



Date: 22 August 2024

التاريخ: 22 أغسطس 2024

To : Boursa Kuwait Company

السادة/شركة بورصة الكويت المحترمين

Dear Sir,

تحية طيبة وبعد ،،

Subject: Sustainability Report

الموضوع / تقرير الاستدامة

Reference to the regulations of Chapter (1) of Module (12) of the Executive Bylaws of Capital Markets Authority's Law concerning the regulatory rules pertinent to the Sustainability Report of the Listed Companies.

بالإشارة إلى تعليمات الفصل الأول من الكتاب الثاني عشر للائحة التنفيذية لقانون هيئة أسواق المال بشأن القواعد التنظيمية الخاصة بتقرير الاستدامة للشركات المدرجة.

We would like to advise that KIB has issued its annual report on Sustainability, which demonstrates the impact of the bank's activities and governance practices on environment, society and economy, as well as the risks associated therewith.

نود الإفادة ان مصرفنا قد أصدر تقريره السنوي حول الاستدامة، الذي يوضح تأثير أنشطة البنك وممارسات الحوكمة الخاصة به على البيئة والمجتمع والاقتصاد والمخاطر المتعلقة بهذه الأنشطة.

Please find attached the Sustainability Report for the year 2023.

مرفق لكم طيه تقرير الاستدامة عن عام 2023.

Best regards,

وتفضلوا بقبول فائق الاحترام والتقدير،،

محمد سعيد السقا
Mohamed Said EL Saka
نائب الرئيس التنفيذي
Deputy Chief Executive Officer





Sustainable Bank
For Life

KIB for life

50

years of
establishment



His Highness Sheikh
Mishal Al-Ahmad Al-Jaber Al-Sabah
Amir of the State of Kuwait
May Allah Grant Him Protection



His Highness Sheikh
Sabah Al-Khaled Al-Mubarak Al-Sabah
Crown Prince of the State of Kuwait
May Allah Grant Him Protection

Selected Awards and Recognition



“Best Customer-Focused Islamic Banking Products and Services in Kuwait”

For the year 2023 by World Finance



“Best Islamic Bank in Kuwait”

For the year 2023 by World Finance



Best Bank in Financial Literacy Program

In the Middle East & North Africa for 2023 by Capital Finance International



Best Sharia-Compliant Bank

In the Middle East & North Africa for 2023 by Capital Finance International



Best Banking Vision

In the Middle East & North Africa for 2023 by Capital Finance International



1 Report Overview



Standards and Principles

We are proud to present Kuwait International Bank's (KIB) third sustainability report, covering the calendar year 2023 (January 1, 2023, to December 31, 2023). This report builds upon the foundation laid in our inaugural report and summary report, showcasing our continued commitment to Environmental, Social, and Governance (ESG) excellence.

Developed in accordance with the Global Reporting Initiative (GRI) Standards 2021, this report highlights our sustainability achievements and future ESG strategies. We adhere to the GRI's reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Throughout the development process, we engaged extensively with internal and external stakeholders through digital communication, face-to-face meetings, and consultation sessions. This collaborative approach ensured we identified the most material topics relevant to KIB and our stakeholders.

Reflecting our global commitment to sustainability, we have mapped our initiatives against the United Nations Sustainable Development Goals (SDGs) and the Bursa Kuwait ESG Guide. This demonstrates our alignment with internationally recognized principles and underscores our dedication to contributing to a positive global impact.

Reporting Boundary

The report has been prepared for the banking services of KIB (referred to as "KIB" or "the Bank" throughout this report). The report covers our operating facilities, branches, and offices across Kuwait. The sustainability performance disclosed throughout the report refers to KIB, unless otherwise mentioned.

Restatement

Please note that this report represents the baseline of KIB's disclosure on its 2023 performance. This report represents KIB's 2023 performance, but also includes a revision of some 2022 data which previously presented inconsistencies but has now been verified. Moving forward, KIB will maintain all ESG data based on the information reported in this report for the year 2023. Subsequent ESG performance reporting for 2024 and onwards will be based on the disclosures made in the 2023 report.

Contact Information

Please contact us via email for any queries related to the content of this report or about KIB's sustainability performance and/or practices: ESG@kib.com.kw

Contents



- 05 - Report Introduction
- 06 - Table of Contents
- 09 - Message from the Chairman
- 10 - Message from the Chief Executive Officer

Introduction to KIB

- 11 - KIB Strategic Direction
- 12 - ESG Vision
- 14 - Strategic Alignment with ESG Enablers
- 16 - 2023 ESG Highlights at a Glance
- 17 - Prioritizing Stakeholder Engagements
- 19 - ESG Double Materiality
- 21 - Overview of Market Products and Services
- 23 - KIB Business Segments



1



Responsible Governance & Regulatory Compliance

- 27 - Corporate Governance and Structure
- 39 - Shari'a and Business Ethics
- 41 - ESG and Regulatory Compliance
- 43 - Risk Management
- 45 - Responsible Procurement

2

3



Economic Advancements

- 50 - Entrepreneurship and SMEs
- 55 - Sustainable Finance
- 56 - Financial Inclusion and Investments

6



Environmental Efforts

- 105 - GHG Emissions
- 108 - Energy Management
- 109 - Waste and Resource Management

Digital Investments

- 61 - Digitization and Innovation
- 68 - Optimizing Operations and Maximizing Efficiency
- 69 - Information Security and Privacy
- 70 - Commitment to Customer Protection and Complaint Resolution



4

Appendix

- 115 - Global Reporting Initiative (GRI) Index
- 131 - GRI 3-3
- 135 - Additional ESG Disclosures
- 139 - Bursa Kuwait Index
- 140 - GCC Stock Exchange ESG Metrics Index

7



5



Leading KIB Communities

- 77 - Employee Profile
- 83 - Professional Skills Development
- 87 - Employee Engagement and Well-being
- 97 - Community Investment

A Message from the Chairman

**Dear Valued Stakeholders,
Peace, mercy and blessings of Allah be upon you.**

On behalf of myself, my fellow members of the Board of Directors, and the Executive Management of KIB, we welcome you to the third sustainability report of Kuwait International Bank (KIB).

This year marks a special year for our Bank, celebrating 50 years of success in Kuwait. In this year's sustainability report, titled Environmental, Social and Governance (ESG) 2023 Report, we invite you to celebrate with us as we review our achievements for the 2023 financial year. This year was filled with key achievements, as we have developed our digital capabilities and operations, strengthened our workforce by providing training for 99.4% of our employees, and expanded our business activities beyond traditional banking services.

As a leading Islamic bank in Kuwait, KIB continues to position itself as the digital bank of choice in the country through the adoption and implementation of its medium-term transformational plan and long-term strategic vision. In 2023, KIB launched three new digital banking platforms, one of which is "KIB Aqari" – the first real-estate digital platform in Kuwait. We also successfully transformed our Mubader Center to a subsidiary, focused on empowering local entrepreneurs, start-ups and the broader Small and Medium Enterprises (SME) sector in Kuwait. More notably, we have conducted stakeholder engagements on various fronts to increase the effectiveness of our operations and achieve our strategic goals.

We are slowly reaching the closure of our most recent strategic plan, where we have significantly focused on ESG initiatives. We are proud to report that we continue to emphasize ESG throughout our operations by improving efficiency and maximizing our resources. This ESG report contributes to the successful completion of our strategy, and we are now in the planning phase of the KIB's upcoming journey with a new mission and a new ambitious strategic plan ahead.



Mohammed Jarrah Al-Sabah
Chairman

A Message from the Chief Executive Officer

**Dear Valued Stakeholders,
Peace, mercy and blessings of Allah be upon you.**

Over the years, KIB has expanded and explored new avenues for providing Shar'ia-compliant advanced and accessible products and services to our customers. In line with this vision, we have increasingly focused on becoming the digital bank of choice in Kuwait.

The KIB strategy aimed at providing unique and integrated digital services to various customer segments, like SMEs, start-ups, real-estate customers, and retail and corporate customers, among others. In doing so, we seek to continue promoting sustainable practices and financial inclusion for the broader Kuwaiti community that also coincide with advanced digital services.

We are proud to celebrate our 50th year as a leading Shari'a-compliant bank in Kuwait. In the last 12 months we have achieved many milestones. One of these many achievements is our increasing emphasis on investment in the Kuwaiti market. The Bank has regarded community investment as an essential component of its identity, from providing SME and entrepreneurial accelerator and incubator services through Mubader to supporting various segments of the Kuwaiti population through community initiatives and opportunities. Our KIB employees are unique in their passion for their country and local community. This is also reflected in our expanding business segments to provide smoother customer experience.

Our KIB workforce remains the backbone of the Bank. Our skillful and dedicated employees are ready to provide the best they can offer. We are proud of the work culture at KIB and are proud to report a strong employee engagement among employees. Engagement initiatives like Transforming Advanced Management Methodology (TaMM) and professional development opportunities are the reason behind the improved performance and efficiency across KIB departments. This is a testament to our employees' dedication to carrying out the KIB strategic vision through day-to-day operations. With our employees at the wheel, we hope we continue to excel, driving towards further success and business advancement for our Bank.



Raed Jawad Bukhamseen
Vice Chairman and Chief Executive Officer

Introduction to KIB

This report details KIB's comprehensive sustainability approach and advancements. The report explores the Bank's commitment to responsible corporate governance, sustainable economic advancements, digital investments, community engagement and investments, and environmental impact. In line with the Kuwait Vision, KIB seeks to be a key contributor in developing Kuwait's digital economy and achieving UN Sustainable Development Goals (SDGs). As a result, KIB's medium-term digital strategy is to position the Bank as the digital bank of choice in Kuwait.



ESG Vision

KIB's 2023 sustainability report, hereinafter referred to as ESG report, marks the third consecutive year of sustainability reporting at the Bank. This year, our continuous progress towards sustainability has shown greater results as we begin witnessing the fruits of our hard work in cultivating a culture of sustainable development. We are proud to report on our accomplishments and recognize areas of improvement. In doing so, we seek to demonstrate that sustainable growth is possible with a combination of top-down and bottom-up approaches.

The Bank's environmental, social, and governance (ESG) vision is guided by the New Kuwait Vision, UN Sustainable Development Goals (SDGs), UN Global Compact, and Shari'a Islamic Values. Our high level ESG strategic goals, in alignment with our strategic vision, focus on four key pillars:



Economic Pillar

Regional Islamic Finance Leadership



Social Pillar

Positive Impact on the Kuwaiti Community and All Other Stakeholders



Environmental Pillar

Green Product and Operations



Governance Pillar

Effective Shari'a-Compliant Governance

SUSTAINABLE DEVELOPMENT GOALS

In line with our 2022 ESG Summary Report outlining the core sustainability dimensions impacted by our operations, KIB continues to measure its impact through alignment with SDGs. This year, the Bank expanded its conceptual understanding of ESG impact by conducting a double materiality assessment, and SDGs alignment of the Bank's operations. The Bank has also recently established an ESG Unit.



Strategic Alignment with ESG Enablers

KIB is a successful financial institution in Kuwait, strategically integrating environmental, social, and governance principles into core operations. This commitment is reflected on two fronts. First, the integration of ESG best practices into the KIB strategic direction, and second, through the day-to-day operations of the Bank. Established in 2023, an approved ESG Policy and a dedicated ESG Unit oversee the implementation of operational practices that reflect the Bank strategy and ensure compliance with policies, guidelines and international best practices.

KIB acknowledges ESG's significance for long-term value creation and minimization of ESG impacts arising from Bank operations. Therefore, KIB has proceeded to develop a governing ESG Policy to serve as a guide for implementation and integration of ESG practices that are in line with the Bank's strategic direction, and in compliance with future ESG guidelines and regulations.

As a signatory of the UN Global Compact (UN GC), the Bank embedded within KIB's ESG Policy principles of sustainability clauses that are directly aligned with the UN Global Compact. The Policy ensures commitment to human and labor rights, environmental sustainability, and principles of good governance. The ESG Unit serves as a central coordinating unit that promotes and implements the ESG Policy, by working with various departments at the Bank to leverage their expertise and fulfill ESG targets and responsibilities. Several departments are closely involved in this shared responsibility.

ESG Unit

Central hub for all ESG-related activities:



Spearhead strategy development



Oversee implementation



Facilitate communication with stakeholders



Manage annual sustainability/ESG report



Collaborate with stakeholders for ESG awareness training programs



Support creation and maintenance of ESG policies, standards and guidelines



Ensure alignment with regulators, investors, and industry partners



Monitor programs of ESG KPIs



United Nations
Global Compact

KIB Embedding the UN Global Compact Principles



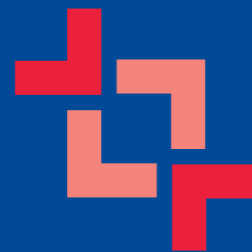
HUMAN RIGHTS PRINCIPLES

- o Principle 1
- o Principle 2



ENVIRONMENT PRINCIPLES

- o Principle 7
- o Principle 8
- o Principle 9



ANTI-CORRUPTION PRINCIPLE

- o Principle 10

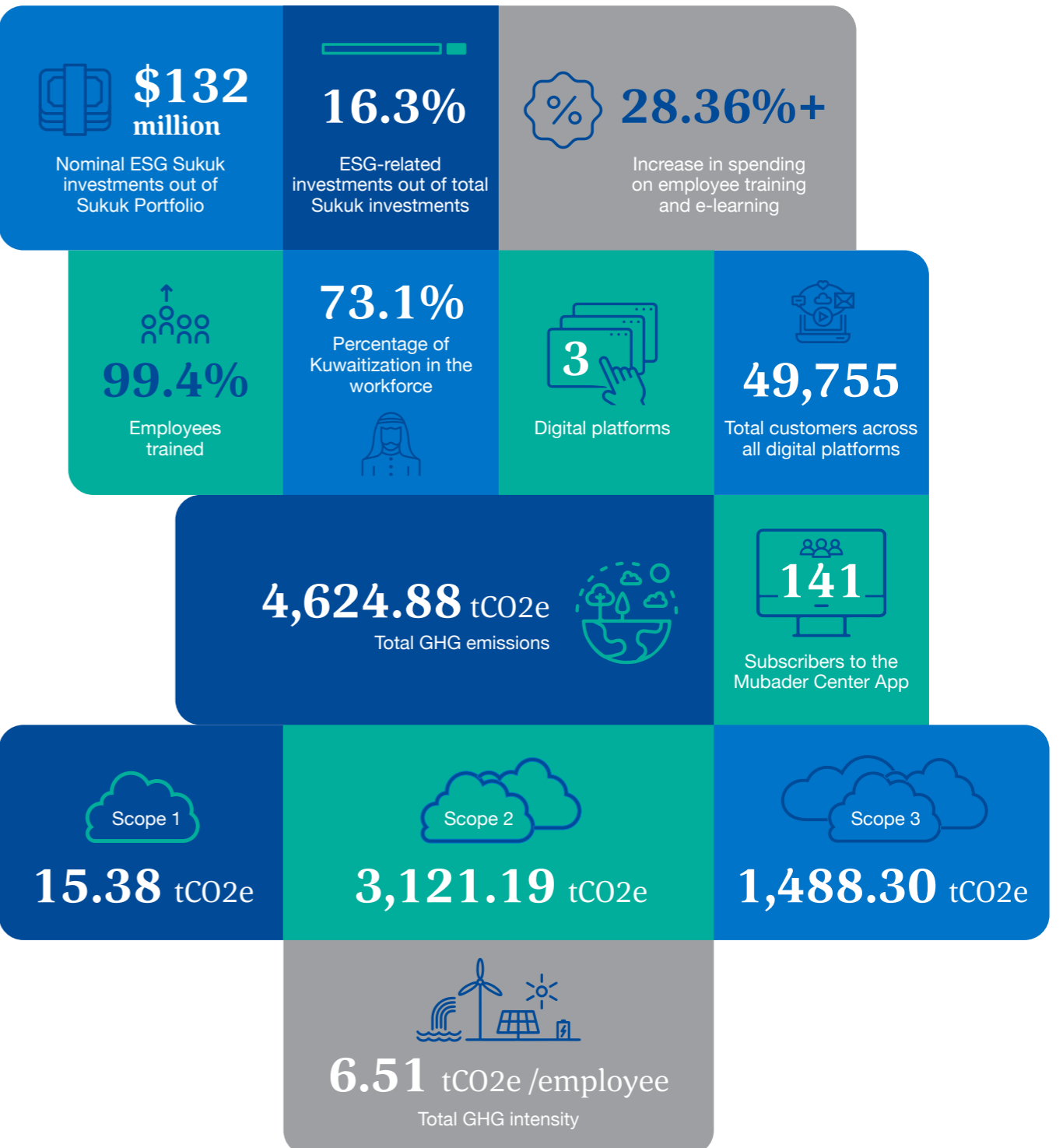


LABOUR PRINCIPLES

- o Principle 4
- o Principle 5
- o Principle 6

2023 ESG

Highlights at a Glance



Prioritizing Stakeholder Engagement

Driven by our commitment to Shari'a principles, KIB prioritizes open and transparent communication with all stakeholders. To uphold stakeholder rights, we actively engage with them through a variety of mediums. The frequency and mode of these engagements is tailored to each stakeholder group to foster continuous dialogue and effective communication. We recognize the integral role our valued stakeholders play in shaping our sustainability journey and long-term success.



KIB Stakeholder Groups

Customers

Methods of Engagement

- Contact Center
- KIB Online
- KIB Mobile
- SMS services
- Branches
- In-person engagements
- Surveys
- Social media



KIB Stakeholder Groups

Investors & Shareholders

Methods of Engagement

- KIB Online
- Reports
- Meetings
- Email



KIB Stakeholder Groups

Employees

Methods of Engagement

- Regular meetings
- Internal networks
- Email
- Phone
- In-person engagements
- Surveys



KIB Stakeholder Groups

Regulatory Bodies

Methods of Engagement

- Reports
- Meetings
- Audits



KIB Stakeholder Groups

Suppliers & Partners

Methods of Engagement

- Email
- Phone
- Meetings



KIB Stakeholder Groups

Local Communities

Methods of Engagement

Community events and initiatives

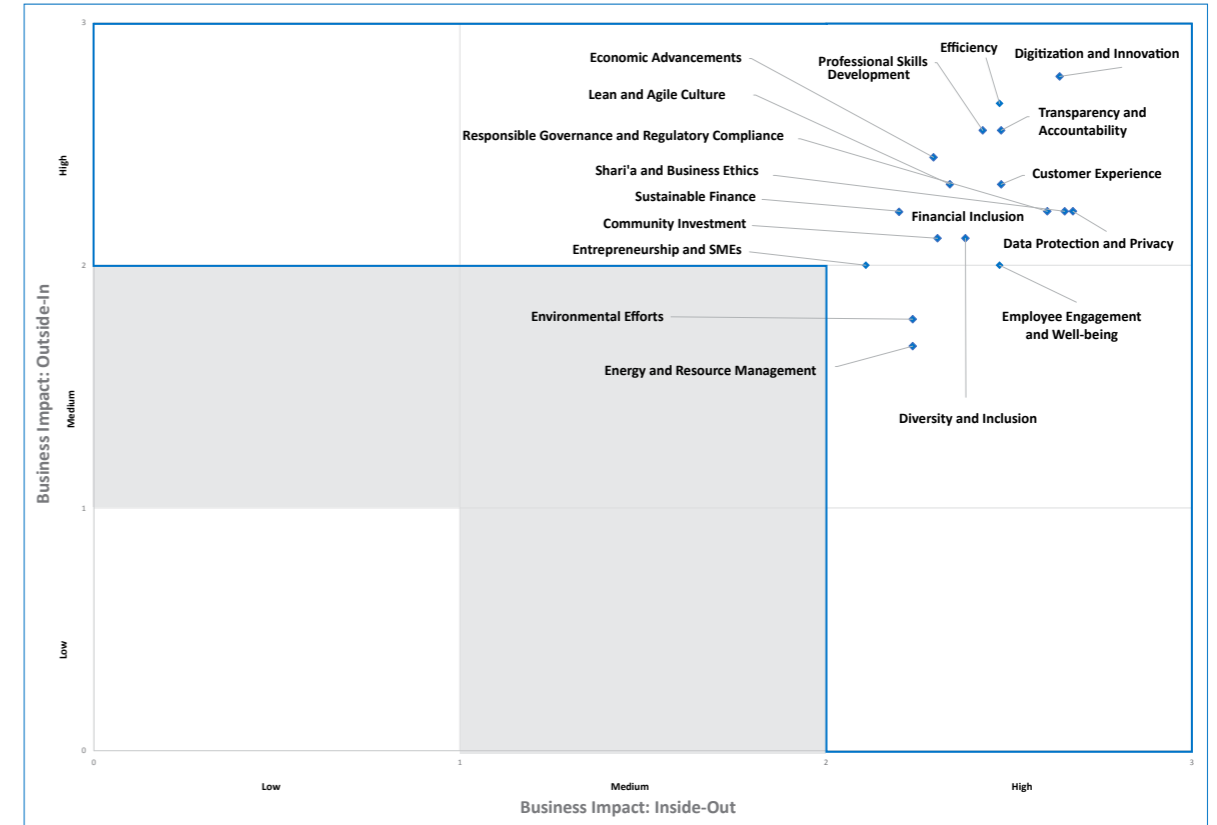
ESG Double Materiality

This year, KIB conducted a double materiality assessment to identify the most important ESG topics to its stakeholders and the Bank. The survey results reflected in the materiality matrix indicate the impact of these topics on the Bank's business (x-axis), and their financial importance to the Bank (y-axis). Several trends are evident across the identified 18 material topics. Across the 18 material topics at least 16 were rated "High-High" impact on the Bank's business by the stakeholders. This highlights the importance of sustainability consideration across KIB's operations. Many of these highest-ranking material topics by stakeholders also align with the Bank's priorities, including Digitization and Innovation, Shari'a and Business Ethics, Transparency and Accountability, and Efficiency among others.

KIB's 2023 Material Topics

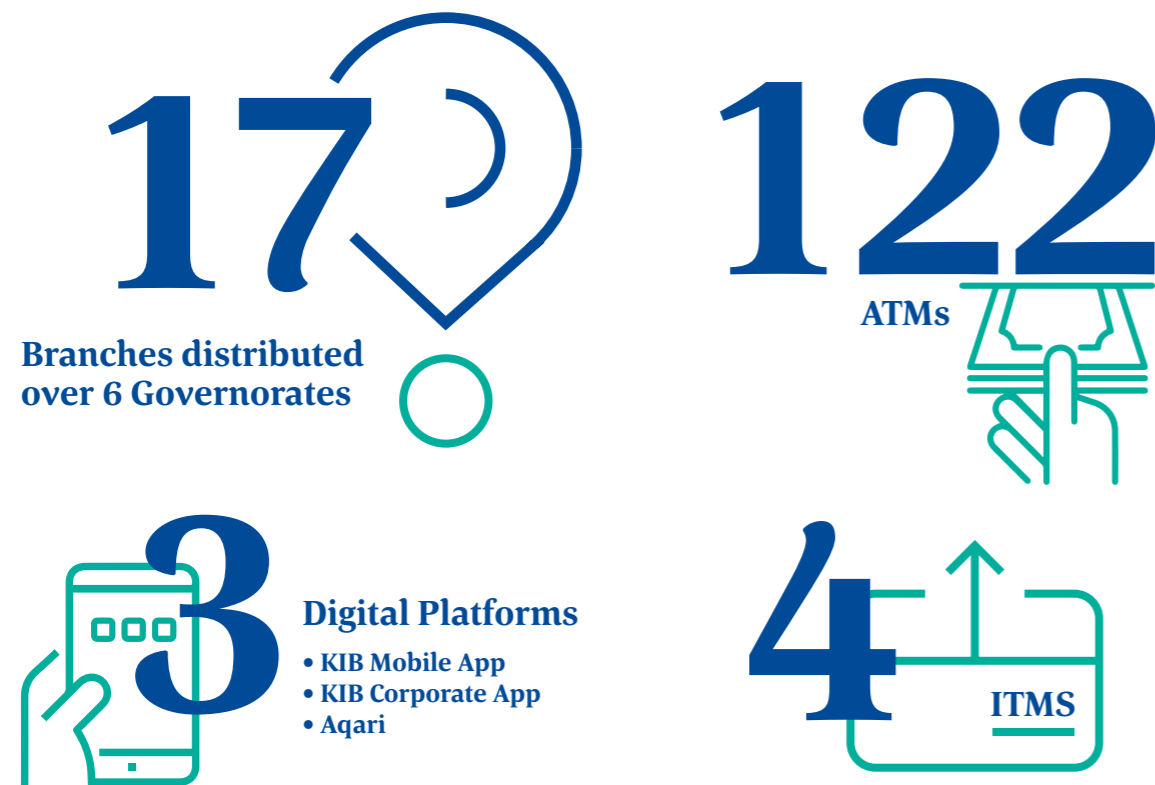
#	Materiality Topics	KIB's Material Topic Rating (x-y)	SDG Alignment
1	Digitization and Innovation	High-High	Goal 8 Goal 12 Goal 16
2	Environmental Efforts	High-Medium	Goal 7 Goal 12 Goal 13
3	Energy and Resource Management	High-Medium	Goal 9 Goal 12
4	Shari'a and Business Ethics	High-High	Goal 8 Goal 12 Goal 16
5	Responsible Governance and Regulatory Compliance	High-High	Goal 8 Goal 12 Goal 16 Goal 17
6	Transparency and Accountability	High-High	Goal 8 Goal 12 Goal 16
7	Data Protection and Privacy	High-High	Goal 9 Goal 16
8	Professional Skills Development	High-High	Goal 8
9	Employee Engagement and Well-being	High-High	Goal 3 Goal 5 Goal 8
10	Diversity and Inclusion	High-High	Goal 5 Goal 8
11	Efficiency	High-High	Goal 12
12	Lean and Agile Culture	High-High	Goal 5 Goal 8
13	Community Investment	High-High	Goal 10
14	Entrepreneurship and SMEs	High-High	Goal 8 Goal 10
15	Customer Experience	High-High	Goal 8
16	Sustainable Finance	High-High	Goal 8 Goal 11
17	Economic Advancements	High-High	Goal 8
18	Financial Inclusion	High-High	Goal 8 Goal 10

KIB 2023 Materiality Matrix



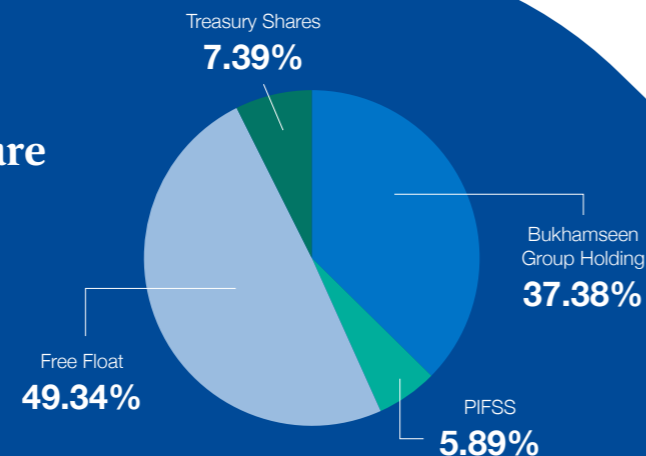
Overview of Market Products and Services

KIB is a Kuwaiti public shareholding company incorporated in Kuwait in 1973 and regulated by the Central Bank of Kuwait (CBK). The Bank offers Shari'a-compliant services via three main business segments: wholesale banking which includes commercial and international banking; retail banking and treasury; and fund management and institutional banking. In addition to these business segments, KIB operates two key subsidiaries, KIB Takaful (73.6% shareholding) and KIB Invest (99.9% shareholding). More recently, KIB's Mubader Center officially became the third subsidiary, predominantly focused on serving SMEs and entrepreneurship communities in Kuwait.

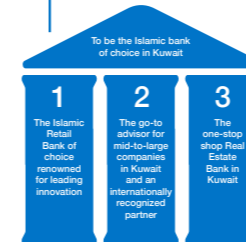
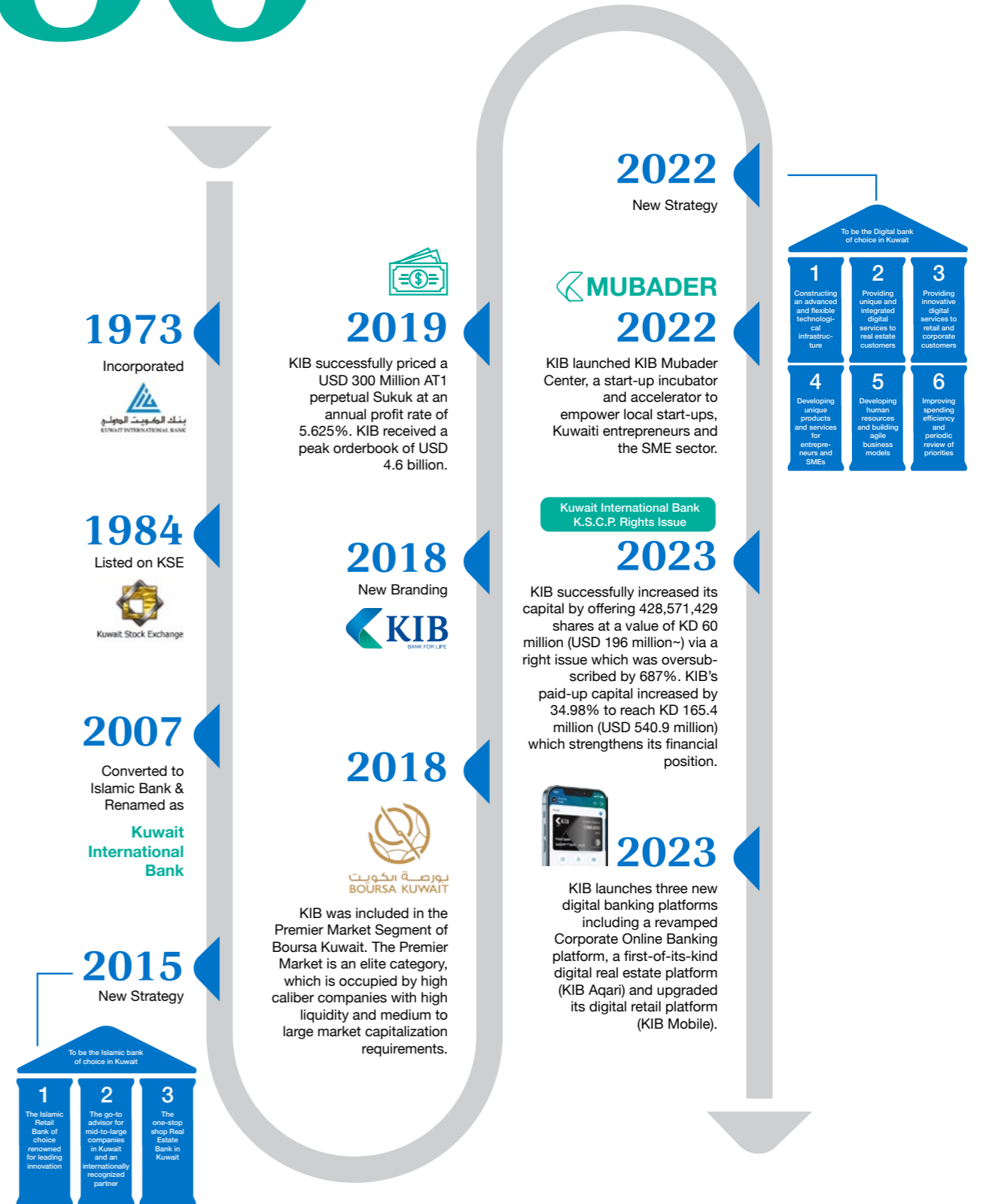


Shareholder Structure

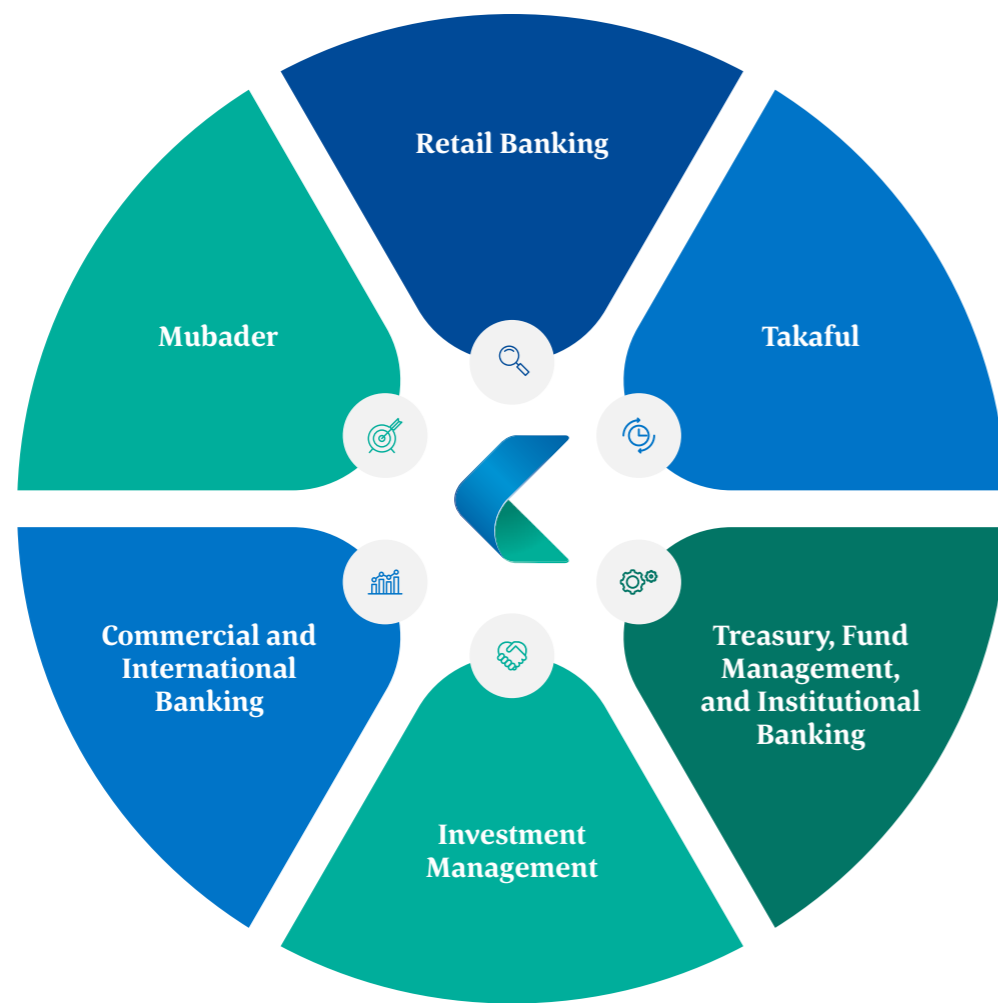
As of December 31, 2023, KIB's shareholder structure is composed of the following:



KIB's 50-year Journey



KIB Business Segments



Selected Business Segment Highlights

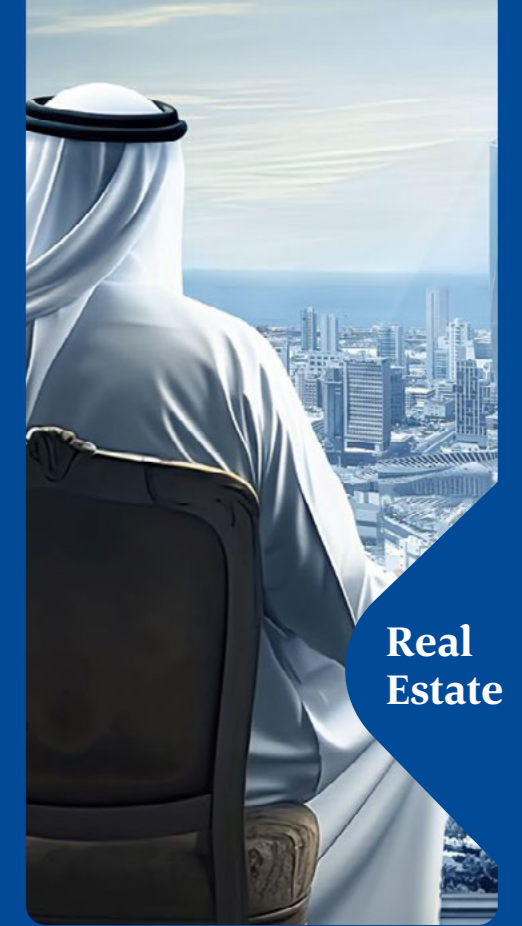


The retail banking services cater to individual financial needs through a network of branches and offer a user-friendly mobile application (KIB App) facilitating various banking transactions, transfers, payments, and account management. Part of the retail offerings include financing products aligned with clean energy and green finance initiatives, along with partnerships with vendors such as those selling farming tools and green energy zero financing fees. The Bank also provides innovative features through its mobile app, KIB Mobile, like cardless cash withdrawals from ATMs, cashback management, and multi-currency pre-paid cards, enhancing customer convenience. KIB caters to customer needs for financing modifications and microfinancing through the Retail Department.

For more details on KIB's retail banking services, please visit: kib.com.kw



The wholesale banking services provide project finance, working capital facilities, CAPEX finance, POS and Payment Gateway services, deposits, and trade solutions, among others. Existing Bank processes include a comprehensive client assessment process that considers factors such as ownership, business nature, past performance, future projections, and collateral quality if required. The Corporate App and online platform offer customers account management access, statement access, and future pay, among other features.



As one of the oldest real estate Banks in Kuwait, KIB continues to offer tailored real estate services to customers in this industry. The Real Estate Department manages over 90 properties for individuals, private companies, and the government. Across its three main service lines, which are real estate finance, property management, and real estate appraisals, the Department offers a comprehensive suite of services.

- Real Estate Finance**
 Finance for customers' real estate requirements is provided by means of divergent products like Murabaha, Ijara and Istisnaa. This feature is for financing the purchase of investment, commercial and residential properties.
- Property Management**
 Customers are offered comprehensive and integrated services for property management, including but not limited to marketing and managing properties, rent collection, online rent payment for tenants, maintenance services, preparation of accounting reports, and legal services.
- Real Estate Appraisals**
 Through comprehensive studies of the real estate market, and analysis of property to determine the value after inspection, customers are provided with detailed insights on their property's fair market value.

2

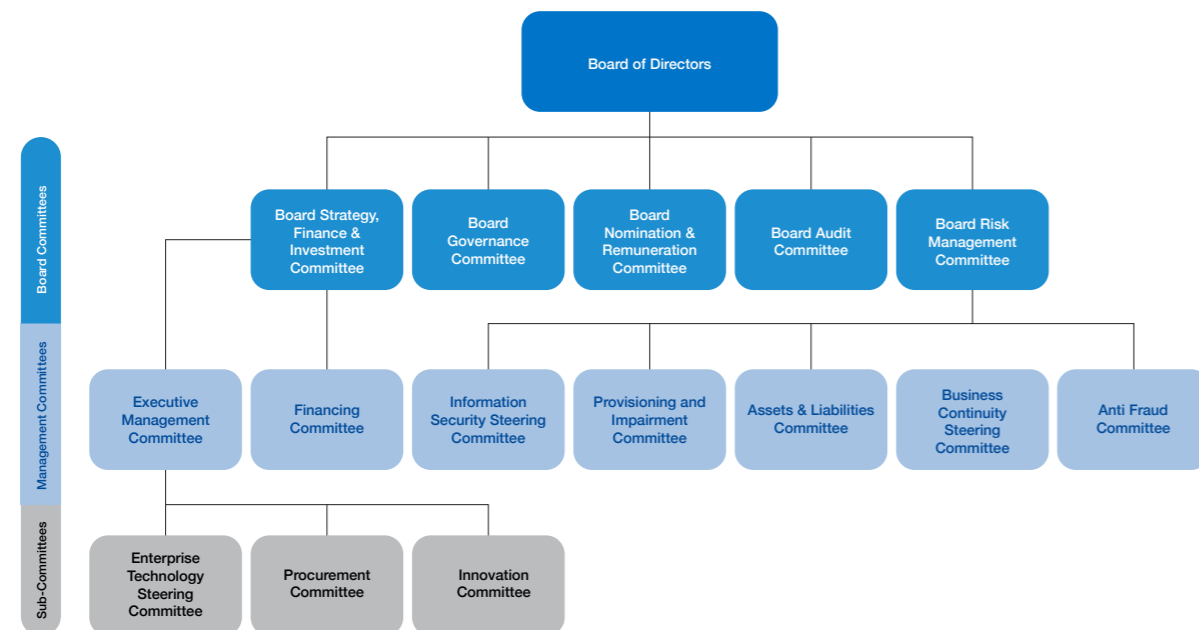
Responsible Governance & Regulatory Compliance

KIB prioritizes responsible governance, regulatory compliance and Shari'a supervisory regulations as core values. This commitment translates into a culture of transparency, accountability, and ethical decision-making at all levels. These values are embedded across KIB's governance structure, from the BOD to each business unit. This chapter explores KIB's robust frameworks designed to ensure responsible business practices, ethical conduct, and adherence to all relevant regulatory requirements and guidelines set forth by the Central Bank of Kuwait (CBK), and other applicable regulatory bodies.

Corporate Governance and Structure

The corporate governance structure centers around a highly qualified Board of Directors (BOD), composed of diverse and experienced members. The BOD is integral to setting strategic directions and overseeing the network of committees present at KIB. These committees provide oversight and guidance over their respective focus areas, including Adequacy of Internal Control system, ESG practices, Policies and Procedures implementation, and Board member selection, among various other aspects. Beyond the Board and its committees, the Bank enforces a comprehensive Code of Conduct and upholds transparency through various governance policies and standards that adhere to the highest ethical principles. These are all mandated to ensure that the CBK and other regulatory bodies' requirements have been applied and are being upheld by the Bank. This section delves into the composition and responsibilities of KIB's BOD, Board committees, organizational structure, risk management and significant corporate governance policies that promote the Bank's ethical culture.

KIB Governance Structure



Board of Directors

The Board of Directors (BOD) plays a critical role in exercising sound responsible governance. Composed of 11 members, the BOD is responsible for managing and supervising the Bank in accordance with the provisions of the Company's Law, and with Article 29 of the Articles of Association. KIB's BOD is chaired by Sheikh Mohammed Jarrah Al-Sabah. The Board adheres to national and international standards of corporate governance and demonstrates a commitment to good practices. In accordance with transparency and accountability practices, the Board members exercised their leadership duties and responsibilities for the reporting year. Over the year, the Board convened 12 meetings (the Bank's Articles of Association stipulate that at least six meetings are convened per annum), rendered 154 decisions, and 15 by circulation.

The KIB Board members represent diverse collective knowledge and experience. They are evaluated annually based on their performance. Formal evaluation processes are in place in accordance with best governance practices, supervised by the Board Nomination and Remuneration Committee (BNRC). Moreover, BOD members shall develop their experience and knowledge and keep up to date with the business principles of Islamic banking, through attending specialized training courses, and participating in conferences, seminars and forums. More broadly, this highlights a trend of accountability and professional advancement even among the Bank's highest governing body.

Board Oversight

The Board's role in oversight is primarily supervisory, focusing on ensuring a proper governance framework is in place. This is achieved by setting objectives, policies, and approving KIB's annual strategy; budget and significant corporate initiatives; overseeing risk management; and guiding the Bank's strategic direction. The Board Charter also outlines the BOD's direction and control of sustainable finance and sustainability-related policies. For example, this year the Board took significant steps to align with ESG practices, and this entailed approving policies that reflect such ESG requirements. Furthermore, the Board has delegated specific ESG responsibilities to relevant Board committees and sanctioned a new organizational structure.

This highest governance body also delegates responsibility to the Executive Management for managing the Bank's impacts on the economy, environment, and the society. The Senior Executive Management shall regularly provide the Board with financial and administrative reports that are completely transparent and objective.

ESG Governance

In recent years, the Board has been active in overseeing the review process of sustainability reports, providing their recommendations on the Bank's sustainability performance. The Board Governance Committee (BGC) annually approves the ESG report, in accordance with the CBK circular No. 2/BS/IBS/500/2022, dated November 16, 2022, promoting sustainable financial development. The BGC is also responsible for overseeing the implementation of the ESG strategy and ESG management approach including the process used to evaluate priorities and the management of ESG-related issues and risks.

The Chairman

The Chairman of the Board is responsible for fostering a productive and well-informed decision-making environment within the Board. He achieves this by ensuring all Board decisions are based on sound governance principles, encouraging open discussions and diverse perspectives, maintaining strong relationships with the Bank's Executive Management, overseeing the timely delivery of information to Board members and shareholders, and ensuring adherence to high corporate governance standards. Moreover, the Chairman or his representative is responsible for convening at least six annual Board meetings, and monitoring the performance of the Board committees through progress reports (on a quarterly basis).

KIB Board of Directors (BOD)



Sheikh Mohammed Jarrah Al-Sabah

Independence Status: **Chairman
Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2010**



Mr. Raed Jawad Bukhamseen

Independence Status: **Vice Chairman and Chief Executive
Officer Executive Member**
Attendance Rate
(Board & Board
Committees): **83.33%**
Tenure: **2018**



Mr. Anwar Jawad Bukhamseen

Independence Status: **Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **91.67%**
Tenure: **2015**



Mr. Jassem Hassan Zainal

Independence Status: **Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2006**



Dr. Abdullah Abdul Samad Marafi

Independence Status: **Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2021**



Mr. Saleh Sulaiman Al Trad

Independence Status: **Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2016**



Mr. Marzook Khaled Yousef Al Marzook

Independence Status: **Non-Executive Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2019**



Mr. Ahmed Abdulmohsen Al Melaifi

Independence Status: **Independent Board Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2021**



Dr. Reyadh Yousef Faras

Independence Status: **Independent Board Member**
Attendance Rate
(Board & Board
Committees): **100%**
Tenure: **2021**



Mr. Jassim Mohamed Jassim Al Wazzan

Independence Status: **Independent Board Member**
Attendance Rate
(Board & Board
Committees): **96.87%**
Tenure: **2022**



Mr. Abdulrazzaq Salah Al Mutawa

Independence Status: **Independent Board Member**
Attendance Rate
(Board & Board
Committees): **93.75%**
Tenure: **2022**

Board Nominations and Elections

KIB's nomination and selection process for Board members considers many factors that contribute to effective governance and that ensure a balance of skills and experience relevant to the Bank's impact. Nominees are assessed based on criteria such as sound competencies for ethical conduct, legal capacity, and a clean criminal record. Except for the independent members of the BOD, a member must be a personal shareholder, or the person he/she represents owns several shares in the Bank. Additionally, a limit is placed on the number of Board positions an individual can hold across multiple companies, to ensure focus and dedication is maintained for KIB BOD members. This limit states that if a BOD member is a representative of a natural or legal person, he/she may not be a member of the Board of more than five public shareholding companies headquartered in Kuwait, nor be the Chairman of the Board in more than one joint stock company based in Kuwait. If any BOD member loses any of the above conditions or other conditions as stipulated in this law or other laws, his/her membership status shall be removed from the date of loss of that condition.

No nominations were held this year, and there was no change in committee memberships, roles and responsibilities. However, as per regulations, the election period for the BOD is every three years, at which time BOD members can also be re-elected for other sessions. Except for the term of membership for an independent Board member, members' re-election cannot exceed two sessions as per CBK regulatory requirements. These combined factors aim to ensure the independence required for the Board to deliver effective oversight and strategic direction for KIB's sustainability endeavors.

Board Committees



4 Members

Board Governance Committee (BGC)

Sheikh Mohammed Jarrah Al-Sabah
(Chairman,
Non-executive member)

Mr. Anwar Jawad Bukhamseen
(Vice Chairman Non-executive member)

Mr. Ahmed Abdulmohsen Al Melaifi
(Independent member)

Mr. Abdulrazzaq Salah Al Mutawa
(Independent member)

The BGC is headed by the Chairman of the Board of Directors. The role of this Committee is to assist the BOD to assume its oversight responsibilities vested in the Board concerning sound application and activation of good governance and sustainability (ESG), including setting up the Bank's corporate governance standards. The Committee also works on introducing and updating the Governance Manual for approval by the Board and then uploading it on the Bank's website, with close supervision of the concerned parties mentioned in the Manual and reporting the same to the Board. In addition, the Committee may seek external Shari'a advice after obtaining the Board's approval and coordinating with the Shari'a Supervisory Board and Board Internal Audit Committee to ensure compliance with the Shari'a Audit manual and Shari'a.



4 Members

Board Risk Management Committee (BRMC)

Dr. Reyadh Yousef Faras
(Chairman,
Independent member)

Mr. Jassem Hassan Zainal
(Vice Chairman,
Non-executive member)

Dr. Abdullah Abdul Samad Marafi
(Non-executive member)

Mr. Jassim Mohamed Jassim Al Wazzan
(Independent member)

The Committee assists the Board to fulfill its responsibilities by overseeing the tasks of the Risk Management Department in the Bank and ensuring that the Bank's policies embody sound risk management practices and implementation thereof. The Committee also monitors the Risk Management Department's compliance with the standards set by the CBK and the Islamic Financial Services Board (IFSB), provided, however, that they do not conflict with the provisions and principles of Islamic Shari'a and with the regulations issued by the Central Bank of Kuwait (CBK) to this effect.

In addition, the Committee conducts revision and assessment of the Bank's capital adequacy and its distribution and the soundness and adequacy of the Risk Management Department function. It also ensures that senior management is aware of and continually oversees the risks encountered by the Bank, such as credit and real estate risks and the pertinent policies and procedures. The Committee also warrants the safety of the Bank from cybersecurity risks and compliance governance applications in accordance with CBK's instructions. The Committee supports the Board Remuneration and Nomination Committee in evaluating the incentives proposed under the Remuneration Program. The Provisions and Impairments Committee, the Asset and Liabilities Committee, the Business Continuity Steering Committee, the Information Security Steering Committee, the Anti-Money Laundering Department, and the Regulatory Compliance Department all report to the BRMC Committee.



4 Members

Board Audit Committee (BAC)

Mr. Ahmed Abdulmohsen Al Melaifi
(Chairman,
Independent member)

Mr. Saleh Sulaiman Al Trad
(Vice Chairman, Non-executive member)

Mr. Marzook Khaled Yousef Al Marzook
(Non-executive member)

Mr. Jassim Mohamed Jassim Al Wazzan
(Independent member)

The Committee is chaired by an independent member in accordance with Governance instructions. The duties of the Board Audit Committee consist of enhancing the quality of the financial reports and reviewing them on behalf of the Board of Directors and validating the financial reports' credibility and subjectivity by setting the appropriate standards to enhance the working mechanism of internal audit to help the Board to fulfill its supervisory responsibilities over internal controls according to the statutory and regulatory requirements. The Board, in return, provides the needful support to the Committee to secure complete independence of the Internal Audit Department from the Senior Executive Management and by ensuring the external audit functions are performed in line with the approach that realizes the dual audit principle.

The Committee also ensures compliance with the Bank's internal policies and procedures and the other pertinent laws, regulations, and instructions. Furthermore, a report is presented to the Committee that is related to the level of compliance with the Islamic Shari'a laws and principles and the funds for listed investment accounts. It ensures that expenses and profits are distributed according to the Islamic Shari'a provisions and system approved by the Shari'a Supervisory Board. The Committee also evaluates the effectiveness and efficiency of the internal Shari'a audit and its contribution to securing compliance with the Islamic Shari'a provisions and principles and executing all the audit tasks that are related to cybersecurity by an independent third-party approved and authenticated by CBK. The Committee ensures that the internal control systems related to financial and management issues are characterized by financial comprehensiveness and are controlled and audited in due course. The Committee shall also ensure the adequacy of qualifications and expertise of the external auditors and their independence and shall secure an environment of discipline and internal controls within the Bank.



4 Members

Board Strategy, Finance, and Investment Committee (BSFIC)

Sheikh Mohammed Jarrah Al-Sabah
(Chairman, Non-executive)

Mr. Anwar Jawad Bukhamseen
(Vice Chairman, Non-executive member)

Dr. Abdullah Abdul Samad Marafi
(Non-executive member)

Mr. Jassem Hassan Zainal
(Non-executive member)

The BSFIC is chaired by the Chairman of the Board of Directors of KIB. One of the tasks assigned to the Committee is to ensure that the Bank is constantly compliant with CBK instructions and regulations, as well as with the Bank's policies and procedures, to protect the Bank's assets portfolio and ensure their quality and make sure that the financing and investment exposures limits are in full conformity with the rules and regulations issued by the CBK and the Bank's applicable policies and to ensure the highest returns while securing the financial stability of the Bank. The Committee shall regularly monitor the performance of the financing and investment portfolios and shall follow up on the role and achievements of the Executive Management's Financing Committee and Assets and Liability Committee. It aims to secure the highest returns, without a negative impact on the Bank's financial stability. The Committee shall ensure that the Executive Management is fully aware of the exposures to finance and investment risks in the Bank, continuously monitors such exposures and the non-performing finance and investment transactions and takes all remedial actions necessary to maintain the Bank's interests and the quality of its assets.

In addition, the Committee reviews and approves the strategic plan to develop the Bank's strategy in the long run according to the CBK's instructions. Furthermore, it mandates corrective actions concerning pending issues that are under the Committee's purview. The Committee shall also sort out any non-performing financing/investments referred to by the Board of Directors. The Committee shall make decisions within the authority delegated to it by the Board and recommend to the Board of Directors issues beyond its authority.



4 Members

Board Nomination and Remuneration Committee (BNRC)

Dr. Reyadh Yousef Faras
(Chairman, Independent member)

Mr. Anwar Jawad Bukhamseen
(Vice Chairman, Non-executive member)

Mr. Saleh Sulaiman Al Trad
(Non-executive member)

Dr. Abdullah Abdul Samad Marafi
(Non-executive member)

The role of this Committee is to submit the recommendations to the Board of Directors concerning the candidates to the Board in accordance with the approved policies, standards, and instructions issued by the CBK regarding controls for Board membership nominations. The Committee also monitors and ensures transparency in appointing the members of the Shari'a Supervisory Board members and estimates its effectiveness as a whole and as each member of it. The Committee also warrants the placement of transparent policies, rewards, and compensations for the Shari'a Supervisory Board in line with their duties and responsibilities.

The BNRC also carries out periodic reviews of the requirements of the appropriate skills for the membership of the Board and determine the qualifications and efficiencies required for the Board membership in accordance with the CBK's instructions in this regard. The Committee also conducts an annual assessment of the performance of the Board as a whole and the performance of each member independently, as well as checking and endorsing the standards of selection and measures for appointment of the Chief Executive Officer and the Deputy Chief Executive Officer and Executive Managers. This BNRC also determines the framework of remunerations granted to CEO, DCEO and Executive positions. The Committee also reviews and submits recommendations concerning the matters relevant to the changes in the pay, promotions, and remuneration policy, including the end-of-service policies. It also reviews and verifies the annual increments of the employees within budget limits approved by the Board. Furthermore, the Committee supervises the appointment and evaluation of the performance of the Boards of the Bank's subsidiaries.

Shari'a Supervisory Board

As an Islamic Bank, Shari'a compliance is integral to KIB's identity. The Shari'a Supervisory Board oversees KIB's adherence to CBK's regulations concerning Shari'a Supervision Governance for Islamic Banks issued in July 2016. This Board's three members convened four meetings and passed 34 resolutions during this reporting year, all in accordance with best practices of Islamic Banking.

Members of the Shari'a Supervisory Board, include:



Sheikh Dr. Khalid Mathkour AlMathkour
Chairman of the Shari'a Supervisory Board



Sheikh. Ali Mohammed Hejji Al-Jady
Vice Chairman of the Shari'a Supervisory Board



Sheikh Dr. Abdulaziz Khalifa Al-Qassar
Executive Member of the Shari'a Supervisory Board

Executive Management and Executive Management Committees

The Executive Management (EM) and its respective committees are composed of a group of qualified and experienced General Managers, Deputies and Assistant Managers. They are assigned various responsibilities by the BOD, particularly implementing the strategies and goals issued by the Bank and the Board. The Executive Management, under the supervision of the Board, ensures that the Bank's operations conform with work strategy, risk appetite, and the policies and procedures approved by the Board. The Senior Executive Management executes the Board's decisions independently, without any direct interference by the Board, provided that the Senior Executive Management is also responsible before the Board for implementing the Bank's daily activities, particularly with respect to compliance, independence of jobs, and segregation of duties. More importantly, the Executive Management provides financial and administrative reports to higher management regularly.

Below is a brief overview of KIB's Executive Management committees and their respective roles.

Executive Management



Mr. Raed Jawad Bukhamseen

Title: **Vice Chairman and Chief Executive Officer**



Mr. Mohamed Said El Saka

Title: **Deputy Chief Executive Officer**



Mr. Jamal Al-Barrak

Title: **General Manager of Investment Department**



Mr. Hesham Al Mubarak

Title: **General Manager of Wholesale Banking Department**



Mr. Mohammad AlDuwailah

Title: **General Manager of Treasury Department**



Mr. Othman Tawfeq

Title: **General Manager of Retail Banking Department**



Mr. Jassim Al-Abdulhadi

Title: **General Manager of Real Estate Department**



Ms. Ma'ab Mohammad Al Qassem

Title: **General Manager of International Banking and Financial Institutions Department**



Mr. Ajai Thomas

Title: **General Manager of Financial Control and Planning Department**



Mr. Feras Al-Darmi

Title: **General Manager of Human Resources Department**



Mr. Feroz Noorani

Title: **General Manager of Risk Management Department**



Ms. Khloud Alsalem

Title: **Head of Legal Affairs Department**



Ms. Manal Al Rubaian

Title: **General Internal Auditor**



Mr. Basil A. Al-Suwaidan

Title: **General Manager of Information Security, Privacy and Anti-Fraud Department**



Mr. Mohamed Abdul Meneam

Title: **Deputy General Manager, and Acting General Manager of Information Technology Department**



Mr. Fahad Othman AlBader

Title: **General Manager of Operations Department**



Mr. Mohamed Atef El-Shareef

Title: **General Manager of Digital Transformation and Innovation Department**



Mr. Abdullah Alawadi

Title: **General Manager of Strategy Department**



Mr. Nasser Al-Qenai

Title: **Deputy General Manager of Facilities Administration Department**

Executive Management Committees



Executive Management Committee (EMC)

Owner Strategy Department	The Committee is responsible for implementing the Bank's vision and strategy in all matters which require consensus from the Senior Executive Management team for tasks related to the Bank's strategy, corporate performance, and all matters related to managing the Bank's operations, information technology, human resources and administrative affairs. The Committee has off-shoot committees including the Innovation Committee, the Enterprise Technology Steering Committee, and the Procurement Committee.
Members 18	
Meetings Once a month	



Financing Committee (FC)

Owner Risk Governance Unit	The Committee reviews and approves credit and financing proposals in line with the approved policies and procedures, raises recommendations for issues beyond the limits of its authority to the Board Strategy, Finance and Investment Committee (BSFIC). The Committee monitors retail financing and takes the necessary measures based on the reports submitted by the Retail Banking Department and Risk Management Department with respect to the financing summary, the quality of financing and the profitability of products. The Committee also follows up on financing contracts, forms and documents approved by the Shari'a Supervisory Board in coordination with the Legal Department. It submits its reports to the BSFIC regularly.
Members 7	
Meetings Once a week	



Provisions & Impairments Committee (PIC)

Owner Risk Management Department	The Provisions & Impairment Committee reviews and evaluates the existing investments and financing transactions for each customer to identify any issues or difficulties affecting the customer's financial position that would require classifying these investments or financing transactions as irregular. The Committee is also responsible for analyzing and evaluating exposures to the approved credit and investment risks for the purpose of making provisions, in accordance with the requirements of the Central Bank of Kuwait (CBK) and the International Financial Reporting Standards (IFRS). The Committee also files reports to the Board of Directors and its sub-committees to take the appropriate decision.
Members 9	
Meetings Minimum once every month	



Assets and Liabilities Committee (ALCO)

Owner Risk Governance Unit	The Committee reviews the assets and liabilities elements, and the market risk and makes decisions on all matters, in the short, medium, and long terms, and their impact on the financial position of the Bank, to ensure profitability increases while complying with regulatory bodies' regulations.
Members 9	
Meetings Minimum once every month	



Business Continuity Steering Committee (BCSC)

Owner Risk Management Department	The Committee monitors and maintains the Bank's compliance with the operational risk management and business continuity policy and ensures that the policy includes sound practices which must be implemented effectively within the Bank. The Committee submits its reports and recommendations to the Board Risk Management Committee (BRMC).
Members 12	
Meetings Minimum 3 times a year	



Information Security Steering Committee

Owner Information Security, Privacy & Anti-Fraud Department (ISPAD)	The Committee's role is to review the information security management system and ensure its continuing suitability, adequacy, and effectiveness. The Committee also attends to information security matters and concerns that may potentially impact the business operation or adversely jeopardize the Bank's image and reputation. The Committee raises recommendations to the Board of Directors, through the Board Risk Management Committee, on substantial incidents and events of a critical and immediate threat to the Bank's information security that may require the Board's immediate intervention.
Members 6	
Meetings Minimum on a quarterly basis	



Anti-Fraud Committee

Owner ISPAD	The role of the Anti-Fraud Committee is to review, guide, and approve matters pertaining to fraud prevention to ensure its continuing improvement, adequacy and effectiveness. The Committee provides independent oversight into reported fraud incidents, reviews and recommends investigations, and ensures an effective fraud response by the Investigation Working Group (IWG).
Members 6	
Meetings Semi-annual minimum	

Shari'a and Business Ethics

The Bank is committed to applying the Central Bank of Kuwait's (CBK) regulations on Governance and Shari'a Supervisory Governance for Kuwaiti banks issued in July 2016. These regulations complement the governance rules and regulations and are in line with the significant growth of the Islamic financing sector, which has witnessed development in the size and quality of Islamic products and operations. Additionally, KIB has adopted policies and procedures regarding anti-competitive and business ethics controversies in line with CBK regulations.

Code of Conduct

One of the essential governing documents of the Bank is the Code of Conduct. The Board takes the lead in establishing the "tone at the top" and setting professional standards and corporate values that promote integrity for the Bank, Senior Management, and staff members. Additionally, every employee is mandated to acknowledge and sign the Code of Conduct upon onboarding. Furthermore, they should undergo mandatory training in information security and AML on a yearly basis. Moreover, approximately 250 employees in 2023 underwent mandatory training programs on consumer financial protection. These efforts are ensuring our workforce is well-informed and experienced in anti-corruption and business ethics standards.

The Bank's Code of Conduct emphasizes ethical, Shari'a-compliant work principles. All members of the Bank are responsible for performing all their duties without discrimination based on gender, age, religion, or political beliefs. Members of the Bank are also responsible for honest, respectful, reasonable, and transparent actions and must refrain from any unethical behavior that may undermine the Bank. In addition, the stakeholders of KIB have always been keen on applying the professional code of conduct concerning utilizing internal information about the Bank's position for personal interests. This applies to all Board members and staff.

Policy Commitments

In addition to the Code of Conduct, KIB demonstrates a commitment to responsible business conduct through various policies and practices. The Bank's policies cover a comprehensive set of principles including responsible business conduct and due diligence. These commitments are applied throughout KIB operations and business relationships which are overseen and approved by the BRMC and the BOD. Relevant departments such as Audit, HR and Risk help embed the Bank's policies throughout our activities and business relationship, through reporting, monitoring, reviewing and auditing of these policies frequently. Through standard and non-standard communication channels, policy commitments are communicated to all relevant stakeholders, including employees and business partners. A testament to our successful communication processes is that 100% of Bank employees have acknowledged KIB policies.

Culture of Ethical Transparency

KIB is as committed as ever to ensuring Governance and Shari'a standards are integrated into workplace practices and cultural norms. In that light, KIB promotes transparency and ethics through a Whistleblowing Policy that ensures KIB employees can raise critical concerns confidentially and without fear of repercussions. The Policy clearly defines guidelines and procedures for reporting concerns, and incident management.

Shareholder and Stakeholder Rights

The role of the BOD extends to protecting and promoting the interests of KIB's shareholders by ensuring an appropriate governance framework is maintained. Its role is not limited to profitability, but it must also consider the impact of risk on depositors' interests and the Bank's financial stability. The BOD members represent and serve shareholders' interests, collectively overseeing and evaluating strategies, policies and the performance of KIB. Moreover, the Board approves shareholders' dividends, which are subject to regulatory approvals.

In line with transparency, the Bank publicly reports to Boursa Kuwait on its two shareholder entities of KIB (i.e. Group of Bukhamseen Group Holding Co., its subsidiaries, associates and allied parties, and the Public Institution for Social Security). KIB also gives minor shareholders the authority for elections and invites them to attend the General Assembly and Extraordinary General Assembly while complying with CBK regulations.

Note that the Board does not have the jurisdiction to unilaterally amend the Bank's bylaws without obtaining the Bank's shareholder approval. Any such changes or decisions are subject to the conduction of an Extraordinary General Assembly.

Conflict of Interest

The Bank has comprehensive Conflict of Interest Policies that cover matters and possibilities applicable to stakeholders of the Bank, including the Board, Executive Management, and employees among other stakeholders. Conflicts of interest encompass a range of topics including absolute conflict, financial interests, and moral interest among others. Moreover, the Board is responsible for ensuring conflicts of interest are identified, prevented and mitigated through disclosure procedures.



ESG and Regulatory Compliance

The Regulatory Compliance Department ensures that the Bank's strategic directions and operations are aligned with applicable regulatory requirements. Only two significant instances of non-compliance were reported by the Regulatory Compliance Department to the highest governance body for this reporting year. In line with formal reporting mechanisms, shareholders were notified about the reported significant instances.

Anti-Corruption

In line with regulations, the Bank has an Anti-Corruption Policy in place. All employees are expected to adhere to the Policy, with training on anti-corruption and business ethics provided during onboarding via an awareness portal. Also, embedded in the Bank's Code of Conduct is a commitment to anti-bribery and anti-corruption, and all Bank members are responsible for refusing and reporting on any form of bribery or corruption. It is noteworthy that there have been no reported incidents on the Bank's exposure to business activities or geographies facing a higher incidence of corruption and involvement in ongoing corruption-related controversies. Additionally, there are no confirmed incidents of corruption where actions have been taken.

Reported Incidents

Confirmed Incidents	2023
Confirmed incidents of corruption	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption or any incidents linked to financial ethics non-compliance	0
Total number of incidents of non-compliance concerning product and service information and labeling	0

Anti-Money Laundering (AML) and Countering Financing Terrorism (CFT) Compliance

The Anti-Money Laundering Department is committed to KIB's full compliance with all Anti-Money Laundering laws and CBK regulations, along with FATF recommendations and international standards of Basel Committee regarding Know Your Customer (KYC) procedures. The Bank has an AML/CFT Compliance Policy that is aligned with the Kuwait Law #106 of 2013 and its executive regulations No. 37 of 2013, and UN Security Council resolutions under Chapter VII of the UN charter on CFT. The Policy encompasses the protection of KIB services, the monitoring and detection of suspicious activities, and denial of access to use the financial system.

The AML/CFT and Tax Compliance Department also performs risk assessments of newly developed products and services, their technological usage, their risks in relation to money laundering and terror financing and offers methods to mitigate identified risks. The Department performs other risk assessments that are related to customers, and locations where customers conduct business. Moreover, a structured monitoring system is in place to ensure adherence to the Policy, guidelines, and procedures, and are in line with local regulations.

All employees are required to attend at least one training program annually on AML to stay up to date on new processes and regulations. Employees also receive access to the Policy and receive the necessary training courses on these matters via the Human Resources Department.

Know Your Customer (KYC) Program

The Know Your Customer (KYC) procedures align with the Bank's comprehensive KYC program and mirror industry best practices to ensure customer due diligence. For example, the Bank screens customers' names against international blacklists on a regular basis for due diligence; it complies with customer identification procedures under the AML/CFT Law 106/2013 and verifies and identifies its customers. The Bank further checks the customer's identity and ensures that the customer is acting as a principal and not for the benefit of any third party unless specific disclosure to that effect is made. In cases where the customer is acting on behalf of others, the Bank verifies the identities of the underlying third parties.

For more information on KIB's AML commitments visit: <https://www.kib.com.kw/home/Personal/about-us/Anti-Money-Laundering.html>

Risk Management

The Risk Management Department at KIB prioritizes a robust and independent risk management framework to proactively identify, assess, and mitigate potential and actual risks for the Bank. Through the risk strategy, risk management framework, and risk-related policies the Department integrates best practices and ensures compliance with regulatory requirements. Through comprehensive processes and formal reporting structures the risk management functions responsibly identify, measure, monitor, control and report the overall risks in the Bank. This includes development of required policies; review of procedures and guidelines; risk monitoring processes; and review of the capital adequacy thresholds, all in line with the prevailing regulations.

The Bank's risk strategy is to achieve an optimum balance between risk and reward, with the dual goal of profit maximization and capital conservation. The Bank's risk management framework is built around this objective, and aims to address various stakeholders such as shareholders, CBK, rating agencies, customers, depositors and the public. Risk's organizational structure and reporting line reflects the independence of the Bank's Risk Management, whereby the Risk Management Department reports directly to the Board Risk Management Committee. More importantly, KIB's risk management strategy is approved by the BOD and aims to balance sustainable growth and managing risks associated with the business environment.

Risk Management Framework

The risk management framework demonstrates a commitment to proactive risk identification, assessment, and mitigation. The framework includes a wide range of areas, including six key areas: credit risk, market and liquidity risk, operational risk, business continuity, risk governance, and enterprise risk and risk portfolio. More recently, two additional scopes for risk have materialized: cyber risk and climate risk. The framework also includes monitoring and reporting mechanisms in place that range from daily to quarterly reporting, and departments involved in the process.

Across these areas the Bank has a well-defined “three lines of defense” approach to risk management. This includes the first line of defense, the Business Line, the second is the Risk Management Team and Compliance Functions, and the third is the Internal Audit Function. In cases of any non-compliance, clear protocols and procedures are followed across various departments internally including Human Resources, the Audit Department, and the Legal Department. The following presents a high-level overview of the risk management framework that enables clearer identification and classification of risks while also providing robust internal process controls.

A clear process for reporting and addressing incidents helps ensure continuous improvement. KIB follows a structured framework regarding the exposure to countries and counter-parties. A comprehensive due diligence process, which includes KYC procedures conducted and performed by the Bank’s business line, is being adopted in the onboarding of any new clients. This will help to further mitigate any potential high-risk clients and prevent any future incidents.

While still under development, KIB has taken initial steps towards integrating ESG considerations into its risk management strategy and practices. The Bank’s sustainable finance framework and the incorporation of climate risk into the Internal Capital Adequacy Assessment Process (ICAAP) are positive developments.

Risks



Credit Risk

Analyze credit proposals submitted by business units. Provides structured opinion to credit approval committees for more informed decision-making processes. Periodic reporting with ongoing monitoring of credit risk within overall quantitative prudential norms and guidelines set up by the Board.



Market and Liquidity Risk

Manage liquidity, market, and profit rate risks regularly. Internal precautionary measures of risks are in place for managing liquidity, market and profit rate risks of the Bank. The Asset Liability Management Committee (ALCO) periodically review the stress testing in terms of the profit margin and liquidity risk.



Operational Risk

The assessment of operational risk processes and controls are conducted across the Bank’s Departments through identified operational risk loss events, self-assessments, audit findings, etc. considering the Bank’s policies and procedures to be the main source of identifying, assessing, controlling, and monitoring operational risks as part of the overall risk management.



Business Continuity

Address risks inherent with unexpected business interruptions and business continuity management systems design to provide a rigorous mechanism to ensure that the systems and procedures can manage business disruptions.



Risk Governance

Provide detailed planning for various risks based on business strategies, past performance, future expectations, economic conditions, and internal and external events. This includes Risk Policy governance and managing bank-wide risks related to change and transformation.



Enterprise Risk and Risk Portfolio

Provide an overview of the risks the Bank is exposed to and set up risk strategy, risk appetite and risk tolerance levels, along with the overall Bank-wide portfolio management and reporting.



Cyber Security Risk

Focus on threat of losses related to Bank resources, and money from external sources of risk through online platforms.



Climate Risk

Assess risks that impact the Bank’s capital due to climate risk, including physical and transitional risks. This may include impacts on individuals, health, well-being, economic, and infrastructure, among others.



Responsible Procurement

The Bank fosters a diverse supplier network relatively balanced between local and foreign suppliers overseen by the Procurement Department. All KIB vendors go through formal screening and registration processes, where they are required to provide registration documents and fill out a vendor registration form. Our local suppliers constituted 78.5% of the Bank's total suppliers, highlighting a relatively equal reliance on, and partnerships with local suppliers.

This year, 60-80 of KIB suppliers had positive social impacts. More importantly, none of the Bank's suppliers that conduct formal business with KIB have been identified as having significant negative social impacts, including negative impacts on the supply chain. Additionally, no suppliers or operations were identified as having their right to freedom of associate and collective bargaining at risk. The Bank diligently complies with Kuwait's laws in most contractual agreements, to ensure that no operations and suppliers are at risk of child labor, forced labor and compulsory labor.

	2023	2022
Local suppliers	377	336
Foreign suppliers	103	106
Total suppliers	480	442
Total expenditure to local suppliers	15,928,939.370 KD	11,256,804.300 KD
Total expenditure to foreign suppliers	2,911,395.320 KD	4,820,996.230 KD

While KIB does not conduct a dedicated health and safety impact assessment for its products and services, it is considered throughout the procurement process. During the process, departments are requested to identify the scope of work, contractual agreements and tendering documents, all of which undergo multiple stakeholder reviews. This helps mitigate potential risks. Additionally, standard contract drafts explicitly reference compliance with safety regulations as mandated by the Kuwaiti law.

To further progress on the ESG front, the Department is taking strides towards responsible procurement practices through a formal code of conduct for suppliers which is currently under development for 2024. This code of conduct aims to enhance supplier transparency and provide formal environmental and social screening criteria and processes. Moreover, the Department is currently centralizing its operations through introducing a new procurement system, new policies and procedures, and a new Procurement Committee dedicated to reviewing and validating all third-party vendors. These supplier management enhancements are the Procurement Department's efforts to incorporate ESG into operations.



3

**Economic
Advancements**

One of the four pillars in KIB's ESG strategic vision is focused on regional Islamic finance leadership. By driving economic advancements in Kuwait through financial transparency, investment in the local community, SMEs and the entrepreneurship sector, KIB upholds its commitment to progress in Islamic finance. This chapter demonstrates the Bank's strong financial performance in 2023, and our increased dedication and efforts to ESG principles and sustainable finance.

Financial Transparency

The Bank prioritizes transparency in its financial reporting. This year, the Bank experienced a significant increase in total revenue and net income compared to 2022. KIB also improved its shareholder dividends, and its expenditure on employee engagements and training. This positive increase demonstrates our strong financial performance in the market and our resilience. This section provides a comprehensive view of KIB's financials, from audit fees and non-audit fees to expenditures on employee engagement and training, among others.

Overview of Financial Performance	2023	2022	% +/-
Total revenue	72,646,000 KD	62,521,000 KD	16.19%
Net income	25,196,000 KD	17,503,000 KD	43.95%
Total expense	47,450,000 KD	45,018,000 KD	5.40%
Net profit	19,100,000 KD	13,600,000 KD	40.44%
Total audit fees	339,000 KD	179,000 KD	89.39%
Total non-audit fees paid to audit companies	182,000 KD	32,000 KD	468.75%
Shareholders' equity	333,237,000 KD	254,103,000 KD	31.14%
Shareholder dividends	7,658,000 KD	4,242,000 KD	80.53%

To explore KIB's financial performance for 2023 in more detail, visit Reports (kib.com.kw).

Investing in the Local Community

KIB actively supports the local Kuwaiti community on various fronts. In 2023, the Bank increased its contributions for Zakat, the Kuwait Foundation for the Advancement of Sciences (KFAS), and the National Labor Support Tax (NLST). While corporate social responsibility investments, and sponsorship expenditures decreased compared with 2022, KIB remains committed to social responsibility efforts.

Selected Overview of Community Investments	2023	2022	% +/-
Zakat	201,000 KD	151,000 KD	33.11%
Kuwait Foundation for the Advancement of Sciences (KFAS)	183,000 KD	132,000 KD	38.64%
National Labor Support Tax (NLST)	546,000 KD	420,000 KD	30.00%
Corporate Social Responsibility (CSR) investment	119,000 KD	205,000 KD	-41.95%
Total expenditures towards sponsorships	59,000 KD	241,000 KD	-75.52%
Total spent on employee events, activities, and engagement	25,000 KD	18,000 KD	38.89%
Total spent on employee training and e-learning	172,000 KD	134,000 KD	28.36%

Entrepreneurship and SMEs

Entrepreneurship and Small and Medium-Sized Enterprises (SMEs) play a vital role in driving economic growth and diversification in Kuwait. The Bank is committed to supporting the development of a robust SME sector, aligning with Kuwait's Vision goals of fostering local talent and promoting sustainable national development.

KIB's wholesale banking services and the Mubader Center both offer various financial solutions for SMEs. Wholesale banking offers financing and financing to SMEs, while the Mubader Center provides access to products and services that assist local SMEs in the country. This year, the Bank's total SME financing out of total financing was 3.18%, compared to 3.80% for 2022. This highlights a relatively consistent year-on-year financing rate.

Total SME Financing	2023	2022
KIB total financing portfolio	1,631,267,673 KD	1,657,006,255 KD
Total SME financing portfolio	51,834,016.02 KD	62,948,950.82 KD
Total financing to SMEs as a percentage of total financing	3.18%	3.80%
Total financing to SME <i>In terms of SME financing growth rate (percentage year-on-year)</i>	-18.00%	9.00%



The All-in-One Hub for Everything Entrepreneur

Mubader Center

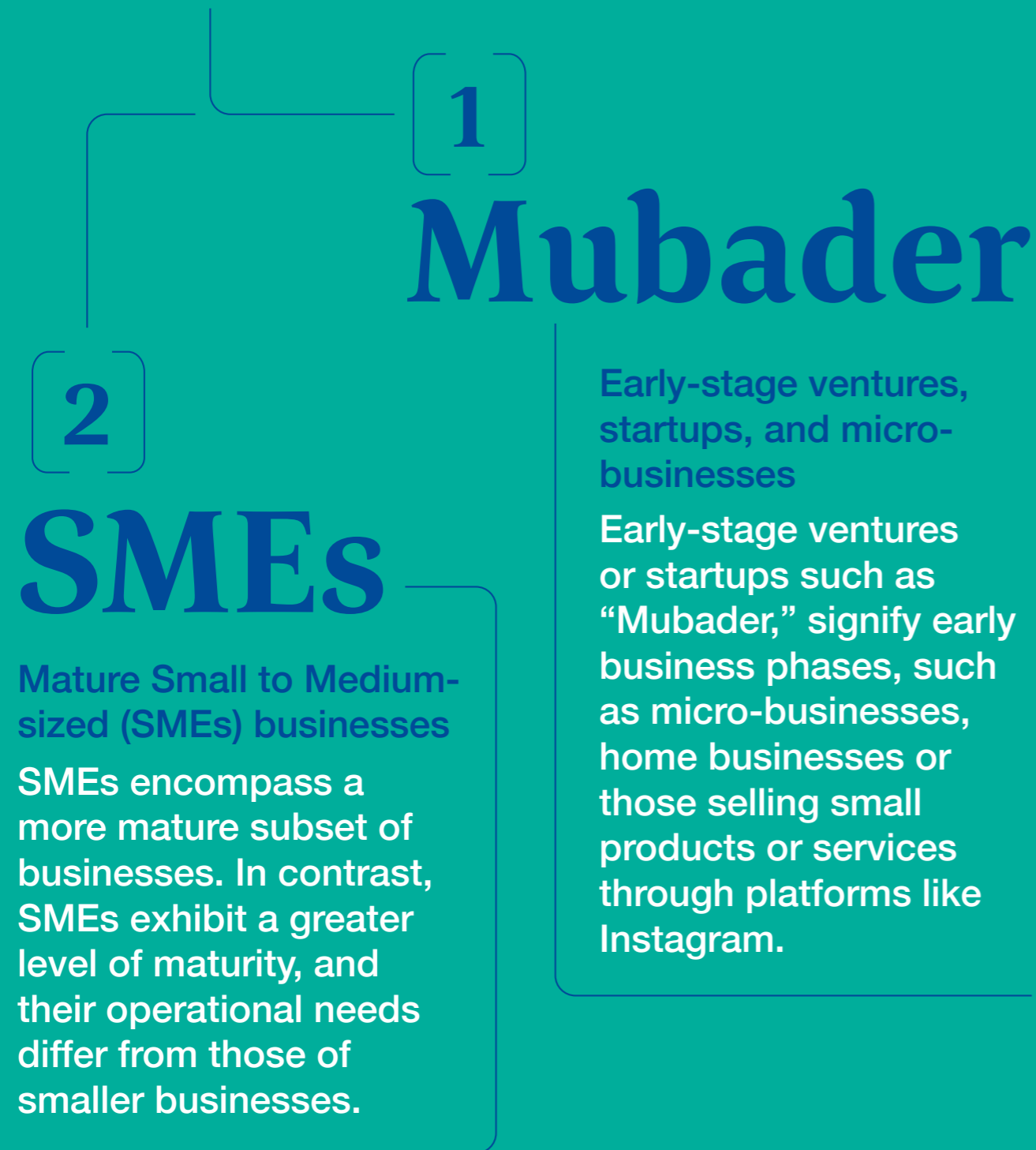
An invaluable component of KIB's profile in Kuwait is our focus on investing and supporting the Small and Medium-sized Enterprises (SMEs) sector along with local startups. This is part of a broader Kuwait Vision set forth to invest in local talent and prioritize national development towards a sustainable future. In 2022, KIB launched the KIB Mubader Center, a start-up incubator and accelerator to empower local-startups, Kuwait entrepreneurs and the SMEs sector.

The Mubader Center vision is to establish KIB as the preferred bank of choice for entrepreneurs and SMEs in Kuwait through a multifaceted approach: training programs, workshops, coaching sessions, content creation, and branding initiatives, among others. Through a range of services, we strive to provide holistic solutions tailored to the unique needs of the "Mubadereen", entrepreneurs, and SMEs, fostering their growth and success in the business landscape.

This year, we are proud to announce the Center became a KIB subsidiary dedicated to offering comprehensive services to entrepreneurs and SMEs. The Center's strategic focus is to support and train individuals within the entrepreneurship sector, aiming to propel them toward global leadership models. Our services are catered and tailored towards customers with early-stage ventures or startups, the "Mubadereen", and the mature micro-businesses. Based on the type of customer, we offer products and services that are best tailored to their needs.

Mubader Center Categories

Type of business:



We currently manage a network of 722 user profiles, with 141 subscriptions, bridging connections and engagement between entrepreneurs and SMEs. Among the services offered to the Mubader network is a comprehensive array of training opportunities, encompassing online courses offered through specialized bundles, as well as weekly workshops. These offerings are meticulously curated to cover essential aspects of entrepreneurship, fostering a holistic approach to skill development. The weekly one-hour workshops attract an engaged audience, with attendance ranging between 3 to 11 SMEs per session, amounting to 52 hours per year, and allowing for personalized interactions and tailored support to the participating businesses. To support in-person learning and development, the integrated online courses approach per bundle provides two to three hours to participants to ensure an impactful training experience for Mubader participants.

Mubader App’s three-tiered structure:

- 1 Primary tier**

Five distinct bundles:

 - Center Bundle 20 KD/month
 - Startup Bundle: 60 KD/year
 - Skill-Up Bundle: 75 KD/year
 - Scale-Up Bundle: 90 KD/year
 - Unicorn Bundle: 123 KD/year
- 2 Second tier**

Vendor services

Content factory services:

 - Logo Design: 50 KD
 - Digital Campaign Management: 112 KD
 - Sales Funnel: 30 KD
 - Content Loaded Package: 45 KD
 - Content Boost Package: 35 KD
 - Content Basic Package: 20 KD

Services provided by vendors:

 - Percentage between 10% - 25% for each ticket.
- 3 Third tier**

Government resources for companies in early stages

Contract programs:

 - Incubation Program: 200 KD/month
 - Acceleration Program: 300 KD/month

Mubader Center 2023 Achievements

4 Four SMEs successfully supported on a marketing funnel, yielding increased sales

Mubader App subscriptions **141**

Incubation and acceleration contracts

Startup Expo sponsorship



Sustainable Finance

In today's Kuwaiti market, and in line with the Central Bank of Kuwait (CBK) regulations, sustainable finance has become an essential component of ESG strategic visions and practices. As a Kuwaiti Bank focused on sustainable financing, KIB has prioritized ESG Sukuk investments, and sustainable finance practices in its wholesale and international banking activities.

Integrating sustainability into KIB's financing activities goes beyond the generic commitments to sustainable finance. At KIB, a Sustainable Finance Framework is being initiated which outlines responsibilities for supporting green finance; offering sustainable finance solutions; screening all project financing for minimal negative impact on the society and the environment; reviewing climate-related risks; supporting SMEs; and striving to mitigate environmental risks and impacts associated with financing operations.

Sustainable finance practices in wholesale banking activities encompass financing to ESG-related initiatives. Similarly, through our international banking activities, the financing portfolio encompasses social and environmental considerations, and sustainable financing. For 2023, the total financing for ESG portfolio consisted of the following:

Credit Portfolio	2023
KIB total financing portfolio	2,485,700,000 KD
KIB total financing portfolio*	1,631,267,673 KD
Percentage of ESG portfolio out of total financing portfolio*	2.48%
Total ESG portfolio*	40,449,323 KD

*Represents Wholesale and International Banking portfolio only.

ESG Sukuk Investments

As a Shari'a-compliant Bank, KIB prioritizes Islamic finance through various means, particularly Sukuk issuance. To this effect, the Investment Department increasingly focuses on ESG-related initiatives, subject to the risk appetite of the Bank. Over the years, we have expanded our expertise in ESG Sukuk and increased our ESG Sukuk purchase. In 2023, KIB held \$132 million in ESG Sukuk, representing approximately 16% of the total Sukuk investments. Although, ESG rating criteria is not yet adopted as a "rating criteria for investments", it is considered a bonus for Sukuk investments. The Bank has a target of increasing its ESG Sukuk investments to 20% by 2024 subject to availability and issuances of ESG compliance Sukuk assets.

ESG Sukuk	2023	2022	% +/-
Total Sukuk investments	808,000,000 \$	704,000,000 \$	14.77%
Total Sukuk investments that were ESG related	132,000,000 \$	111,000,000 \$	18.92%
Percentage of investments that were ESG related	16.34%	15.77%	0.57% (% Difference)

Financial Inclusion and Investments

KIB prioritizes responsible investment practices and has not participated in any controversial investment activities in 2023. The Bank demonstrates a commitment to managing risks across financial operations. The Treasury Department actively assesses and mitigates various risks, including profit rate risks, currency exchange rates, short-term liquidity challenges and market changes that could impact investment portfolios. Their efforts positively resulted in reductions in funding cost and improvements in key financial ratios.

The Bank's investor base is predominantly local. In 2023, 94.44% of KIB's investors were local, and the remaining 5.56% were international investors.

KIB Investors	2023	2022
Percentage of KIB international investors	5.56%	4.53%
Percentage of KIB local investors	94.44%	95.47%

Regional Investments

The International Banking Department (IBD) does acknowledge engaging in financing to some high-risk countries in 2023. However, these transactions were carefully mitigated through the use of oil Letters of Credit (LCs) and unfunded guarantees for projects within Kuwait. This approach demonstrates commitment to responsible international banking practices. Additionally, the Bank limits participation in oil financing; however, there are no limitations on transactions.

% of operations in countries with levels of opportunity to provide increased financial access



High:
24%



Medium:
62.68%



Low:
13.31%

Case Study

Funding Gulf Cooperation Council (GCC) Countries ESG-related Projects

Among the Bank's international business-related activities, KIB has invested in GCC countries through its international banking services. The International Banking Department's (IBD) primary involvement is specific to international financing via syndicates, bilateral financing to financial institutions and international corporations. The Department continuously seeks ESG-related financing opportunities to support.

The region is experiencing a shift in prioritizing ESG-related projects and topics. As a result, KIB is increasingly focusing on this domain, particularly within IBD. Formal management systems to assess ESG risks in financing activities are utilized for international corporations, where ESG risks and associations are assessed via the CreditLens System.

Selected projects that were funded:



Aluminum Bahrain (ALBA)

ALBA is major aluminum producer in Bahrain. The financing project involved a financing facility for ALBA. KIB structured a financing facility for ALBA with a performance based ESG margin adjustment. ALBA was required to submit a Sustainability Compliance Certificate to the Global Facility Agent, documenting its progress against pre-defined ESG targets. Depending on compliance with the ESG performance targets, the profit margin reduced or increased. It is reported that the company continues to demonstrate significant success.



AUB Financing

In 2022, KIB participated with a ticket of USD 100M in a sustainability linked syndicated Murabaha financing of USD 1Bn arranged on behalf of Ahli United Bank B.S.C., Al Hilal Islamic Banking Services. There was a sustainability linked margin uptake/ adjustment involved in the financing linked to certain KPIs and sustainability performance targets. The transaction remained outstanding on our books in 2023.





4
Digital Investments

In 2023, KIB launched three new digital banking platforms, including a revamped Corporate Online Banking platform, the first digital real estate platform KIB Aqari, and upgraded its digital retail platform KIB Mobile. Across these platforms, 49,755 users in total were registered for 2023.

KIB's Total Users Across Apps:

49,755



Retail

Retail App:
46,366



Corporate

Corporate App:
2,208



Aqari

Aqari App:
1,181

Digitization and Innovation

KIB has spearheaded digitization and innovation efforts in the banking sector today. The Bank has been striving to build a secure and reliable digital infrastructure as part of the overarching transformation journey and strategy to provide customers with a fully integrated banking experience. The KIB Digital Factory, under the Digital Innovation and Data Intelligence (DiDi) Department, was launched in November 2022. The Factory has played an integral role in developing new state-of-the-art digital banking services designed in accordance with the latest technologies to cater to different customer segments. Our high-caliber, experienced technical team is paving the way for Kuwait's digital transformation.

The Digital Factory has significantly minimized the Bank's dependence on outsourced vendors and external service providers, particularly in digital banking. KIB utilizes the digital factory to manage the Retail and Corporate Apps. This highlights the innovative skillful nature of this team in developing new systems and specialized digital platforms that have enhanced business activities.

Streamlining Corporate Finance with Digital Innovation: Corporate App

Traditional corporate banking often requires in-branch visits for account management, hindering efficiency and user experience. KIB's DiDi Department developed a comprehensive online platform for corporate clients to streamline management and operations of corporate banking, offering two distinct functions:



Internal Employees Management:

A secure platform for KIB personnel to easily manage corporate user accounts and access rights. Some of the key features include:

- **User Management:** Centralized control and management of new corporate users, define financial limits, and assign specific access rights within the platform.
- **Reset & Unlock Accounts:** Streamlined account maintenance by allowing employees to reset passwords and unlock accounts for corporate users.



Corporate Customer Portal:

A user-friendly interface for corporate clients to manage their finances seamlessly:

- **Dashboard Overview:** Centralized view of all accounts and financial products, with quick access buttons for easy navigation.
- **Account Details:** View individual account details such as current and available balances for all active accounts.
- **Transfer and Payment Hub:** Initiate various types of transfers, including payments to employees through the integrated salary portal.
- **POS Portal:** Manage Point-of-Sale (POS) activities, view merchant and terminal information, and download reports with ease.
- **Financial Overview:** Gain insights into current financials with KIB and explore additional financial products tailored to their needs.
- **Trade Finance Management:** Access and manage trade finance activities, including letters of credit and guarantees.
- **"My Organization":** View and manage corporate user profiles within the organization. Administrators can add new users, reset passwords, unlock accounts, and adjust access rights, eliminating the need for branch visits.

These features enhance efficiency, improve transparency, and provide greater convenience for 2,208 active users. KIB's digital innovation initiative demonstrates the Bank's commitment to providing cutting-edge solutions for corporate clients. The online platform empowers both employees and customers, fostering efficient account management, centralized financial oversight, and a seamless user experience. By embracing digital innovation, KIB positions itself as a leader in providing advanced corporate banking solutions.

Corporate App Complaints

	Details	Corporate App
Employee related	Number of complaints and/or technical issues	2-5 weekly
	Average turnaround time for resolving issue	Same day or longer based on issue encountered
Customer related	Number of complaints and/or technical issues	2-5 weekly
	Average turnaround time for resolving issue	Within 24 hours or longer based on the issued complaint



KIB Mobile Banking Retail App

KIB's retail application, also known as KIB Mobile Application, is a prime example of the Bank's successful digital investments. This app, which services over 46,366 users, offers a robust suite of services and features designed to streamline retail banking activities. The mobile app offers customers secure features, including:



Account Management:

View account balances, transaction history, and manage various accounts.



Payments:

Make payments, transfer funds, and make bill payments.



KYC (Know Your Customer) and Civil ID updates:

Update personal information conveniently within the app.



E-vouchers and Bill Payment Marketplace:

Access e-vouchers and seamless bill payments.



Personal Finance Management:

Utilize budgeting and financial planning tools to manage finances effectively.



Loyalty Programs:

Participate in loyalty programs and redeem rewards directly through the app.



Push Notifications:

Receive real-time alerts and updates regarding account activity.



User Complaints:

Submit and track complaints directly through the app.

Retail App Complaints

	Details	Corporate App
Employee related	Number of complaints and/or technical issues	N/A
	Average turnaround time for resolving issue	Same day or longer based on issue encountered
Customer related	Number of complaints and/or technical issues	Average of 1- 2 weekly
	Average turnaround time for resolving issue	Within 24 hours or longer based on the issued complaint
App related	Number of attack vectors (i.e. malware, viruses, email attachments, web pages, pop-ups, instant messages, text messages, etc.)	1 incident when customers received old push notifications

The Human Intelligence Program: Employee Innovation

The Human Intelligence Program (H.I Program) was launched to cultivate a culture of innovation at KIB to ideate, incubate and implement groundbreaking solutions to revolutionize banking. Our main objective is to generate innovative ideas to improve transparency and collaboration with the KIB workplace. This program helps motivate, inspire and empower employees to embrace innovation as a core value by establishing a channel and platform to share innovative ideas and solutions.

The H.I Program offers resources, support, and the recognition necessary to transform their ideas into tangible outcomes, which results in cross-functional collaboration and knowledge-sharing to fuel ideation.

We have successfully launched the "Idea Box" theme of the H.I Program, where the Innovation Committee sets a monthly innovation theme and every employee in the Bank, irrespective of their role, has an opportunity to contribute their innovative ideas. The comprehensive roadmap for the 2024 program has been already developed which shall focus on multiple verticals like "idea box," "accelerator and incubator programs," and "strategic partnerships for innovation."

Behind every Innovation there is

Human Intelligence

Case Study

Aqari App

One of KIB's latest highlights for 2023 is the exclusive launch of the first real-estate App launched by a bank in Kuwait, the "Aqari App". In July 2023, the first-of-its-kind real estate digital platform in Kuwait went live as a one-stop-shop for all real estate needs.

Through our new comprehensive platform, customers are empowered to manage, evaluate, and maximize their real estate portfolio. This multi-functional platform is dedicated to property owners, realtors, and tenants. Real estate owners now have the tools to manage their own properties digitally and with minimal assistance. Interested customers have new opportunities to own, sell, and rent real estate. With over 1,181 active users and 74 properties, offered services are:

- **Portfolio Management:** Consolidate and manage all properties within a single platform. Track performance metrics, analyze market trends, and make data-driven decisions to maximize portfolio value. Portfolio management includes property performance management such as occupancy rate and rent collection flow.
- **Automated Rent Collection & Tracking:** Streamline rent collection with automated processes, eliminating the hassle of manual payments and late rent complications. Efficiently track outstanding balances and receive instant notifications upon successful payments. More importantly, access the first savings account for online rent collection.
- **Online Appraisal Requests:** Property owners and managers can easily request authenticated property appraisals directly through the platform without relying on the Bank. The system facilitates quick submission with real-time updates on the appraisal process and provides QR Codes.
- **KIB Employees Portal:** Dedicated access for KIB employees to review appraisal requests, access reports, and update statuses. The platform allows secure report generation with authenticated QR codes, enhancing data integrity and security.

Furthermore, Aqari offers many unique layers of convenience for customers by enabling customers to add their trusted property manager to manage a property on their behalf. Other App features include simple follow-up steps and real-time tracking. KIB is the first local bank in the region to offer tailored tech solutions for the real-estate sector free of charge with no hidden costs.









Looking ahead, the Real Estate Department, in collaboration with our technical experts from the Digital Factory, are aiming to build the biggest real-estate data center in Kuwait through the real estate appraisal solution. This highlights the Bank's commitment to providing cutting-edge solutions. The team is planning to build an Automated Valuation Modern System (AVM) and Rent Valuation Model (RVM), to assist in risk assessment and investment decisions in the future. More of such features will soon be available to our users on the Aqari App.

Since the first launch in June 2023, the following additional services were delivered until end of 2023:



















General

-  Biometrics
-  Profile photo
-  iPad design enhancements
-  Pre-log in options (FAQs, register, contact us)

Property Management

-  Add more properties
-  Filter to see detailed unpaid rent history
-  Search and filter properties
-  Delete property
-  Property admin history of changes (Internal portal)
-  Add additional units
-  Link to other accounts at KIB (Current and Saving)
-  Link to more than one account in the application (one per property) for rent collection

Appraisals

-  Send request with comments
-  Delete draft request
-  Non-standard appraisal request handling (Internal portal)
-  Update fees before the customer pays (Internal portal)
-  Re-open + Cancel appraisal (Internal portal)
-  Internal portal localization to Arabic
-  Vacant land report
-  Bulk appraisal requests
-  Banks/Companies dashboard
-  Request re-appraisal
-  Allow bank users to see each other's appraisal requests
-  Copy calculations for similar appraisals
-  Request appraisal on behalf of a customer (Internal portal)
-  Historical appraisal data entry
-  Property tab showing a history of all previously appraised properties and their relevant details
-  Auto update outstanding balance for banks/ listed companies
-  Pay 50KWD and get a report copy
-  Accounting enhancements (filters, search, split of payments)

Aqari App Complaints

	Details	Corporate App
Employee related	Number of complaints and/or technical issues	1 high severity bug per month-resolved within 48 hours due to monthly releases. Other bugs are low priority and rolled out into the following months release
	Average turnaround time for resolving issue	48 hours
Customer related	Number of complaints and/or technical issues	5 per month. Including 1 critical every 2 months, 2 high, 2 low-medium issues.
	Average turnaround time for resolving issue	72 hours



Optimizing Operations and Maximizing Efficiency

Digital Factory: Agile Approach in New Features

The Digital Factory is a recently established dedicated unit that embraces Agile methodology for rapid product development. Due to the evolving financial landscape that demands continuous innovation to meet customer needs, the Digital Factory combines traditional product development cycles with innovative technology to create an approach encompassing five key stages:

1. Research and Ideate:

Generate and prioritize new business concepts to meet the ever-changing market needs, through short concept sprints, fostering a culture of innovation within the team.

2. Plan and Blueprint:

De-risk execution by rapidly assembling a business plan and a dedicated team to develop the most promising ideas.

3. Build and Develop:

Transform shortlisted concepts into tangible products by building them with real clients involved throughout the process.

4. Release Management:

Launch the finalized product to the market with a full-time operating team to ensure a smooth rollout to the market and ongoing support.

5. Growth and Maturity:

Scale successful products to maximize their impact and continuously improve them based on user feedback, accelerating return on investment.

KIB's Digital Factory serves as a model for agile product development within the financial sector. Our experts recognize the importance of a robust development team to maintain the success of the Digital Factory and are expanding the development bandwidth by hiring additional resources across various roles within the Agile framework. This innovative approach fosters a culture of creativity, rapid iteration, and customer focus, enabling KIB to deliver exceptional products and services that meet the evolving needs of our customers.

Information Security and Data Privacy

KIB prioritizes the security and privacy of all data, including customer and employee data, in its digital investments across platforms. Through a robust information security management framework spearheaded by the Information Security, Privacy, and Anti-Fraud Department (ISPAD), KIB successfully safeguards all sensitive information pertaining to its stakeholders.

To ensure the effectiveness of KIB's information security framework and policies, regular audits are conducted by the Internal Audit Department. The Department performs ongoing assessments, supported by external auditors who conduct specialized security audits. Additionally, KIB implements comprehensive access controls to protect sensitive data. This includes permission and accessibility to employees based on job functions, along with the principles of least privilege and need-to-know concept. The Bank also follows a "privacy by design" approach, aligned with industry best practices, to minimize data collection and retention, and emphasizes that all individuals sign a privacy consent agreement related to the transfer of personal data to third parties. Moreover, the information security framework requires suppliers to adhere to data protection protocols pertaining to customer data. This strategy ensures that only data identified as essential for operations is collected and stored.

In line with industry best practices, KIB utilizes privacy-enhancing technologies and initiatives. For example, the Bank provides customers with a privacy notice outlining their rights regarding data access, rectification and right to be forgotten. Additionally, a comprehensive data breach response plan is in place to address potential security incidents. This plan outlines procedures for identifying, containing, and remediating data breaches. The successful implementation and execution of this response plan is evident in the zero number of incidents and breaches that occurred for both 2023 and 2022, including the 0% loss of customer data. These efforts highlight ISPAD's dedication to safeguarding platforms and user data.

Data-Related Incidents	2023	2022
Number of incidents (identified leaks, thefts, data breaches or losses of customer data)	0	0
Percentage of customer data lost	0%	0%
Number of data breach incidents	0	0
Total number of substantiated complaints received concerning breaches of customer privacy	0	0
Number of successful attack vectors (i.e. common attack vectors include malware, viruses, email attachments, web pages, pop-ups, instant messages, text messages, and social engineering)	0	0

Part of the successful safeguarding of customer and employee information is due to the comprehensive information security awareness program implemented across various platforms including KIB's portal, ad-hoc awareness circulation through internal channels, and induction, among others. For customers, the Bank leverages social media channels including ATMs and websites to raise awareness regarding information security best practices and potential threats. For employees, on the other hand, frequent training programs are conducted, covering various security topics through training portals, awareness campaigns, and onboarding programs.

Training on Data Security and Privacy	2023	2022
Number of employees who received training*	1,100	1,100
Total number of training hours provided	5	5
Number of courses	12	12

*The total numbers include re-assigned employees and outsource resources.

Commitment to Customer Protection and Complaint Resolution

KIB prioritizes upholding the Central Bank of Kuwait (CBK) regulations concerning customer protection. We maintain a robust internal monitoring system to ensure all complaints are addressed with confidentiality and efficiently and in compliance with the CBK requirements. This includes a control sheet system, where designated personnel verify and resolve each complaint. The Bank's operating policies include a comprehensive customer protection manual that allocates responsibilities, outlines frequent follow-up and reporting protocols, and keeps all relevant stakeholders informed.

Complaints and Customer Protection Unit

The Complaints and Customer Protection Department at KIB aims to ensure all customer concerns are addressed. The Department handles complaints within three main categories: general customer service; ensuring accessibility for those with special needs through dedicated branches; and verifying overall compliance with customer protection regulations and guidelines.

Customers can submit complaints through various convenient channels, including complaint forms, email, mobile app, or in person at any branch. Upon receiving a complaint, the Complaint and Customer Protection Department and its experts promptly contact the relevant departments for investigation of incidents and feedback processes. Customers are contacted directly with a clear explanation and resolution plan. This approach applies to both general and financial product-related complaints.

By proactively addressing the root causes of complaints, KIB aims to minimize customer complaints. When a valid complaint arises, corrective actions are implemented to prevent similar complaints in the future for our services and operations. Proactively addressing customer complaints has remained consistent through 2022 and 2023. This is highlighted in the equal average turnaround times for customer complaints, where a relatively lower number of customer complaints were received. The Bank remains committed to prioritizing customer satisfaction by improving its strategies on this front.

Customer Complaints	2023	2022
Total number of customer complaints received per channel (i.e. calls, social media, website, etc.)	43 Form	46 Form
	45 App	-
Average turnaround time for customer complaints - in call center only	Voice of Customer: 3 working days	Voice of Customer: 3 working days
	Customer Protection: 15 working days	Customer Protection: 15 working days
Average turnaround time for customer complaints - on social media only	Response and Escalation: 2 hours	Response and Escalation: 2 hours
Total number of customer complaint generated reports	23 Reports	23 Reports

Performance Management and Transparency

KIB is committed to prioritizing customer satisfaction and strives for continuous improvement, especially in complaint resolution. In 2023, the Bank achieved an overall customer satisfaction score of 78%, demonstrating dedication to providing a positive banking experience. While the overall customer satisfaction score dipped slightly from 79% in 2022, the Bank remains committed to obtaining a higher level of satisfaction among customers in the future.

On a regulatory level, KIB acknowledges the importance of regulatory oversight in maintaining customer protection standards. In that regard, the number of complaints received from the CBK decreased from 18 in 2022 to 13 in 2023. This demonstrates our serious commitment to regulatory feedback and utilizing feedback to further enhance our customer protection strategies moving forward.

Employee and Customer Support

Prioritizing employee and customer concerns promptly and efficiently is critical for the Bank. For both stakeholders, KIB seeks to ensure positive and exceptional support, and this includes prompt turnaround times for complaints resolution. This year, the Bank's complaint resolution data for the ISPAD Department is reflected in two parts: employee-related and customer-related. Despite the stark difference in the reported issues between employees and customers, the Bank remains committed to addressing all concerns efficiently, regardless of the source of complaint. Additionally, the average turnaround time for resolving complaints highlights the Bank's dedication to balancing equal priorities for customer and employee satisfaction.

Employee-Related Complaints	2023	Customer-Related Complaints	2023
Number of complaints and/or technical issues	17,597	Number of complaints and/or technical issues	99
Average turnaround time for resolving issues	10.75 days	Average turnaround time for resolving issues	6 days

Certifications and Data Protection

The Bank strictly adheres to widely recognized security standards, including ISO 27001:2022, PCI DSS, and SWIFT CSP. These certifications demonstrate our commitment to robust information security systems and practices. KIB's data protection and information security policies encompass all collected, stored, and processed data. This ensures comprehensive coverage of all Bank-related data, and application of security measures across platforms. The information security management framework safeguards confidentiality and privacy for customer data. This framework includes various policies, procedures, and technologies designed to protect sensitive information, and is upheld to high standards of practices through these certifications.



Case Study

Streamlining Know Your Customer (KYC) Updates with Mobile Banking

Traditionally, Know Your Customer (KYC) updates at KIB require customers to visit branches and fill out paper forms, leading to inefficiencies and negative environmental impacts. In 2023, KIB launched a new feature on its mobile banking app allowing customers to update their KYC information digitally. This shift to a paperless process aligns with the Bank's commitment towards ESG practices.

This digital upgrade has valuable impact. It reduced paper usage in branches, lowering KIB environmental footprint. It enhanced customer experience by providing more convenient and secure digital solutions for KYC updates. This process has also contributed to improving operational efficiency, by alleviating workloads on branch employees for other business activities.

Implementing the KYC update feature demonstrates KIB's commitment to a sustainable future, enhanced customer experience, operational excellence, and seamless digital banking experience. This initiative exemplifies how the Bank is leveraging technology to achieve its ESG goals



Case Study

Organizational Efficiency

The Change Management (CM) Unit at KIB plays a crucial role in driving operational excellence and optimizing processes throughout the Bank. In 2023, the Unit focused on several key initiatives in line with the Bank's lean and agile direction to enhance efficiency and streamline organizational workflows – as summarized in the following:



Lean Process Implementation:

The Unit introduced the concept of Lean projects, aiming to eliminate waste and optimize processes. While some projects were completed, several are ongoing, and others are in the pipeline, demonstrating our commitment to continuous improvement.



Value Stream Mapping:

A major focus was placed on Key Activity Value Stream Mapping. This initiative involved mapping critical Bank processes to identify areas for improvement and optimize customer experience. This initiative lays the groundwork for initiatives like the Lean Enterprise program, to also optimize customer experience.



Enhanced Process Documentation and Review:

In collaboration with the Risk Management Department, a dual custody system was established for the Bank's procedures. This ensures all procedures are reviewed and mapped for better documentation and easier reference. 22 procedures have been reviewed across 6 different departments and were initiated in November 2023.



Procurement Process Mapping:

A proactive approach to map and clean procurement processes to prepare the Department for the Bank's new supply chain system set to be implemented.



Support for Sustainability:

The Unit has recently emphasized sustainable practices through active minimization of printing and through encouraging paperless initiatives across the Bank.



Employee Training:

The Unit has invested in Lean and Agile training to equip employees with the necessary skills for process improvement.

The CM Unit's 2023 roadmap reflects a data-driven approach to problem-solving and eliminating wasteful operational habits. The monthly update dashboards provide a clear view of progress and ongoing initiatives. Most team members within the CM Unit are Lean 6 Sigma certified, with the latest employee on track for a 2024 certification, ensuring a growing team of experts leading organizational improvements.



5

**Leading KIB
Communities**

KIB recognizes that its long-term success is intricately linked with two key communities: our internal workforce and the broader Kuwaiti society, which includes our valued customers. At the heart of our mission is prioritizing the success and growth of our communities.

This chapter delves into our investment in these communities, demonstrating our commitment to KIB employees, a diverse and inclusive work culture, professional development, and employee engagement and well-being. We will also explore how KIB invests in the broader community, showcasing our dedication to contributing to our society.

Employee Profile

KIB's employee profile encompasses a diverse and engaged workforce. Over the years, we have fostered a stable and inclusive workforce with a balanced gender distribution with slow but steady improvement year-over-year. In this section on employee profile, KIB demonstrates its Kuwaitization priorities with an increased focus on retaining and recruiting local talent. Employee demographics also show a youthful and experienced combination. The Bank is highly committed to the KIB workforce and remains keen on supporting all employees.

Total Employees

2023	2022	% +/-
710	706	0.57%

Diverse and Inclusive Work Culture

KIB demonstrates a commitment to diversity and inclusion through a balanced workforce across gender, nationality, and age groups. The Bank fosters a diverse and inclusive work environment that is reflected in its employee demographics. The diverse composition of our valued KIB workforce is illustrated in the following.

Gender Breakdown

The Bank maintains a relatively balanced workforce with a stable overall gender distribution year-over-year, with male employees representing the majority of the Bank's workforce by 72.54%. In 2023, the workforce witnessed a slight increase of 1.04% in female representation, now making up 27.46% out of our total workforce. This indicates a positive trend towards a more balanced workforce.

Gender Breakdown

2023		2022		% +/-	
Male	Female	Male	Female	Male	Female
515	195	513	193	0.39%	1.04%
72.54%	27.46%	72.66%	27.34%	--	--

Nationality Breakdown

The workforce reflects a strong local presence in line with the New Kuwait Vision, with Kuwaiti nationals comprising 73.10% out of total employees' representation in 2023. There was a slight increase in our Kuwaitization number by 1.8%, while the number of foreign employees decreased by 2.6%. This demonstrates KIB's commitment to recruiting and retaining local talent.

Nationality Breakdown

	2023		2022		% +/-	
	Local	Foreign	Local	Foreign	Local	Foreign
Number of employees per nationality	519	191	510	196	1.8%	-2.6%
Percentage out of total workforce	73.10%	26.90%	72.24%	27.76%	--	--



Age Group Breakdown

KIB's workforce represents a slightly younger age demographic, with a significant portion of 64.79% falling between the ages of 30-50 years. This reflects the Bank's focus on retaining experienced mid-career professionals while also integrating new talent. In comparison, there was a minor decrease in the proportion of employees under 30 and above 50, with a decrease in the former of 4.14% and the latter of 2.32%.

Age Group Breakdown

	2023			2022		
	Under 30	30 - 50	Over 50	Under 30	30 - 50	Over 50
Number of employees	208	460	42	217	446	43
Percentage out of total workforce	29.30%	64.79%	5.92%	30.74%	63.17%	6.09%

Employees Grade Level Breakdown

The distribution of employees across grade levels remained stable between 2022 and 2023. In both years, approximately 82% of the workforce fell into junior to manager level positions, while the remaining 18 occupied senior manager and above roles.

Employee Grade Level Breakdown

	2023		2022	
	Junior up to Manager level (M)	Senior Manager (SM) and above	Junior up to Manager level (M)	Senior Manager (SM) and above
Number of employees	580	130	580	126
Percentage out of total workforce	81.69%	18.31%	82.15%	17.85%

Fresh Graduates

Among the many priorities for KIB is the increased interest and investment in future young talent. The Bank hires a significant number of fresh graduates each year. In 2023, KIB employees had a total of 71 fresh graduates, relatively equal representation between men and women. This represents a decrease of 17.44% compared to the total number hired in 2022. Overall, both genders saw a decline in recruitment, with a decrease of 21.15% for males and 11.76% for females. Although data from 2022 shows a decrease in fresh graduate recruitment, this does not reflect changes in hiring strategies but rather fluctuations in the talent pool for this year. The Bank hopes in the upcoming year to place increased emphasis on fresh graduates.

Breakdown of Fresh Graduates

2023			2022			% +/-		
Male	Female	Total	Male	Female	Total	Male	Female	Total
41	30	71	52	34	86	-21.15%	-11.76%	-17.44%



Commitment to Diversity and Inclusion

KIB maintains a zero-tolerance policy for discrimination. Embedded in the Code of Conduct are commitments to protecting all employees from discrimination or harassment. Individuals that engage in such behaviors, including physical, verbal or visual, are subject to disciplinary actions. Employees are also well-informed on the reporting mechanisms for such behaviors, including filing complaints and informing higher management. We are pleased to present the 2023 data as a testament to the successful enforcement of our anti-discrimination practices and policies.

Confirmed incidents of discrimination	Discrimination and workforce diversity controversies	Confirmed incidents of violations involving rights of national people	Labor management controversies
0	0	0	0

Moreover, KIB is a proponent of an inclusive work environment for all employees, including members of the workforce that have special needs. Although no current employees at KIB are identified as having special needs, in the past the Bank has provided the necessary facilities and accessibility to our special needs employees. The Bank continues to express its inclusivity. With that said, when employees are faced with challenges, applications are received, and facilities are provided to support members of the workforce.

Turnover and Retention

The Bank strives to create a positive work environment that fosters employee retention. This is demonstrated through the positive net gain in employees in 2023, and positive retention trends among the Kuwaiti talent. Turnover rates for this reporting year were approximately 20.48%.

Turnover and Retention

2023			2022		
Newly Hired Employees	Turnover Employees	Net Change	Newly Hired Employees	Turnover Employees	Net Change
149	145	4	187	171	16

Breakdown of Annual Employee Turnover

	2023			2022		
	Female	Male	Total	Female	Male	Total
Number of employees at January 1, 2023	195	511	706	184	471	655
Number of employees at December 31, 2023	195	515	710	193	513	706



Professional Skills Development

Investment in training and professional development for the KIB workforce has almost doubled from 100,000 KD in 2022 to 200,000 KD 2023, signifying the increased prioritization of employee skills development. With investment in this area doubling, KIB spread its spending across various fronts, including the Waed talent program for fresh and senior management (i.e. commencing in 2024), KIB Life Academy, and job-specific development training programs, among others. More specifically, we are pleased to report the Waed talent program witnessed a 400% increase in training hours. In the following, we introduce KIB's multi-faceted approach to professional skills development in more detail.

Employee Training Overview

KIB demonstrates a strong commitment to employee development, as reflected in its comprehensive training programs. This year, the total percentage of trained employees increased significantly to reflect a total of 99.44% out of the total workforce. This demonstrates a dedication to fostering a highly skilled and knowledgeable workforce. The Bank proudly demonstrates key employee development-related metrics that reflect the positive impact of its investments, as shown in the following.

Training Overview

	2023	2022	% +/-
Total employees trained	706	635	11.18%
Total percentage of employees trained out of total workforce	99.44%	89.94%	—
Total training hours	37,765.5	18,728	101.7%
Average training hours per employee	53.19	26.53	100.52%
Average training days per employee	10.64	5.31	100.52%

Case Study

Learning and Training Development

A comprehensive Learning and Development (L&D) initiative, called “KIB Life Academy” was launched in June 2023, designed to empower KIB employees with knowledge and skills aligned with the Bank’s strategic direction. Over 90% of KIB employees hold a bachelor’s degree or higher, indicating that the workforce is motivated, driven and passionate. As such, the Human Resources Department invests in professional learning initiatives for the betterment of the Bank’s employees. This case study highlights the key achievements of the KIB Life Academy for 2023, demonstrating the Bank’s commitment to fostering a sustainable learning culture that drives employee growth and contributes to KIB’s success.

KIB Life Academy drove its plan for 2023 by focusing on main initiatives that will associate us in building a more sustainable learning culture that will help with the Bank’s growth.



Key Initiatives

- **KIB Life Academy Public Calendar:** Offered monthly learning courses for all employees, emphasizing accessibility and continuous learning opportunities.
- **KIB Summer Camp:** Catered to employees’ children and relatives, focusing on building entrepreneurship skills aligned with Kuwait’s Vision of building a generation who are capable of starting their own businesses.
- **Waed Talent Program:** Developed KIB’s future leaders by identifying and upskilling 41 high-potential employees across various departments for both fresh management and senior management.
- **KIB Life Academy e-learning Hub:** Established a centralized online portal for learning content, promoting digitalization and reducing paper usage.
- **ESG Champions:** Selected employee champions to spearhead ESG integration within their departments through small-scale projects.

ESG Highlights

KIB Life Academy incorporates ESG principles into its L&D strategies:

- **Environmental:** The e-learning platform promotes sustainability by reducing reliance on paper-based learning materials.
- **Social:** Programs like the Waed Talent program and KIB Summer Camp empower local talent and promote social responsibility.
- **Governance:** Compliance training remains a top priority, with 97% of AML training completed by October 2023. All compliance-related learning content will be digitized and integrated into the onboarding process for new hires in 2024.

Developing Leaders and Building a Diverse Workforce

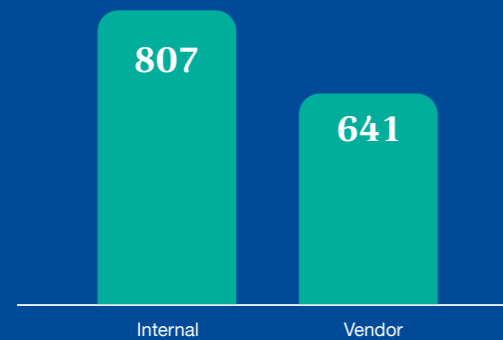
KIB invests in L&D for management through partnerships with prestigious business schools. Additionally, KIB fosters a diverse and inclusive learning environment:

- **Executives' Development:** 21 managers participated in leadership programs at renowned universities.
- **Internal Training Expertise:** Subject-matter experts within KIB delivered training sessions, leveraging internal talent.
- **KIB Summer Camp:** Educated 40 employees' children and relatives on entrepreneurship, fostering financial literacy and career exploration at a young age (8-14 years).
- **Kuwaiti Talent Development:** Kuwaiti employees received 10% more training on average compared to non-Kuwaitis. Programs like Waed Talent prioritize local talent development.
- **Gender Diversity:** Females received 23% more training sessions per capita than males, signifying KIB's commitment to closing the gender gap in learning opportunities.

Public Calendar

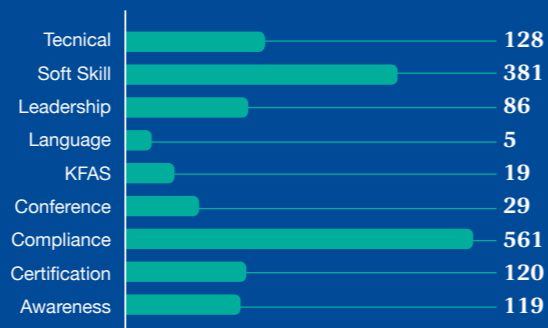
The KIB Life Academy Public Calendar ensures learning opportunities are accessible to all employees, regardless of role or level. In 2023, internal trainers delivered 807 training sessions encompassing compliance training, soft skills development, and awareness sessions.

Training Delivered



Overall, the highest training category was for compliance learning followed by soft skills, with 1448 training sessions. About 80% of total training sessions received were through the KIB Life Academy.

Learning Category



The KIB Life Academy has demonstrated a culture that fosters learning and professional advancement. The expansive range of initiatives offered cater to diverse skills and career paths, empowering employees to excel in their roles and contribute to the Bank's long-term success.

Anti-Money Laundering (AML) Certified Employees

KIB has implemented a comprehensive Anti-Money Laundering (AML) training program for its employees. The program is designed to ensure that all employees are well-versed in AML and Foreign Accounts Tax Compliance (FATCA) regulations, and Common Reporting Standards (CRS). The AML training program covers a range of topics, such as Combatting the Financing of Terrorism (CFT), and includes:



Live Sessions:

Branch Managers and Operation Managers undergo a two-hour live training session as a refresher course on AML, FATCA, and CRS regulations.



E-learning:

All KIB employees are required to complete an AML e-learning course. The content of this course is regularly updated by the AML Department to ensure employees stay informed on the latest updates.



Executive Induction:

Non-Arabic speaking and executive employees receive specialized AML training in relation to AML/CFT/FATCA/CRS. This training is coordinated by the Learning & Development (L&D) team in collaboration with the AML Department.



Board Members' Training:

Board members receive AML training once a year, coordinated with the Board Affairs Department. The next scheduled training course for Board members is in May 2024.



Induction Training:

New employees receive AML training within three months of joining the Bank.

Our training program on AML is designed to be flexible and accessible to all employees by offering both online and in-person training and workshops. This strategy ensures a Bank-wide understanding of compliance with international and national AML regulations.

Our success is measured through the impact of this program where we see an increase in number of employees receiving training each year. In 2022, 690 employees received AML training. This has increased to 819 in 2023, with 70 employees receiving virtual AML training.

For more information on KIB's AML policies and procedures, please visit our KIB Anti-Money Laundering page: (kib.com.kw)

Performance Management

All KIB employees (100% of workforce) receive regular performance and career development reviews, as part of KIB's ongoing efforts to progress in employee development and organizational growth.

Employee Recognition

Several departments at the Bank exercise different employee recognition strategies to motivate employees and enhance productive performance. One of many such initiatives is KIB's Wall of Champions, a powerful initiative that celebrates exceptional achievements and fosters a culture of excellence within the Digital Innovation and Data Intelligence (DiDi) Department. The initiative was launched as a means to motivate and acknowledge the achievements of the DiDi employees that went far beyond their daily tasks. This recognition is held quarterly.

The impact of this initiative is reflected in various areas. The initiative significantly increased employee morale by enabling employees to feel recognized and valued for their exceptional contributions. DiDi also reported increased productivity. By positively recognizing employees that are motivated, the initiative encouraged healthy competition, driving employees to strive for excellence. Moreover, this strategy for employee recognition enhanced loyalty of employees towards the DiDi Department and KIB.



Employee Engagement and Well-being

To cultivate a healthy culture of employee engagement and well-being requires taking proactive steps. This includes providing opportunities for growth and development, conducting surveys, offering competitive packages, and establishing feedback mechanisms among other strategic initiatives. To ensure we are consistent and progressive in our engagement methods, we conduct employee engagement surveys annually and frequent pulse checks to gauge employee satisfaction and identify areas for improvement. Beyond the data on diversity in our workforce, we also embrace diversity through our commitment to creating an inclusive non-discriminatory environment where every individual is valued and respected. We actively promote equal opportunities for all our employees regardless of background or identity. This includes employee-related engagement initiatives and benefits.

Employee Engagement

KIB prioritizes fostering a positive and engaging work environment for its employees. Throughout this year, the Bank organized various events and initiatives highlighted throughout the report. This section further highlights several other initiatives that focused on promoting team building, well-being, employee awareness, and employee recognition. These activities demonstrate the diverse range of interests our employee engagement initiatives cater to. The following highlights selected employee engagement events.

Employee Engagement Events



KIB Employee Event in the Stadium

Event Description:
A day filled with physical activities for employees to build teamwork, and increase collaboration, and cooperation

Duration of event:
3 hours

Total Employee Attendees:
200

Event category:
Health and Well-being



Monthly Employee Dirwaza Draw

Event Description:
KIB employees participate in the monthly Dirwaza Draw.

Duration of event:
Monthly

Total Employee Attendees:
--

Event category:
Employee Engagement



Security Iftar

Event Description:
Every year during the holy month of Ramadan, an Iftar is organized as a gesture and appreciation from the Bank to the security team, with an open buffet for the security employees and top management.

Duration of event:
Yearly

Total Employee Attendees:
50

Event category:
Employee Wellness



World International Audit Week Celebration

Event Description:
Awareness campaign dedicated to KIB employees about the World International Audit Week (WIAW). This also aimed to provide exposure for the KIB Audit Department.

Duration of event:
3 hours

Total Employee Attendees:
300

Event category:
Employee Awareness

Case Study

TaMM: Building a Sustainable, Efficient, and Engaged Operations Culture

Transforming Advanced Management Methodology (TaMM) is the new operating model for the Bank's Operations Department. Designed as a self-reinforcing mechanism to drive continuous improvement and build a sustainable, efficient culture, the model has been successful in positively impacting the Department.

Culture of Continuous Improvement



TaMM Council:

A dedicated council of nine elected members, representing each unit within Operations, drives the TaMM culture. Through transparent elections, every participant can campaign and be elected through a transparent voting process, fostering employee engagement. As part of the TaMM Council, there are four committees formed to drive four key areas: Enhancements, Culture, Happiness, and Media.



Objectives and Key Results (OKR) Framework:

Implemented in 2023, the OKR framework sets clear objectives for continuous improvement across Operations.

- Unit-Level Goals: Each unit has at least one OKR, focusing on areas like process improvement, customer satisfaction, financial performance, and employee well-being.
- Building a Paperless Environment: Many successful OKRs have focused on simple process improvements, leading to cost savings and a reduction in paper usage.
- Achievement Rate: In 2023, the Department achieved an impressive 85% success rate with its OKRs.

Team Empowerment with Lean Practices



Huddle Boards and Lean Culture:

As part of the TaMM / Lean journey in Operations, the Council has deployed visual tools in key units like Payments, Treasury and Cards. These processes help in improving work management, efficiency, and engagement.

- Daily Performance Tracking: These boards help teams visually track key statistics such as productivity and service levels, thus enabling daily management and problem-solving.
- Increased Employee Engagement: Huddle boards provide transparency and encourage active participation from team members in optimizing performance.
- Future Expansion: In 2024, huddle boards will be implemented across all Operations units.



Digital Transformation Award Ceremony

Event Description:

Exceptional employees within the Digital Transformation Department were celebrated for contributing to the development and launch of three KIB platforms.

Duration of event:

2 hours

Total Employee Attendees:

150-200

Event category:

Employee Appreciation



Cards Cafe

Event Description:

A series of weekly questions on KIB Life, with coffee as prize. This aims to promote services and spread awareness about products to employees.

Duration of event:

Weekly

Total Employee Attendees:

700

Event category:

Employee Engagement



KIB Summer Camp

Event Description:

KIB Summer Camp hosts workshops for the employees' children. The workshops aimed to teach kids the necessary investment skills.

Duration of event:

2 weeks

Total Employee Attendees:

50

Event category:

Employee Engagement and Support



Information Security, Privacy and Anti-Fraud Week

Event Description:

The Information Security, Privacy and Anti-Fraud Department (ISPAD) launched an awareness Week, which included internal announcements and tips, a draw prize on "completing ISPAD Awareness", and a coffee station for entertainment. The week-long event also included trophies for three distinguished employees, and provided employees who completed the competition with a symbolic gift.

Duration of event:

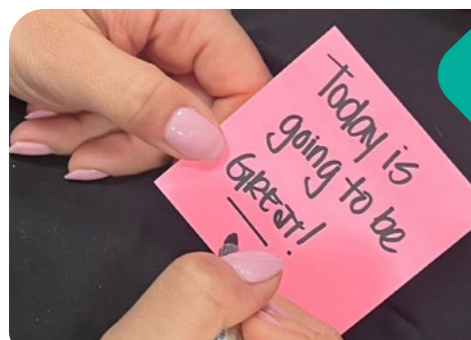
2 weeks

Total Employee Attendees:

250

Event category:

Employee Awareness



Sticky Notes – Employee Activity

Event Description:

The Sticky Notes employee activity helped enhance employees' loyalty by encouraging them to leave good, positive and humorous notes on their desks.

Duration of event:

Twice a month

Total Employee Attendees:

700

Event category:

Employee Engagement

Boosting Efficiency and Sustainability



Operations Facelift:

Inspired by the 5S methodology, a core Lean practice, this initiative focused on workplace organization.

- **Eliminating Waste and Reusing Resources:** The objective is to remove unwanted items and find new uses for them whenever and wherever possible.
- **Reusing IT Equipment and Stationery:** The initiative resulted in returning unused IT equipment and creating a repository of reusable stationery, minimizing unnecessary purchases and promoting resource conservation.

The increased focus on Lean practices, employee engagement and continuous improvement, among other areas, through TaMM has demonstrated enhanced efficiency and sustainability within KIB's Operations Department.

Employee Well-being: Fitness Challenge

Recognizing the importance of employee health and well-being, KIB's Operations Department launched a week-long fitness challenge in late 2023. This initiative, aligned with the TaMM focus on "caring for the well-being of our employees," proved highly successful and was extended across the entire Bank.

The fitness challenge aimed to encourage employees to adopt healthy habits through increased physical activity. By incorporating wearable step trackers, the program allowed for friendly competition while promoting a culture of well-being.

The challenge fostered a sense of community within Operations as colleagues motivated and supported each other. Those that achieved the highest number of steps during the week were recognized and rewarded for their commitment to their health.

Due to the positive response within Operations the program was rolled out across the Bank, allowing employees across all departments to participate. This expansion demonstrates the Bank's commitment to promoting a healthy and active workforce.

The week-long fitness challenge is a prime example of how the Bank has continuously prioritized employee well-being. Furthermore, it reflects the extended impact of the TaMM philosophy on the workplace culture.

Whistleblowing and Grievance Mechanisms

A safe and ethical work environment for all employees is encouraged and upheld through clear well-established channels for employees, Bank users, and third parties, to raise concerns or report on suspected wrongdoings in confidentiality. The Whistleblowing Policy is designed to support Islamic Shari'a principles, ensure impacted entities associated with the Bank are protected and supported through transparent and confidential processes, and uphold compliance with laws and regulations of the CBK and CMA.

The comprehensive Whistleblowing Policy outlined in the KIB Code of Conduct provides employees with a confidential mechanism for employees to report any suspected violations of policies, ethical breaches, or legal issues. The Chairman is immediately informed of any reported concerns. Reports under this Policy are monitored diligently and handled promptly. Most importantly, the Policy protects employees from retaliation for raising concerns in good faith. While the Board maintains oversight over this process, the HR Department ensures that all employees are aware of the Whistleblowing Policy and its procedures.

Outlined in the Bank's HR policy is a formal grievance reporting and escalation process. This process allows employees to raise concerns in a safe and confidential manner and assures them impartiality is exercised during the investigative process. Robust escalation processes are also in place in the likelihood of unresolved issues.

Grievance Mechanisms for Customers and Third Parties

KIB's grievance mechanism also extends to its customers and third parties. The mechanism covers reported concerns that range from bribery, theft and forgery to information leakage, fraud, and security and privacy violations. Various entities at the Bank are involved in the grievance processes, such as ISPAD, and the Service Quality Team, Legal, and the Anti-Fraud Committee. For example, the Service Quality Team collects and promptly resolves complaints through formal channels. Customer complaints that are raised through informal processes like social media are also prioritized and are immediately escalated. Clients are then directly contacted to resolve issues. Throughout this process, KIB management is informed of complaints and resolution processes.



Compensation and Benefits

Across the Bank, we are committed to offering competitive compensation and benefits packages that attract, retain, and motivate our talented workforce. We foster a culture of fairness and transparency that is reflected in our compensation practices.

The base salary structure is designed to be competitive within the Kuwaiti financial services industry. Regular salary benchmarking exercises are conducted through external consultants to ensure fair pay practices across the Bank. Variable pay is offered through incentive schemes and an annual bonus program that reward employees, based on employee grade, for exceeding targets and contributing to the Bank's overall success.

The comprehensive benefits package also includes health/life insurance, retirement plans, paid time off, and annual tickets, among other benefits designed to support employee well-being. Other generous employee benefits include offering annual leave, Hajj leave, marriage leave, compassionate leave, and professional development leave to promote a healthy work-life balance.

In addition to the comprehensive compensation strategy, KIB ensures that our female employees receive equal rights and benefits through gender pay equity. As per Kuwait Labor Law, we also ensure a maternity policy provides our employees the right to parental leave. During the reporting year, the Bank witnessed a 100% retention rate from parental leave. However, after 12 months only one employee was retained after parental leave.

	2023	2022
Number of employees who took parental leave	6	9
Number of employees that returned after their parental leave	6	9
Employees retained after 12 months following their parental leave	1	9
Retention to work rate	100%	100%

Executive Compensation

The compensation structure for members of the highest governance body and senior executives is also designed with the same intentions in terms of attracting and retaining top talent while aligning with the Bank's long-term compensation strategy. As such, through remuneration policies and practices the Bank upholds the Kuwait Labor Law by offering a three-month notice period and end-of-service benefits, competitive salaries, and annual bonuses based on individual performance and contribution. Long-term incentive plans are under review by the Board committee to further align with sustainability performance.

Employee Remuneration

Employees at the Bank are rewarded through a remunerations policy package tailored to employees' performance that encourages employees to raise performance standards. A Bank appraisal framework is in place and employees' performance is appraised and reviewed based on designated and clear-cut standards before granting bonuses and rewards in line with the approved remuneration policy.

Remuneration per Employee Category

	2023 KD 000's	2022 KD 000's
Senior management	5,389	4,172
Material risk takers	1,838	1,761
Financial and control functions	1,191	1,144

Board Remuneration

KIB's Board of Directors and Shari'a Supervisory Board members are compensated competitively to attract and retain highly qualified individuals that advance the Bank's mission. In 2023, total remuneration for both the BOD and the Shari'a Board remained unchanged from the previous year, with the BOD receiving 331,000 KD and the Shari'a Supervisory Board receiving 23,000 KD. This reflects consistent stability in remuneration for both Boards.

Total Board Fixed and Variable Remuneration

	2023	2022	% +/-
Total remuneration of the Board members	331,000 KD	331,000 KD	0.00%
Total remuneration of Shari'a Board members	23,000 KD	23,000 KD	0.00%

Case Study

Occupational Health and Safety

KIB does not have occupational health and safety (OHS) services in place, but an OHS management system is being confirmed and under development. Despite the current absence of OHS, the Bank still prioritizes health and safety through promoting employee health via internal communication mechanisms, wellness promotions and wellness events annually.

Occupational Health Index (OHI) Action Plan: Building a Healthier Workplace

As a leading financial institution in Kuwait, KIB recognizes the intertwined relationship between employee well-being and long-term success. With that in mind, between January and March 2023 KIB partnered with an external consultant to conduct a comprehensive Occupation Health Index (OHI) survey across the organization to measure the Bank's overall health and identify areas for improvement.

The OHI survey achieved a participation rate of 76%, exceeding industry averages. However, the Bank fell short of the regional median of 68, achieving an overall score of 56%. This presented KIB with a clear opportunity to improve organizational health and employee well-being.

Following several collaborative reviews of OHI results across the Bank's departments and top management, KIB leadership identified six key focus areas to enhance:



Performance Management:

This area encompasses transparency in performance expectations, clear role definitions and performance contracts, operational effectiveness, fair consequences for performance and opportunities for career advancement.



DOA/Process Review:

This area focuses on employee involvement in decision-making processes, fostering a culture of consultative leadership, streamlining policies and procedures, and fostering a culture of consultative leadership.



Career Path Transparency:

This area centers on improving transparency around career development opportunities, effective talent development programs, and cultivating a knowledge-sharing environment where employees can learn from each other.



Internal Communication and Engagement:

This area emphasizes strengthening internal communication channels, including town hall meetings, strategy briefings, and increased transparency around the Bank's external activities.



Employee Involvement:

This area focuses on the recognition of employee involvement through ideas and fostering a collaborative work environment that encourages knowledge sharing and bottom-up innovation.



Recognition and Rewards:

This area encompasses the employee recognition awards system and expansion of non-cash reward options for employees to reinforce positive behaviors and core KIB values.

By strategically focusing on these six key areas, the Bank aims to enhance productivity and create a more positive work environment. This OHI Action Plan aims to yield measurable improvements in the next three years, especially through monitoring progress via the annual anonymous OHI survey.



Community Investment

Community investment at KIB manifests through multiple actions and activities. These include partnerships, initiatives, events, and prioritizing customers, all of which fall under the umbrella of community investment. Two of our most notable sustainability-related partnerships are the UN Global Compact, as a signatory, and most recently the UN Habitat, as a signatory to protect and encourage a greener Kuwait. This section delves into KIB's Corporate Social Responsibility (CSR) strategy and all its facets.

The following lists some of KIB's selected industry associations, other membership associations, partnerships, and national or international advocacy organizations pertaining to CSR.

World Union of Arab Bankers	UN Habitat	UN Global Compact
M2R	The Social Firm	Al-Anbaa
Roumi & Rizk	Filmiek Production	Banquet
Nuts & More	Al Qabas	X-Cite
Alyousifi	Add effect Advertising Company	ALHAFEZ
Lucky Press	Al-Nahar newspaper	Media Market Gulf
Weber Shandwick	Kuwait Heart Foundation	Am Agency
Almustashar	Union of Arab Banks	Bdgeega
Suffix	FOOD BUZZ	M.AI Sughayer Real Estate Co
Al-Gas	MAX EVENT	Posta plus
Al-Jawhara	BTL	JS Bakery
The Digital Campus Co	The Channel	Mullenlowe
Al Rai Newspaper	360 FM	Peacock Concierge
Beidoun Trading Company	Zone Event Company	The Avenues
Soul Coffee		

Prioritizing Valued Customers

At KIB, we are committed to prioritizing customers in every aspect of our operations. Within community investments this takes on many forms, including financial inclusion and empowerment through awareness and advertising campaigns, digitization for better customer experience, access to KIB's Mousawama, and KIB Rewards Program, among others. All these efforts empower our community of customers.

Financial Education and Stakeholder Outreach

Investing in educational campaigns is important to strengthen stakeholders' knowledge on financial literacy. The Bank utilizes a multi-channel approach by leveraging both online and offline media platforms. The website serves as a central hub for financial education resources, including interactive tools, articles, downloadable materials, and program updates. KIB social media platforms provide a medium of engagement with the audiences, where we can share educational content, and promote initiatives. The KIB App plays another crucial role in keeping stakeholders informed about upcoming events, workshops, webinars, and other educational opportunities on financial literacy. Online advertising also enables targeted awareness campaigns through targeted banner ads, search engine marketing, and sponsored content.

The Marketing and Corporate Communications (MCC) Department recognizes that offline media channels for promoting financial literacy remain effective for reaching specific segments of KIB's targeted audience. KIB collaborates with newspapers, magazines, and industry publications to promote advertisements, and publish articles and educational columns on financial literacy. Television and radio interviews, talk shows, and panel discussions further enable KIB to share financial insights and promote the Bank's initiatives. Furthermore, the Bank participates in community events, workshops, seminars, and conferences, providing in-person interactions and sharing hands-on learning experiences. Strategic partnerships with prestigious institutions such as educational institutions, non-profits, and community centers further expand the reach of KIB's financial education efforts.

Beyond financial literacy, the Central Bank of Kuwait and the Kuwait Banking Association (KBA) have an ongoing campaign for promoting customer rights and banking awareness under the title of "Diraya". In line with this initiative, KIB also launched an ongoing awareness campaign on customer rights and banking awareness. Every month KIB's MCC Department, in collaboration with other teams, launches educational materials and videos to increase knowledge and awareness of responsible banking practices.

PayTally App

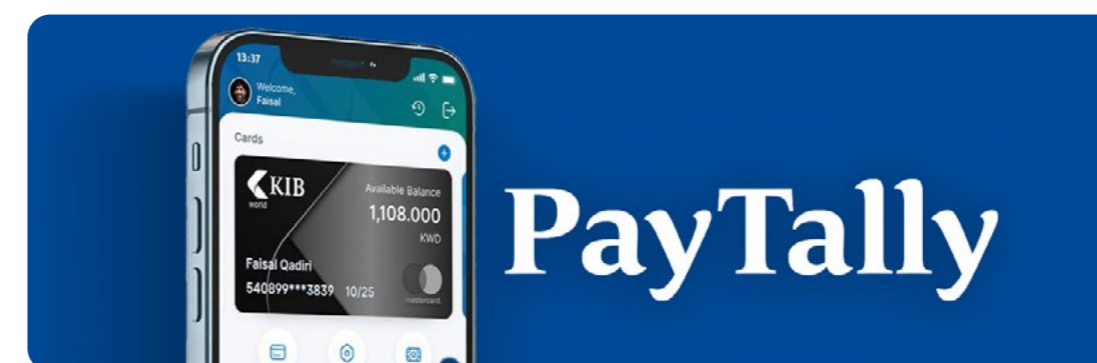
Our financing products suite echoes our theme "Bank for Life", where we are constantly identifying customer financial needs and offer financing solutions to suit various aspects of their lives. Our Musawama product covers areas of health, education, lifestyle, electronic appliances, automotive equipment etc. which is offered through our online platform "PayTally". This is a hub for merchant and customer collaboration and that currently hosts 100+ merchant partnerships.

Customers are able to buy from our digital PayTally Mall and if eligible they get a 0% Profit finance. As for merchants, they can showcase their offers and promotions to our large privileged customer base.

The PayTally app can be downloaded from Apple or Google store.

PayTally's exclusive merchant offers give customers special access to privileged deals and discounts. PayTally boosts merchant revenue by providing flexible financing options that enable more customers to purchase more products.

As an exclusive PayTally merchant partner, brands gain privileged positioning and enhanced visibility to stand out to targeted shoppers.



Improving KIB Rewards Program

Understanding the best strategy for fostering customer engagement and maximizing the effectiveness of KIB's rewards program is critical for success. Data analysis conducted by the Digital Innovation and Data Intelligence (DiDi) Department revealed a time gap between program enrollment and initial reward redemption, particularly for youth and mass market segments. Customers often require up to seven months of engagement before accumulating enough points for their first reward.

Based on these results, the DiDi experts sought to increase customer engagement of the program and encourage customers to use their points. Through activations and awareness campaigns for customers on points and rewards, along with partnerships on the platform, customers are offered more knowledge and opportunities to experience the Rewards Program. By encouraging early participation and point utilization, KIB can foster an active base particularly in the targeted youth and mass market segments and encourage long-term customer loyalty. KIB's commitment to program optimization demonstrates its focus on delivering a valuable customer experience.

Community Initiatives

KIB proactively engages with external stakeholders through community initiatives conducted year-round. Events range from independent KIB community events and KIB partnerships, to KIB participation in event sponsorships.

Sponsorships

KIB follows a structured approach in determining sponsorships and event participations. All sponsorship requests undergo a multi-step approval process, involving the Bank's management, Shari'a, the Legal Department, and the Procurement Department. Activation plans are developed with vendors, and invoices are processed through the procurement team. Ultimately, KIB's decision to sponsor or participate in an event depends on whether there is an alignment with the Bank's overall agenda and strategic objectives or not. This year the Bank sponsored 12 events, covering a wide range of topics and including sports and lifestyle, education, environment, and community engagement related events.

Name of Sponsored Entity	KD Invested
Kuwait Equestrian Federation – Show Jumping Event 2023/2024	20,000 KD
Kuwait International Law School (KLaw)	Free
KIB X Almutla Building Expo	1,500 KD
World Union of Arab Bankers	15,379 KD
Union of Arab Banks	46,136 KD
3rd KCICAI Conference Sponsorship 2023	1,250 KD
Derasti event at Avenues mall	2,000 KD
PayTally event	40,000 KD
UN Habitat Day	Free
Food Buzz	7,500 KD
KIB THE STADIUM	+66,000 KD
Atyab Al Marshoud 10th International Show Jumping Competition	5,000 KD

Selected Community Initiatives for 2023



KIB Auto World Show (Youth Initiatives)

KIB sponsored the Auto World Show. The youth were provided 0% finance on all cars for the youth with KIB PayTally Service for 60 months. All auto companies in Kuwait attended this event including the Banking sector. More than 15,000 people attended this event per day, and the event lasted for three days.

Total number of employees/volunteers who participated: 6
Number of beneficiaries: +100
Initiative duration: 3 days
Total cost: 0



Ramadan Initiatives (Well-being Initiatives)

- 1. Matchla Distribution:** In collaboration with the Kuwait Red Crescent Society, KIB distributed Matchla for people in need. Matchla is a box of rice, oil, and other cooking essential products that people need for their future. The box weighed around 15 Kg and was given to more than 100 families.
- 2. Iftar Saem:** This year, in collaboration with the Kuwait Food Bank, KIB distributed over 3000 boxes for Iftar Saem as a gesture from the Bank to people in need in the Souk AlMubarkiya area.
- 3. Eid Kiswa:** For Eid this year, KIB distributed clothes for people in need to celebrate Eid and made more than 70 families happy.
- 4. Gergean Distribution:** As part of the Bank's celebration of Gergean, we participated in the annual Arab Orphan Day event as part of our CSR initiative where we distributed +250 gifts for the children.

Total number of employees/volunteers who participated: 15
Number of beneficiaries: 1,000+
Initiative duration: 10+ hours
Third-party partner or NGO: N/A
Total cost: 12,820 KD



KIB UN Habitat (Environmental Initiative)

KIB has undertaken a series of initiatives that align with the United Nations Goals for Sustainable Development and the Kuwait Vision. In line with our CSR objectives to support sustainability, we participated in the UN Habitat Day on October 2, 2023, at the Kuwait Graduates Society for the second year. We had the opportunity to set up a booth and display our contribution towards sustainable urban development in Kuwait.

Total number of employees/volunteers who participated: 4
Number of beneficiaries: --
Initiative duration: 8 hours
Third-party partner or NGO: N/A
Total cost: 0



Career Fair Events (Educational Initiatives)

Annually KIB sponsors and participates in different career fairs across the education industry. In 2023, we participated in several career fairs where our HR team has been finding talent and educating youth about working in the Banking sector and assisting them in choosing their career paths.

- 1. Gulf University for Science and Technology (GUST) Career Event:** GUST, as a well-known university in Kuwait, runs many career fairs, and KIB ensures it is involved in them. This year, the KIB GUST Career Fair took place over two days with more than 500 students attending the event each day. We also provide at KIB part-time job opportunities such as internships for these students to help create an educated youth segment.
- 2. K LAW Career Event:** The K LAW Career Fair week lasted for three days, and KIB was invited by the K LAW President, Dr. Prof Mohammad AlMoqatei. We also attended the opening ceremony where there was a show on stage designed and created by the students showing the history of Law in Kuwait.
- 3. Wathefti Career Fair:** Every year at KIB, we ensure that we participate in this event, which is one of the biggest career fairs in Kuwait. This event happens twice a year and in 2023 KIB helped to acquire some of the best talent in Kuwait through this event. The event lasts three days, attracting over 20,000 students and job seekers.
- 4. PAAET Career Event:** A career fair conducted for one day which was attended by Dr. Hussain AlFajam, head of PAAET, where we educated people about the importance of the private sector and supporting the government sector.

Total number of employees/volunteers who participated: 10
Number of beneficiaries: N/A but we benefited the students who are looking for a new career in the industry
Initiative duration: 68 hours
Third-party partner or NGO: N/A
Total cost: N/A



KIB AlBohayra CSR Initiative (Environmental Initiative)

In collaboration with the AlBohayra Farm, KIB launched an awareness campaign under the slogan "Plant Life with KIB." This campaign was a valuable component of the Bank's comprehensive social responsibility program, aiming to promote environmental sustainability and eco-conscious practices within the community.

Total number of employees/volunteers who participated: 2 employees / volunteers
Number of beneficiaries: All KIB customers and employees
Initiative duration: 1 month
Third-party partner or NGO: N/A
Total cost: 0



KIB PayTally Show (Other Initiatives)

The KIB PayTally show was a result of more than one year of working alongside companies to provide a financing solution to their customers with 0% profit rate. This event took place in The Arena, 360 Mall over three days. Inside the event, there were more than 45 well-known entities from all the industries, medical, infrastructure, furnishing, solar etc. This event was a success, and we look forward to making it happen annually.

Total number of employees/volunteers who participated: 40+
Number of beneficiaries: 45+
Initiative duration: 2 days
Third-party partner or NGO: 45+



KIB Atyab Al Marshoud Event (SME Initiatives)

KIB proudly supported the 9th Atyab Al Marshoud International Showjumping Championship as a platinum sponsor. The event was organized by Atyab Al Marshoud and took place over three days at the Kuwait Equestrian Center.

Total number of employees/volunteers who participated: +35
Number of beneficiaries: --
Initiative duration: 3 days
Third-party partner or NGO: --
Total cost: 10,000 KD



KIB The Stadium 2023 (Other Initiatives)

KIB launched and sponsored this professional sporting initiative, organized by Suffix Events for over two weeks at Marina Beach. It featured a GCC Masters Padel Tournament for top male and female Padel athletes. 96 athletes from six countries participated in this competition. In addition there was a children's competition guided by the Kuwait Padel Federation. The second week of the event also included a multi-sport Fitness Challenge in collaboration with the FDT Gym. For this challenge, 96 gym athletes and 16 gyms participated. Moreover, the FoodBuzz event also participated in this event. This large event was successful thanks to the 12 sponsors and three partnerships who also contributed to it.

Total number of employees/volunteers who participated: 40+
Number of beneficiaries: 45+
Initiative duration: 100+
Third-party partner or NGO: 12 sponsors, including Suffix, Social Firm, and local businesses
Total cost: 60,000 KD



KIB FoodBuzz 2023 (SME Initiatives)

For the third year in a row, KIB was the strategic sponsor for the FoodBuzz event, which is a Food and Beverage (F&B) local event that happens in Al Hamra Tower (outside area). This event happens over a period of four months (on the last Tuesday and Wednesday of each month). We attended this event with our CSR booth that was inspired by newspaper shows in London and New York. We also had a collaboration to make a special edition newspaper with Kuwait News which showcased all our CSR events over the past years.

Total number of employees/volunteers who participated: 35+
Number of beneficiaries: --
Initiative duration: 190+ hours
Third-party partner or NGO: Social Firm
Total cost: 12,500 KD

The demonstrated community initiatives highlight KIB's commitment to community investment extending beyond financial education and outreach. While the specific selection process for volunteers is managed by partnering organizations, KIB also approves the list of volunteers provided during the selection process. Looking ahead, KIB's MCC Department focuses on improved collaboration and a positive work environment to position the Bank for even greater achievements in its community engagement efforts.

6

Environmental Efforts

KIB remains committed to environmental stewardship, aligning its efforts with the UN SDGs towards reducing our environmental footprint. This chapter provides a transparent overview of our 2023 Greenhouse Gas (GHG) emissions across all Scopes (1, 2, and 3), along with waste and resource management practices. Our focus on environmental responsibility is reflected in the overall trend in GHG emissions, compared to 2022. However, incomplete data for some Scope 3 categories in 2022 limits a fully comprehensive year-over-year comparison. This chapter delves into our environmental progress, identifies areas for improvement in consumption trends, and outlines our commitment to continuous improvement in environmental performance.

- Scope 1** Direct emissions from KIB's owned or controlled facilities and vehicles, including generators and company-owned cars.
- Scope 2** Indirect emissions from purchased and consumed electricity used by KIB's operations.
- Scope 3** All other indirect emissions associated with KIB's activities that are not controlled or owned by the Bank. These include employee commutes, courier services, water consumption, non-owned cars, paper and plastic waste, and others.

GHG Emissions

The Bank's overall GHG emissions data shows a positive trend for 2023. Compared to 2022 environmental data, we reported 4,624.88 tCO₂e across all scopes. A closer look at the total GHG emissions reveals interesting trends in KIB's environmental footprint. While Scope 1 emissions from generators increased slightly, Scope 2 emissions from purchased electricity decreased due to lower overall electricity consumption. Unfortunately, incomplete data from Scope 3 categories in 2022 limits a comprehensive analysis for comparison. However, the presented data across this chapter is an encouraging starting point to develop environmental reduction strategies.

Total GHG Emissions

	2023	2022	% +/-
Scope 1	15.38 tCO ₂ e	14.59 tCO ₂ e	5.40%
Scope 2	3,121.19 tCO ₂ e	3,308.24 tCO ₂ e	-5.65%
Scope 3	1,488.30 tCO ₂ e	--	--
Total	4,624.88 tCO ₂ e	--	--

Total Emissions Intensity

	2023	2022	% +/-
Scope 1 intensity	0.02 tCO ₂ e/employee	0.021 tCO ₂ e/employee	4.8%
Scope 2 intensity	4.40 tCO ₂ e/employee	4.69 tCO ₂ e/employee	-6.19%
Scope 3 intensity	2.10 tCO ₂ e/employee	--	--
Total	6.51 tCO ₂ e/employee	--	--

Scope 1

This year, Scope 1 emissions for KIB encompassed two areas: generators and company-owned cars. Direct emissions from generators showed a slight increase of 10.38% across headquarters and KIB branches. Potential factors contributing to this increase could include a rise in consumption or the use of aging, less efficient equipment. KIB is investigating these possibilities and will explore strategies to optimize generator use and reduce emissions in the future. On the other hand, there was no change in consumption trends for company-owned cars. As a result, emissions remained at a steady 7.00 tCO₂e.

Scope 1 Generator Emissions

	2023	2022	% +/-
	8.38 tCO ₂ e	7.59 tCO ₂ e	10.38%

Scope 1 Company-Owned Cars Emissions

	2023	2022	% +/-
	7.00 tCO ₂ e	7.00 tCO ₂ e	0.00%

Scope 2

Scope 2 emissions for this year primarily resulted from electricity, which showed a minor decrease by approximately 5.65% in 2023. This decrease is attributed to a reduction in overall electricity consumption across the Bank's operations.

Electricity Emissions

	2023	2022	% +/-
	3,121.19 tCO ₂ e	3,308.24 tCO ₂ e	-5.65%

Scope 3

The Scope 3 emissions encompassing all indirect emissions from the Bank's activities, showed an overall decrease in 2023. While data for 2022 is unavailable for comparison across all categories, this makes it difficult to fully assess progress in this area. However, a breakdown of the following available data provides valuable insight and detailed breakdown on KIB's Scope 3 emissions. Moving forward, KIB will continue collecting comprehensive Scope 3 data that will enable a more accurate evaluation of KIB's environmental impact and guide future emissions reduction efforts.

Total Emissions Intensity

	2023	2022	% +/-
Water consumption	3.31 tCO ₂ e	2.89 tCO ₂ e	14.79%
Employee commute*	844.53 tCO ₂ e	--	--
Non-owned cars	30.56 tCO ₂ e	30.56 tCO ₂ e	0.0%
Local courier services**	519.01 tCO ₂ e	519.01 tCO ₂ e	0.0%
Business travel	88.73 tCO ₂ e	--	--
Paper waste	0.07 tCO ₂ e	--	--
Plastic waste	0.17 tCO ₂ e	0.17 tCO ₂ e	0.0%
Lubricant oil	1.92 tCO ₂ e	1.92 tCO ₂ e	0.0%
Refrigerant gas	0 tCO ₂ e	0 tCO ₂ e	0.0%

* Employee commute emissions were calculated based on the shared survey results. The survey was circulated to all KIB employees (total 710 employees), and we received a total of 148 responses. Out of the 148, three respondents were owners of electric cars, and they were excluded from the reported employee commute emissions. The calculated emissions therefore represent data received from 145 KIB employees.

** Courier services for 2023 and 2022 did not incorporate international courier services due to limitations on granular data for international travel. As a result, KIB reported only on local courier services for both reporting years.

Case Study

KIB-Green Energy Partnership

KIB and Green Energy, a leader in renewable energy solutions, have partnered to offer KIB's customers a comprehensive set of renewable energy solutions, including:



Smart Meter Systems

Gain valuable insights into energy usage patterns, enabling informed decisions for energy conservation.



Motion/Occupancy Sensors

Reduce lighting and energy consumption in unoccupied spaces, leading to cost saving and environmental benefits.



Electrical Vehicle Charges

Contribute to the transition to electric vehicles, promoting cleaner transportation and reducing dependence on fossil fuels.



LED Solar Lights

Participate in energy-efficient and sustainable lighting solutions, minimizing energy consumption and light pollution.



Solar Water Heating

Leverage solar energy to hot water needs, reducing the reliance on conventional energy sources.

Through this partnership we seek to promote environmental preservation, reduce carbon footprint, and encourage long-term sustainable practices. This represents a significant step towards offering accessible renewable energy solutions to both businesses and individuals in the Kuwaiti market.

Energy Management

This year electricity consumption and spending trends decreased by 5.65% across KIB headquarters and branches compared to 2022, which is the main source of reduction in Scope 2 electricity emissions for this year. These reductions may be attributed to the various energy efficiency initiatives prioritized by the Bank. Several practices were adopted to increase energy efficiency across Bank premises. A protective film applied to glass surfaces minimizes cleaning frequency, reducing reliance on water and cleaning chemicals. Additionally, a solar system has been implemented to offset lighting energy demands. The most significant impact comes from the replacement of all common area lighting with LED bulbs. This initiative has resulted in a 30% reduction in electricity consumption for branches and headquarters compared to 2021.

Electricity Consumption

	2023	2022	% +/-
Consumption	6,156,198.24 kWh	6,525,137.92 kWh	-5.65%
Spending	32,451.06 KD	34,395.8 KD	-5.65%



Resource and Waste Management

The Bank recognizes the environmental impact of resource consumption and is dedicated to implementing sustainable practices. This section details the Bank's water management practices and water conservation efforts, and plastic waste, and highlights initiatives to reduce paper usage through digitization processes.

Water Management

Water conservation is an essential factor towards reducing environmental footprint. The Bank complies with minimum standards for water quality under ISO 24510-2007 and promotes water conservation practices and awareness amongst our workforce. Recently, a workshop was held by the Facilities Administration Department to discuss the high water consumption in the Head Office (HO). Discussions were held to arrive at the best approach to lower and control water consumption and explore techniques to partially reuse dispensed water on Bank premises.

Two action plans were developed:

1. Installation of sensor-type faucets: This goal has been implemented and achieved in all restrooms across the Bank's premises. As a result, water consumption was reduced.
2. Reuse the drained water: Reusing drained water in kitchens for other objectives such as watering plants is part of the implementation plan in place for October 2024.

Both these outcomes from the workshop highlight the Bank's long-term vision for water management and conservation practices. While KIB water conservation initiatives such as installation of sensor faucets in washrooms represent a significant step forward, water consumption and spending trends have not reflected this progress yet. We hope that these initiatives will enable us to further investigate water usage habits across Bank premises and explore new methods for water conservation improvements.

Water Consumption

	2023	2022	% +/-
Consumption	6,627.66 m3	5,773.93 m3	14.79%
Spending	2,124.01 KD	1,460.70 KD	45.41%

Plastic Waste

Plastic waste reported for 2023 encompassed plastic water bottles, reflecting equal consumption trends as 2022. For both years, no reported plastics were recycled. However, moving forward, KIB is exploring avenues for recycling plastics.

2023	2022	% +/-
105 Kg	105 Kg	0.0%

Paper Reduction

The KIB workforce actively participates in paper reduction practices across the Bank and has implemented several reduction initiatives. This significant step forward involves converting backlog documents to scanned digital copies, paving the way for further digitization and future paper recycling efforts. Furthermore, a printing code system was established to limit monthly paper consumption by KIB employees. Finally, KIB has increased online approval processes and workflows, further reducing reliance on paper-based documentation. All these efforts contribute to a more sustainable paper management system at the Bank.

While KIB currently reports consistent plastic waste generation, we are actively exploring avenues for recycling. For example, the Bank has recently signed a contract with a third-party contractor for a recycling bins project. Additionally, although specific data on the percentage of paper reduction is not yet available, KIB will aim to incorporate this metric into future reporting.

2023	2022
15,000 Kgs	N/A



Case Study

KIB's New Branch Design:

A Way Forward for Sustainable Operations

KIB and Green Energy, a leader in renewable energy solutions, have partnered to offer KIB's customers a comprehensive set of renewable energy solutions, including:



LED Lighting Upgrade

Replaced all traditional lighting systems with energy-efficient LED types. This has resulted in a significant reduction in energy usage without compromising lighting quality and is currently 95% completed.



Central Chiller Replacement

The main chiller for air conditioning (AC) was replaced with a modern, energy-efficient model. This upgrade improved system performance and contributes to an overall reduction of energy consumption.



AC System Maintenance

Thorough cleaning and maintenance of all air conditioning ducts to optimize airflow and maximize system efficiency.



Appliance Restriction

Implemented a policy to restrict the use of personal appliances in the HO and branches. This policy promotes responsible energy consumption on Bank premises.



Daylight Integration

New branch designs maximize natural light by incorporating larger windows and strategic building layouts to reduce the reliance on artificial lighting systems during the day.

KIB's Facilities Administration Department provides a valuable model for sustainable facility management. The implemented strategies demonstrate how proactive measures can lead to significant energy savings, cost reductions, and a positive environmental impact. By prioritizing sustainability, KIB contributes to a greener future while ensuring a comfortable and efficient work environment for its employees. By next year, the Bank will quantify the impacts of these new branch designs on its environmental footprint.



7

Appendix



- **Global Reporting Initiative (GRI) Index**
- **Additional ESG Disclosures**
- **Boursa Kuwait Index**
- **GCC Stock Exchange ESG Metrics Index**

GRI Index

Statement of Use	Kuwait International Bank (KIB) has reported in accordance with the GRI Standards for the period January 1, 2023 to December 31, 2023
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable



GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-1 Organizational details a. report its legal name; b. report its nature of ownership and legal form; c. Report the location of its headquarters; d. report its countries of operation.	a. Legal name: Kuwait International Bank (K.S.C.); b. KIB's nature of ownership and legal form is located in section 1: An Overview of KIB is located in section 1, subsection Introduction to KIB c. KIB is headquartered in Kuwait d. Kuwait is the sole country for KIB operations				
	2-2 Entities included in the organization's sustainability reporting: a. list all its entities included in its sustainability reporting; b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: i. whether the approach involves adjustments to information for minority interests; how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; ii. whether and how the approach differs across the disclosures in this Standard and across material topics.	a. The entities included in sustainability reporting consists of KIB's own operations in Kuwait, as well as its branches b. There are no differences between the list of entities included in its financial reporting and the list included in its sustainability reporting c. The sole entity considered for the purpose of sustainability reporting is Kuwait International Bank, headquartered in Kuwait i. No special approach was considered regarding minority interests ii. Mergers, acquisitions, and disposal of entities or parts of entities are not applicable for the reporting year iii. The approach does not differ across disclosures in this Standard or any of the material topics				
	2-3 Reporting period, frequency and contact point a. specify the reporting period for, and the frequency of, its sustainability reporting; b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this; c. Report the publication date of the report or reported information; d. specify the contact point for questions about the report or reported information.	a. Reporting period is located in section Report Overview; b. The reporting period for financial reporting is similar to sustainability reporting; c. Report publication is listed on the website d. contact points is listed in section Report Overview				
	2-4 Restatements of information a. report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements; ii. the effect of the restatements	a. Report restatements, and the reasons for restatements are located in section Report Overview				
	2-6 Activities, value chain and other business relationships a. Report the sector(s) in which it is active; b. Describe its value chain, including: i. the organization's activities, products, services, and markets served; ii. the organization's supply chain; iii. the entities downstream from the organization and their activities; c. report other relevant business relationships; d. Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period	a. b. KIB activities, value chain and other business relationships are located in section 1, subsection KIB Overview of Business Segments; c. Other relevant business relationships are located in section 1, subsection Prioritizing Stakeholder Engagement; and section 2, subsection Responsible Procurement; and section 5, subsection Community Investment; d. No significant changes compared to previous reporting period				
	2-7 Employees a. Report the total number of employees, and a breakdown of this total by gender and by region; b. Report the total number of: i. permanent employees, and a breakdown by gender and by region; ii. temporary employees, and a breakdown by gender and by region; iii. non-guaranteed hours employees, and a breakdown by gender and by region; iv. full-time employees, and a breakdown by gender and by region; v. part-time employees, and a breakdown by gender and by region; c. Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. in head count, full-time equivalent (FTE), or using another methodology; ii. at the end of the reporting period, as an average across the reporting period, or using another methodology; d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b; e. Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	a. c. d. A total breakdown of employee profile is located in section 5, subsection Employee Profile b. The total number of: i. permanent employees is 0 ii. temporary employees is 0 iii. non-guaranteed hours employees is 0 iv. full-time employees is 710 v. part-time employees is 0 Please note there are 33 support staff for "basic positions" not considered part of the total number of employee profile listed above. This applies for certain titles such as: "Janitor, expeditor, driver, and technician" These "basic positions" and are all populated by NKW's and are excluded from the totals. These are disclosed to local regulatory bodies.	e. Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	Not applicable		No significant fluctuations occurred in the reporting year therefore not applicable
	2-8 Workers who are not employees a. Report the total number of workers who are not employees and whose work is controlled by the organization and Describe: i. the most common types of workers and their contractual relationship with the organization; ii. the type of work they perform; b. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE), or using another methodology; ii. at the end of the reporting period, as an average across the reporting period, or using another methodology; c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	Not applicable	a. Report the total number of workers who are not employees and whose work is controlled by the organization and Describe: i. the most common types of workers and their contractual relationship with the organization; ii. the type of work they perform; b. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE), or using another methodology; ii. at the end of the reporting period, as an average across the reporting period, or using another methodology; c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	Not applicable		Total number of workers who are not full time employees was not reported to the Central Bank of Kuwait, for this reporting year. Therefore, b., c. are also not applicable.

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-9 Governance structure and composition a. Describe its governance structure, including committees of the highest governance body; b. List the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organization's impacts on the economy, environment, and people; c. Describe the composition of the highest governance body and its committees by: i. executive and non-executive members; ii. independence; iii. tenure of members on the governance body; iv. number of other significant positions and commitments held by each member, and the nature of the commitments; v. gender; vi. under-represented social groups; vii. competencies relevant to the impacts of the organization; viii. stakeholder representation	a, b. Section 2, subsection Corporate Governance and Structure				
	2-10 Nomination and selection of the highest governance body a. Describe the nomination and selection processes for the highest governance body and its committees; b. Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders); ii. diversity; iii. independence; iv. competencies relevant to the impacts of the organization	a, b. Section 2, Board of Directors, Board Nominations and Elections				
	2-11 Chair of the highest governance body a. Report whether the chair of the highest governance body is also senior executive in the organization; b. If the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated	a, b. Section 2, subsection Board of Directors, The Chairman				
	2-12 Role of the highest governance body in overseeing the management of impacts a. Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development; b. Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes; c. Describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b and report the frequency of this review.	a, b, c. Section 2, subsection Board Oversight				
	2-13 Delegation of responsibility for managing impacts. a. Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees; b. Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	a. By delegated responsibility for the management of impacts to other employees. b. The senior executives usually send monthly reports in this regards to the Board				
	2-14 Role of the highest governance body in sustainability reporting a. Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information; b. If the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this	a. Section 2, subsection Board of Directors, ESG Governance; b. Nil				
	2-15 Conflicts of interest a. Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated; b. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership; ii. cross-shareholding with suppliers and other stakeholders; iii. existence of controlling shareholders; iv. related parties, their relationships, transactions, and outstanding balances	a, b. Section 2, subsection Conflict of Interest				
	2-16 Communication of critical concerns a. Describe whether and how critical concerns are communicated to the highest governance body; b. Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period	a. Yes communicated through whistleblowing policy, located in section 2, subsection Whistleblowing and Grievance Mechanisms; b. Nil				
	2-17 Collective knowledge of the highest governance body a. Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	Section 2, subsection Board of Directors, and Board Oversight				
	2-18 Evaluation of the performance of the highest governance body a. Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people; b. Report whether the evaluations are independent or not, and the frequency of the evaluations; c. Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	a, b, c, Section 2, subsection Board of Directors				
	2-19 Remuneration policies a. Describe the remuneration policies for members of the highest governance body and senior executives, including: i. fixed pay and variable pay; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. claw backs; v. retirement benefits; b. Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people"	a, b. Section 2, subsection Compensation and Benefits, Board Remuneration				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration a. Describe the process for designing its remuneration policies and for determining remuneration, including: i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable	Not applicable	a. Describe the process for designing its remuneration policies and for determining remuneration	Confidentiality constraints	Processes for designing remuneration policies, determining them, and results of remuneration policies are all confidential for the Bank.	
	2-21 Annual total compensation ratio a. Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. Report contextual information necessary to understand the data and how the data has been compiled.	a-c Not applicable	a. Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. Report contextual information necessary to understand the data and how the data has been compiled.	Confidentiality constraints	The total compensation ratio for the Bank was reported as confidential for 2023	
	2-22 Statement on sustainable development strategy: a. Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	Located in Message from the Chairman				
	2-23 Policy commitments a. Describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights; b. Describe its specific policy commitment to respect human rights, including: i. the internationally recognized human rights that the commitment covers; ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment; c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this; d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level; e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships; f. Describe how the policy commitments are communicated to workers, business partners, and other relevant parties."	a. Policy commitments on responsible business conduct located in section 2, subsection Shari'a and Business Ethics; b. No policy commitment on human rights; c. No policy commitments are available, and are confidential d. At the Board and Board Committee level are policy commitments approved depending on the policy; e. Application of policy commitments to KIB's activities and to business relations is to the full extent as required in the respective policies, and is reviewed by audit; f. Communication to workers, business partners, and other relevant parties is through standard and non-standard communication channels				
	2-24 Embedding policy commitments a. Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization; ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organization provides on implementing the commitments.	a. Through reporting, monitoring, review, escalation, audit, inspection, and standard operating procedures. Located in section 2, subsection Shari'a and Business Ethics				
	2-25 Processes to remediate negative impacts a. Describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; b. Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in; c. Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; d. Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms; e. Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback	a. We have currently and during the year of 2023 an agreement with UN Habitat where we signed to protect and encourage for a greener Kuwait; b. For customers, we have a service quality team that collects any complaint and solves it with the targeted department to ensure customers are satisfied. For employees, complaints go through the direct manager first. If it's not resolved it gets escalated or otherwise sent to the HR Department to resolve the problem. For partners, we ensure all terms are agreed on in terms of the contract and if there is any problem we go to the Legal Department or otherwise resolve it internally. As for other situations we try our best to resolve issues directly but if it's not resolved, we go to the Legal Department to proceed further; c. No there is none; d. Not applicable; e. When receiving and resolving a grievance complaint or issue, it is directly sent and reported to managers. Managers also receive updates upon resolution of the issue. For example, if we receive a complaint from a client on social media after they win a prize from instance and they didn't receive it. We immediately get contacted by the call center or social media team. We then contact the client directly and resolve it on spot. After that, we contact our manager that the problem of this client is resolved.	d. Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms;	Information unavailable/incomplete	Information on the details of the process in which stakeholders are involved was not provided	
	2-26 Mechanisms for seeking advice and raising concerns a. Describe the mechanisms for individuals to: i. seek advice on implementing the organization's policies and practices for responsible business conduct; ii. raise concerns about the organization's business conduct.	Section 2, subsection Employee Engagement and Well-being, where paragraphs cover whistleblowing and grievance mechanisms				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations a. Report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. instances for which fines were incurred; ii. instances for which non-monetary sanctions were incurred; b. Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. Describe the significant instances of non-compliance; d. Describe how it has determined significant instances of non-compliance	a. Section 2, subsection ESG and Regulatory Compliance		Confidentiality constraints	The Bank's relevant department reported that this is confidential information	
	2-28 Membership associations a. Report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	Section 5, subsection Community Investment				
	2-29 Approach to stakeholder engagement a. Describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organization seeks to ensure meaningful engagement with stakeholders	Section 1, subsection ESG Vision, and subsection Prioritizing Stakeholder Engagement				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics a. Describe the process it has followed to determine its material topics, including: i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships; ii. how it has prioritized the impacts for reporting based on their significance; b. specify the stakeholders and experts whose views have informed the process of determining its material topics	Section 1, subsections ESG Double Materiality		A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics a. List its material topics; b. Report changes to the list of material topics compared to the previous reporting period.	Section 1, subsection ESG Double Materiality				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics For each material topic reported under Disclosure 3-2, the organization shall: a. Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights; b. Report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships; c. Describe its policies or commitments regarding the material topic; d. Describe actions taken to manage the topic and related impacts, including: i. actions to prevent or mitigate potential negative impacts; ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation; iii. actions to manage actual and potential positive impacts; e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions; ii. goals, targets, and indicators used to evaluate progress; iii. the effectiveness of the actions, including progress toward the goals and targets; iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures; f. Describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)	Located in section 7, GRI 3-3 Material Topic: Economic Advancements				
	201-1 Direct economic value generated and distributed a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: i. Direct economic value generated: revenues; ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.	a. Direct Economic value generated and distributed: Economic Value generated i. Economic value generated: Revenue 19,100,000 KD. ii. Economic value distributed: Operating costs N/A Payments to providers of capital N/A Employ wages and benefits N/A Payments to government by country N/A Community investment 1,108,000.00 KD iii. Total economic value retained 17,992,000.00 KD			Information unavailable/incomplete	Information on significant EVG&D for country, regional, or market levels is not available
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Not applicable		Not applicable	Financial implications and other risks and opportunities due to climate change have only recently been passed by the highest governance body. An existing policy covers this topic but it has not yet been implemented for this reporting year.	
	201-1 Direct economic value generated and distributed a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: i. Direct economic value generated: revenues; ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments; iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.	a. Direct Economic value generated and distributed: Economic Value generated i. Economic value generated: Revenue 19,100,000 KD. ii. Economic value distributed: Operating costs N/A Payments to providers of capital N/A Employ wages and benefits N/A Payments to government by country N/A Community investment 1,108,000.00 KD iii. Total economic value retained 17,992,000.00 KD			Information unavailable/incomplete	Information on significant EVG&D for country, regional, or market levels is not available

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Not applicable				a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities. b. If a separate fund exists to pay the plan's pension liabilities: i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; ii. the basis on which that estimate has been arrived at; iii. when that estimate was made. c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage. d. Percentage of salary contributed by employee or employer. e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact
	201-4 Financial assistance received from government. a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including: i. tax relief and tax credits; ii. subsidies; iii. investment grants, research and development grants, and other relevant types of grant; iv. awards; v. royalty holidays; vi. financial assistance from Export Credit Agencies (ECAs); vii. financial incentives; viii. other financial benefits received or receivable from any government for any operation.	a. No financial assistance identified as provided from government				b. The information in 201-4-a by country, c. Whether, and the extent to which, any government is present in the shareholding structure.
Market presence						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Economic Advancements				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage			Ratios of standard entry level wage by gender compared to local minimum wage	Confidentiality constraints	KIB does not disclose such information publicly.
	202-2 Proportion of senior management hired from the local community			Proportion of senior management hired from the local community	Confidentiality constraints	KIB does not disclose such information publicly.
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	None				a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.
	203-2 Significant indirect economic impacts : a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	Not applicable				KIB has not yet evolved its ESG data reporting and analysis to identify the significant indirect economic impacts.
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Responsible Governance and Regulatory Compliance. Also located in section 2, subsection Responsible Procurement				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Proportion of spending on local suppliers located in section 2, subsection Responsible Procurement				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topics: Shari'a and Business Ethics, and Responsible Governance and Regulatory Compliance				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	Operations are assessed for risks by the risk management department.	a. Total number and percentage of operations assessed for risks related to corruption b. Significant risks related to corruption identified through the risk assessment	Not applicable	Details on total number and percentage of operations assessed for risks related to corruption; and significant risks related to corruption identified through the risk assessment are not currently corrected	
	205-2 Communication and training about anti-corruption policies and procedures	Through induction and awareness portal				
	205-3 Confirmed incidents of corruption and actions taken	None				
Material topics						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Responsible Governance and Regulatory Compliance				
GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant b. Main outcomes of completed legal actions, including any decisions or judgements	a, b. Actions on anti-competitive behavior and business ethics controversies and their details, if any, are located in section 2, subsection Shar'a and Business Ethics.				
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 207: Tax 2019	207-1 Approach to tax	Not applicable	A description of the approach to tax, including: i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization	Not applicable	Not material to the Bank's jurisdiction	
	207-2 Tax governance, control, and risk management	Not applicable	a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.	Not applicable	Not material to the Bank's jurisdiction	
	207-3 Stakeholder engagement and management of concerns related to tax	Not applicable	a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.	Not applicable	Not material to the Bank's jurisdiction	
	207-4 Country-by-country reporting	Not applicable	a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes. b. For each tax jurisdiction reported in Disclosure 207-4-a: i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. c. The time period covered by the information reported in Disclosure 207-4	Not applicable	Not material to the Bank's jurisdiction	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Energy and Resource Management				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Section 6, subsection Waste and Resource Management				
	301-2 Recycled input materials used	Section 6, subsection Waste and Resource Management				
	301-3 Reclaimed products and their packaging materials	Not applicable	a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected.	Not applicable	Weight of materials that are reclaimed at the Bank are not quantified or reported	
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Energy and Resource Management				
GRI 302: Energy 2016	302-1 Energy consumption within the organization a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. c. In joules, watt-hours or multiples, the total: i. electricity consumption ii. heating consumption iii. cooling consumption iv. steam consumption d. In joules, watt-hours or multiples, the total: i. electricity sold ii. heating sold iii. cooling sold iv. steam sold e. Total energy consumption within the organization, in joules or multiples. f. Standards, methodologies, assumptions, and/or calculation tools used. g. Source of the conversion factors used.	a. - e. Section 6, subsection Energy Management f. Data was calculated based on the reported annual consumption for the HO and branches, including the total paid for energy consumption. Based on this data, a third-party conducted calculations on emission factors reported, located in the section 6, subsection GHG emissions. g. No conversion factors were used from the data				
	302-2 Energy consumption outside of the organization a. Energy consumption outside of the organization, in joules or multiples. b. Standards, methodologies, assumptions, and/or calculation tools used. c. Source of the conversion factors used	a. Section 6, subsection GHG Emissions under Scope 3 reported on energy consumption outside of the organization. b. Data was calculated based on the reported annual consumption outside the organization. Based on this data, a third-party conducted calculations on emission factors reported, located in the section 6, subsection GHG emissions.	c. Source of the conversion factors used	Information unavailable/incomplete	Sources of the conversion factors used here is not applicable for energy consumption outside the organization	
	302-3 Energy intensity	Section 6, subsection GHG Emissions				
	302-4 Reduction of energy consumption a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. d. Standards, methodologies, assumptions, and/or calculation tools used.	a. Details on energy consumption is located in section 6, subsection energy management. Although the reduction is minor in may be as a result of the Bank's replacement of all lights in the common areas with LED type lights over the years. The electrical consumption for HO and branches was reduced by 30% compared between 2021 vs 2023. Details located in section 6, Energy Management. b. Types of energy reported this year are for electricity reported under scope 2. c, d. Basis for calculating reductions in energy were based on receiving invoices on electricity bills for the HO and branches for the annual year of 2023 and 2022.				
	302-5 Reductions in energy requirements of products and services	Not applicable	a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples. b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. c. Standards, methodologies, assumptions, and/or calculation tools used.	Not applicable	Measurement and reductions in energy consumption data is not applicable for KIB. This is the first baseline year of reporting.	
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topics: Environmental Efforts, and Energy and Resource Management				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource a. A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts the organization has caused or contributed to, or that are directly linked to its operations, products, or services by its business relationships (e.g., impacts caused by runoff). b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used. c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts. d. An explanation of the process for setting any water-related goals and targets that are part of the organization's approach to managing water and effluents, and how they relate to public policy and the local context of each area with water stress.	a. The Bank interacts with water through implementing sensor type faucets to reduce water consumption. Data on water consumption is collected through the information provided on water consumption invoices. b. Not applicable. c. The next Bank target for water usage is set for Oct 2024 where the plan is to reuse all dispensed water in kitchens for plants watering. This is one example of how the Bank is looking at how it interacts with water to reduce consumption.	b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used. c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts.	Information unavailable/incomplete	The Bank does not have a formal methodology identified for an approach used to identify water-related impacts, and how they are addressed	
	303-2 Management of water discharge-related impacts a. A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: i. how standards for facilities operating in locations with no local discharge requirements were determined; ii. any internally developed water quality standards or guidelines; iii. any sector-specific standards considered; iv. whether the profile of the receiving waterbody was considered.	a. Minimum standards set for quality of effluent discharge include the Bank attaining the following: ISO 24510:2007, Guidelines for Drinking-water Quality WHO AWWA i. Only one location and managed through a contractor. ii. Not yet. iii. ISO 24510: drinking water standard iv. Not applicable				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Not applicable	a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water. b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Produced water; v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv. c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories: i. Freshwater (<1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Information unavailable/incomplete	The Bank does not have data on the total water withdrawal based on the breakdown of the type of water	
	303-4 Water discharge	Not applicable	a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable: i. Surface water; ii. Groundwater; iii. Seawater; iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable. b. A breakdown of total water discharge to all areas in megaliters by the following categories: i. Freshwater (<1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories: i. Freshwater (<1,000 mg/L Total Dissolved Solids); ii. Other water (>1,000 mg/L Total Dissolved Solids). d. Priority substances of concern for which discharges are treated, including: i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used; ii. the approach for setting discharge limits for priority substances of concern; iii. number of incidents of non-compliance with discharge limits. e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Information unavailable/incomplete	The Bank does not have data on the total water discharged based on the breakdown of the type of water	
	303-5 Water consumption	a. Section 6, subsection Resource and Waste Management d. To assist in better tracking, and also in reduction of water consumption the Bank sets targets and conducts the following: 1. Install a protective film on all glass and AI frontals in KIB branches that reduce the cleaning needs; water and chemicals. 2. Install solar system to carry all lights load. 3. Convert all backlog of bank documents to scanned copies as a 1st step to recycle all outdated documents. 4. Add contracted Recycling bins project	b. Total water consumption from all areas with water stress in megaliters. c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact. d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.	Not applicable	Details on water consumption from areas in water stress is not applicable for the Bank's areas of operations. Additionally, no change in water storage has been identified or disclosed through data collection.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable	a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information: i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km ² (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).	Not applicable	The Bank does not operate, or manage operations in or near areas that are protected, or that have high biodiversity	
	304-2 Significant impacts of activities, products and services on biodiversity	No identified significant impacts of activities, products and services on biodiversity	a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following: i. Construction or use of manufacturing plants, mines, and transport infrastructure; ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and nonpoint sources); iii. Introduction of invasive species, pests, and pathogens; iv. Reduction of species; v. Habitat conversion; vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). b. Significant direct and indirect positive and negative impacts with reference to the following: i. Species affected; ii. Extent of areas impacted; iii. Duration of impacts; iv. Reversibility or irreversibility of the impacts.	Not applicable	The Bank does not operate, or manage operations in or near areas that are protected, or that have high biodiversity	
	304-3 Habitats protected or restored	Not applicable	a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals. b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures. c. Status of each area based on its condition at the close of the reporting period. d. Standards, methodologies, and assumptions used.	Not applicable	The Bank does not operate, or manage operations in or near areas that are protected, or that have high biodiversity	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable	a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: i. Critically endangered ii. Endangered iii. Vulnerable iv. Near threatened v. Least concern	Not applicable	The Bank does not operate, or manage operations in or near areas that are protected, or that have high biodiversity, which may impact IUCN Red List species	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Environmental Efforts				
	305-1 Direct (Scope 1) GHG emissions	Section 6, subsection GHG Emissions				
	305-2 Energy indirect (Scope 2) GHG emissions	Section 6, subsection GHG Emissions				
	305-3 Other indirect (Scope 3) GHG emissions	Section 6, subsection GHG Emissions				
	305-4 GHG emissions intensity	Section 6, subsection GHG Emissions				
	305-5 Reduction of GHG emissions	Section 6, subsection GHG Emissions				
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable		Information unavailable/incomplete	The Bank does not have information available on emissions of ozone-depleting substances (ODS) as a result of operations	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable		Information unavailable/incomplete	The Bank does not have information available on NOx, SOx, and other significant air emissions as a result of operations	
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Energy and Resource Management				
	306-1 Waste generation and significant waste-related impacts	a. Section 6, subsection Waste and Resource Management				
	306-2 Management of significant waste-related impacts a. Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated.	a. Section 6, subsection Waste and Resource Management		Information unavailable/incomplete	Information on actions and circularity measures taken to prevent waste generation on an advanced scale, and the process used to collect and monitor waste related data is limited due to lack of monitoring and tracking systems in place on waste generation.	
	306-3 Waste generated	a. Section 6, subsection Waste and Resource Management		Information unavailable/incomplete	Information on how data was compiled is unavailable for this year. In the future, more accurate tracking mechanisms will be pursued	
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Not applicable		Information unavailable/incomplete	a. Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste. b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. d. For each recovery operation listed in Disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 306: Waste 2020	306-5 Waste directed to disposal	Not applicable		Information unavailable/incomplete	a. Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste. b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. d. For each disposal operation listed in Disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.	Information on waste directed to disposal at Bank is not currently available
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topics: Environmental Efforts, and Energy and Resource Management				
	308-1 New suppliers that were screened using environmental criteria a. Percentage of new suppliers that were screened using environmental criteria.	Zero. The Bank has not yet incorporated new screening processes that include environmental criteria				
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	a. None. The Bank has not yet incorporated new screening processes that include environmental criteria. Therefore, no detailed data is available on the negative environmental impacts in the supply chain.		Not applicable	b. Number of suppliers identified as having significant actual and potential negative environmental impacts. c. Significant actual and potential negative environmental impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	The information is not applicable to us.
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topics Employee Engagement and Well-being, and Diversity and Inclusion				
	401-1 New employee hires and employee turnover	a. b. Details on the total rate of employee new hires and employee turnover for the Bank are located in section 5, subsection Employee Profile				
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	The list of benefits provided to Bank employees are provided in section 5, subsection Compensation and Benefits. There are no reported temporary or part-time employees for the Bank.				
	401-3 Parental leave	Section 5, subsection Compensation and Benefits and Parental Leave				
Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Transparency and Accountability				
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	a. None				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 5, subsection Occupational Health and Safety				
	403-1 Occupational health and safety management system	a. Information on occupational health and safety management is located in section 5, subsection Occupational Health and Safety	b. A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.	Information unavailable/incomplete	The Bank is remodeling its occupational health and safety systems for this reporting year and does not have information on the scope of coverage cover by the new system	
	403-2 Hazard identification, risk assessment, and incident investigation	Bank follows an active approach in handling hazard and risk. The Bank performs incident reporting and follows-up on causes of incidents, and pursues preventive measures.	a. A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including: i. how the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system. b. A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals. c. A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals. d. A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.	Information unavailable/incomplete	Although general high level information was provided, details on the process of hazard identification, risk assessment, and incident investigation were not provided. This includes lack of information on the description of the policies and processes for workers to remove themselves from work situations.	
GRI 403: Occupational Health and Safety 2016	403-3 Occupational health services	None				
	403-4 Worker participation, consultation, and communication on occupational health and safety	a. No	b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.	Not applicable	Since this is a new process for the Bank, committees covering health and safety have not yet been established and therefore not applicable	
	403-5 Worker training on occupational health and safety	Not applicable	a. A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.	Information unavailable/incomplete	The Bank is remodeling their occupational health and safety systems for this reporting year and does not have information on worker training in this topic	
	403-6 Promotion of worker health	a., b. Promotion of worker health, including voluntary health promotion, is conducted through internal communications channels, and wellness promotions events				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	a. None				
	403-8 Workers covered by an occupational health and safety management system	a. None				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	a. None	b. For all workers who are not employees but whose work and/or workplace is controlled by the organization; c. The work-related hazards that pose a risk of high-consequence injury, including: d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls. e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked. f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Not applicable	No work-related injuries reported. Other data in this reporting requirement is not available or tracked by the organization for this reporting year. Therefore it is not applicable	
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Professional Skills Development. Also covered, in section 5, subsection Professional Skills Development				
	404-1 Average hours of training per year per employee	a. Section 5, subsection Professional Skills Development, under Employee Training Overview				
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	a., b. Programs and actions that include upgrading and enhancing employee skills at the Bank are located in section 5, subsection Professional Skills Development, under Learning and Training Development. These opportunities are focused not only on upgrading skillsets for employees, but also providing the opportunity to learn new skills to assist them in expanding their professional portfolio				
	404-3 Percentage of employees receiving regular performance and career development reviews	a. 100%				
Diversity and equal						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Diversity and Inclusion. Also located in section 5, subsection Employee Profile				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	a., b. Information on the diversity of governance bodies is located in section 5, subsection Employee Profile; and Section 2, subsection Corporate Governance and Structure. These sections include governance bodies' diversity, and diversity among employees.				
	405-2 Ratio of basic salary and remuneration of women to men	a., b. Information on the ratio of basic salary and remuneration of women to men is located in section 5, subsection Employee Profile. This data covers all areas KIB branches and the main head office, which is all significant areas of operations for the Bank.				
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Diversity and Inclusion. Also located in section 5, subsection Commitment to Diversity and Inclusion				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	a. None; b. None				
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable	a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.	Not applicable	Information on suppliers and operations in Kuwait that have right to exercise freedom of association is not part of information applicable to the Bank	
Child labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Responsible Governance and Regulatory Compliance. Located in section 2, subsection Responsible Procurement				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	a., b. No operations and suppliers that may be considered to have significant risk for incidents of child labor; c. Measures taken by the Bank to contribute to the abolition of child labor include the incorporation of this ESG disclosure into the Bank's ESG Policy				

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Forced or compulsory labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Responsible Governance and Regulatory Compliance. Located in section 2, subsection Responsible Procurement				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor. a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization to the elimination of all forms of forced or compulsory labor.	a. None; b. Measures taken by the Bank to contribute to the elimination of all forms of forced or compulsory labor include the incorporation of this ESG disclosure into the Bank's ESG Policy.				
Security practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not applicable	a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security. b. Whether training requirements also apply to third-party organizations providing security personnel.	Information unavailable/incomplete	The Bank is remodeling their occupational health and safety systems for this reporting year and does not have information on the scope of coverage cover by the new system	
Rights of indigenous peoples						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Diversity and Inclusion. Also located in section 5, subsection Commitment to Diversity and Inclusion				
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.	a. None	b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	Not applicable	No incidents of violations were reported therefore b. is not applicable	
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	GRI 3-3 Material Topic: Community Investment. Located in section 5, subsection Community Investment				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	a. Section 5, subsection Community Investment provides information for local community investments				
	413-2 Operations with significant actual and potential negative impacts on local communities	Not applicable in other Bank operations. However, within the international banking services, the Bank limits our participations in oil financings, however, there is no limitations on such transactions.	Operations with significant actual and potential negative impacts on local communities, including: i. the location of the operations; ii. the significant actual and potential negative impacts of operations.	Information unavailable/incomplete	Information on the significant actual and potential negative impacts on local communities is not tracked by the Bank.	
Supplier social assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria a. Percentage of new suppliers that were screened using social criteria.	a. Zero				
	414-2 Negative social impacts in the supply chain and actions taken	Not applicable	a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	Not applicable	The Bank has not yet incorporated new screening processes that include social criteria. Therefore, no detailed data is available on the negative social impacts in the supply chain.	

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) omitted	Reason	Explanation	
Public policy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Not applicable				
GRI 415: Public Policy 2016	"415-1 Political contributions a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated."	a. Zero				
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Customer Experience				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	No existing assessment of the health and safety impacts of products and service categories. Scope of work is identified by requesting department, contractual agreements and tendering documents, which undergo multiple stakeholder reviews. Standard contract drafts, and safety compliance all adhere to Kuwait's law.				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Incidents of non-compliance concerning health and safety impacts of products and services	Confidentiality constraints		This information has been reported as confidential	
Marketing and labeling						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Customer Experience				
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Brand guidelines are strictly followed for product and service labeling in terms of final naming conventions. The Bank has varying requirements when it comes to labeling such as the product and service types that are included in the naming. For example 'Type of Card: Credit / Prepaid' or 'Type of Account: Saving , Term Deposit, Call' . As for the service information the Bank provides all the relevant service information that is necessary for the customer and staff alike, features , benefits , legibility , FAQ's and the full T&C's, through various communication mediums.				
	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents on record				
	417-3 Incidents of non-compliance concerning marketing communications	No incidents of non-compliance				
Customer privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Located in section 7, GRI 3-3 Material Topic: Data Protection and Privacy. Also located in section 4, subsection digital investments, under Information Security and Data Privacy				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints concerning breaches of customer privacy and losses of customer data				

GRI 3-3

Material Topic	Actual and potential, negative and positive impacts on the economy, environment, and people	Involvement with negative impacts through activities or as a result of its business relationships	Policies or commitments regarding the material topic	Actions taken to prevent or mitigate potential negative impacts	Actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions taken to manage actual and potential positive impacts	Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress of the actions	Actions' effectiveness	Lessons learned	Location in the KIB ESG Report 2023
Digitization and Innovation	There are several positive impacts. For example the entrepreneurship sector excels in innovation, especially in aspects of business improvement to enhance service quality and analyze data accurately and quickly. KIB Aqari, KIB Corporate and KIB Retail all have a positive impact on the environment as it reduces paper usage, energy consumption and carbon emission. From a social standpoint, the ease of access to services such as retail banking, rent and corporate management enhances social inclusion which help address the marginalized population, resulting in economic prosperity.	Due to automation, the overall process with respect to different stakeholders that are part of the service offering and the overall value chain has been streamlined leading to a positive impact on the customer service as well as service turnaround time	The Digital Innovation and Data Intelligence (DIDI) Department is working on a policy and procedure manual.	Customer focus groups are conducted to understand customer expectations. Market research is also conducted to analyze trends and use cases. Additionally, a new HR system is being implemented to maximize digital reach within HR and enhance data tracking. Modules will be implemented across all HR areas and provide visibility and transparency to employees so they have a comprehensive overview of their whole journey through the talent cycle	We incorporated customers' feedback through customer focus groups. We also ensured best practice along with international standards were taken into account as well.	We incorporated customers' feedback, best practices and international standards across our activities. Additionally, we contracted a service provider for scanning all documents and storing the last 10-years documents.	Continuous customer feedback loops, for example, iterations to help improvements and enhancements. Processes are also accelerated to track and improve effectiveness of actions.	We use the agile/ scrum method to plan and manage sprints as well as keep track of backlog. The effectiveness of the actions is demonstrated through measuring the results that these actions were designed for. The measurement of results is done through regular monitoring	Improve the user experience of all 3 Apps - KIB Aqari, KIB Corporate and KIB Retail - and reduce human error through automation. Scanning all backlog of bank documents as a 1st step to recycle all outdated documents	Section 4, subsection Digitization and Innovation	
Environmental Efforts	Positive impacts include clean air conditioning, placing plants in all Bank premises, and providing better lighting while reducing energy consumption	N/A	Confidential	Implemented climate-related financial disclosures; a sustainable finance framework was also drafted and approved	Products in which were ecofriendly such as eco-friendly cards and well as paperless ATM's	The cleaning and maintenance is considered as part of the annual preventive maintenance.	The air cooling efficiency and quality has improved at Bank premises	Goal is to complete the changing of all lights to LED as soon as possible to help further reduce energy consumption	95%	Install a protective film on all glass and AI frontals in KIB branches that reduce the cleaning needs, water and chemicals.	Section 6
Energy and Resource Management	Reduced the MEW invoices by 55%	Reduced the MEW invoices by 55%	N/A	NA	NA	NA	The power consumption of the AC machines was reduced by 35% over a few years	The goal is to reuse the water discharged from kitchens for plant watering. This aims at interacting with water through an eco-conscious lens	35%	The goal is to install solar system to carry all lights load	Section 6, subsections Energy Management, and Waste and Resource Management
Shari'a and Business Ethics	The Bank ensures compliance with both local and international regulations in regards to Shari'a and business ethics. It also ensures Shari'a practices are upheld. More details on this material topic can be found in section 2, subsection Shari'a and Business Ethics	Positive	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Section 2, subsection Shari'a and Business Ethics
Diversity and Inclusion	Wa-ed talent program launched in 2023 had 20% more female participants on a per head basis than the males. Additionally, She-Lead event was held to promote women in leadership roles.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Section 5, Employee Profile
Responsible Governance and Regulatory Compliance	The Bank ensures compliance with local and international regulations	Any activities that affect the business and are raised by CBK are handled in a daily, weekly, monthly, quarterly and yearly basis depending on the activity	A Compliance Policy that covers regulatory issues related to the department is in place	Any negative aspects will raise an issue to the board, or board committees and to the concerned departments in order to avoid such aspects in the issues by setting corrective plans	Updates on policies and procedures are related and dependent on department's and their practices, procedures and workflows	N/A	Follow-ups are conducted through the related department until they achieve the tasks and targets	Follow-ups are conducted through the related department until they achieve the tasks and targets	N/A	Most of the Bank policies are updated immediately when there are any changes in regulation by the regulatory bodies, or within 3 years. While procedures are updated within 1-2 years in order to close any gaps with regulations	Section 2
Transparency and Accountability	Robust governance frameworks are in place at KIB, particularly for stakeholder transparency. The Bank also ensures compliance with the regulations.	Positive impacts were reflected. The Bank is currently focused on the direction towards supporting local suppliers in which leads to better economy, as well as supporting SME's Mubader is a competitive edge over banks	Corporate Governance Policy and Transparency Policy are in place to ensure transparency and accountability	Code of Conduct	N/A	N/A	N/A	N/A	N/A	N/A	Section 2

Material Topic	Actual and potential, negative and positive impacts on the economy, environment, and people	Involvement with negative impacts through activities or as a result of its business relationships	Policies or commitments regarding the material topic	Actions taken to prevent or mitigate potential negative impacts	Actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions taken to manage actual and potential positive impacts	Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress of the actions	Actions' effectiveness	Lessons learned	Location in the KIB ESG Report 2023
Data Protection and Privacy	Customer data protection is covered through customer assurance and security practices. This ensures the Bank upholds high standards of practice for data protection and privacy. A dedicated section on the positive impacts of this material topic is located in section 4, subsections Information Security and Privacy; and, Commitment to Customer Protection and Complaint Resolution	Security assurance due to our FinTech partners and the B2B clients of the bank for various banking services	Respective policies are in place.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Compliance with regulatory bodies and internal policies and procedures related to information security and data privacy.	Exploration of emerging trends, best practices and new industry standards that could be adopted to further ramp up our existing practices and frameworks	Section 4, subsections Information Security and Privacy; and, Commitment to Customer Protection and Complaint Resolution
Professional Skills Development	The launch of cross-skill matrix has led to an increased focus on individual skill development. Additional investments that have resulted in impacts on professional skills development can be found in section 5, subsection Professional Skills Development	N/A	N/A	Increased accessibility and availability for learning and training development opportunities. As a result, the number of training hours increased by 400% in 2023; to be further increased in 2024. This is reflected in the report on learning and training development.	N/A	N/A	N/A	N/A	N/A	N/A	Section 5, subsection Professional Skills Development
Employee Engagement and Well-being	Many engagement events were conducted this year which include, but are not limited to, Thursday fun activities, Fitness challenge, and the Suggestions Box. More information on this can be found in section 5, subsection Employee Engagement and Well-being	N/A	N/A	The organization health index was run for the first time in Jan 2023 in order to get a baseline. Results were presented to Executive Management at an offsite event by external consultants. Following this, a detailed action plan was broken down focusing on 6 main initiatives to bring the score up from 56 to the Middle East median. The overall KIB balanced scorecard has an increased weightage on this element as do individual departments balanced scorecards (including a large focus of course in HR). The plan will be tracked every month to view progress and pulse check surveys run every 6 months.	Based on the feedback collected through surveys the action plan is prepared and worked on by the TaMM council, under the Operations Department	N/A	N/A	N/A	N/A	N/A	Section 5, subsection Employee Engagement and Well-being
Diversity and Inclusion	Wa-ed talent program launched in 2023 had 20% more female participants on a per head basis than the males. Additionally, She-Lead event was held to promote women in leadership roles.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Section 5, Employee Profile
Efficiency	There have been many positive impacts through various initiatives which have helped in driving efficiency e.g. OKR framework. Positive developments include employees starting to approach the change management unit and seek their support to improve work efficiency. The distribution of tasks is much faster with the new team hierarchy.	Positive: Change management team is solving issues, mapped lean processes that impacted customers and stakeholders. In terms of efficiency for procurement, the department is looking forward to our new application to send out our RFQs quicker to the supplier	Not directly, however, the concept of the change management unit is built based on improving efficiency and driving lean and agile culture.	Tracking and corrective actions are taken to stop any future business with vendors with negative impacts. The TaMM council is also assisting in enhancing efficiency by identifying all the impacts.	New initiatives and programs. Additionally, we want to do more business with vendors with a good social impact.	It was efficient since the initiatives were big during 2023. As for vendors, of now we have very good vendors and none have any bad impacts which helps with efficiency. Prior to this, during each RFQ we check if any negative news comes out about the vendors we are working with.	For each action within the program there is a measurement and dashboard, this system is to be implemented next year. As for vendors, our goal is to lower the time taken from sent RFQ to sending the PO to the vendor. We have also included OKRs and Satisfaction scores as part of our KPIs 2024.	2023 was more about collecting data and the measurement was more like a baseline for 2024 plan, yet there was a monthly update as a report with a dashboard to track the progress.	We have a full program for 2024 for Sustainability reducing paper waste and automation through the Lean Enterprise Program, so it touches on both efficiency and being lean. We want to take operations to the next level performance by implementing the TaMM operating model which consists of 3 main components: continuous improvement, building Efficiency and agility across all units by end of 2024.	Section 4, subsection Optimizing Operations and Maximizing Efficiency	

Material Topic	Actual and potential, negative and positive impacts on the economy, environment, and people	Involvement with negative impacts through activities or as a result of its business relationships	Policies or commitments regarding the material topic	Actions taken to prevent or mitigate potential negative impacts	Actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions taken to manage actual and potential positive impacts	Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress of the actions	Actions' effectiveness	Lessons learned	Location in the KIB ESG Report 2023
Lean and Agile Culture	Positive: Lean and Agile concept is introduced to employees and started to be a part of the culture. As change management unit we are feeding this mindset across the Bank's departments. Our new team hierarchy is Purchasing, Strategic Sourcing, and Fulfillment.	Thinking and performing lean will directly improve the relationship with stakeholders and customers, for example we define the activities that don't add value to the customer as type of waste and need to be minimized, if applicable. The correct team member would look at the appropriate RFQ, Contract, and Tender.	Not directly, however, the concept of the unit is built based on improving efficiency and being lean in line with the guidance manual	Based on the feedback collected from surveys the action plan is prepared and worked on by the TMM council. Continuous communication and knowledge sharing is also a part of the process. Additionally, proper background checks on suppliers is conducted	To halt any future business with vendors with negative impacts	Conduct more business with vendors with a good social impact	As of now we have very good vendors and none have any bad impacts	Our goal is to lower the time taken from the sent RFQ to sending the PO to the vendors	As of now we are working on this process	N/A	Section 4, subsection Optimizing Operations and Maximizing Efficiency
Community Investment	No detailed data on community investment activities' that have negative impacts on the economy, environment and people, information on community investment activities is located in the report under the section "Leading KIB Communities", titled "Community Investment"	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Section 5, subsection Community Investment
Entrepreneurship and SMEs	The impact is positive, as it provides proper support and guidance to this sector, in addition to providing tools that facilitate operations	No	N/A	Provide the sector with the latest updates regarding entrepreneurship and SMEs.	The negative impacts are addressed by the established plans, which, when implemented, help achieve the objectives	We focus on the positive impact, learned, tested, and developed	Monitoring sector news through official institutions or some statistics and influencers	Targets and goals are assessed based on a thorough evaluation of the progress, then realistic KPIs are identified to progress.	The effectiveness of the actions is demonstrated through measuring the results that these actions were designed for. The measurement of results is done through regular monitoring	The Mubader Center focuses on SMEs and entrepreneurship. It is among the success stories in the countries that we wish to continue to improve	Section 3, subsection Entrepreneurship and SMEs
Customer Experience	Ease of access to various services for customers. Also speed and efficiency of services, to provide customers convenience.	New opportunities for FinTech collaborations and expanding our partnership ecosystem	Agile manifesto, customer focus groups and feedback loop, are all commitments to help improve customer experience. Strict adherence to regulatory mandates and guidelines also help us provide good customer experience	Customer focus groups to understand customer expectations, along with market research to analyze trends and utilize case studies.	We incorporated customers' feedback through customer focus groups. Best practice and international standards are always taken into account as well	We incorporated customers' feedback through customer focus groups. Best practice and international standards are always taken into account as well	Continuous customer feedback loop i.e. iterations to help with improvements and enhancements	We utilize the agile/scrum method to plan and manage sprints as well as keep track of backlog.	We utilize the agile/scrum method to plan and manage sprints as well as keep track of backlog.	Improve the user experience of the main 3 Apps and reduce human error through automation. The 3 Apps are the KIB Aqari, KIB Corporate App, and KIB Retail App	N/A
Sustainable Finance	This information is confidential. Some information on sustainable finance is located in section 2, subsection Sustainable Finance	N/A	We currently do not have such a policy in place; however, a framework is underway to support more sustainable finance based financing.	All credit proposals and supporting documents are submitted and presented to the Risk Management Department and our credit committees which is additional to our analysis. The above mentioned parties also analyze any and all potential positive and negative impacts.	All credit proposals and supporting documents are submitted and presented to the Risk Management Department and our credit committees which is additional to our analysis. The above mentioned parties also analyze any and all potential positive and negative impacts.	All credit proposals and supporting documents are submitted and presented to the Risk Management Department and our credit committees which is additional to our analysis. The above mentioned parties also analyze any and all potential positive and negative impacts.	Very effective as the Risk Management Department and all members of the credit committee have voting rights which can reject and/or approve any and all proposals.	Financial spreading, financial analysis, CiNet (credit information), RAROC, Credit Lens, ratings (internal/ external) and the Risk Management Department checklists are applied to all business transactions.	All the aforementioned requirements must be met before a credit proposal can be submitted and presented to credit committees for approvals.	The financing policy is currently under review and in the process to be amended to include and consider GCC assets' deals in the investment grade risk bucket, regardless of their external and/or internal ratings.	Section 3, subsection Sustainable Finance

Material Topic	Actual and potential, negative and positive impacts on the economy, environment, and people	Involvement with negative impacts through activities or as a result of its business relationships	Policies or commitments regarding the material topic	Actions taken to prevent or mitigate potential negative impacts	Actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Actions taken to manage actual and potential positive impacts	Processes used to track the effectiveness of the actions	Goals, targets, and indicators used to evaluate progress of the actions	Actions' effectiveness	Lessons learned	Location in the KIB ESG Report 2023
Economic Advancements	The impact is positive. Providing support to the entrepreneurship sector contributes to enhancing its role in the local economy and stimulating the market. Additionally, KIB's impact is that it supports the economy if the prices went higher, and attracts the foreign investors.	Direct impact on the economy	We currently do not have such a policy in place however, a framework is underway to support more economic advancement based financing. More revitalization through support and guidance. Our policies are periodically reviewed and subject to market conditions	We use KIB's contingency plan to prevent or mitigate potential negative impacts. All credit proposals and supporting documents are submitted and presented to the Risk Management Department and our credit committees. In addition to our analysis, the above-mentioned parties also analyze any and all potential positive/ negative impacts. Product-market fit can help reduce the risk	By implementing the plan and following audit and monitoring processes, there will be a positive impact on the economy.	Any positive actions will impact the economy in a positive way	Very effective as the Risk Management Department and all members of the credit committee have voting rights which can reject or approve any and all proposals. Additional processes are used to assure the Bank stable fund flows.	Financial spreading, financial analysis, CiNet (credit information), RAROC, Credit Lens, ratings (internal/ external) and Risk Management Department checklists are applied to all business transactions. Moreover, optimizing profitability, minimizing risks and developing long term financial strategies.	The effectiveness of the actions is demonstrated through measuring the results that these actions were designed for. The measurement of results is done through regular monitoring. All the aforementioned requirements must be met before a credit proposal can be submitted and presented to credit committees for approvals.	When there are numerous success stories in this sector, the positive impact on this sector will be its revival and prosperity. The financing policy is currently under review and in process to be amended to include and consider GCC assets' deals in the investment grade risk bucket, regardless of their external or internal ratings	Section 3
Financial Inclusion	The financial aspects are positive for both the company and the entrepreneurship sector. Extended financing totals are confidential and cannot be disclosed. Additionally, oil prices fluctuations, entry of foreign investors.	N/A	We seek out opportunities to fund and support GCC and Kuwait linked/ based assets and projects. The Treasury's policies are in place to ensure the Bank avoids involvement in high risk environments	Our policies include precautionary measures against negative risks and impacts. An accounting firm is working closely to track and monitor the financial statements	There are no negative impacts due to following regular procedures that ensure the workflow. One way actions have been taken is to replace high cost deposits with lower cost deposits.	Due to the market conditions, we associate low cost deposits with longer tenors. All credit proposals and supporting documents are submitted and presented to the Risk Management Department and our credit committees which is additional to our analysis. The above mentioned parties also analyze any and all potential positive and negative impacts.	We follow up with market conditions on a daily basis. It has been very effective as the Risk Management Department and all members of the credit committee have voting rights which can reject or approve any and all proposals.	Financial spreading, financial analysis, CiNet (credit information), RAROC, Credit Lens, and ratings (internal/ external) are part of a checklist that is applied to all business transactions. Moreover, optimizing profitability, minimizing risks and developing long term financial strategies.	The effectiveness of the actions is demonstrated through measuring the results that these actions were designed for. The measurement of results is done through regular monitoring. All the aforementioned requirements must be met before a credit proposal can be submitted and presented to credit committees for approvals. Additionally, enhancing Treasury's performance to optimize sustainable returns within KIB's frameworks	The financing policy is currently under review and in process to be amended to include and consider GCC assets' deals in the investment grade risk bucket (regardless of their external/ internal ratings). The best learned lesson is to abide to the Bank's policies and procedures to avoid involvement in high risk transactions.	Section 3, subsection Financial Inclusion and Investments

Additional ESG Disclosures

#	Question	2023
1	Breach of continuing obligations that apply to the listing of the Bank's securities, which may threaten the continued listing or trading of those securities	No
2	Formal management systems to assess ESG risks in financing activities	Not applicable for wholesale banking services. However, for international banking services international corporates, ESG risks and association are assessed via the Credit Lens system.
3	Scope of management system to assess ESG risks in financing activities	Section 2, Risk Management
4	The depth and breadth of your environmental credit policy across four sectors and one theme: o Agriculture o Power utilities o Mining o Oil & gas o Biodiversity (theme)	Standard Bank policy and for international banking not applicable.
5	Involvement of group credit risk in ESG due diligence	Sustainable Finance Framework
6	Please describe your ESG due diligence triggers and risk-escalation process clearly defined	Sustainable Finance Framework
7	Oversight of ESG risk management in financing activities	Section 2, Risk Management
8	Evidence of board-level engagement on climate-related risk	Board-level engagement on climate-related risk is through ICAAP
9	Conducted climate-related risk analysis	Yes, as an emerging risk Bank has considered climate risk as part of the ICAAP & ST and required capital being allocated under pillar 2 capital requirements. However, integration into the credit review process is being initiated.
10	Involvement in green sukuk	KIB held \$132 million of ESG sukuk out of \$808 million as of 2023. Disclosed in report's respective section 3, ESG Sukuk Investments
11	Sustainability-related financial product development	Not applicable for wholesale banking services. However, for international banking services, continuously seeking financial opportunities with an ESG link to support. Retail financing products supporting sustainable related customer needs such as clean energy and green finance we have agreements with retail finance vendors with sustainable activities such farming tools and green energy were offered to reach zero financing fees
12	Controversial investments, if any	Not applicable, None
13	Involvement in financing or underwriting activities	For wholesale banking, involvement in underwriting activities include customer reach, data gathering, analysis, approval, release, and monitoring. For international banking services KIB involvement is specific to international financing via Syndicates, club/ bilateral financing to FIs and international corporates. For retail banking, KIB underwrites finances to individuals and assure financing policy parameters are in place for each new finance application
14	Environmental intensity of finance portfolio calculated based on the weighted average of environmental risk associated with the industry exposures of the finance portfolio	Confidential and not applicable for international banking
15	Debt collection policy	Not applicable
16	Description of employee training on consumer financial protection	Mandatory training programs for relevant employees
17	Fair advertising policies and procedures for financial products	<ol style="list-style-type: none"> Compliance with Laws and Regulations: We commit to complying with all applicable laws and regulations governing advertising in the financial industry. This includes complying with CEK as well. Accuracy and Truthfulness: We strictly avoid misleading statements, false representations, or omissions of material facts. Clear and Transparent Communication: Our advertising policies promote clear and transparent communication with consumers. This involves presenting information in a manner that is easily understandable and avoiding overly complex or confusing language. Avoidance of Unfair Practices: We avoid unfair practices in your advertising, and this includes refraining from making exaggerated or unrealistic promises, using deceptive tactics, or exploiting vulnerable individuals. Review and Approval Processes: We have established internal review and approval processes for our financial product advertisements. These processes involve assessing the content, claims, and visuals used in advertisements to ensure compliance with policies and regulatory requirements in addition to getting approvals from our direct managers, Sharh's, compliance and legal departments. Training and Education: We train and educate our employees where this helps them stay up to date with relevant regulations, industry best practices, and ethical standards, ensuring that advertisements are produced in a compliant and responsible manner. Consumer Complaint Handling: We have the service quality department to promptly address and investigate any complaints received, taking appropriate remedial action if necessary. This demonstrates our commitment to resolving issues and maintaining consumer trust.
18	Financial education initiatives and stakeholder outreach	<p>As an organization committed to promoting financial literacy, we recognize the importance of utilizing both online and offline media channels to effectively reach our target audience and engage stakeholders. Online channels include but are not limited to:</p> <ol style="list-style-type: none"> Website www.kib.com.kw: Our organization maintains an informative and user-friendly website that serves as a central hub for financial education resources. It hosts interactive tools, educational articles, downloadable materials, and updates on our initiatives. Social media: We actively engage with our audience through social media platforms such as Facebook, Twitter, LinkedIn, Instagram and TikTok. These channels allow us to share relevant news, educational content, success stories, and event updates, while also fostering two-way communication with our stakeholders. KIB App: Our App plays a crucial role in keeping our stakeholders informed about upcoming events, workshops, webinars, and other educational opportunities through popup news and notifications. Online Advertising: We strategically utilize online advertising platforms to raise awareness about our financial education initiatives. This includes targeted banner ads, search engine marketing, and sponsored content on relevant websites and platforms. <p>Offline Media Channels: While online media channels have become increasingly significant, we recognize the continued relevance and effectiveness of offline media channels in reaching specific segments of our target audience. Our offline communication efforts include:</p> <ol style="list-style-type: none"> Print Media: We collaborate with newspapers, magazines, and industry publications to feature articles, interviews, and educational columns that highlight our financial education initiatives. This allows us to reach individuals who prefer traditional print media as their primary source of information. Television and Radio: We actively participate in television and radio interviews, talk shows, and panel discussions to discuss financial literacy topics, share insights, and promote our initiatives. We also do our monthly Dirwaza draw on the radio and this helps us reach a broader audience and establish credibility through mass media channels. Community Events: We organize and participate in various community events, workshops, seminars, and conferences to engage directly with our target audience. These events provide valuable face-to-face interactions, networking opportunities, and hands-on financial education experiences. Collaborations with Organizations: We establish partnerships with other organizations, including educational institutions, non-profits, and community centers, to leverage their offline channels and expand the reach of our financial education initiatives. By integrating both online and offline media channels, we ensure that our financial education initiatives and stakeholder outreach efforts are comprehensive and inclusive.
19	Financing modification options	For wholesale banking, it depends on the situation and documents produced. For international banking, no. For retail banking, yes, through finance rearrangement, increase finance limit through refinancing and restructuring. Grace period after inception, postpone instalment, change instalments dates and selective settlement of instalments is coming in the pipeline.
20	Oversight of complaint resolution process	KIB receives the complaint which was submitted on the form and contacts the concerned department for feedback, then the customers receive a reply by letter
21	Financial product complaint handling process	KIB receives the complaint which was submitted on the form and contacts the concerned department for feedback, then the customers receive a reply by letter
22	Oversight of financial product or service reviews	Not applicable for both wholesale banking and international banking
23	Involvement in high-risk financing, insurance, or investment products	For wholesale banking it is not applicable. For international banking, KIB lent to countries (i.e., Egypt and Turkey) which are considered high risk based on their rating. However, the transactions were oil LC based for Egypt and unfunded guarantees in relation to projects in Kuwait. For retail banking, all risk aspects are covered, and exposure is capped with credit policy, which is approved by the Board of Directors for any exception higher authorized approval is required.
24	Complaint growth	Section 4, Commitment to Customer Protection and Complaint Resolution
25	Product safety controversies, if any	KIB policies and procedures are followed to ensure the safety of products and services and to ensure no controversies arise
26	Talent pipeline development strategy	Section 5, Leading KIB Communities, Learning and Training Development
27	Availability of formal grievance reporting or escalation procedures	Yes, outlined in the HR policy
28	Description of how employee satisfaction is monitored on a regular basis	Yearly engagement surveys, pulse checks
29	Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP), if any	None
30	Description of the variable component to pay	Incentive schemes and Annual Bonus schemes

#	Question	2023
31	Non-compensation benefits and work/life balance	The Bank provides Health /Life insurance, annual ticket, generous policies compared to the market on employer leave, marriage leave, and study leave, among others.
32	Regular performance appraisals and feedback processes	Yes
33	Description of Job-specific development training programs	Job-specific development training programs are dependent on the individual role
34	Availability of leadership training and talent management programs	Wa-ed talent program for fresh management in 2023, and for senior management in 2024
35	Percentage annual employee turnover	20.48%
36	External recognition as employer of choice (last three years), if applicable	None
37	Labor management controversies, if any	None
38	Collective bargaining controversies, if any	None
39	Discrimination and workforce diversity controversies, if any	None
40	Percentage of operations in business segments with high/moderate/low levels of employee specialization, education, and qualification needs	90%+ of employees are bachelor's graduates or above
41	Percentage of operations in business segments with high/moderate/low levels of compensation per employee	Compensation is linked to employee grade and broadly similar across departments
42	Incidence of layoffs in the last three years that affect more than 10% of workforce or more than 1,000 employees, if any	None
43	Incidence of major Merger & Acquisition (M&A) activity in the last three years that affect more than 10% of workforce or more than 1,000 employees, if any	None
44	Microfinance/microinsurance involvement	Credit policy came to parameterize small tickets starting from 300 KD and 20 KD installment starting 3 months tenor fulfilling customer needs.
45	Product innovation - small and medium businesses	<p>For wholesale banking, all products available to SME including KIB Mubader (please refer to KIB website). For retail banking, data for Credit Cards, Dirwaza, & Accounts provided by Products Development Team:</p> <ul style="list-style-type: none"> Data for Credit Cards, Dirwaza, & Accounts: We have launched several innovative Card services and products on the App and different channels that include: <ul style="list-style-type: none"> 1- Card Pause 2- Reset PIN 3- Block Card 4- Cashback - View History 5- Reorder cards 6- We have launched a fully Digital Card solution the Multicurrency card <p>We have launched several innovative Account services/Products on the App and different channels that include:</p> <ul style="list-style-type: none"> 1- Opening accounts and TD's through the App 2- Revamping Dirwaza prize structure <p>Retail Credit feedback: the factors considered in each finance product Each finance product and process was engineered based on market research and designed to full fill customer needs and embracing new technology to be nearer to our customers</p>
46	Product innovation - retail and households	Information on product innovation with retail services is included in section 1.1, Overview of KIB Business Segments; section 4, Digital Investments
47	Innovation in mobile/online distribution channels	<p>For wholesale banking, KIB mobile application, online Banking, and social media. For international banking, it is not applicable. For retail banking, KIB has embraced digital innovation to provide customers with cutting-edge Banking experience through its mobile and online platforms. Key features include:</p> <ul style="list-style-type: none"> * Biometric authentication for enhanced security and convenience. * Easy transfers, beneficiary management, and peer-to-peer payments. * Personal finance management tools for budgeting and spending insights. * Cardless cash withdrawals from ATMs using the mobile app. * Real-time notifications and alerts for account activity. * Opening accounts, opening deposits, and activating multi-currency prepaid cards digitally. * Integrated loyalty program for tracking and redeeming rewards. * Continuous enhancements to user interface and experience. <p>With these innovations, KIB aims to deliver a convenient, secure, and personalized digital Banking solution tailored to customers' evolving needs.</p>
48	Reach of points of service (branches, ATMs, self-service, etc.)	<p>KIB 17 Branches are distributed over 6 Governorates:</p> <ul style="list-style-type: none"> Mubarak Alkabeer: 1 Branch Hawally: 3 Branches Ahmedi: 4 Branches Farwaniya: 2 Branches Jahra: 2 Branches Alasimah: 4 Branches Offsite ATMs Ahmedi: 12 Farwaniya: 8 Hawally: 21 Jahra: 13 Kuwait City: 29 Mubarak Alkabeer: 5
49	Innovation in alternative branchless distribution channels	End to end online service for appraisal and property management. Retail Application: Personal Finance Management, Apple Pay, Compliant Management, KYC & Civil ID, Loyalty Programs, Customer Relationship Management & Chatbot
50	Outreach programs and initiatives (e.g., financial literacy, public-private partnerships)	Details on the Bank's outreach programs and initiatives are located in the report's respective section 5, Leading KIB Communities Community Investment
51	Financing to small and medium-size enterprises (SMEs): o As a percentage of total financing	3.18% Section on Entrepreneurship and SMEs, Total SME financing
52	Financing to small and medium-size enterprises (SMEs): o SME financing growth rate (percentage year-on-year)	-18% Section on Entrepreneurship and SMEs, Total SME financing
53	Business to underserved communities (including rural development)	Not applicable
54	Restricted or discriminatory access to products and services, if any	Not applicable
55	Description of the business or assets mix (property and casualty insurance, life and health insurance, reinsurance, asset management, other)	KIB is engaged principally in providing Islamic Banking services, the purchase and sale of properties, leasing, and other trading activities. Trading activities are conducted on the basis of purchasing various commodities and selling them on Murabaha at an agreed profit margin which can be settled in cash or installment credit basis.
56	Percentage of operations in countries with high/moderate/low levels of opportunity to provide increased financial access: (Note: as measured by: (1) physical access - commercial Bank branches and ATMs per 1,000 adults; and (2) product frequency - commercial Bank accounts and financing per 1,000 adults, deposits per 1,000 adults, percentage of adults with credit card, insurance premiums per capita)	Not applicable for wholesale banking, however for international banking: - High: 24%, - Medium: 62.68% - Low: 13.31%
57	Scope of your publicly available data protection policy.	Privacy terms and conditions are published on KIB website and publicly accessible.
58	Rights provided to individuals regarding the control of their data	The Bank provides privacy notice for each individual. All individuals have the right to rectify their data and also the right to be forgotten.
59	Data breach/incident response plan	The Bank has implemented incident management framework with appropriate policies, procedures, plan, playbooks, and technologies.
60	Regular audits of information security policies and systems	The Bank has an internal audit department who performs regular audits. The Bank also hires external auditors to conduct various security audits.
61	Access control and protection of personal/sensitive data	The Bank has implemented access control in terms of people, processes, and technology by incorporating role-based access controls along with least privilege and need-to-know concept.
62	Transfer of personal data to third parties and consent requirement	The Bank has created privacy consent which is being consented by individuals.
63	Efforts to minimize data collection and retention with respect to data and IT	The Bank follows privacy by design to ensure minimal data is collected and retained.
64	Data protection and/or privacy programs cover suppliers and business partners.	The Bank has implemented information security management framework to ensure customer's data confidentiality and privacy which is conveyed to suppliers and business partners during the agreement sign-off.
65	Executive body responsible for privacy and data security.	The Board and senior management have an oversight on all aspects related to information security and data privacy.
66	Training on data security and/or privacy-related risks and procedures to your employees.	The Bank has implemented a comprehensive information security awareness program through various methods such as portal, ad-hoc shots, induction, etc.
67	Certification to widely recognized standards (e.g., ISO 27001, TRUSTe, Privacy Mark, SSAE16 soc2 standards).	ISO 27001:2022, PCI DSS, SWIFT CSP.
68	Privacy-enhancing technologies and initiatives.	The Bank has adopted privacy by design principle aligned with the industry best practices.
69	Privacy and data security controversies, if any	Zero.
70	Percentage of revenue derived from business segments that: o Require collection and/or handling of sensitive personal data. o Have witnessed high cost and frequency of data breaches.	N/A

#	Question	2023
71	Percentage of operations in countries with o Strengthening or evolving data and privacy regulations. o High cost and frequency of data breaches.	Not applicable
72	Failure to designate an individually named non-executive lead director or independent deputy chairman who is classified as both independent of management and independent of other interests (links to employees, government or major owners)	No
73	Combined CEO/chair	Currently held by two different people
74	Case of a non-independent chair, have you failed to designate an individually named non-executive lead director or independent deputy chairman who is classified as both independent of management and independent of other interests (links to employees, government or major owners)	No
75	Less than a majority of directors independent of other interests	Yes
76	30% or more of the board of directors comprise executive directors	No
77	Management board includes eight or more executive directors	Yes
78	Board composition entirely of directors who do not meet the criteria for independence from management	No
79	Disclosed related-party transactions (RPTs) in either of the two most recently reported financial years	Yes
80	Flagged Directors (Note: Flagged Directors include those that have been flagged for certain concerns, including conflicts of interest or related party transactions)	No
81	Non-executive board members serving on the boards of three or more additional issuers (i.e., four total boards, including the rated company - whether included as an equity or debt issuer)	No
82	Availability of executive board members serving on the boards of two or more additional issuers (i.e., three total boards, including the rated company - whether included as an equity or debt issuer)	No
83	Availability of one or more directors on the board who received a negative or withheld shareholder vote in excess of 10% in the most recently reported election	No
84	The board of directors or the supervisory board includes a high number of directors that suggests obstacles to effective oversight and decision-making	Yes
85	Availability of four or fewer directors on the board of directors or supervisory board	Not applicable, there is no supervisory board
86	Any members of the board fail to attend at least 75% of all board and committee meetings held during the last reported period	No
87	Percentage of long-tenured, aging directors suggest a problem with board entrenchment	No
88	More than 30% of the board composed of currently active corporate CEOs from other companies	No, less than 30%
89	Composition of the board fails to include any female directors	Yes
90	Composition of the board fail to include at least 30% female directors	Yes
91	Board lacks at least one non-executive member of the board who has general expertise in risk management	No
92	Failed to establish an audit committee (or audit board) comprising only directors who are independent of management	No
93	Company executives serving on the audit committee or audit board	No
94	Audit committee lacks at least one non-executive member with general expertise in accounting or financial management	No
95	Audit committee lacks at least one non-executive member who has substantial industry knowledge	No
96	Any of the independent members of the audit committee serve on the boards of three or more additional companies (i.e., four total boards, including the rated company) (whether included as an equity or debt issuer)	No
97	Any of the non-independent members of the audit committee serve on the boards of two or more additional companies	No
98	Established a pay committee, having directors serving on the committee who are not independent of management	Not applicable, there is no pay committee
99	Company executives serving on the pay committee	Not applicable, there is no pay committee
100	Company lacks a standing pay committee, and current company executives serving on its board	Yes
101	Current company executives serving on the pay committee's board	No
102	Composition of the pay committee raises concerns about the presence of active CEOs on the committee or in relation to the past record of the pay committee chair	Not applicable, there is no pay committee
103	Lack of a standing nomination committee	No
104	Independence of the nomination committee chair	According to the BNRC section in the report, the chairman is independent
105	Majority of nomination committee members independent of management and other interests	Yes
106	The Bank or a material subsidiary, currently in receivership, under Bankruptcy protection, or facing liquidation	No
107	The Bank, or a material subsidiary, recently breached the terms of its debt covenants, had a test of its debt covenant terms deferred or waived, or been reported to be in danger of breaching its debt covenants	No
108	Identified concerns or reports by the board in the press in relation to the going-concern assumption, or if other evidence that the company, or a material subsidiary, may be facing financing difficulties	No
109	Concerns raised as to the treatment of security holders in relation to the raising and/or return of capital	No
110	Current or recent member of the board or a senior executive of the company (and while serving at this company) allegedly failed to act with honesty and integrity, engaged in actions contrary to the interests of the company and its shareholders, breached trust, or confidence, engaged in criminal actions or engaged in actions that caused damage to the organization's reputation	No
111	Faced any situations that may distract the board from focusing on business operations and strategic matters	No
112	Major questions have been raised as to the quality of past board decisions	No
113	Any evidence of governance failures at the company	No
114	Internal investigation into accounting or come under investigation from a regulatory body, or been subject to fine, settlement or conviction for issues related to accounting practices	N/A
115	Auditors were under investigation for issues related to its work on the audit of the company	No
116	Indication of a governance body (board-level committee, C-suite or executive committee, or special task force or risk officer) responsible for oversight of business ethics and corruption issues	Code of conduct & ethics policy has been reviewed by BRMC
117	Policy on bribery and anti-corruption in place and the scope of that policy	Anti-corruption is in place, and anti-bribery is not available
118	Indicate the scope of the bribery and anti-corruption policy in place for suppliers.	None
119	Availability of a whistleblower policy that provides whistleblowers with protection from retaliation	Yes
120	Scope of employee training on anti-corruption and business ethics standards	Every employee signs a code of conduct upon joining and on a yearly basis conducts mandatory training on Information Security and AML, which touches on these points
121	Scope of policy on anti-money laundering and know your customer	please refer to https://www.kib.com.kw/home/Personal/about-us/Anti-Money-Laundering.html
122	Exposure to business activities or geographies facing a higher incidence of corruption and involvement in ongoing corruption-related controversies	There is none. Bank does not deal with any high-risk countries/ customers. A proper due diligence including a comprehensive KYC procedure is being adopted in onboarding any new client.
123	Involvement in anti-competitive and business ethics controversies	KIB has adopted a policy and procedures regarding Business Ethics in line with the CBK regulations in this regard.
124	Any shareholder or shareholder bloc control more than 30% of the voting shares, or is able to elect more than 50% of the company's board	Yes, Group of Bukhamseen Group Holding Co., its Subsidiaries, Associates & Allied Parties own 37.38% as of 15 June 2023
125	Company's ownership structure or governance arrangements indicate special concerns for minority public shareholders	Yes, KIB provides the minor shareholders with the authority for elections and invites them to attend the General Assembly & Extraordinary General Assembly. Also, KIB is complying with CBK regulations in this regard.
126	Company is so widely held that there are no principal shareholders or other large-bloc holders	No
127	Involvement in a series of cross-shareholdings with other (related or unrelated) companies	No
128	Entity being traded as a tracking stock or similar trading-based entity	No
129	At least 5% of the group's revenue come from Variable Interest Entities (VEs) where the company has no/minimal voting stake	Not applicable
130	Issuance of more than one class of equity shares, where classes carry unequal voting rights	No

#	Question	2023
131	Capital structure includes a single share class where the voting rights vary based on the duration of ownership (or extra voting rights are granted via "loyalty shares")	No
132	Voting rights capped at a certain percentage, no matter how many shares the investor owns	No
133	Voting rights different for foreign or non-resident shareholders	No
134	Entity's capital and ownership structures includes a "golden share" provision, or are there an equivalent provision in national or state laws, or the government have the right to nominate government representatives to the board	No
135	Entity adopted a takeover defense such as a poison pill, shareholder rights plan, or equivalent provision	No
136	Unilateral right by the Board to amend the company's bylaws / Articles of Association without shareholder approval	No, any changes shall be taken based on the decisions made in the Extraordinary General Assembly
137	Shareholders lack the right to requisition an Extraordinary General Meeting (EGM) or does the threshold required to request an EGM exceed 10% of the voting rights	No
138	Shareholders are limited in their ability to make changes at the company due to the nature of provisions in the governing documents	No
139	Failure to implement regular say-on-pay votes	No
140	Failure to implement confidential voting, barring reasonable exceptions	No
141	Allowing qualified shareholders to nominate directors for election at the annual general meeting, such nominees to be included in the meeting agenda circulated by the company to its shareholders	No
142	Any shareholder-elected directors stand for re-election at intervals greater than one year	Yes. As per regulations of the regulatory authorities, the election period stands for three years, in which the Board of Directors carry out their duties and can be re-elected for other sessions. Except the term of membership of an independent board member where they may not exceed two sessions as per CBK regulations.
143	Any classified or staggered board in combination with other limitations on shareholder rights that further limit shareholders ability to affect the makeup of the board	No
144	Failure to use or adopt binding majority voting in the election of directors (with immediate resignation, if the director does not receive a majority of the votes cast)	No
145	Entity with a controlling shareholder uses a plurality vote standard for director elections, yet does not allow cumulative voting (whether as the default election standard or at the request of shareholders)	Election criteria are determined by the regulatory authorities. Shareholders already attend the nomination elections in the General Assembly
146	Shareholders lack the right to remove individual directors without cause	Shareholders do not have the rights to remove Board Members without valid and reasonable reason and this requires specific procedures and actions in accordance with the applicable laws and regulations.
147	Availability of a Fair Price Provision (with a mandatory bid requirement which does not exceed 33.3%) and that is subject to fair price protection under applicable law	No, we need to have 3 bids
148	CEO hold share with a value below 5x salary	N/A
149	Decrease in the number of shares held by the CEO (after adjustment for any corporate actions) year over year by 10% or more	Not applicable
150	Incorporation of links to sustainability performance in its current executive pay policies	Long term plan under review by committee
151	Where the company offers variable or incentive pay, its adopted a claw back policy applicable to both the annual and long-term incentives, that would recoup incentive pay based on accounts that were restated at a later date	Not practically workable; equivalent can be achieved via an LTI.
152	Public criticism from stakeholders of golden hellos provided by the company to its CEO or other senior executives (Note- Golden Hellos are defined as: a substantial payment made by an employer to a keenly sought recruit)	No
153	Any of the entity's pay policies or practices attracted adverse public comment from stakeholders (including shareholders, government, regulators, etc.)	No
154	For the most recently reported period, entity received a negative vote in excess of 10% on its pay policies and practices	No
155	Specific pay totals for top executives, including the CEO	Yes, disclosed in the annual report - Governance section
156	The most recently reported total realized CEO pay figure falls into an extreme range relative to your pay peer group	We cannot publicly disclose due to confidentiality restrictions
157	The most recently reported total awarded CEO pay figure fall into an extreme range relative to the company's pay peer group	We cannot publicly disclose due to confidentiality restrictions
158	The most recently reported total fixed CEO pay figure fall into an extreme range relative to the company's pay peer group	We cannot publicly disclose due to confidentiality restrictions
159	The most recently reported CEO perquisites (perks) and other pay figure exceed common thresholds	We cannot publicly disclose due to confidentiality restrictions
160	Pension contribution rate made by the company on behalf of the CEO excessive relative to the company's pay peer group Note: The pension contribution rate is defined as: the defined contribution amount (CEO non-qualified deferral compensation (NQDC)) divided by salary	We cannot publicly disclose due to confidentiality restrictions
161	Most recently reported CEO accumulated pension figure (divided by the number of years of pensionable service) excessive relative to the company's pay peer group	We cannot publicly disclose due to confidentiality restrictions
162	The CEO's total awarded pay for the last reported period exceed the median pay for the other named executive officers by more than 3x	We cannot publicly disclose due to confidentiality restrictions
163	The CEO's potential cash severance pay exceed five times their annual pay	We cannot publicly disclose due to confidentiality restrictions
164	Unvested equity awards still eligible for vesting when the CEO's employment is terminated	Not applicable
165	Potential dilution in company's traded shares 10% or greater	> 10 %
166	The Bank's current run rate is 2% or more (Note: Run rate is defined as the percentage of company shares actually granted as incentive awards during the most recently reported period. The 2% run rate threshold is used regardless of company size.)	No
167	The Bank adopted specific stock ownership guidelines for non-executive directors?	No
168	Involvement in ongoing tax-related controversies, if any	No

Boursa Kuwait ESG Disclosures

Metric	Calculation	Disclosure / Page Number
Environmental		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable) E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable) E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Located in chapter, section: Environmental Efforts, GHG Emissions Located in chapter, section: Environmental Efforts, GHG Emissions Located in chapter, section: Environmental Efforts, GHG Emissions
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor E2.2) Total non-GHG emissions per output scaling factor	Located in chapter, section: Environmental Efforts, GHG Emissions N/A
Energy Usage	E3.1) Total amount of energy directly consumed E3.2) Total amount of energy indirectly consumed	Located in chapter, section: Environmental Efforts, Energy Management N/A
Energy Intensity	Total direct energy usage per output scaling factor	Located in chapter, section: Environmental Efforts, GHG Emissions
Energy Mix	Percentage: Energy usage by generation type	N/A
Water Usage	E6.1) Total amount of water consumed E6.2) Total amount of water reclaimed	Located in chapter, section: Environmental Efforts, Resource and Waste Management N/A
Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/ No E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No E7.3) Does your company use a recognized energy management system? Yes/No	No No No
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Yes, for ICAAP
Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	N/A
Social		
Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Not disclosed
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees S3.2) Percentage: Year-over-year change for part-time employees S3.3) Percentage: Year-over-year change for contractors and/or consultants	20.48% N/A N/A
Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and mid-level positions held by men and women S4.3) Percentage: Senior- and executive-level positions held by men and women	Located in chapter, section: Leading KIB Communities, Employee Profile Located in chapter, section: Leading KIB Communities, Employee Profile Located in chapter, section: Leading KIB Communities, Employee Profile
Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	N/A N/A
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes
Injury Rate	Percentage: Frequency of injury events relative to total workforce time	N/A
Global Health and Safety	Does your company follow an occupational health and/ or global health and safety policy? Yes/No	No
Child and Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	KIB applies the State of Kuwait's New Private Sector Labor Law N/A
Human Rights	S10.1) Does your company follow a human rights policy? Yes/No S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	KIB applies the State of Kuwait's New Private Sector Labor Law N/A
Nationalization	S11.1) Percentage of national employees S11.2) Direct and indirect local job creation	Located in chapter, section: Leading KIB Communities, Employee Profile N/A
Governance		
Board Diversity	G1.1) Percentage: Total board seats occupied by men and women G1.2) Percentage: Committee chairs occupied by men and women	The Board is 100% occupied by men Not disclosed
Board Independence	G2.1) Does your company prohibit its CEO from serving as board chair? Yes/No G2.2) Percentage: Total Board seats occupied by independents	Yes Located in chapter, section: Responsible Governance and Regulatory Compliance, Corporate Governance and Structure
Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	No
Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	N/A
Supplier code of conduct	G5.1) Are your vendors or suppliers required to follow a code of conduct? Yes/ No G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	No N/A
Ethics and Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	Yes 100%
Data Privacy	G7.1) Does your company follow a Data Privacy policy? Yes/No G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	Yes Not applicable as there is no mandate.
Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No G8.2) Is sustainability data included in your regulatory filings? Yes/No	Yes Yes
Sustainability Reporting	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	N/A Yes No
Disclosure Practices	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

Gulf Cooperation Council (GCC) Stock Exchange ESG Metrics Index

Metric	Calculation	Disclosure / Page Number
Environmental		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable) E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable) E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Located in chapter, section: Environmental Efforts, GHG Emissions Located in chapter, section: Environmental Efforts, GHG Emissions Located in chapter, section: Environmental Efforts, GHG Emissions
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor E2.2) Total non-GHG emissions per output scaling factor	Located in chapter, section: Environmental Efforts, GHG Emissions N/A
Energy Usage	E3.1) Total amount of energy directly consumed E3.2) Total amount of energy indirectly consumed	Located in chapter, section: Environmental Efforts, Energy Management N/A
Energy Intensity	Total direct energy usage per output scaling factor	Located in chapter, section: Environmental Efforts, GHG Emissions
Energy Mix	Percentage: Energy usage by generation type	N/A
Water Usage	E6.1) Total amount of water consumed E6.2) Total amount of water reclaimed	Located in chapter, section: Environmental Efforts, Resource and Waste Management N/A
Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/ No E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No E7.3) Does your company use a recognized energy management system? Yes/No	No No No
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Yes, for ICAAP
Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	N/A
Social		
Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Not disclosed
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees S3.2) Percentage: Year-over-year change for part-time employees S3.3) Percentage: Year-over-year change for contractors and/or consultants	19.64% or 20.48% N/A N/A
Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and mid-level positions held by men and women S4.3) Percentage: Senior- and executive-level positions held by men and women	Located in chapter, section: Leading KIB Communities, Employee Profile Located in chapter, section: Leading KIB Communities, Employee Profile Located in chapter, section: Leading KIB Communities, Employee Profile
Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	N/A N/A
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes
Injury Rate	Percentage: Frequency of injury events relative to total workforce time	N/A
Global Health and Safety	Does your company follow an occupational health and/ or global health and safety policy? Yes/No	No
Child and Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	KIB applies the State of Kuwait's New Private Sector Labor Law N/A
Human Rights	S10.1) Does your company follow a human rights policy? Yes/No S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	KIB applies the State of Kuwait's New Private Sector Labor Law N/A
Nationalization	S11.1) Percentage of national employees S11.2) Direct and indirect local job creation	Located in chapter, section: Leading KIB Communities, Employee Profile N/A
Governance		
Board Diversity	G1.1) Percentage: Total board seats occupied by men and women G1.2) Percentage: Committee chairs occupied by men and women	The Board is 100% occupied by men Not disclosed
Board Independence	G2.1) Does your company prohibit its CEO from serving as board chair? Yes/No G2.2) Percentage: Total Board seats occupied by independents	Yes Located in chapter, section: Responsible Governance and Regulatory Compliance, Corporate Governance and Structure
Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	No
Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	N/A
Supplier code of conduct	G5.1) Are your vendors or suppliers required to follow a code of conduct? Yes/ No G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	No N/A
Ethics and Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	Yes 100%
Data Privacy	G7.1) Does your company follow a Data Privacy policy? Yes/No G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	Yes Not officially but gradually, no mandate yet to comply with CBK
Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No G8.2) Is sustainability data included in your regulatory filings? Yes/No	Yes Yes
Sustainability Reporting	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	N/A Yes No
Disclosure Practices	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

KIB for life

50

**years of
establishment**

