness among stakeholders, while making them feel empowered in terms of engagement and empathy.

Through our “giving back to the community,” NBK made an impact on the community based on three main themes of New Kuwait and Kuwait National Development Plan (KNDP): health care, human capital, and living environment, as well as several United Nation Sustainable Development Goals (UNSDGs) listed below:



Overall, and for over two decades, NBK’s spending on giving back to the community through its social responsibility programs exceeded KWD 180 million, including annual contribution to the Kuwait Foundation for the Advancements of Sciences (KFAS).

Community Engagement (103)

NBK’s wide range of initiatives for community engagement have empowered individuals and the community at large. We work toward improving the quality of life of our community members through our programs and social activities.

NBK’s commitment toward making a lasting contribution toward community-related issues is rooted in the idea that companies must actively participate in society and play a constructive role in responding to local community needs and challenges. NBK identifies such needs and challenges and prioritizes them at the national level by finding holistic and sustainable solutions.

NBK’s mission is to fuel social investments to promote the three focus areas: improving health care quality, empowering youth, and improving the natural environment. We structure our community engagement activities around these three main objectives. This allows us to create an environment in which our daily interaction with the stakeholders are captured and used for decision making.

To give back to community in terms of health care, human capital, and living environment, NBK conducts several programs and activities within these key themes and areas: contributing to Kuwait community’s health, encouraging a healthy lifestyle, raising awareness about health checkups, nurturing and educating children, participating in educational activities, and encouraging community engagement and charity.

One successful approach of NBK with regard to its community engagement programs and activities is that it considers the key business elements that should be covered and considered for each program or activity, including stakeholder engagement, partners, goals and objectives, social impact on investment, and directions of NBK strategy.

NBK’s community initiatives have led us to build and nurture valuable partnerships to create a proper stakeholder engagement for community practices and activities. We are delighted to share our contribution to the community with our selected partners on health care and youth objectives. (201-1, 413-1)

PARTNERSHIP/OBJECTIVE
Improve Health Care Quality



Empower Youth

CONTRIBUTION

33.5%



66.5%

Emprove Health Care Quality

NBK considers it a national responsibility to support the community we live and operate in by enhancing the path of national development plans and the global efforts for sustainable development. To this end, NBK focuses on and invests in improving the health care quality of Kuwait with the aim of improving the quality of medical treatment and ensuring patient safety. NBK fulfills its responsibilities to contribute toward various health care sectors, including improved healthcare facilities, new innovative healthcare therapies, awareness, and education.

The principles of healthcare quality improvement are central to NBK. In collaboration with a diverse group of healthcare stakeholders and partners, NBK works to improve the quality of health care in Kuwait by infusing healthcare practices with high standards and measures. (201-2,413-1)

IMPROVING HEALTHCARE QUALITY
Total Contribution



KWD 7,188,540

Stem Cell Therapy Unit—NBK Children’s Specialty Hospital

We have contributed to the health care sector taking a big leap in 2017. NBK made a community investment of around KWD 7 million in developing the state-of-the-art Stem Cell Therapy Unit in NBK’s Children Hospital to support children suffering from cancer and other blood-related diseases.

NUMBER OF LEUKEMIA CASES ADMITTED TO THE HOSPITAL IN 2017

357 cases

NUMBER OF ONCOLOGY CASES ADMITTED IN 2017

455 cases

This specialized unit is considered the first project of its kind for bone marrow transplantation for children below 16 years old suffering from leukemia and blood cancer. This is one area where we decided to share our due contribution toward the community we live in.

The new stem cell therapy unit is located beside the existing NBK Children’s Hospital. The total area of the project is 7,000 square meters. The hospital building is divided into three parts, each on one floor. The new building features smart and global standards, including state-of-the-art laboratories and environment-friendly constructions.

This unit is the manifestation of our dream to support our community. The project is considered the largest in this category at the national level that a private sector organization has contributed. This reflects the commitment of the NBK top management to make a positive and responsible contribution to Kuwait’s economy and community health.

Specialized doctors and consultants	16
Nursing staff	170
Support functions including clinics, pharmacies, and others	50
General functions including cleaning, secretarial, and others	200

Walkathon

NBK organized its annual Walkathon titled “We’re Stronger... With Every Step” for the 23rd consecutive year, which saw a mammoth participation of more than 13,000 runners. Thousands of cheering spectators and supporters along with media representatives lined the racing route from the Arabian Gulf Street to the finish line at the Shuwaikh Beach Park, an 11 km stretch. The event was marked with a variety of entertainment activities. The Walkathon included participation from children above 11 years spread across the following categories:

12-20 years	2,215 Participants
21-35 years	6,786 Participants
36-49 years	3,261 Participants
50-59 years	792 Participants
60+ years	234 Participants
Special needs	10 Participants
Total	13,298

Different ministries and governmental institutions showed their collaboration toward the Walkathon, spearheaded by both the Ministry of Health and the Ministry of Interior. In addition, the Kuwaiti Association of Athletics Federations also exhibited great cooperation to ensure the event's success.

The much talked about and popular Walkathon culminated with a prize distribution ceremony where NBK awarded the top 100 participants and gave away many valuable prizes that exceeded KWD 35,000.

For the second year, the Walkathon also included events dedicated to children aged 5–11 years, set up at Shuwaikh Beach Park. Children participated in several fun-filled contests and games under the supervision of NBK's volunteers.

As part of the "sports for all" approach, NBK dedicates a special annual competition as part of the Walkathon for people with special needs. NBK believes in the utmost importance of involving all members of society to prove their ability in playing an active and vital role in various areas and fields, particularly sports. Remarkable this year is the +60 age group participation. Additionally, special needs inclusion has always been a great achievement for the walkathon since 23 years ago when we witnessed the special-need contestants successfully take part in the competition. Thanks to their determination and enthusiasm, they achieved a significant milestone in reinforcing their confidence and boosting their hopes.

TOTAL DISTANCE 11 km



9,135,726 Cal

Calories Burned (All Runners)

I Dream to Be

"I Dream to Be" is a unique and special initiative undertaken by NBK for the past 4 years. It brings a moment of unparalleled joy in the life of a child suffering from cancer and special needs by granting them wishes and a chance to live their dreams. The project imparts a lifetime experience for children. In 2017, NBK made three dreams come true initiatives for children admitted to the NBK Hospital:

- * **NBK granted a child his wish for a trip to the Disneyland:** NBK organized a trip to Paris for a child

who desired to see the "City of Light" and to interact with the world's most famous cartoons in the city of dreams, "The Disneyland"

- * **NBK granted a child her wish to become a ballerina:** NBK organized a trip for the child to the Royal Britannia Kindergarten, where she was given special lessons and practices on ballet dancing under the assistance of a specialized ballet trainer. Thus, NBK gave the child a precious memory to cherish and a smooth path toward becoming a professional ballet dancer
- * **NBK granted a child his wish to become a true boxer:** NBK organized a visit for the child to The Burrow Gym, where he was given special boxing lessons. The NBK team took a tour of the place and learned all the boxing techniques by participating in some activities, competitions, and tasks

NBK has proudly been a part of these children's wishes and extends its complete support to them to fulfill their dreams.

BACCH and KACCH

The mosaic of NBK's social intervention also includes its support to the Kuwait Association for the Care of Children in Hospitals (KACCH) to maximize its reach to resident children in government hospitals suffering from life-threatening illnesses. This initiative has enhanced the hospitals' infrastructure manifold, which in turn has resulted in better patient outcomes. Thus, NBK ensures that these children live a life as normal as possible in the face of their life-threatening condition.

Similar to every year, in 2017, NBK organized a children's carnival at Bayt Abdullah for the Care of Children in Hospice (BACCH). The carnival is a sustainability program as well as an expression of our corporate ideology: to ensure a better tomorrow for these children by providing them positive support today. This year too, the carnival featured excellent entertainment that enthralled these children and gave them a wonderful opportunity to have fun and cherish their memories.

Supporting Women's Health Issues

NBK has been a long-time supporter of women's health initiatives in general and breast cancer in particular. We have effectively integrated the right to health into our business standards through our "Be Aware" breast cancer awareness program. As part of this program, we invited our women staff and provided them with some useful

daily health tips and other relevant information via social media to raise awareness about early detection and treatment of breast cancer.

Our initiative also aims to provide women a better opportunity to take care of their health and avert any risk for breast cancer. Therefore, NBK has invested in a campaign to offer women special discounts of 20% on mammograms and 30% discount on breast ultrasound. In addition, other physical health checkups at the Surgery Department are offered free of charge for women over 40 years.

Healing Book "Abdallah Wins"

Distribution of the healing book "Abdallah wins" to children battling cancer is another flagship initiative of NBK. In 2017, NBK distributed 50,000 copies of the short storybook Abdallah Wins to children in schools, hospitals, and other childcare institutions. The aim of this initiative is to instill hope and confidence in these children to overcome their difficult time. The book tells the story of a young boy named Abdullah who battled a life-threatening illness but managed to overcome his pain with the help of his doctor. NBK believes that such books can bring the fighting spirit back in children suffering from such traumatic conditions.

Empower Youth

NBK believes that our youth are critical contributors in national growth. Therefore, NBK aims to empower youth by connecting them with education and employment opportunities, encouraging them to identify their potential, and assisting them in channeling their potential toward a bright and successful future. The prime focus is on providing them market-linked skills so that they become industry-ready and employable.

Thus, NBK plays a key role in societal transformation. We acknowledge the role youth can and should play in the many tangible and intangible impacts on our community. NBK also highlighted several opportunities for youth-led social enterprises that lack sufficient funding, proper mentoring, and right partnership. With such initiatives, NBK believes that the challenges of poverty and unemployment will be history. NBK's efforts resonate with the human capital objective of KNDP.

NBK provides empowerment that is necessary for the process of inculcating values to equip learners to lead significantly with new values and ideas for the society.

EMPOWER YOUTH

Total Contribution



KWD 179,511

LOYAC

NBK's sponsorship to the nonprofit organization LOYAC is in line with its strategy to invest in youth development. This initiative helps LOYAC design and implement several of its annual activities and trips tailored to developing humanitarian and adventurous skills in Kuwait's youth so that they realize their sense of purpose by extending help to others. Through such drives, NBK strives to empower youth, build their personality, and motivate them to move an inch closer to their ambitions so that they realize their true potential.

NBK has conducted several activities in collaboration with LOYAC:

- * **Jahiz:** NBK sponsored Loyac's training program called "Jahiz?" in collaboration with the HR Department, Training Unit. More than 30 students between the ages of 16 and 21 years old participated in the program. The goal of the program is to produce instructional videos that revolve around two of the following subjects that were given by our HR unit:
 - Customer service/care
 - How to conduct an interviewNBK provided the training material and the facilities for "Jahiz?" programs' purposes launched in July 2017.
- * **Bridge:** NBK and LOYAC concluded the training program "Bridge." More than 950 interns participated in the program, which comprised three training sessions. The "Bridge" training program aims at training LOYAC interns on best customer service practices. NBK offered training materials and trainers during the program launched in May 2017. Each session of the program featured a mix of theoretical and practical training dedicated to provide the interns with invaluable knowledge on a variety of subjects related to service quality and customer service, in addition to helping them to have a greater exposure to different work procedures.

- NBK Sponsors LOYAC trips:** NBK has sponsored several overseas trips for the Kuwaiti youth in collaboration with LOYAC. Each one-week trip takes children on a learning adventure to discover historically significant sites, indigenous cultures and traditions as well as providing humanitarian and community aid. In 2017, three of these trips were organized to Tanzania, Thailand and Morocco. These trips are seen as a cultural exchange; for example, In Tanzania, the volunteers were taken to a local tribe to experience their day to day lives and engage in activities from bow hunting to teaching English to the locals. In addition to being an enriching opportunity for cultural exchange and learning, the trips helped broaden the volunteers' horizons and expand their world views by introducing them to different issues related to the world they live in, such as, elephant conservation efforts in Thailand, the orphanages challenges in Tanzania.
- KON:** NBK participated in LOYAC's social entrepreneurship program "KON." The 5-week program was conducted in collaboration with Babson College with the aim of introducing young adults between the ages of 12 and 16 to the world business and to turn their ideas into action. Throughout the 5 weeks, NBK-Kuwait's deputy CEO and the general manager of Treasury Group, Sulaiman Al Marzouq, along with a group of professional leaders, mentors, and trainers, encouraged the participants to create a profitable business that solves a social problem. Elated with the outcome of the program, NBK looks forward to seeing the participants move into key leadership roles in the near future.

Program participants	950 Students; aged 16-27 years
Kon	45 Students; aged 12-16 years
Jahiz	30 Students; aged 16-21 years
Three trips this year	Between 15-20 participants in each trip

Supporting Education

Another NBK social endeavors is to improve the infrastructure in universities and schools to revamp the quality of education. This initiative stems from our belief that the future of a country lies in the hands of its children and youth, and that world-class education helps lay the foundation for a sustainable society. Leading from the front, in 2017, and for the 10th consecutive year,

NBK contributed to this worthy cause by sponsoring the Ministry of Education's initiative to honor outstanding high school graduates through cash rewards.

NBK also sponsored Kuwait University's professional training, which included the participation of about 50 institutions, universities, and colleges. This reflects the eagerness of NBK to work toward uplifting the Kuwaiti youth by conducting educational activities designed to support their development at the level of national competencies. NBK honors top student graduates from high schools, especially those with science background, and also from other specializations to help them learn about the options that fit their aspirations and satisfy their ambitions.

Graduates	137
Outstanding	15
Total	152

Moreover, NBK signed a cooperation agreement with the Public Authority for Applied Education and Technology (PAAET) to collaborate in supporting Kuwait's youth. NBK will provide youth attending the institutions managed through PAAET various forms of support, including dedicated sales assistance to open Al Shabab Account, which give students access to and help them easily manage their student allowances, have a prepaid card, as well as utilize other financial tools, benefits, and offers.

Through its reward program, NBK provides Al Shabab Account holders with a range of benefits including discounts at more than 700 merchant outlets, including restaurants and fashion and lifestyle stores. Moreover, Al Shabab Account holders also have access to NBK's online and mobile banking as well as its vast network of ATM and CDM machines for cash withdrawals and deposits for fast, convenient, and secure banking.

NBK and Kuwait Red Crescent Society (KRCS)

NBK and Kuwait Red Crescent Society (KRCS) concluded the third consecutive "Educate For a Brighter Kuwait": fund-raising campaign to offer financial support to non-Kuwaiti families with low income who are unable to afford education for their children in Kuwait. The campaign organized an exhibition at The Avenues Mall and received donations from citizens and expats for 4,275 students. The donations were accessible online through the KRCS website.

CASE STUDY

NBK Children's Hospital

About the Project

NBK Hospital has been improving the quality of life of children suffering from life-threatening and life-limiting diseases. In order to support the Ministry of Health to provide world-class and efficient health care services to the people within and outside of Kuwait, NBK donated 4 million KWD to build the hospital that was opened in 2000. Later in 2012, NBK donated 7 million KWD to build the Stem Cell Therapy Unit. This specialized health care unit has pioneered bone marrow transplant in Kuwait for children below 16 years old. In what could be the greatest initiative at a national level, with the start of the Stem Cell Therapy Unit, NBK made a paradigm shift in its endeavors to change the lives of children as part of its spirit of social responsibility. The unit was built using innovative architectural and design features keeping in mind government regulations and global standards to ensure patient safety. It comprises an outpatient department, day care facilities, a bone marrow transplant unit, specialized laboratories, a pharmacy, administration and educational areas, a case conference room, and lobby services. NBK further reinforced its position as a leading contributor to the Kuwaiti health care system by hosting and sponsoring a team of British medical experts in the field of blood-related diseases, cancer, and pediatric neurosurgery from the prestigious Great Ormond Street Hospital, London, to work at the NBK Children's Hospital.

NBK Children's Hospital also offers supportive awareness programs for its nursing and medical staff through strategic medical seminars, making the staff competent in operating and managing medical equipment and in renewing their skills in dealing with new therapeutic techniques. The staff is also trained in dealing with parents of the patients to provide them the highest level of service in a family-oriented and healthy environment. Through this initiative, the hospital seeks to create a direct communication channel between patients' family members and the medical team to facilitate the exchange of suggestions and opinions.

Eligible Patients:

1. Children below 16 years suffering from cancer and other chronic blood-related diseases.
2. Children suffering from cancer and affected by any type of disability classified by the Public Authority of The Disabled.

3. Non-Kuwaiti children below 16 years suffering from cancer and other blood-related diseases who need treatment along with financial support for the treatment.

Socio-Economic Outcomes

NBK intends to build a strong legacy of linking its social contributions to sustainable development. The main social and economic impacts of NBK Children's Hospital in General and the Stem Cell Therapy Unit are as follows:

- * Recouping country budget, promoting social institutions, and mitigating the cost of treatment abroad
- * Providing training opportunities to doctors within the NBK Hospital to reduce the need for trained-abroad scholarships by the Ministry of Health and higher education institutions
- * Relieving the financial burden and trouble caused to patients and their families who would have otherwise traveled abroad for treatment
- * Providing volunteering opportunities to local civil society institutions within the hospital
- * Providing patients the uninterrupted opportunity to pursue their studies in Kuwait by saving them the trouble to travel abroad

NUMBER OF LEUKEMIA CASES
DIAGNOSED IN 2017



44
cases

NUMBER OF ONCOLOGY CASES
DIAGNOSED IN 2017



53
cases

TOTAL NUMBER OF STEM CELL
THERAPY UNIT SEEN IN THE
OUTPATIENT DEPARTMENT



387
cases

TOTAL NUMBER OF STEM CELL
THERAPY UNIT ADMITTED TO
THE INPATIENT DEPARTMENT



137
cases

NEW CASES RECEIVED AFTER
STEM CELL THERAPY



14 cases
per year
2017

TOTAL NUMBER OF NEW AND
RELAPSE LEUKEMIA PATIENTS



51
cases

TOTAL NUMBER OF NEW AND
RELAPSE ONCOLOGY PATIENTS



74
cases

Summer Internship

NBK believes that Kuwait is poised for greater success, which can be achieved by nurturing its youth and exposing them to real-life business environment. Considering that a summer internship is the beginning of a long road ahead to empower youth and provide them with valuable insight into real business scenarios, NBK conducted a 2-week course structured for high school and college students for the 16th year in a row. A total of 120 students between the ages of 15 and 20 years participated in the program. The students visited Kuwait Airways, LOYAC, and Al Rai Media Group to gain a combination of theoretical and practical training. NBK founded this initiative with the aim of instilling creative thinking, modern banking, teamwork, and spirit of self-expression in the minds of the youth. In the spirit of giving back to community, this concerted effort reaffirms our responsible business initiatives.

TRAINING HIGH SCHOOL AND COLLEGE STUDENTS



120 Trainees

Aged Between 15 and 20 Years

Al Shaheed Park

As part of its social responsibility, NBK has always stood by the social and cultural institutions of Kuwait. In November 2017, NBK renewed its support to the "Modern Heritage Festival" held at Al Shaheed Park as a gesture of recognizing the importance of promoting our culture and its rich arts and heritage. NBK believes that cultural activities act as a bridge between generations as they see participation from all age groups across various segments of society.

NBK plays a pivotal role in engaging the youth to understand and take pride in Kuwait's history and tradition, thereby developing cultural ethos and appreciation in them. This sense of pride and knowledge fosters optimism and hope in youngsters. Thus, by sponsoring the Al Shaheed Park cultural initiative, NBK gives back to community its due and more!

SUPPORTING THE MODERN HERITAGE FESTIVAL



+5,000 Audience

Jidariyyat

NBK espouses the preservation of national art and culture as part of its philanthropic role and social outreach. In 2017,

NBK collaborated with Jidariyyat Volunteer Group in their cause of adding color to the lives of children at the Orphans House, in cooperation with the Kiyan Social Care Society. More than 40 volunteers participated in this initiative to paint the walls of the Orphans House. Jidariyyat & NBK also participated during 2017 in painting the NBK specialty hospital wall reflecting positivity, hope, courage, and the wall at the National Council for Culture and Arts with a colorful painting featuring the letters of the Arabic language and more specifically the letter "Dhaad". Through a few walls of fresh paint, NBK has created countless memories in the lives of orphans. This endeavor also spread the message of the importance of art and appreciation for young Kuwaiti talents. Besides, creative colorful drawings and paintings on the walls, the NBK Group's emblem was also painted as an appreciation for NBK's support and sponsorship. The event also helped in showcasing the talents of young Kuwaitis.

PAINTING ORPHANS HOUSES



40 Volunteers

Improve Natural Environment

NBK is committed to demonstrating good environmental practices across all its operations to improve the natural environment. We consider it our moral duty to ensure that our business is progressing in accordance with the national laws and regulations, while supporting environmental awareness in the community and also creating our own solutions to minimize the harmfulness of our business operations. NBK strives to set an example in preserving the natural resources that we depend on and raising environmental consciousness among people to lead them out of the narrow confines of ignorance.

Environmental Awareness

NBK's environmental campaigns focus on raising awareness about some of the serious inherent threats to the environment. As an environment-friendly bank, NBK has launched a wide range of awareness initiatives, including cleanup of beaches and deserts, saving energy and water, recycling paper, and managing waste, to promote the protection and preservation of Mother Nature. NBK also provides suitable training to its employees to enhance their environmental awareness, and to educate them about the potential impacts of our operations on the environment and the proper use of adequate control measures. Thus, NBK has always been at the forefront of positive responsibility toward the natural environment as part of its spirit of giving back to community.

Social Care (103)

Program	Key Contribution
1. Philanthropy during Ramadan	<ul style="list-style-type: none"> * 25,000 meals provided during Ramadan * 50 families and visited in 10 days under Baitkom Amer * 1,400 students and 1,700 families sponsored by Al-Najat Charitable Society * 30 NBK volunteers participated * 20,000 water boxes distributed at 5 mosques in Kuwait governorate * 12,000 fasters received at NBK Ramadan tent * 7,500 meals distributed at Nayef's Palace * 110,974 KWD of contribution
2. KALD	<ul style="list-style-type: none"> * Initiative for students between 6 to 19 years with learning differences and works towards identifying and developing their capabilities through training, and entertainment programs * 30,000 KWD of contribution * NBK sponsorship for KALD youth activities including: <ol style="list-style-type: none"> 1. KALD CAMP FOR BOYS to Indonesia. (21 students). 2. KALD Talent Show (87 students- 30 trainers) the audience of the Talent Show 290 people. 3. KALD Camp to Failaka for boys and girls (21 girls and 20 boys).
3. Center 21	<ul style="list-style-type: none"> * NBK supports special needs and autism adults of 21 years and above * 42 participants of special needs * 32,109 KWD of contribution
4. Elderly, TGI special needs	<ul style="list-style-type: none"> * NBK visited 30 elderly people * 3 volunteers from NBK PR team * 2 volunteers from summer internship * 3,200 KWD of contribution

Indirect Economic Impact (103, 203-2)

NBK's sustainability strategy aligns its business growth with the interests of its stakeholders, placing a special focus on the community it operates in. The consequences of the direct impact of our infrastructure investments and services appear in the form of indirect economic impacts, which are both monetary and non-monetary, and play a significant role in assessing our impact on and contribution to the community and society.

NBK tracks the indirect economic impacts of its business operations to understand how they positively contribute to the economy. We aim to expand our operations and simultaneously invest in the growth and well-being of our employees. Moreover, we believe in ethical behavior and in maintaining a symbiotic relationship with our stakeholders. Therefore, we regulate the flow of financial contributions from our wide range of stakeholders per the global guidelines, such as the GRI standards, SDGs, and KNDP.

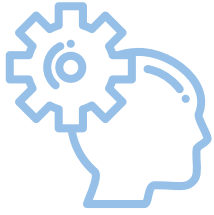
We are pleased to share our indirect economic impacts, which we have categorized as per our objectives, programs, impacts, SDGs, and KNDPs. Our stakeholders can rely on the significant effort made by NBK as a community leader in the Kuwaiti market.

We at NBK believe in measurements and accountability. Therefore, we aim to measure our direct and indirect economic impact on society and the community by using a Social Return on Investment methodology. This, in turn, helps us evaluate the impact on our stakeholders, figure out ways to improve our performance, and enhance the performance of the investments that we make. It facilitates our judgments and decisions about materiality. We are excited about the coming year, for the many opportunities for growth and development we see on the horizon. NBK's objectives will continue to leverage, and our prudent social investment strategy will continue to grow. **(103)**

Objective	Program	Impact	SDGs	KNDP Theme
Improve Health Care Qualities	Stem Cell Therapy Unit—NBK Children's Specialist Hospital	<ul style="list-style-type: none"> Advanced technology to diagnose leukemia and blood cancer cases Reducing the cost of treating patients abroad 	Goal 3: Good Health and Well-Being Goal 9: Industry, Innovation, and Infrastructure	<ul style="list-style-type: none"> Health Care Global Position
	Walkathon	<ul style="list-style-type: none"> Spreading out the momentum of living a healthy lifestyle through walking and other activities 	Goal 3: Good Health and Well-Being Goal 11: Sustainable Cities and Communities	<ul style="list-style-type: none"> Health Care
	I Dream to Be	<ul style="list-style-type: none"> Increasing the willpower to accept the treatment plan by providing a good environment 	Goal 3: Good Health and Well-Being	<ul style="list-style-type: none"> Health Care
	Healing Book	<ul style="list-style-type: none"> Improving the willpower to recover better through the power of a book 	Goal 3: Good Health and Well-Being Goal 4: Quality Education	<ul style="list-style-type: none"> Health Care
	KACCH and BACCH	<ul style="list-style-type: none"> Offering children and their family the maximum freedom of choice without compromising the quality of care whether at home or within the hospice 	Goal 3: Good Health and Well-Being Goal 4: Quality Education	<ul style="list-style-type: none"> Health Care
	Supporting Women's Health Issues	<ul style="list-style-type: none"> Increasing awareness about women's health, including breast cancer 	Goal 3: Good Health and Well-Being	<ul style="list-style-type: none"> Health Care
Empower Youth	LOYAC	<ul style="list-style-type: none"> Supporting the economy with future leaders 	Goal 4: Quality Education Goal 5: Gender Equality Goal 9: Industry, Innovation, and Infrastructure	<ul style="list-style-type: none"> Human Capital Living Environment
	Supporting Education	<ul style="list-style-type: none"> Supporting the economy in providing educational support to future leaders 	Goal 4: Quality Education Goal 5: Gender Equality Goal 9: Industry, Innovation, and Infrastructure	<ul style="list-style-type: none"> Human Capital
	Summer Internship	<ul style="list-style-type: none"> Developing the skills of upcoming potential resources 	Goal 4: Quality Education Goal 5: Gender Equality	<ul style="list-style-type: none"> Human Capital
	Al Shaheed Park	<ul style="list-style-type: none"> Cultural engagement for youth and contributing in the cultural movement to raise awareness on culture and heritage 	Goal 3: Good Health and Well-Being Goal 11: Sustainable Cities and Communities	<ul style="list-style-type: none"> Living Environment
	Jidariyyat	<ul style="list-style-type: none"> Developing a modernized city through youth 	Goal 9: Industry, Innovation, and Infrastructure Goal 11: Sustainable Cities and Communities	<ul style="list-style-type: none"> Living Environment
Improve Natural Environment	Environmental Awareness	<ul style="list-style-type: none"> Creating a better energy, water, and waste contribution for the society 	Goal 3: Good Health and Well-Being Goal 9: Industry, Innovation, and Infrastructure Goal 11: Sustainable Cities and Communities	<ul style="list-style-type: none"> Living Environment







RESPECTING AND DEVELOPING PEOPLE

NBK constantly focus on enhancing our workplace environment, assess our employee retention strategies every year, plan individual career development paths for each employee, and ensure a safe work environment for them. Nationalization, diversity, talent management, and succession planning are NBK's core strategy to constantly improve the quality of our workplace.

GRI: 102-8 , 202-2, 205-1, 401-1, 403-1, 403-2, 404-1, 404-2, 404-3, 405-1, 406-1, 408-1, 412-2, 103 Management Approach: Employee Engagement, Training and Development, Occupational Health & Safety, Performance Management, Nationalization, Diversity and Inclusion.

Kuwait Boursa Sustainability Disclosure Guide: 4.Full time employees, 12.Kuwaitization (%), 13. Youth Employment, 14.Injury rate, 15.Women in the workforce (%), 16.Training hours per employee, 17.Employee turnover (%), 18. Human Right Policy, 19. Code of ethics.

Respecting and Developing People

A respectful workplace is a primary requisite for a successful organization. At NBK, we respect not only our customers but also all our stakeholders and especially our employees. A respectful workplace will have more engaged and motivated employees. Every workplace has issues like a misunderstanding or low productivity; all these can be resolved peacefully if there is respect among the employees.

A respectful workplace will have people working in harmony, resulting in reduced stress and increased workforce productivity. Therefore, NBK emphasizes on a respectful and healthy work environment for all. Respectful behavior is not limited to the upper management; at NBK each employee shows respect to everyone irrespective of their rank. Our lowest attrition rate speaks about our happy and respectful work environment.

NBK emphasizes several priorities that are aligned with its existing GHR practices and sustainability strategies. These practices include value-based recruitments, training and empowering our workforce, ensuring effective succession planning, recognizing and appreciating, ensuring well-being, incorporating sustainability in performance management, ensuring equitable workplace, living NBK values, leading nationalization, and supporting youth's skill development and employment.

Employee Engagement (103)

The foundation of any great business is its people. NBK values our human capital and ensures that there is trust, integrity, communication, and commitment between the organization and the workforce. The goals of both the employee and the organization should be aligned to fulfill the purpose and objectives of NBK.

NBK believes that human growth is vital to business growth. That's why we nurture and motivate our staff to raise their capability, help plan their career growth and provide education and training to help them achieve their goals. We regularly conduct feedback and suggestion sessions to upgrade our management policies and channels of communications. The management along with the GHR team review the feedback and try to implement or improve the existing policies wherever possible.

NBK ensures the well-being and security of our employees. We provide room for improvement to both the management and the employees. NBK gives the

leverage to its employees to provide clear feedback, complains, and appeals directly to the GHR team.

NBK's human resource management systems are consistent with various regulatory requirements including industrial relations legislation, work health, and safety legislation.

Moreover, NBK is known for its transparent and accountable recruitment and selection processes that ensure people working in the organization have the knowledge, skills, and experience required to fulfill their roles. NBK provides its employees with induction, training, and development opportunities relevant to their roles.

We believe that communication should always be a two-way experience. Therefore, feedback from both the employee and the employer is necessary for continuous improvement. NBK offers ongoing support, supervision, feedback, and fair disciplinary processes for people working in the bank. It ensures that its employees have access to fair and effective systems for dealing with grievances and disputes.

To ensure that the GHR policies and teams are unbiased, NBK conducts a timely audit of the HR Group by internal and external auditors, in addition to our own GHR Quality Assurance function. NBK has several checks to ensure that the employee engagement practice is executed properly. These checks include interacting with the employees at various locations, levels, and situations such as:

1. Exit interviews.
2. Branch/Business Group.
3. NBK Academy/high flier follow-up visits.
4. Re-employment recommendations.
5. Induction sessions.
6. Staff complaints.
7. Business townhalls (Quarterly basis).

Enhancing Customer Experience

Factors of core recognition sources fall under internal campaigns revolving around responsibility and ownership as we strive to continuously exceed our customers' expectations. The mission of these campaigns is to deliver the best customer experience by putting our colleagues and customers at the forefront of everything we do, with empathy, respect and innovation. Objectively, these campaigns promote emotional, rational and motivational engagement of employees in excellence in service across

all groups in NBK Kuwait both internally and externally. The three major campaigns that recognize these factors are: I AM NBK, MVP and the Elite CBG Awards.

- * I AM NBK: Recognizes staff and awards them for going above & beyond their required job duties and responsibilities, based on 8 principles. These 8 principles are the following: Empathy, Excellence, Accessibility & Availability, Communication, Trust, Teamwork, Consistency and Integrity & Respect.
- * MVP: All employees are given a chance to anonymously vote for their junior colleagues (Grade 11 and below) within their respective Groups who they consider to be the Most Valuable Player. These colleagues will be recognized for their efforts by NBK's top management in an annual bank-wide staff event
- * Elite CBG Awards: The Consumer Banking Group's management nominates and rewards their staff for their contribution and positive impact towards the Groups overall objectives and targets achieved during this annual event.

Employee Events

NBK believes in boosting its employees's morale with corporate events. Employee morale is a significant aspect of NBK, as it can make or break an organization. NBK makes its work atmosphere positive by organizing daily and weekly events for its employees. A happy and content employee leads to happy and satisfied NBK customers.

Furthermore, we work toward enhancing the environment of the work place through several themes and areas including; social involvement (volunteering), healthier work place environment, engagement in different sports and health issues, and sharing distinctive humanitarian occasions. Summary of 2017 activities:

Area	Activity
Sports	<ul style="list-style-type: none"> * Football Event * PlayStation
Trips	<ul style="list-style-type: none"> * Atlantis Trip * Failaka Trip * Rome Trip
Health	<ul style="list-style-type: none"> * The Biggest Challenge * Breast Cancer
General	<ul style="list-style-type: none"> * Movie Night

Healthier Staff

NBK encourages staff to lead a healthier and balanced lifestyle, perform regular physical activities, eat a balanced diet, and ensure regular wellness check-ups. NBK periodically organizes a wellness day for staff at the NBK Head Office where dieticians, consultants, and other health professionals provided check-ups. For employees, NBK also provides access to discounted gym memberships, blood pressure check-ups, dietary consultations, and diabetes awareness along with other efforts to support healthier lifestyle. Currently, NBK is home to two clinics in their head office buildings. Both clinics have medical apparatuses to check on heart conditions, blood pressure and sugar levels. In addition, certain types of medication is available to treat symptoms of blood pressure, diabetes, and asthma. NBK plans to transfer both facilities to their new head office building, in addition to adding new medical equipment to the 160 m2 floor plan for the new clinic.

Employee Volunteering

During 2017, employees organized volunteer groups to distribute Iftar meals during the holy month of Ramadan. They also took the initiative to organize the cleaning of Kuwait's beaches during the summers and the cleaning of public areas. Moreover, NBK staff donated blood for the Kuwait Blood Bank and distributed water to low-income laborers during the summer. In addition, NBK staff donated new clothes to families in need and organized other initiatives and activities aimed at supporting Kuwait's low-income communities.

Performance Management (103, 404-3)

The key objective of performance management is to encourage and improve workforce effectiveness. NBK's goal is to create a work environment where employees are self-motivated to perform to the best of their abilities. Our effective performance management system includes:

1. Well-designed jobs and written job descriptions
2. Effective employee placement and training
3. Positive and compassionate work environment

There are three stages of performance management at NBK:

Phase 1: Plan - This phase involves a joint effort from the employee and the manager. Both need to agree with the proposed work plan, identify key areas of training and performance objectives, and identify career development objectives.

Phase 2: Review - For an effective performance management, regular monitoring of progress and performance is important. This phase includes carefully accessing progress, identifying any barriers in achieving goals and the measures to overcome these barriers, providing feedback on the performance, identifying any alteration required in the work plan, and providing any extra support required from the management.

Phase 3: Assessment - Manager assessment is the first step in this phase. NBK employees assess their performance and compare it with the views of their managers. This enables managers to detect the challenges faced by the employees and improve their performance to meet the desired goals. At NBK, goals are set by managers, in consultation with their staff.

NBK plans individual career development paths for each employee. This decision is based on factors like job description, the performance of staff, added responsibilities, and vacancy availability for the position on the career path.

Succession Planning (202-2)

Succession planning is a step to identify probable job vacancies due to either retirement or attrition. It is a part of GHR planning, which involves finding the right person for the right job. It also helps to identify internal candidates who can fit in the shoes of employees who will soon be leaving NBK. Succession planning involves evaluating the future vacancies, current employee's skills, and training required by the new employee to acquire these skills.

Effective succession planning activities ensure that the key positions are filled with competent performers. This not only motivates the employees to perform better but also saves recruitment and training cost of NBK.

NBK Strategy and Growth through Success Planning

Who will fill the shoes that are about to be unfilled remains the question of the hour. Succession planning is the answer to this question. NBK has an extensive

succession planning to manage the human capital and future job vacancies. When the internal staff are nurtured, coached, and trained to grow in the bank, they will emerge as the young and promising leaders of the future. With an effective succession planning, NBK's growth strategies and goals are clearly communicated to the staff and leaders. Our potential candidates, when promoted on time, stay with us and motivate fellow colleagues to trust in our policies and work hard to achieve self-determined goals along with NBK's goals.

Nationalization (103)

The Ministry of Social Affairs and Labor states certain requirements for operation in Kuwait, two of them being nationalization and recruiting minimum number of local employees. Every organization has to meet these requirements or has to face the consequences by the regulator.

NBK has adopted nationalization as a core strategy to advance human capital rather than just a mandate from the regulator.

We also have employee-friendly GHR policies and practices; this is evident in the high retention rate of our local Kuwaiti employees.

Diversity and Inclusion (102-8, 103, 401-1, 405-1)

NBK is committed to nurturing, refining, and preserving a culture of diversity and inclusion. Employee engagement is the most effective way to involve the most valuable asset of the organization, that is, its human capital. The decisions made by the bank and regulators are influenced by opinions and behaviors of individuals.

As a melting pot of a diverse workforce, which adds value to our business, NBK has branched out to international destinations, including London, New York, Paris, Geneva, Singapore, and China. These international branches, subsidiaries, and representative offices help us understand our customers from diverse backgrounds and create a compelling market for them. NBK's regional units are spread across Bahrain, Egypt, Iraq, Jordan, Lebanon, Saudi Arabia, Turkey, and the UAE.

2017 Gender Diversity NBK Kuwait	Men		Women	
	Number	% of Total Workforce	Number	% of Total Workforce
03-08	525	45.6	626	54.4
09-11	356	56.5	274	43.5
M-SM	215	70.5	90	29.5
EM and Above	144	83.2	29	16.8
Total	1240		1019	

Employees by Age and Category	2017							
	Men			Total	Women			Total
	<30	30-50	>50		<30	30-50	>50	
Junior	382	450	49	881	434	429	37	900
Senior	1	248	110	359	0	92	27	119
Total	383	698	159	1,240	434	521	64	1,019

Average Age	2017
<30	802
30-50	1,233
>50	224

Local Employees	Percentage
Male	55%
Female	45%
Total Nationalization	65.4%

Number of Employees in Administrative Offices by Employee Level	2017	
	Number	%
03-08	67	3
09-11	65	3
M-SM	25	1
EM and Above	24	1
Total	181	

Employment Contract, Working Hours	2017	
	Full Time	Part Time
	2252	7

By Employment Contract	2017	
	Men	Women
Permanent	1240	1019
Temporary	0	0

By Employment Type	2017		
	Men	Women	Total
Full Time	1235	1017	2252
Part Time	5	2	7

Talent Management (103, 102-8, 202-2, 401-1)

A positive workplace begins with a set of effective employee development and retention strategies. Strongly adhering to this belief, NBK considers retention as one of the most important initiatives of its talent management function. We assess our employee retention strategies of the various aspects of their work life. Information collected from the questionnaire is used to predict and calculate the likely strengths of an individual that can be honed and utilized in various essential managerial and leadership competencies.

At least once a year, NBK stays current on market salary rates and employee perks and benefits. It follows best practices to develop a positive workplace culture and cordial employee relations. This has ensured that our staff morale is always high.

Keeping in mind our succession plan, we identify the key positions in management and conduct a retention and aspiration interview with them to understand their career aspirations aligned with NBK's goals and strategies. Furthermore, we offer our employees career development opportunities through various technical and soft skills training, which help them achieve their aspirations and objectives. One of the critical parts of this process is the psychometric assessment of our top talent using the Occupational Personality Questionnaire. The questionnaire offers the employees an in-depth

understanding of their behaviors, preferences, and attitudes. In 2017, several NBK employees were put through the talent management process as per their level. The following data will give a clear picture:

- Junior staff: 26
- Supervisory middle management level: 86
- Executive and above: 26

NBK follows a clear policy for talent identification that all employees have to adhere to. This helps in giving out fair opportunities to everyone who deserves them. To ensure that the right person with the required talent is chosen for a particular job, NBK assesses its employees' positive qualities and attributes that help in the development of both the employee and the bank. NBK focuses on people who have leadership qualities, consistency, and skills.

From fresh graduates of our Academy program, we identify those who have the potential to become future leaders. These talents undergo a psychometric assessment so that they are aligned with NBK competencies. Any gaps are bridged through development programs. Anyone who attains a performance ranking of B+ or above or is nominated by the management is referred to prestigious higher education institutions.

Category	2017			
	New Employees		Turnover	
Gender	Number	Rate	Number	Rate
Female	123	36.07	164	15.3
Male	218	63.93	189	15.4
Total	341	100	353	15.03

Category	2017			
	New Employees		Turnover	
Age Group	Number	Rate	Number	Rate
30-50	97	28.44	114	16.5
Over 50	2	0.59	27	9.8
Under 30	242	70.97	212	15.6
Total	341	100	353	15.3

(401-1)

NBK Development Program Journey



List of Talent Identification Process	
From fresh graduates who are part of the Academy program, we can narrow down the top pool who have the potential to become future leaders.	
1	The potential talents undergo psychometric assessments to help us align them with our competencies and bridge certain gaps through other development programs
2	Constant B+ and above grade is considered good performance. This along with management nomination indicates future potential for leadership in a candidate. We also determine talent categorization based on the NBK Talent Grid
3	We enroll such staff to be a part of our supervisory-level development program—high fliers, middle management program, Chicago booth, etc...
4	Further psychometric assessments are conducted to determine the areas of development in terms of NBK leadership competencies
5	Staff is nominated based on their performance, competencies, and the need to be a part of the succession plan
6	Based on the succession plan, future leaders are nominated for development programs at prestigious higher education institutions through IBS and then attend collective executive development programs
7	Retention and aspiration interviews are conducted to ensure alignment of staff and organizational goals

Training and Development (103, 404-1, 404-2, 404-3)

NBK's employee training programs have strengthened the skills that each employee needs to improve upon. In addition, its employee development programs have uplifted employees to a higher level of skills and knowledge. Thus, by building its employees' skills and competencies, NBK has achieved the desired goals and helped its employees to attain their career aspirations.

In 2017 NBK provided 68,359 hours of training and development in various areas of its business units and functions. The initiative taken by the NBK Academy to offer training courses for new recruits helps them develop into competent employees. This initiative is a step forward for NBK toward its strategy of human capital advancements. This ensures support for Kuwaiti regulations and bridges the gap between Kuwaiti University graduates and the labor market. The sustainable approach of NBK Academy aims not only to help people gain skills and maximize opportunities, but also to make an impact on the local market and the economy in case the trained Kuwaitis move from NBK to other organizations in the future.

TOTAL TRAINING HOURS

Total Contribution



68,359 Hrs

Al Shabab Training Program

A similar plan at NBK is the Al Shabab Program. This intensive program is designed to develop the skills of diploma-holding graduates who have been newly recruited at NBK. The program selects 17 participants. Spanning six weeks, this program aims at developing and training the youths to make them eligible for the banking industry.

NBK ensures equal opportunities for the employees, providing training programs that are designed based on the assessments of the Business Groups and employee's needs. All employees are entitled to training and development activities. Thus, NBK commits to providing practical expertise and professional training to equip them for the banking sector jobs, thereby fulfilling its corporate social responsibility toward the development of Kuwaiti youth.

A list of NBK's training programs is available in the Appendices.

CASE STUDY:

NBK Academy

Background

The NBK Academy was launched in 2008 with the main motive of introducing fresh young Kuwaiti university graduates to the banking sector. The Academy hires and prepares qualified nationals for the NBK culture and provides them with technical and practical training through classroom lectures, on-the-job training, as well as Branch and Business Group visits to fill possible future vacancies.

Description

Why: To gather a group of talented individuals, increase their skills and knowledge, provide a detailed insight into the varied NBK structure and culture, and enhance their future career progress.

How: Through sculpting/renewing the candidate's knowledge to fit best in the bank.

Outcomes: The trainees worked very hard, which paid off for them later. Furthermore, it instilled in them a curiosity to learn more and become good bankers.

Total Hours of Training Received by Gender and Employee Category	2017	
	Men	Women
03—08	21,034	25,756
09—11	4,821	7,193
M—SM	1,697	6,127
EM and Above	234	1,499
Total	27,785	40,574

Human Rights (406-1, 408-1)

NBK treats all its employees at an equal level by providing them with opportunities for training programs and development activities.

For NBK’s operation and culture, it is crucial that its employees receive training on human rights policies and procedures, which ensures that everyone at NBK has a complete understanding of their rights as a member of NBK.

NBK strictly adheres to the Kuwait Labor Law with regard to employees’ rights including human rights, overtime work, and maternity leave. NBK has also expanded the privilege for its female employees beyond maternity leave by making a provision in its new headquarters building for a baby nursery.

Code of Conduct

Code of conduct training is also provided to all new employees so that they have an understanding of NBK’s code of conduct policies and procedures. The new employees are requested to read and understand the code of conduct material every three months.

Anti-Corruption / Anti-Fraud (205-1)

In addition, NBK provides its employees with anti-corruption and anti-fraud training. In 2017, approximately 100 trainees attended this training spanning over five sessions. The main topics covered were as follows:

1. The definition of fraud.
2. The person responsible for managing the fraud risk.
3. The common types of banking-related frauds.
4. 2016 ACFE Fraud Report (industry of victim organization, root cause analysis, source of detection analysis).

5. Occupational fraud (asset misappropriation, corruption, and financial statement fraud).
6. Recognizing fraud indicators (internal control weaknesses, accounting anomalies, operational anomalies, behavioral anomalies).
7. The consequences of fraud.
8. Role of employees in helping to combat fraud.
9. Reporting a fraud.
10. NBK tolerance approach.

Occupational Health and Safety (103, 403-1, 403-2)

NBK has an active H&S policy for all its workers. It ensures that there is a safe work environment, and if an accident takes place, NBK provides full remuneration for the workers till they are fit enough to work again. NBK did not record or report any accident at work in 2017. However, if such an incident were to occur, NBK would have applied Article 93 of the Labor Law, which states, 'The worker who suffers a work injury or occupational disease shall be entitled to his full remuneration throughout the period of treatment specified by the attending physician. In the event where the treatment period exceeds six months, the employee shall be entitled to half the salary until he completely recovers or until he is proven disabled or dead.'

TOTAL INJURIES IN WORKPLACE



0

Human Rights Training in 2017	
Employees trained in human rights policies and procedures	275
Total number of hours devoted to training on human rights policies and procedures	<ul style="list-style-type: none"> * Two hours per session * 24 sessions delivered for the induction program of new recruits (DBD, DSD, and CC) * Academy and Shabab

(412-2)





CONTRIBUTING TO SUSTAINABLE ECONOMIC DEVELOPMENT

Working closely with the Kuwait National Development Plan (KNDP), NBK supports the Kuwait National Vision 2035 and aligns our financial goals with their sustainable goals. Advancing the community, strengthening innovation, using green technology and products, building capacities, adopting positive environmental practices, and improving energy efficiency are the pillars of NBK's strategy.

Contributing to Sustainable Economic Development (103, 203-1, 203-2)

Kuwait has set a glowing example in terms of setting up a world-class urban infrastructure within a very short time span, in addition to providing its citizens with living standards that are high by any yardstick. The country's infrastructure is expected to grow further by 15 to 20 percent as a result of the government's five-year plan (2015–2020). On the less enviable side, this national economic prosperity has led to conspicuous consumption and the ensuing waste production. High carbon dioxide emission due to burning of fossil fuels has contributed in a major way to pollution and the consequent climate change. These side effects of progress weave a stark reality that is worth consideration. While growth factors are undoubtedly integral to the economic sustainability of Kuwait, they can also adversely impact the quality of life of Kuwaiti citizens and environmental sustainability in the coming years. Therefore, it is high time that Kuwait and the world traverses along a sustainable growth path.

At NBK we attempt to shape a new future through our goals that are aligned with sustainable development goals. We have our own agenda in place to combat the adverse effects of economic development. Our growth models embrace the need to replenish the environment and combat climate change. NBK believes in unleashing its transformative energies by focusing on a larger purpose that contributes to value creation for the community and the environment while benefiting our shareholders. It is this belief that has helped us shape our strategy of building a sustainable enterprise aiming for sustainable economic development.

Supporting Kuwait National Vision 2035 (103)

In its quest for mitigating these environmental risks, Kuwait is charting a roadmap to equip its businesses with more sustainable practices. One such initiative is the Kuwait National Development Plan (KNDP), which has been conceived holistically to achieve the vision of a sustainable future for the nation, in line with Kuwait Vision 2035. Organized around five themes (desired outcomes) and seven pillars (areas of focus for investment and improvement), the KNDP sets Kuwait's long-term development priorities and comprises several strategic programs and projects designed to impact the vision of a new Kuwait.

The KNDP has put in place the sustainable long-term priorities of Kuwait that include ameliorating poverty, protecting the ecosystem, and enabling peace and prosperity for all. These are aligned with the

developmental goals and focus on areas of investment, while adding impetus to further improvement. The KNDP zeroes in on closely monitoring the country's progress performance in sync with its plan, when compared to other countries. It measures its plan using 20 key global indicators and a few additional sub-indicators. These indicators track and measure Kuwait's progress along the plan and its performance compared to other countries. The KNDP aims for Kuwait to reach the top 35 percent of countries by 2035.

With due consideration to all these aspects, NBK has developed a sustainable developmental approach that is supportive toward other organizations operating in Kuwait so that we can appreciate and duly pursue ecologically and socially sustainable growth that will culminate in the overall sustenance of Kuwait's economy in sync with Vision 2035, the KNDP, and Sustainable Development Goals.

The following are the pillars of our strategy that will have a direct impact economically on new Kuwait and KNDP:

- * Advancement of the community
- * Strengthening innovation
- * Using and financing development of green technology and products
- * Building capacities
- * Adopting positive environmental practices
- * Improving energy efficiency

Project Financing

NBK's objective is to support the economic growth of Kuwait. Toward this end, the NBK Group is financing the Kuwait government's infrastructure development projects as part of the KNDP. NBK has also financed Public-Private Partnership (PPP) projects such as AZ Zour North IWPP and supported bidders for Kabd Municipal Solid Waste Project and BOT projects, for example, the expansion of the Sulaihiya Wastewater Treatment Plant. Thus, NBK is increasingly playing a primary role as the Kuwaiti government's financial partner in major sustainability-related projects. Some of the other projects already underway include the clean fuel refinery upgrades, solar energy projects, a waste-to-energy incinerator, housing provision, seawater desalination plants, and hospital construction.

Toward such sustainable economic development goals where NBK is leading in financial infrastructure and development projects with a high impact on the KNDP, it should have certain competence and know-how

driven by strict strategic directions. In addition, it needs a commitment from its top management to contribute to such projects because the immediate outcomes are not always linked to the financial impact on NBK. This top management commitment is necessary because such decisions are primarily made by NBK as part of our responsibilities toward achieving and supporting Kuwait's sustainable development economically, environmentally, and socially.

NBK's sustainability approach through our defined priorities and objectives has three main priorities for contributing to the Kuwait National Vision 2035:

- * Financing national infrastructure projects
- * Financing low-carbon investment
- * Supporting Small and Medium Enterprises (SME)

Through this report, NBK takes the opportunity to update our valued stakeholders on the list of infrastructure and low-carbon investment projects undertaken in 2017 to compare and communicate its progress with what we have shared in the previous report. The data are based on actual performance of NBK in various projects.

We successfully meet the environmental and social impact assessment requirements in all NBK-financed projects. NBK is fully compliant with the Environmental Protection Agency's (EPA) regulations, both internally (for example, in our new Headquarters Building) and also in projects in which it invests. Some of the sustainability design attributes of NBK's new Headquarters Building in Kuwait City are:

- * Approximately 40% energy performance enhancement
- * Approximately 30% savings in indoor water use
- * Minimum 50% construction waste diversion rates
- * 80% site open space
- * Green roofs
- * Onsite graywater recycling, fulfilling a minimum of 10% of the total flushing demand
- * Besides this, all NBK projects are compliant with the Ministry of Electricity and Water's regulations and energy conservation program, as relevant

Moreover, NBK recognizes that a responsible investment requires an assessment of the risks associated with environmental and social impacts, and is therefore committed to incorporating these sustainability considerations into its investment risk assessment and decision making more generally.

CASE STUDY:

Public-Private Partnership Project (PPP)

Name: Kabd Municipal Solid Waste Project

Sector/Industry: Solid waste management

Partners: Kuwait Authority for Partnership Projects/
Kuwait Municipality/Ministry of Electricity and Water/MPW

Concept: To develop alternative solutions to the waste management processes currently in place in the country by utilizing the latest technology

Environmental/Social impact: The project will contribute to the State of Kuwait's renewable energy targets. It will treat the municipal solid waste in Kuwait with an aim to protect the environment and land resources by generating alternative power sources.

Standards followed: All the facilities will be designed, built, and commissioned in compliance with the laws and standards of the EPA (Environmental Protection Agency), and where these are silent in relation to environmental and technical/matters, Directive 2010/75/EU of the European Parliament and of the Council of 4 December 2010 shall be applied.

The Kuwait Authority for Partnership Projects, in collaboration with the Kuwait Municipality, proposes the development of the municipal solid waste-to-energy project through a PPP venture (BOT basis, 25-year concession + 3-year construction) in Kabd. The project will have the capacity of treating 3,274 tons of waste per day (about 1.05 million tons per annum) of municipal solid waste. A PPP agreement will be signed with the Kuwait Municipality on a 25-year BOT basis. The municipality will collect the municipal solid waste and deliver it to the project site. Electricity generated after operating the facility will be sold to the Ministry of Electricity and Water under a 25-year Power Purchase Agreement. The plant will have electricity capacity of approximately 90 MW. A small quantity of electricity generated by the plant will be used to operate the project facility. The remaining electricity will be purchased by the Ministry of Electricity and Water in accordance with the Power Purchase Agreement terms at a rate of 5.6 fils/kWh. The cost of the project is estimated at \$1 billion.

CASE STUDY:

Build-Operate Transfer Project (BOT)

Name: Sulaibiya Wastewater Treatment and Reclamation Plant

Sector/Industry: Water and wastewater management

Partners: MPW/Utilities Development Company

Concept: To treat raw municipal wastewater to reclaimed water conforming to effluent quality parameters

Environmental/Social impact: The Sulaibiya Plant treats around 60% of Kuwait's total domestic wastewater. The use of reclaimed water is currently limited to agricultural and industrial applications. The reuse of the reclaimed wastewater in a safe manner preserves the environment. The reclamation transforms sludge into natural fertilizer that is suitable for all agricultural purposes.

Standards followed: The specifications of the reclaimed water produced from the Sulaibiya Plant exceed the World Health Organization standards for potable water.

The Sulaibiya Wastewater Treatment Plant is owned by the Utilities Development Company W.L.L. It is the world's largest membrane-based water reclamation facility that currently treats wastewater to impart it potable quality for non-potable agricultural operations. The plant includes a preliminary treatment plant at Ardiya, a 25-km pipeline to transfer wastewater from Ardiya to Sulaibiya, and a biological and reclamation treatment plant at Sulaibiya. Although the design capacity of the conventional treatment plant at Sulaibiya is 375,000 m³ per day (on average), the actual capacity is currently 425,000 m³ per day (on average). Currently, approximately 60% of wastewater generated in Kuwait City is directed to the plant. MPW and Utilities Development Company has agreed to expand the design capacity of the plant from 375,000 m³ per day to 600,000 m³ per day with an enhanced water rate component.

Supporting SMEs (203-2)

Although NBK's larger clients dominate the business pages, we understand how important a healthy small business sector is to a prosperous economy. Therefore, supporting SMEs is a priority of NBK as part of our sustainable development approach and strategy. We understand that SMEs are the bedrock of most domestic economies. And if they get the right tools and support, they can become the foundation of a sustainable

economic growth, as well. Through our support to small and medium enterprises, NBK strives to make an economic impact on both SMEs and the Kuwait economy. Kuwait's five-year plan aims to attract around 137,000 jobs to the private sector by 2020. SMEs can make a huge contribution on multiple fronts: employing a diverse workforce, engaging with and meeting specific needs of local communities, and bringing jobs to employment blackspots. To help the Kuwaiti government achieve their goal, NBK feels responsible to support the SMEs to develop their business and contribute to a new labor target. NBK launched our Business Banking business unit in 2012 to better serve the needs of small and medium businesses. Business Banking is a full-fledged unit with 13 branches across Kuwait. Its dedicated relationship officers are specialized in small and medium businesses accounts, services and facilities. These products and services are customized to ease the financial transactions for its Business Banking customers.

In 2017, Business Banking had around 10,000 customers. We recently launched Doorstep banking that includes cash up service where cash transportation is securely moved from the business clients to their NBK's account with a specialized courier. Additionally, Business Banking clients can also be served through our Call Center around the clock. Alternative channels have been developed to provide a hassle free time and place while banking with NBK, such as Online Salary Portal, Mobile Banking and Online Banking. Business Banking Cards are designed to serve all our customers. ATM cash withdraw and deposit cards provide the flexibility for holders to use in all ATM machines inside and outside Kuwait. Deposit-only cards can be given to clients' messengers to deposit cash in branch or ATM machines without displaying the total amount. NBK Business Banking Credit Card offers global recognition and acceptance at millions of locations around the world. The card comes with a host of benefits including free travel insurance, concierge services, complimentary airport lounge access and free valet parking. In addition, customers also get exclusive global premium offers and automatic enrollment into the NBK Rewards Program.

In addition to the business aspects of NBK's support to SMEs, we offer training and development. NBK organized a ground-breaking business seminar for local entrepreneurs to promote SME development in Kuwait: "How the Way You Think Can Make or Break Your Business". Such seminars enhance the way entrepreneurs and SMEs think and to overcome various challenges and thereby taste success. They envision their success route and add leadership skills and strategic

thinking to their business acumen repertoire. As part of the seminar, local business owners were invited to discuss ideas, clarify their strategic vision, and pose queries about growing their business. NBK provides various business-related products and services in addition to banking solutions, including direct client support with a dedicated relationship officer.

Equator Principles

An industry benchmark, the Equator Principles is a risk management framework to determine, assess, and manage the imminent environmental and social risk that financial institutions can face in their projects. It primarily intends to provide a minimum due diligence standard for supporting responsible decision making in situations of risk. Finance projects in emerging markets often have significant environmental and social risks. Therefore, NBK complies with the Equator Principles in its energy projects for efficient environmental risk reduction targets. NBK's performance standards in terms of environmental and social sustainability have become globally recognized in dealing with environmental and social risk management. By following Equator Principles, NBK emerges as a responsible decision maker and provides transparency in managing the sustainability, environmental, and social goals for its high-value projects. NBK assesses borrowers to demonstrate that they have met the national laws and regulations and will continue to do so in the future. This approach helps NBK achieve clear outcomes for energy projects we provide financing for through ensuring the following:

- * A comprehensive mapping of the risks
- * Transparency on the sustainability, environmental, and social impacts of projects
- * Assessment of the risk mitigation measures that can be taken to provide key information required for decision making

The following are the Equator Principles NBK adheres to:

- * Principle 1: Review and Categorization
- * Principle 2: Social and Environmental Assessment
- * Principle 3: Applicable Social and Environmental Standards
- * Principle 4: Environmental and Social Management System and Equator Principles Action Plan
- * Principle 5: Stakeholders Engagement
- * Principle 6: Grievance Mechanism
- * Principle 7: Independent Review
- * Principle 8: Covenants
- * Principle 9: Independent Monitoring and Reporting
- * Principle 10: Reporting and Transparency

CASE STUDY:

Specialized Banking Training Program - Economic Journalists

About the Program: As a pioneer in banking, NBK is fully aware of the importance of the print and electronic media in handling economic affairs. Therefore, the Department of Media Relations at NBK in cooperation with the heads of various departments conducted a specialized training program on banking from October 2016 to May 2017 for journalists, especially those interested in economic and banking affairs. The intensive training program, comprising 12 educational seminars, discussed several banking-related issues and topics, including the latest developments in the monetary and financial markets, the supervisory standards related to the treasury, Basel III, the banking governance rules, the U.S. Foreign Account Tax Compliance Law, risk management in crises, monetary and financial analysis, credit ratings, and trade finance, among others.

Empowerment and Development: This initiative brought NBK enhancing its goal of strengthening the banking sector in Kuwait and the Kuwaiti economy overall. The aim of this program was many fold:

- * To help promote one of the most important means of communication, namely, the media, which constitutes an essential pillar of Kuwait's development
- * To improve the media coverage of the economic affairs of Kuwait
- * To develop media cadres to be true and active contributors to the economic development
- * To develop the skills and abilities of media specialists by updating and developing their information relating to the banking sector
- * To enhance their knowledge of their roles and responsibilities in this area

Stakeholder Engagement: NBK focuses on creating greater value for both its internal and external stakeholders. Educational seminars organized in cooperation with the heads of various departments at NBK helped maximize the internal stakeholder engagement. In the presence of Mr. Isam Jassim Al-Sager, Group Chief Executive Officer; Mr. Salah Al-Fulaij, Chief Executive Officer, NBK-Kuwait; Mr. Sulaiman Al-Marzouq, Deputy Chief Executive Officer, NBK-Kuwait; Mr. Emad Al-Ablani, General Manager-Group Human Resources; and other executives in the Bank, NBK honored journalists who participated in the training program through an engaging ceremony.

APPENDICES

Appendix A - GRI Content Index

GRI Standard Disclosure Number	Individual Disclosure Item	Information	Page
102-1	Name of Organization	National Bank of Kuwait	-
102-2	Activities, Brands, Products, and Services		7, 24, 31, 33
102-3	Location of Headquarter	Kuwait City	-
102-4	Location of Operation		8, 9
102-5	Ownership and Legal Form		41
102-6	Markets Served		7, 8, 9
102-7	Scale of The Organization	2017 Annual Report which you can find in the following link: nbk.com/nbk-group/investor-relations/financial-reports	7, 14
102-8	Information on Employees and Other Workers		70, 71, 72
102-9	Supply Chain		39
102-10	Significant Changes to The Organization and Its Supply Chain	No Significant Supply	-
102-11	Precautionary Principles or Approach		45
102-12	External initiatives	<ul style="list-style-type: none"> * Kuwait National Development Plan (KNDP) * United National Sustainable Development Goals (UNSDG) 	
102-13	Membership of Associations	<ul style="list-style-type: none"> * Kuwait Bank Association * Loan Market Association (LMA) * International Project Finance Association (IFPA) 	-
102-14	Statement From Senior Decision-Maker		4, 5
102-16	Values, Principles, Standards, and Norms of Behavior		10
102-18	Governance Structure		41
102-21	Consulting Stakeholders on Economic, Environmental, and Social Topics		19, 20, 21, 22, 23, 33
102-40	List of Stakeholder Groups		19, 20, 23
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102-42	Identifying and Selecting Stakeholders		19, 20

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102-44	Key Topics and Concerns Raised		19, 20, 21, 22, 23
102-45	Entities Included in The Consolidated Financial Statements	There is no consolidation as we are reporting on NBK Kuwait only	-
102-46	Defining Report Content and Topic Boundaries		2, 21, 22, 23
102-47	List of Material Topics		21, 22, 23
102-48	Restatements of Information		6, 13, 27, 35, 47, 55, 67, 77
102-49	Changes in Reporting	No Changes	-
102-50	Reporting Period	1 January 2017 – 31 December 2017	-
102-51	Date of Most Recent Report	March 2016	-
102-52	Reporting Cycle	Annual	-
102-53	Contact Point for Questions Regarding The Report	* Sustainability@nbk.com * PO Box 95, Safat 13001, Kuwait	-
102-54	Claims of Reporting in Accordance With The GRI Standards	This Report Has Been Prepared in Accordance With The GRI Standards: Core Option	-
102-55	GRI Content Index	The GRI Content is Provided Here	-
102-56	External Assurance	This Report Did Not Undergo External Assurance	-
103	Management Approach: Technology and Innovation		30, 36, 37, 38
103	Management Approach: Customer Experience		28, 29, 33
103	Management Approach: E-Banking		32
103	Management Approach: Corporate Governance		41, 42
103	Management Approach: Customer Privacy and Data Security		30
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103	Management Approach: Community Engagement		56, 57, 58, 59, 60, 61, 62, 63
103	Management Approach: Green Building		48
103	Management Approach: Employee Engagement		68, 69, 70
103	Management Approach: National Vision		17, 78
103	Management Approach: Adhering to NBK Principles and Values		10, 41, 69, 75
103	Management Approach: Operational Performance		40
103	Management Approach: Performance Management		69, 70
103	Management Approach: Responsible Products		28, 33
103	Management Approach: SROI		64
103	Management Approach: Indirect Economic Impact		63, 64, 78
103	Management Approach: Occupational Health & Safety		75
103	Management Approach: Nationalization		70
103	Management Approach: Talent Management		72, 73
103	Management Approach: Diversity and Inclusion		70, 71
103	Management Approach: Energy and Water Management		48, 49

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103	Management Approach: GHG Management		50, 51
103	Management Approach: Waste Management		51, 52
103	Management Approach: Procurement Practices		39
201-1	Direct and Indirect Economic Impact		41, 63, 64, 78
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	No Financial Implications and Other Risks and Opportunities Due to Climate Change	-
201-4	Financial Assistance Received From Government	No Financial Assistance Received From Government	-
202-2	Proportion of Senior Management Hired From The Local Community		70, 72, 73
203-1	Infrastructure Investments and Services Supported		31, 32, 78, 79
203-2	Significant Indirect Economic Impacts		63, 64, 78
204-1	Proportion of Spending on Local Suppliers		39, 41
205-1	Operations Assessed For Risks Related to Corruption	No Significant Risks Were Identified to Corruption	-
205-2	Communication and Training About Anti-Corruption Policies and Procedures		75, Appendix D
205-3	Confirmed Incidents of Corruption and Actions Taken	There Were No Confirmed Incidents of Corruption With Employees at The Bank	-
302-1	Energy Consumption Within The Organization		50
302-3	Energy Intensity		51
303-1	Water Withdrawal By Source		48, 49

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305-1	Direct (Scope 1) GHG emissions		50, 51
305-2	Energy indirect (Scope 2) GHG emissions		50, 51
305-3	Other indirect (Scope 3) GHG emissions		50, 51
305-4	GHG Emissions Intensity		50, 51
306-1	Water Discharge By Quality and Destination	There were no significant water discharges	-
306-2	Waste By Type and Disposal Method		51, 52
307-1	Non-Compliance With Environmental Laws and Regulations	There Were No Instances of Non-Compliance With Environmental Laws and Regulations	
308-1	New Suppliers That Were Screened Using Environmental Criteria		39
401-1	New Employee Hires and Employee Turnover		72
401-3	Parental Leave	No Parental leave	-
403-2	Types of Injury and Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Number of Work-Related Fatalities		75
404-1	Average Hours of Training Per Year Per Employee	Appendix D	-
404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs		74, 75
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	100% of NBK's Employees Have Received Regular Performance and Career Development Reviews	-
405-1	Diversity of Governance Bodies and Employees		70
405-2	Ratio of Basic Salary and Remuneration of Women to Men		-
406-1	Incidents of Discrimination and Corrective Actions Taken	There Were No Incidents of Discrimination in The Bank in The Reporting Period	-

Appendix A - GRI Content Index Cont'd

GRI Standard Disclosure Number	Individual Disclosure Item	Information	Page
408-1	Operations and Suppliers at Significant Risk For Incidents of Child Labor	NBK Follows All Local Regulations Relating to Human Rights in Areas Where it Operates. NBK Neither Condones Nor Permits Child Labor, and No Instance of The Practices Have Been Reported	-
409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	NBK Follows All Local and Regulations Relating to Human Rights in Areas Where it Operates. NBK Neither Condones Nor Permits Compulsory Labor, and No Instance of The Practices Have Been Reported	-
412-2	Employee Training on Human Rights Policies and Procedures		75
413-1	Operations With Local Community Engagement, Impact Assessments, and Development Programs		56, 57, 58, 59, 60, 61, 62, 63, 64
413-2	Operations With Significant Actual and Potential Negative Impacts on Local Communities	NBK Has No Negative Impact on Local Communities	-
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data		30
419-1	Non-Compliance With Laws and Regulations in The Social and Economic Area	NBK follows CBK regulations for Social and Economic Area	-

Appendix B - Boursa Kuwait Sustainability Disclosure

Sustainability Dimensions	Sustainability Topics	Sustainability Indicators	Page
Economy	<ul style="list-style-type: none"> * Market Efficiency * Economic Contribution * Local Economy * Workforce 	1. Annual Report	14
		2. Sustainability Report	2, 14
		3. Local Procurement Spending (%)	6, 39
		4. Fulltime Employees	75
		5. Employee Wages and Benefits (KWD)	41
Environment	<ul style="list-style-type: none"> * Environmental Management * Energy Management * Atmospheric Emissions * Water Management * Waste Management 	6. Environmental Policy	52
		7. Energy Use	50
		8. Carbon Emission	6, 50, 51
		9. Water Use	48
		10. Waste Generated	51, 52
		11. Waste Recycled (%)	6, 50, 51
Social	<ul style="list-style-type: none"> * Kuwaitization * Employment * Health and Safety * Diversity and Inclusion * Training and Development * Human Rights * Business Integrity * Community Initiatives 	12. Kuwaitization (%)	5, 6, 70
		13. Youth Employment (%)	71
		14. Injury Rate	75
		15. Women in The Workforce (%)	5, 6, 70, 71
		16. Training Hours Per Employee	6, 74, 75, 92, 93, 94
		17. Employee Turnover (%)	72
		18. Human Rights Policy	41, 44, 75
		19. Code of Ethics	33, 39, 44, 45, 75
		20. Community Investment	5, 6, 41, 56, 57, 58, 59, 60, 61, 62, 63
		Governance	<ul style="list-style-type: none"> * Board of Directors * Audit and Internal Controls * Shareholder Rights * Executive Remuneration
22. Risk Management Committee at The Board Level	43, 45		
23. Non-Audit Fees (%)	44		
24. Voting Results	-		
25. Links Between Executive Pay and Performance	44		
26. Compliance With The CMA	41, 42, 43, 44		

Appendix C - NBK's List of Products & Services

Category	Products	Services	
Personal	Accounts	<ul style="list-style-type: none"> * Right Account for Me * Everyday Banking * Savings Accounts 	<ul style="list-style-type: none"> * Term Deposits * Account Services
	Packages	<ul style="list-style-type: none"> * Right Package for Me * Premium Banking 	<ul style="list-style-type: none"> * Salary Packages * Youth Packages
	Loans	<ul style="list-style-type: none"> * Right Loan for Me * Personal Loans * Auto Loan 	<ul style="list-style-type: none"> * International Mortgages * Loan Services
	Cards	<ul style="list-style-type: none"> * Right Card for Me * Credit Cards * Prepaid Cards 	<ul style="list-style-type: none"> * Debit Cards * NBK Tab & Pay * Card Services
	Rewards	<ul style="list-style-type: none"> * Rewards Program * Miles Program 	<ul style="list-style-type: none"> * Rewards Center
Private	Solutions	<ul style="list-style-type: none"> * Overseas Services * Offshore Services 	<ul style="list-style-type: none"> * Treasury Services
	Cards	<ul style="list-style-type: none"> * Credit Cards * Debit Cards 	<ul style="list-style-type: none"> * Card Services * Rewards Center
	Ways to Bank	<ul style="list-style-type: none"> * Online Banking * Mobile Banking * ITM 	<ul style="list-style-type: none"> * Branch Banking * ATMs * NBK Call Center
	Investments	<ul style="list-style-type: none"> * Investment Services * Investment Banking 	<ul style="list-style-type: none"> * Investment Funds * Brokerage
Business	Solutions	<ul style="list-style-type: none"> * Payment Service * Salary Portal 	<ul style="list-style-type: none"> * Staff Services * Insurance
	Financing	<ul style="list-style-type: none"> * Credit Finance * Project Finance 	<ul style="list-style-type: none"> * Trade Finance
	Cards	<ul style="list-style-type: none"> * Credit Cards * Debit Cards 	<ul style="list-style-type: none"> * Card Services * Rewards Center
	Ways to Bank	<ul style="list-style-type: none"> * Online Banking * Mobile Banking * ITM * Branch Banking 	<ul style="list-style-type: none"> * ATMs * NBK Call Center * Doorstep Banking
Corporate	Solutions	<ul style="list-style-type: none"> * Payment Service * Salary Portal 	<ul style="list-style-type: none"> * Staff Services * Treasury Services
	Financing	<ul style="list-style-type: none"> * Credit Finance * Trade Finance 	<ul style="list-style-type: none"> * Structured Finance
	Cards	<ul style="list-style-type: none"> * Credit Cards 	<ul style="list-style-type: none"> * Debit Cards
	Ways to Bank	<ul style="list-style-type: none"> * Corporate Online Banking * Branch Banking 	<ul style="list-style-type: none"> * ATMs * Doorstep Banking

Appendix D - NBK's List of Training Programs

Training Topics Offered in 2017	Number of Hours
5th Annual Strategic HR MENA Summit	42
Accounting for Bankers	1515
Advanced Writing Course	192
Arabic for Non-native Speakers	54
Assistant Operation Officer	768
Auditing Corporate Credit Portfolios	210
Building High-Performance Teams 2017	483
Business and Information Technology Process and Fraud Risk Assessment in Bank	120
Business English Level 1	72
Business Process Modeling—Analysis and Design	560
Call Center Management Workshop	420
Certified Internal Auditor	288
Certified Manager	405
Contact Center Professional Sales Training	2,044
Corporate Cash Flow Analysis	2,772
Corporate Credit Risk Analysis	3,123
Creative Memory in Business 2017	441
Creative Thinking and Problem Solving	1,050
Cybersecurity Seminar	21
Dealing with Customer Complaints-January	48
Developing Interpersonal Skills	588
Developing Your Assertiveness Skills	273
Early Warning Signals of Problem Loans	75
Effective Communication with NLP	483
Emerging Risk in Treasury	240
Emotional Intelligence	357
English Conversation Skills	28
Essential Management Skills	1,113
Financial and Cash Flow Modeling	140
Financial Planning and Analysis for Bank Relationship Managers	800
Financial Statements Analysis	144
Handling Difficult Colleagues and Customers	231
Harvard Business School 2017 Offerings	218
High-Performance Coaching	189
How to Implement Continuous Monitoring and Auditing	188
HR Data Analytics	56

Appendix D - NBK's List of Training Programs Cont'd

Training Topics Offered in 2017	Number of Hours
ICA Advanced Certificate in Risk and Business Compliance	44
Improving Negotiation Skills	441
Inspiring Team for High Performance	196
Judgment and Decision Making	525
Junior Relationship Officer	1,080
KFAS 2017 Offerings	640
Kuwait's Future Begins with Sustainable Corporate Culture Forum	10
Kuwait University 2017 Offerings	1,520
Kuwaiti Sign Language	75
Managing Stress at the Workplace	203
Managing Tasks and Priorities	279
Middle Management Program	3,957
Moody's Credit Curriculum Workshop	616
NBK Academy Wave 17—Offering	400
New Recruits Induction Program G2	216
New Recruits Induction Program G1	56
PBO Workshops 2017	400
Planning and Organizing Skills	476
Presentation Skills (Advanced)	378
Presentation Skills (Introduction)	315
Professional Business Writing-July	126
Professional Business Writing-Oct	441
Project Management Essentials-May	315
Project Management Essentials-Nov	126
Projections	1,624
Relationship Officer Workshop	1,824
RO Workshops-2017	5,712
Rules and Regulations of Kuwait's Electronic Check System	23
Sales and Customer Service Training for Call Center	952
Service Officers Workshop	1,152
Shabab Programs-2017	2,088
SharePoint 2013 End User	56
SharePoint 2013 Workflow and Form Design for Power User Workshops	150
SO Workshop	1,648
SPSS	312
Strategic Thinking and Planning	714

Appendix D - NBK's List of Training Programs Cont'd

Training Topics Offered in 2017	Number of Hours
Structure Risk	1,082
Supervision Skills-Nov	210
SWIFT Trade Finance Messages	560
The Foreign Account Tax Compliance Act (FATCA)	42
Trade Finance-Group A	224
Trade Finance-Group B	735
Understanding and Auditing Basel III	210
What Motivates Me "Seminar"-Apr 17	400
Yalla Watani Program	15,736
Total Hours	68,359

