

ESG Newsletter

December 2025

Your Knowledge Digest

Over 80% of Investors Expect to Increase Allocations to Sustainable Investments: Morgan Stanley Survey 🖱️

COP30 Ends Without Binding Agreement to End Deforestation, or Any Mention of Fossil Fuels 🖱️

News | Regional

Kuwait invites bids for new 0.5-GW solar project in latest tender

 🖱️

Kuwait has invited six consortia to bid for a 0.5 GW solar PV project under its PPP framework, featuring a 30-year power purchase agreement, as part of efforts to tackle power shortages and diversify its energy mix.



GCC officials meet in Muscat to enhance monitoring of environmental goals

 🖱️

The GCC workshop in Muscat aims to improve environmental data coordination for SDG tracking, highlighting progress like near-universal water access, expanded protected areas, and an 8% cut in emissions since 2015 toward net-zero by 2050.



Saudi Arabia to reduce ozone-depleting compounds by 67.5% by end of 2025

 🖱️

Saudi Arabia aims to cut ozone-depleting substances by 67.5% by 2025 and fully eliminate them by 2030 through strict compliance, quotas, and environmental approvals under the Montreal Protocol and GCC regulations.



Oman emerging as global green steel hub: IEEFA

 🖱️

Oman is positioning itself as a global green steel hub by leveraging renewable energy, green hydrogen projects, and its integrated steelmaking supply chain, aiming to produce up to 1.5 million tonnes of green hydrogen by 2030 for cost-competitive exports.

News | International

ISSB says "Passporting Provisions" needed for acceptance of sustainability reporting across jurisdictions

 🖱️

The ISSB launched initiatives to help jurisdictions adopt its sustainability reporting standards globally, including expanding its Adopters Working Group and providing tools and guidance for consistent implementation.



HSBC launches new Net Zero Transition Plan

 🖱️

HSBC's updated 2025 Net Zero Transition Plan reaffirms its 2050 net zero goal, introduces revised 2030 sector targets, and focuses on supporting customers' transition amid slower global decarbonization. The bank reports \$54.1B in sustainable finance in H1 2025 and a 30% cut in financed emissions since baseline.

ISSB to Develop Standards for Nature-Related Reporting

 🖱️

The ISSB will begin developing disclosure requirements for nature-related risks and opportunities, drawing on the TNFD framework, with an exposure draft expected by late next year to address investor demand and advance global sustainability reporting.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

ICMA Launches Climate Transition Bond Label

 🖱️

ICMA launched Climate Transition Bonds (CTBs) to fund credible decarbonization projects for hard-to-abate sectors, aiming to mobilize part of the \$30 trillion needed by 2050. Eligible projects include CCS, early asset retirement, fuel switching, and methane abatement under strict integrity safeguards.

SBTi Proposes More Flexible Corporate Net Zero Standard

 🖱️

SBTi's draft Corporate Net-Zero Standard V2 introduces flexible pathways for emissions cuts, clearer rules for carbon credits, new Scope 2 and 3 requirements, and mandatory transition plans for large firms, with final release expected in 2026 after consultation ends December 8, 2025.



Multi-State Coalition Warns Microsoft, Google, Meta Against Complying with EU's CSRD, CSDDD Sustainability Laws

 🖱️

A coalition of 16 U.S. State Attorneys General, led by Florida's AG, urged major firms like Microsoft, Google, and Meta not to comply with EU sustainability rules (CSRD and CSDDD), citing U.S. legal risks and signaling growing political pushback despite recent efforts to ease transatlantic trade tensions.

Hong Kong Issues Largest-Ever Digital Green Bond

 🖱️

Hong Kong issued HK\$10 billion (US\$1.3 billion) in digital green bonds the world's largest tokenized bond offering featuring blockchain-based trading and settlement, underscoring its ambition to become a global digital asset hub.



EU Invests \$3.3 Billion to Accelerate New Net Zero Technology Projects

 🖱️

The European Commission will fund 61 net-zero technology projects across 18 countries with €2.9 billion from the EU Innovation Fund, aiming to cut 221 million tonnes of CO₂e in a decade and boost climate neutrality and industrial competitiveness.

EU States Reach Compromise Deal on 2040 Climate Target with Bigger Role for Carbon Credits

 🖱️

The EU has agreed on new climate targets, including cutting GHG emissions by 90% by 2040, after compromises such as allowing up to 5% international carbon credits and delaying ETS2 to 2028. The deal also sets a 2035 target of 66.25-72.5% reductions, forming the EU's updated Paris Agreement NDC ahead of COP30.



NBK ESG Highlights of the Month



NBK Wins the Award of GCC Excellence for Energy Efficiency in Buildings in 2025

 🖱️

NBK's headquarters won Best Financial Building at the GCC Energy Efficiency Awards, with its 63-story tower using 42% less energy, cutting emissions by 27%, and showcasing advanced green technologies that reinforce its ESG strategy and low-carbon commitment.

NBK and Mabaneer sign Kuwait's first green financing agreement

 🖱️

NBK signed Kuwait's first green financing deal, providing KD 25 million to Mabaneer for a LEED Gold-certified project under Green Loan Principles, reinforcing its ESG strategy and support for Vision 2035 and a low-carbon transition.



NBK Organizes Open Dialogue Sessions with the School Principals Participating in Bankee Program

 🖱️

NBK held a three-day dialogue with school principals to enhance its Bankee financial literacy program, which has reached 100 schools and 50,000 learners, promoting saving habits, responsibility, and core values through interactive learning.

NBK Introduces Ebtakir; Kuwait's Groundbreaking Intrapreneurship Initiative with Plug and Play

 🖱️

NBK launched Ebtakir, Kuwait's first intrapreneurship program with Plug and Play, training 50 employees in innovation and emerging tech, with top ideas piloted and winners presenting globally in Silicon Valley.



Disclaimer

The details provided in this monthly ESG newsletter are for general information purposes only. It does not constitute an offer or an agreement, or a solicitation of an offer or an agreement, to enter into any transaction (including in the provision of any services).

Information in this monthly ESG newsletter is obtained from external sources and has not been independently verified by NBK. NBK does not make any representation or warranty as to the quality, completeness, accuracy, fitness for purpose or non-infringement of the information obtained from these external sources.

While all reasonable care has been taken in the preparation of this report, no guarantees can be provided regarding the accuracy, validity, reliability, availability, or completeness of any information included. Readers of this monthly ESG newsletter should not act on any information it contains without seeking professional advice.