التاريخ	رقم الصادر	الإشارة
2025/05/12	470	بو/رت



#### M/s. Boursa Kuwait Company

May Allah's peace and blessings be upon you...

السادة/ شركة بورصة الكويت المحترمين

السلام عليكم ورحمة الله وبركاته ...

### Subject: Warba Bank sustainability report for the year 2024

We refer to the abovementioned subject and as per the requirements of Chapter One of the Twelfth Rule Book (Listing Rules) of the Executive Regulations of the Capital Markets Authority Law No. 7/2010 as amended concerning sustainability report regulation for listed companies.

Attached is Warba Bank sustainability report for the year 2024.

#### الموضوع: تقرير الاستدامة لينك ورية عن عام 2024

بالإشارة إلى الموضوع أعلاه، ووفقاً لمتطلبات الفصل الأول من الكتاب الثاني عشر (قواعد الإدراج) من اللائحة التنفيذية نقانون هيئة أسواق المسال رقم 7 لسنة 2010 وتعديلاتهما بشأن القواعد التنظيمية الخاصة بتقرير الاستدامة للثركات المدرحة.

نرفق لكم تقرير الاستدامة الخاص ببنك وربة عن عام 2024.

Best regards...

Shaheen Hamad Al Ghanem

Chief Executive Officer

وتفضلوا بقبول فانق التقدير والاحترام ...

شاهين حمد الغانم

الرئيس التنفيذي



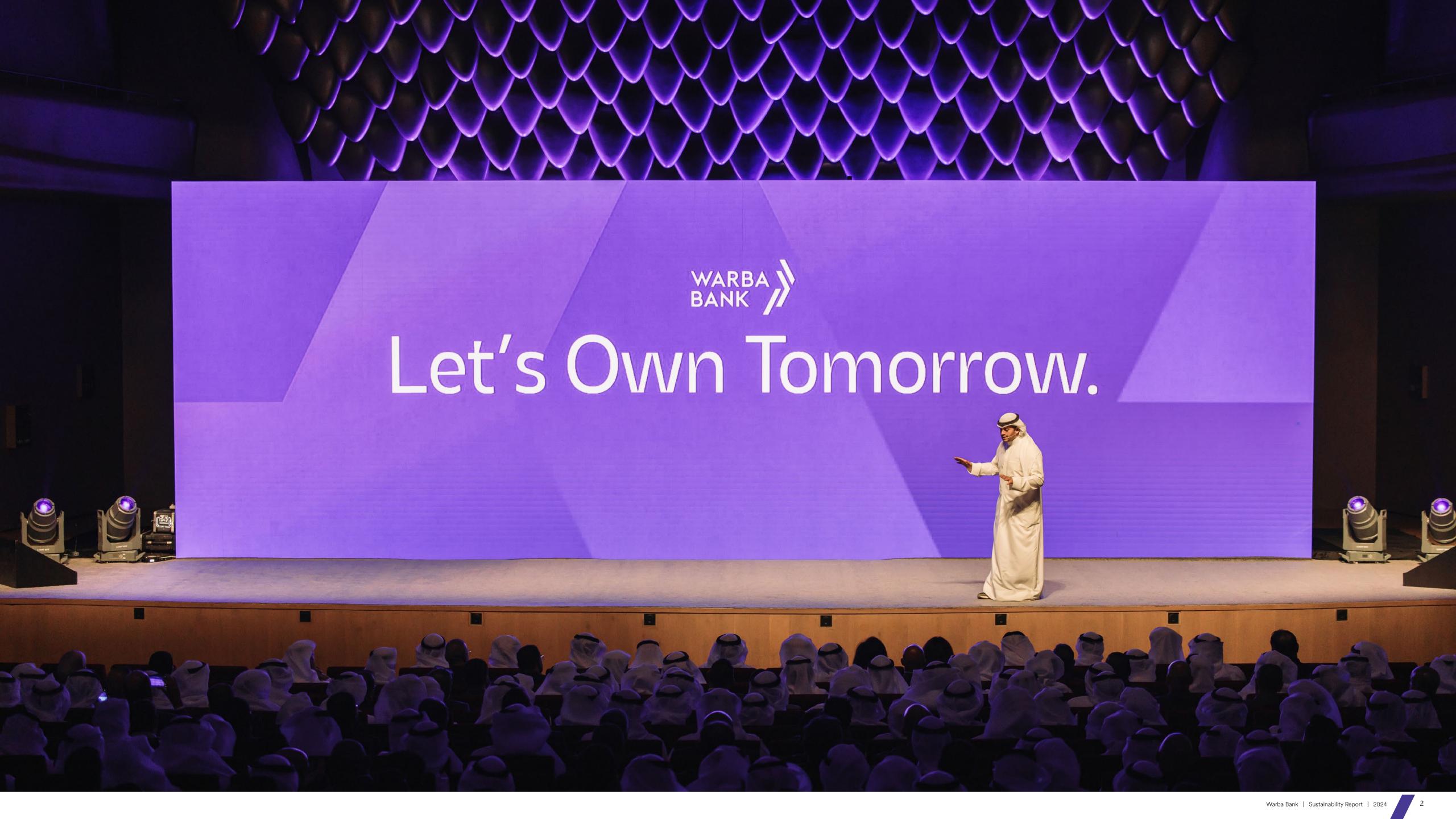




VVarba Bank

**Sustainability Report 2024** 

Committed Towards
A Sustainable Tomorrow





H.H. Sheikh Sabah Khalid Al-Hamad Al-Sabah
The Crown Prince of the State of Kuwait



H.H. Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah
The Amir of the State of Kuwait

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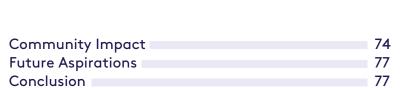
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### Awards and Recognition

Internationally recognized for award winning service and performance.









Report Introduction

### 1 Report Introduction

The Warba Bank K.S.C.P 2024 Sustainability Report forms part of Warba Bank's 2024 published reports, including the <u>Annual Report 2024</u>.

This report demonstrates Warba Bank's continued commitment and contribution towards national and international objectives like the United Nations Sustainable Development Goals (UN SDGs) and the Kuwait Vision.

#### Reporting Period

This report covers the reporting period from January 1st, 2024, to December 31st, 2024. It was published in 2025.

#### Reporting Boundary and Standards

This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. It was also prepared with reference to the Sustainability Accountability Standards Board (SASB) Industry Standards, Boursa Kuwait Stock Exchange's Environmental, Social, and Governance (ESG) Reporting Guide for Listed Companies, and the International Sustainability Standards Board (ISSB) International Financial Reporting Standards (IFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

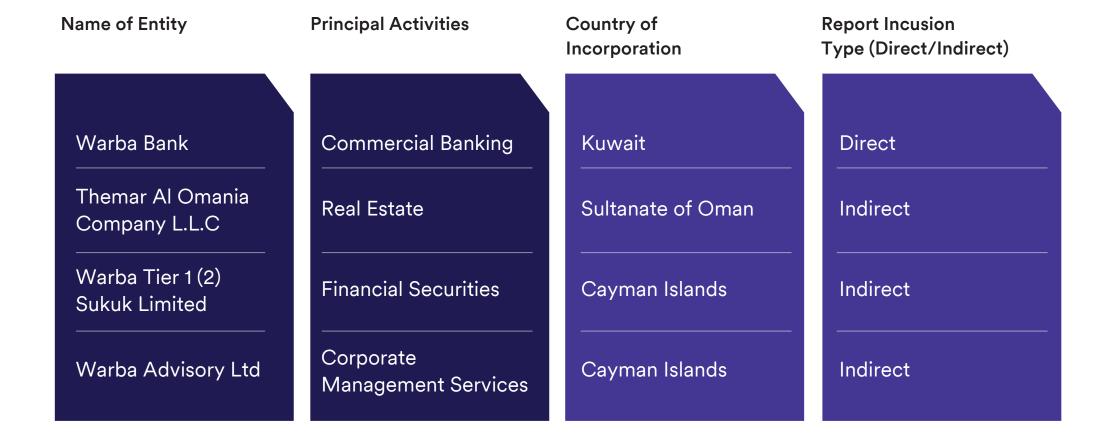
Reporting and performance data reflected in this report cover the scope of Warba Bank's banking services owned and operated/controlled facilities within the State of Kuwait, unless otherwise specified. In this report, Warba Bank is also referred to as "Warba", "we", "our" and "the Bank".







#### Warba Bank Entities



#### **Feedback**

For any queries related to the content of this report please contact: spg@warbabank.com

#### **Additional Information**

For additional information on our publicly available Sustainability Reports, frameworks, and policies please visit: <u>WARBA BANK | Sustainability at Warba</u>.

### Chairman's Message

Dear Valued Shareholders,

In 2024, Warba Bank has reaffirmed its position as a leading Islamic financial institution, driven by a commitment to ethical banking, sustainability, and digital transformation. As we navigate an increasingly complex financial landscape, our ability to balance strong financial performance with responsible banking principles remains central to our strategy. This year, we have strengthened our governance practices, deepened our ESG integration, and prioritized innovation, all while staying true to our Sharia-compliant values.

A cornerstone of our progress has been the continued evolution of our human capital strategy. Our employees are at the heart of Warba Bank's success, and in 2024, we have significantly expanded our talent development initiatives, increased access to leadership training, and enhanced our diversity and inclusion framework. With a focus on strengthening an equitable, inclusive, and high-performing workplace, we have launched new policies that reinforce our commitment to fairness, transparency, and professional growth.

Our commitment to sustainability and ESG excellence has also been strengthened in 2024. Warba Bank has taken decisive steps to integrate ESG considerations into our governance structure, risk management policies and procedures, and financing activities. Notably, we enhanced our sustainable finance portfolio, furthered our climate-related risk assessment efforts, and introduced an ESG Risk Scoring Model. Recognizing our role in contributing to a greener future, we also continue to support initiatives that reduce our environmental footprint and promote ethical investment opportunities.

Warba Bank remains deeply committed to ESG leadership, embedding sustainability into our business model and financing activities. Our digital transformation strategy continues to be a catalyst for progress, with a growing portfolio of Sharia-compliant digital products that enhance customer accessibility and financial inclusion.

Looking ahead, our focus remains on expanding our sustainable finance capabilities, improving stakeholder engagement, and fortifying our governance framework. We recognize that the financial industry is undergoing rapid change, and Warba Bank is well-positioned to lead this transformation in Kuwait and beyond. With integrity, innovation, and sustainability at our core, we will continue to drive long-term value for our shareholders, customers, employees, and the wider community.

On behalf of the Board of Directors, I would like to express my sincere gratitude to our executive leadership, employees, and stakeholders for their dedication and loyal commitment.

Hamad Musaed Al-Sayer Chairman

### Chief Executive Officer's (CEO) Message

Dear Valued Stakeholders,

2024 is marked as a year of progress, resilience and sustainable growth, exhibiting digital acceleration, enhanced ESG integration, and a reinforced commitment to responsible banking. As we strive to redefine the future of Islamic finance in Kuwait, we remain focused on delivering superior customer experiences, innovation, and embedding sustainability into every facet of our business.

One of our most significant milestones this year has been the expansion of our digital banking ecosystem. By investing in advanced financial technologies and customer-centric solutions, we have introduced new Sharia-compliant digital products, streamlined operations, and enhanced data security measures. These efforts are in line with our mission to increase financial accessibility, improve operational efficiency, and provide seamless banking experiences for our customers.

Our most notable milestone was Kuwait's first sustainability Sukuk. We issued and listed \$500 million sustainability Sukuk on the London Stock Exchange as part of our \$2 billion Sukuk issuance program. This demonstrates our commitment to lead and drive ESG impact in the country and beyond. Our ESG initiatives across the Bank led us to be named the "Most Sustainable Bank in Kuwait"—achieved through collaboration with the United Nations Development Programme (UNDP).

At the heart of our transformation is our dedication to people—both our employees and our customers. This year, we have enhanced our employee training programs, reinforced diversity and inclusion policies, and introduced competitive compensation and benefits structures that reinforce Warba Bank as an employer of choice. Our investments in human capital reflect our belief that a highly skilled, engaged, and motivated workforce is key to our long-term success.

As we look to the future, our strategic priorities remain clear. Focusing on accelerating digital innovation to enhance customer experiences and operational efficiency; expanding our ESG and sustainable finance offerings to drive responsible growth; strengthening risk and governance frameworks to ensure long-term resilience; and investing in talent development and inclusion to empower our workforce.

With these priorities in mind, Warba Bank is well-positioned to lead the next phase of Islamic banking in Kuwait. I extend my deepest appreciation to our employees, customers, shareholders, and stakeholders for their continued trust and collaboration.

Shaheen Hamad Al-Ghanem Chief Executive Officer (CEO)



Warba Bank was established on February 17th, 2010 by virtue of the Amiri Decree No. 289/2009, and was officially enrolled in the Central Bank of Kuwait's Register of Islamic Banks on April 7th, 2010. At Warba Bank, we are committed to conducting business in adherence with the principles of Islamic Sharia. We prioritize digital banking products and services and take pride in being pioneers in this field. Our goal is to provide our valued customers with everything they need and more to meet their requirements and exceed their expectations.



### Purpose

Contributing to people, businesses, and society by empowering them to achieve their ambitions.



### Vision

Creating unique value in banking and beyond to unlock opportunities for people and businesses.



### Mission

We deliver the best experience for our customers beyond the boundaries of banking, preserving our uniqueness and nurturing top talents while creating sustainable value for our shareholders and society.





### Trust

We focus on our customers to gain their trust and serve their needs in the best possible way.



#### Innovation

We continue to innovate in order to always improve the experience of our customers.



#### Performance

We aim to excel at execution and are confident to overcome any challenges.



#### Collaboration

We work with our clients and team members to deliver the right solution.



### Ambition

We have the drive and enthusiasm to continuously surpass.

# **ESG Highlights**

(KD 152 million) Sustainability Sukuk Issued



138,500 KD Contributed to **Community Initiatives** 

**Local Suppliers** 

**Customer Satisfaction** Index (CSI)

Kuwaiti Women in

**Executive Management** 

Contributed to Sponsorships

**Avoided Emissions** 

**Total GHG Emissions** 

**Scope 1 Emissions** 

4,064.14 tco2e Scope 2 Emissions

### MORNINGSTAR SUSTAINALYTICS

Rating Agencies: Morningstar | Sustainalytics

# **ESG** Risk Rating



## FitchRatings

Rating Agencies: Fitch Ratings

Fitch Affirms
WARBA Bank at



### S&P Global

Rating Agencies: **S&P Global** 

## S&P Global ESG Score

Data Availability: Medium

Methodology Year: 2024

Last Updated: December 18, 2024. Updated annually or in response to major developments

### Moody's

Rating Agencies: **Moody's** 

From stable baa baby by to positive



### Alignment with the United Nations Sustainable Development Goals

The Bank has specified United Nations Sustainable Development Goals (SDGs) targets that it focuses on to create impact







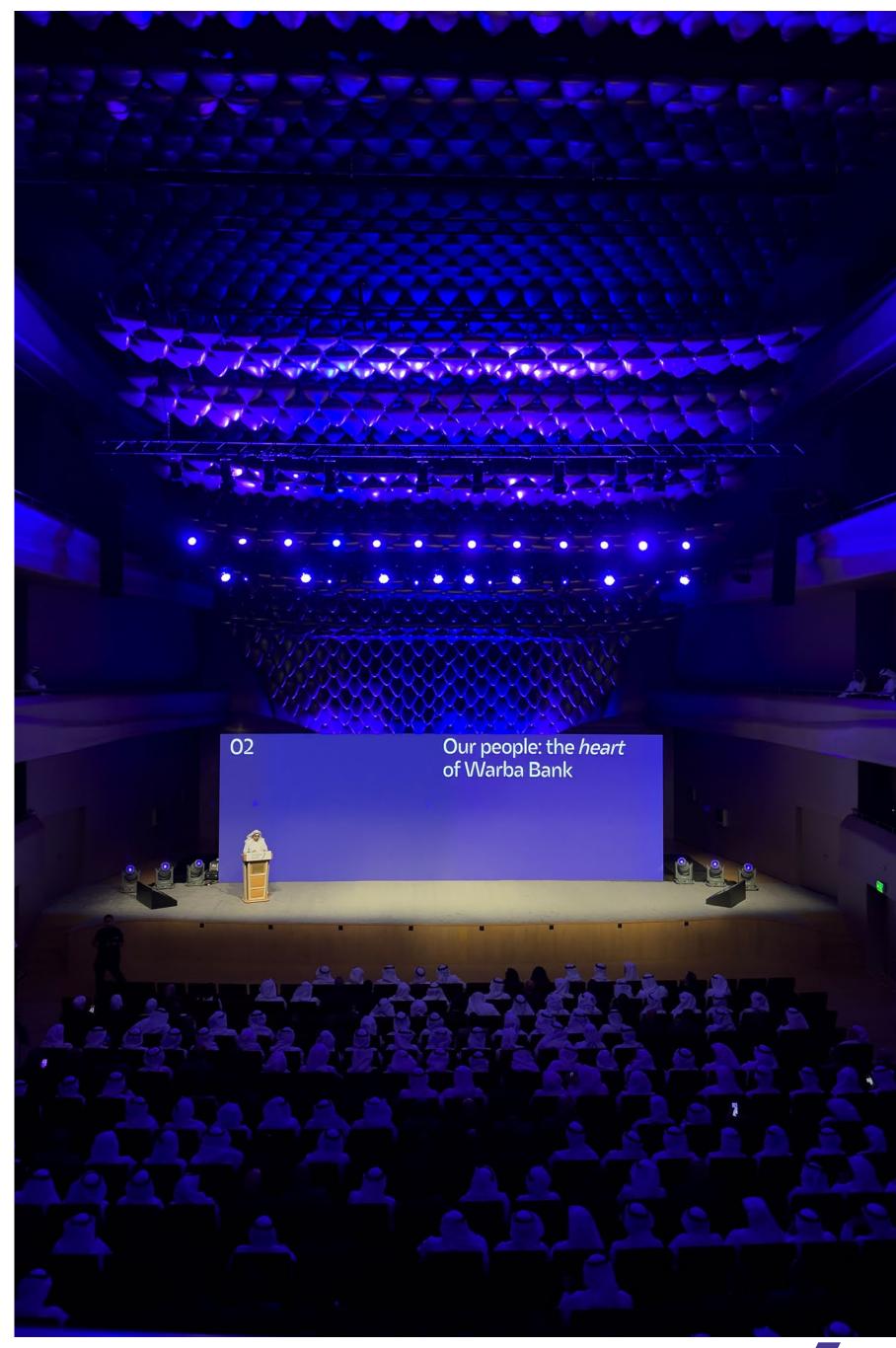


# 1.2 2024 Updates

The Bank's financial performance in 2024 demonstrated continued growth and operational resilience, aligned with our long-term strategic priorities. The following summarizes key financial indicators and contributions as reflected in our <u>Annual Report 2024.</u>

#### **Financial Disclosures**

	2024	2023
Net income	23,541,000 KD	20,674,000 KD
Total expense	46,357,000 KD	40,940,000 KD
Net profit	22,402,000 KD	19,667,000 KD
Total audit fees	78,450 KD	72,750 KD
Non-audit fees paid to audit companies	139,117 KD	60,765 KD
National Labor Support Tax (NLST)	618,000 KD	543,000 KD
Kuwait Foundation for the Advancement of Sciences (KFAS)	212,000 KD	186,000 KD
Zakat	243,000 KD	212,000 KD
Percentage growth in the depositors' accounts	8.3%	8.7%
Percentage growth in financing portfolio	5.5%	10.3%



# Additional Highlights

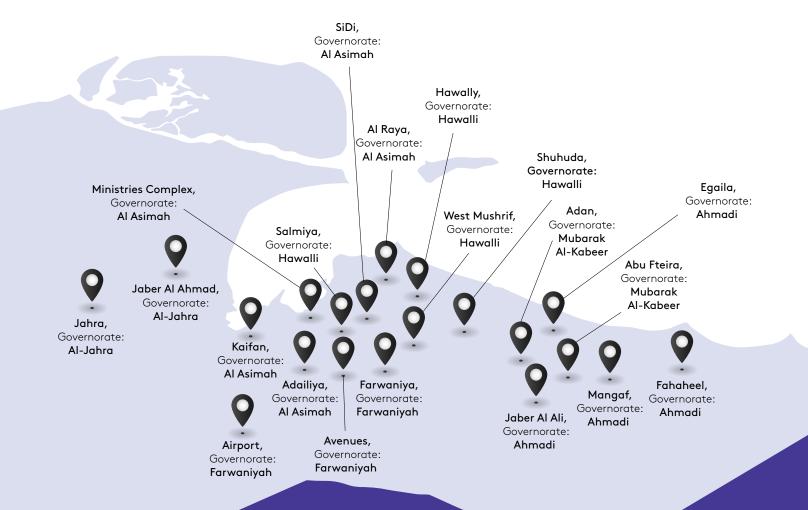




61% Score (NPS)







Name	Direct Shareholding %	Indirect Shareholding %
Kuwait Investment Authority (KIA)	15.90%	0.939%
Al Sayer Group Holding Company	10.242%	-
Abdullah Saleh Al-Shalfan	10.00%	_
The Public Institution for Social Security (PIFSS)	_	8.06%





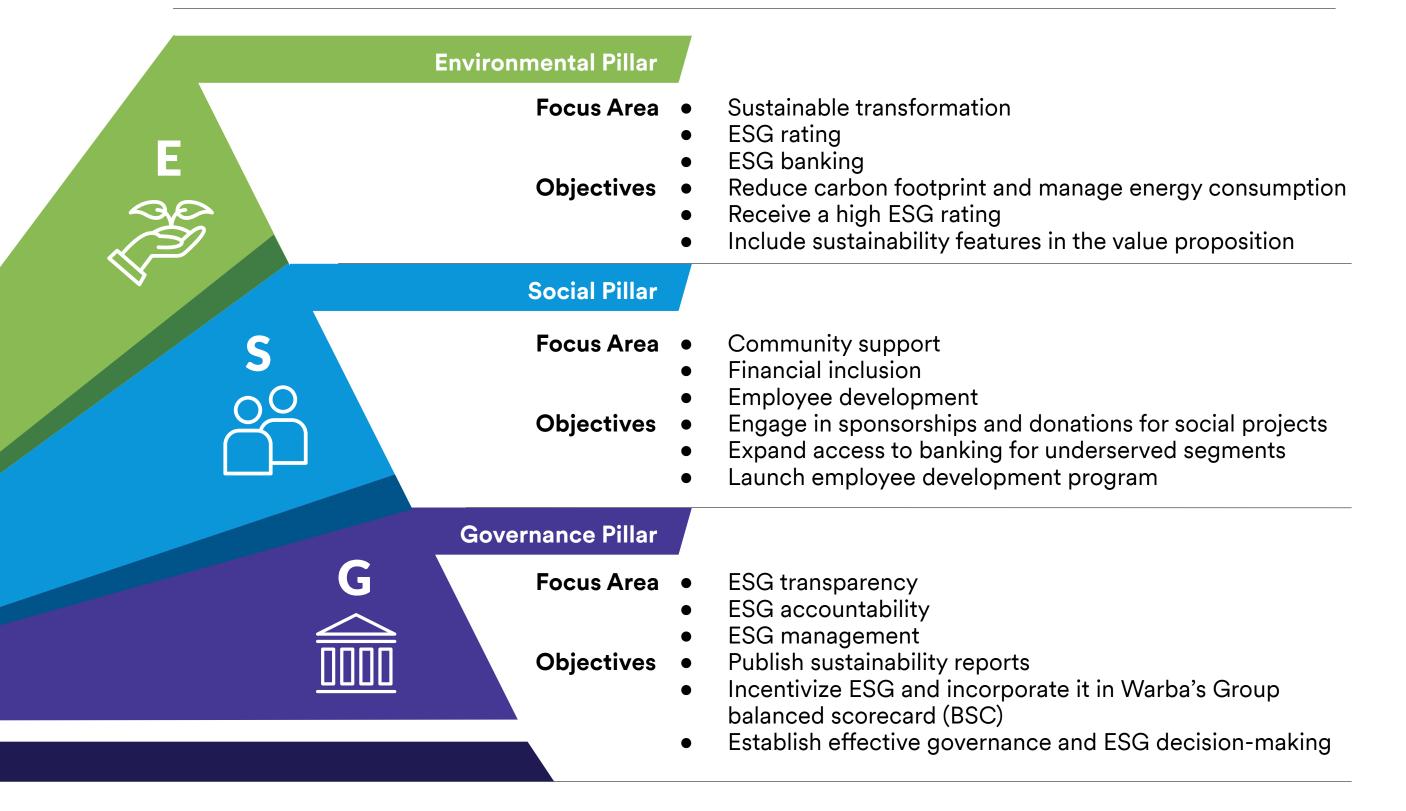
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Sustainability
Strategy
Performance

### 2 Sustainability Strategy Performance

Warba Bank's sustainability approach is anchored in three interdependent ESG pillars – Environmental, Social, and Governance – each aligned with the Kuwait Vision and key global standards, such as the United Nations Sustainable Development Goals (SDGs), insofar as they remain compliant with Sharia principles. In 2024, the Bank advanced its ESG journey by further embedding sustainability into strategic, operational, and governance functions across the organization. Our efforts focused on enhancing transparency, increasing accountability, and aligning internal systems with environmental and social priorities. From employee development and financial inclusion to environmentally impactful initiatives and sustainable finance, each pillar supports Warba Bank's vision to lead in ethical Islamic banking while addressing the long-term expectations of regulators, investors, and communities alike.

#### Warba Bank's ESG Pillars



### 2.1 ESG Roadmap and Progress Update

In 2024, Warba Bank achieved a significant milestone in the execution of its sustainability Strategy by implementing a comprehensive ESG Policy Framework that integrates sustainability principles into core policies, governance processes, and financial instruments. The Bank approved six key ESG-related policies, while also enhancing customer and employee protection handbooks.

We also issued Kuwait's first sustainability Sukuk, a landmark achievement under our Sustainable Finance Framework, which attracted an increased demand of 3.5 times the issuance size and received a "Good" Second Party Opinion from Sustainable Fitch.

These advancements mark a new phase in the Bank's ESG maturity, reinforcing our leadership in responsible finance and sustainability-driven governance in the region.

### 2023

#### Developed

- ESG Policy Framework
- Environmental Policy
- Climate Change and Carbon Reduction Policy
- Human Rights Statement
- Diversity and Inclusion Policy
- Employee Engagement and Well-being Policy

#### Identified

• Climate risk integration roadmap

### 2024

#### Revised

- Sustainable Finance Framework
- Employee Handbook and General Principles for Customer Protection

#### Developed

- ESG Policy Framework
- Environmental Policy
- Climate Change and Carbon Reduction Policy
- Human Rights Statement
- Diversity and Inclusion Policy
- Employee Engagement and Well-being Policy

#### Issued

First sustainable
 Sukuk issuance in Kuwait

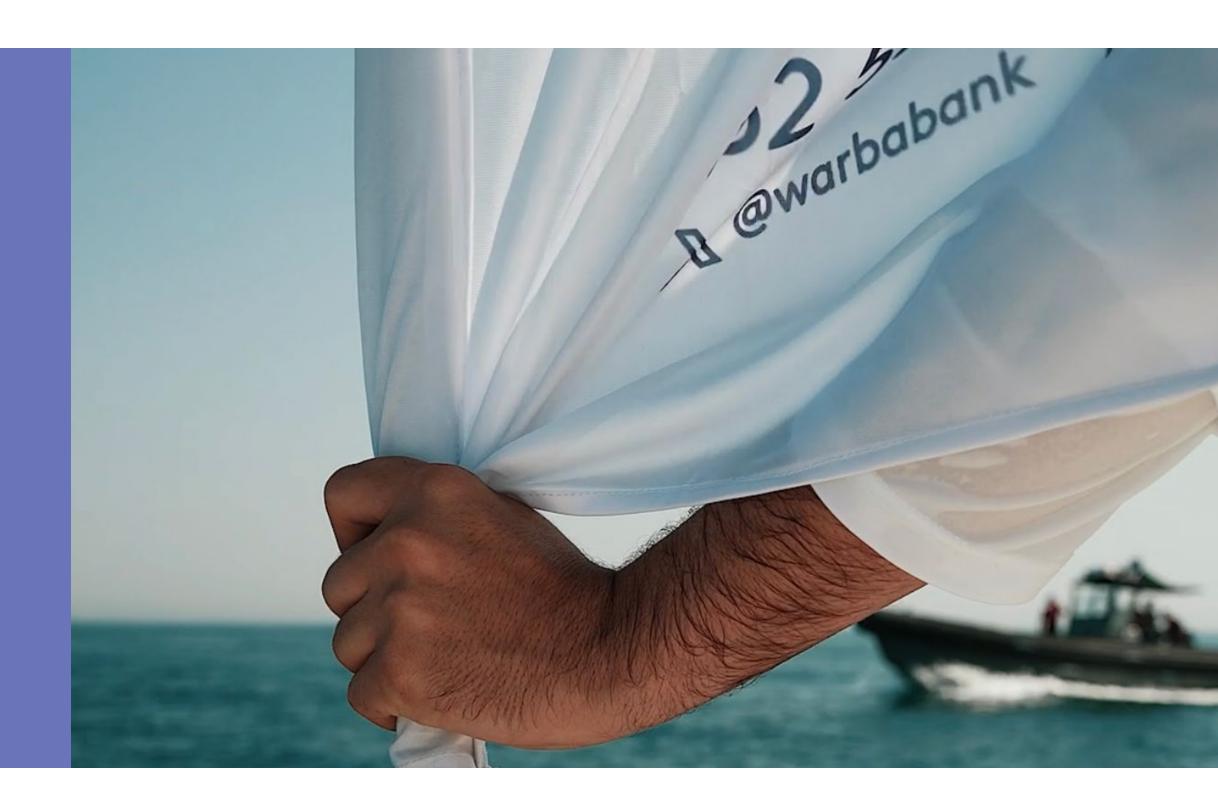


### **ESG Policy Framework**

The integration of an ESG Policy Framework is essential for financial institutions, to reflect increased regulatory oversight, shifting market expectations, and a long-term commitment to sustainability.

In response to evolving global and regional regulatory frameworks, Warba Bank developed a comprehensive ESG Policy Framework aligned with its overarching Sustainability Strategy established in 2022. This decision significantly enhanced the Bank's governance practices. By clearly defining governance structures and responsibilities, Warba Bank reduces reputational and regulatory risks, strengthening stakeholder trust and confidence.

The ESG Policy Framework acts as a master reference document, transparently detailing all ESGrelated policies within the Bank. Transparency and accountability meet investor expectations, and roles and responsibilities for key stakeholders in exercising responsible ESG practices.



#### Warba Bank's ESG objectives include:



#### **Enhancing Stakeholder Trust**

Establishing clear ESG governance and disclosure mechanisms to build credibility among investors and stakeholders.



#### Accountability and Measurement

Systematically tracking ESG initiatives to ensure transparency and ongoing improvement.



#### Regulatory Compliance

Ensuring continuous adherence to regulatory requirements for operational stability.



#### Leadership in Sustainability

Positioning Warba Bank as a sustainability leader, appealing to customers and investors committed to ethical banking practices.

The strengths of this Policy Framework lie in its strong oversight at the highest levels of governance while also reflecting operational level responsibilities. For example, under the Policy Framework, the Board is responsible for overall oversight of the Bank's ESG-related performance, ensuring management implements adequate systems and controls for shareholder communication, while the Board and management committees reflect a more specialized role in operational ESG oversight.

Selected

# Highlights

of ESG Roles and Responsibilities:

#### **Board of Directors:**

Oversee the adherence and integration of ESG aspects into the Bank's strategic direction, activities, and operations in line with relevant frameworks.

#### **Board Nomination and Remuneration Committee:**

Encourage the nomination of members with diverse professional backgrounds.

#### **Board Audit Committee:**

Oversee the independent ESG assurance process, and the effectiveness of ESG framework, governance, and internal controls among others for the ESG report production.

#### **Board Risk Committee (BRC):**

Oversee the integration of ESG risk within overall risk management, and applicable risk-related policies.

### **Board Governance and Compliance Committee** (BGCC):

Ensure ESG compliance across the Bank's departments and policies.

#### **Investment Product Committee (IPC):**

Ensure integration of ESG into the Bank's overall offered products and services.

#### **Board Credit and Investment Committee (BCIC):**

Ensure the integration of ESG into the Bank's overall credit and investment activities.

#### Asset and Liability Management Committee (ALCO):

Oversee the integration of ESG risks into the Bank's stress testing and Internal Capital Adequacy and Assessment Process (ICAAP), in collaboration with BRC.

#### Strategic Planning Group (SPG):

Ensure the integration and improvement of ESG practices across the Bank. Support the sustainability strategy development and implementation process of key ESG elements such as the sustainability strategy, sustainability-related policies, and annual sustainability reports among others.

#### Sustainable Finance Framework

Warba Bank established its Sustainable Finance Framework to strategically embed sustainability into its core financing and investment activities. Developed in alignment with the Central Bank of Kuwait's (CBK) Sustainable Finance circular and international standards set by the International Capital Market Association (ICMA), this Framework demonstrates Warba Bank's strong commitment to responsible banking and sustainable financial practices, and contributes to attracting sustainable investment by using sustainable financial instruments such as sustainability Sukuk to appeal to ethically focused investors.

The Framework serves multiple strategic objectives. It facilitates effective management of environmental and social risks while enabling the Bank to capitalize on emerging opportunities within the rapidly evolving green and sustainable finance market. Furthermore, the framework aligns with Kuwait's Vision, reflecting the national focus on sustainable economic development. It also positions Warba's activities to support global climate targets and the UN SDGs, proactively addressing investor concerns related to climate risks such as stranded assets and environmental incidents.

Significantly, the Sustainable Finance Framework received a Second Party Opinion (SPO) from Sustainable Fitch, achieving a "Good" rating and affirming strong alignment with international best practices and standards.

The five-year Sukuk attracted substantial investor demand, with total orders exceeding USD 1.8 billion—3.5 times the original issuance size. This strong investor interest highlights confidence in Warba Bank's financial stability and its strategic alignment with ESG principles.

Additionally, the listing of the Sukuk significantly elevated Warba Bank's profile within the global financial community, further establishing the Bank as a key institution driving sustainable economic development in Kuwait and the wider region.

Beyond its sustainability credentials, the issuance supports Warba Bank's liquidity framework, strengthening compliance with Basel liquidity management standards. This positions the Bank effectively to pursue continued growth, enhance financial resilience, and further its role in digital transformation.

A ceremony held to mark the listing was attended by major stakeholders and issuance partners, celebrating the successful achievement of this strategic milestone—Kuwait's first Sustainability Sukuk issuance.

### Sustainability Sukuk

A major milestone enabled by Warba Bank's Sustainable Finance Framework was the successful issuance of Kuwait's first sustainability Sukuk, valued at USD 500 million. In July 2024, Warba Bank listed this landmark issuance on both the London Stock Exchange (LSE) and Nasdaq Dubai, marking an important advancement in the Bank's USD 2 billion Sukuk issuance program.

Funds raised through the Sukuk issuance are allocated specifically to finance or refinance projects aligned with stringent ESG criteria, expanding Warba Bank's impact on social and environmental initiatives and aligning with global sustainability objectives.



### Stakeholder Identification and Engagement Mechanisms

The Bank adheres to standardized stakeholder identification processes for both internal and external stakeholders that guide current and future stakeholder engagement. Stakeholder engagement mechanisms are tailored based on the stakeholder group, the identified method of engagement, level of engagement, and method of communication, among other factors. These focus areas establish a structural approach to engagement and enable the Bank to also focus on monitoring and evaluation mechanisms to measure efficiency of this mechanism.

This stakeholder identification and engagement mechanism is applied across various ESG-related practices for the Bank, and includes, but is not limited to, its application for reporting, data collection and validation, and materiality assessments.

### Stakeholder Engagement Process Overview

**Stakeholder Identification Criteria** 

- Purpose of engagement
- Alignment with strategic goals and Sharia values
- Alignment with local authorities, laws, and regulations
- Environmental, Social and Governance (ESG) attributes
- Stakeholder issues, demands, and requirements
- The mechanism or form, and process of engagement
- Identified impacts and outcomes of engagement, and resources required or needed
- Community needs and market trends

**Tailored Stakeholder Engagement Levels** 

- Level 1 Inform
- Level 2 Consult
- Level 3 Involve
- Level 4 Consult and Empower

Communication Mechanism Adoption Criteria

- Stakeholder group
- Level of engagement
- Method of communication
- Warba Bank focal point(s)
- Stakeholder focal point(s)
- Additional details relevant for communication and engagement

Monitored and Evaluated Feedback Loops

- Assess transparency and communication of information
- Purpose, objectives, and desired outcomes of engagement
- Effectiveness of communication on engagement's governance cycle
- Positive level of contribution to the ESG aspects significant to the Bank

### Valued Stakeholders



Customers



**Certification Bodies** 



**Employees** 



Government Agencies



Board of Directors



Investors



**Suppliers** 



Shareholders Communities



# Stakeholder Engagement

Stakeholder Group	Selected Mode of Engagement	Frequency of Engagement	Selected Topics for Engagement
Customers	Regular meetings Satisfaction surveys Trade fairs Events Social media Branch visits	Ongoing	Product/Service quality Compliance with local and international standards and regulations Customer satisfaction Innovative services Responsible products Financial accessibility Digital transformation
Employees	Meetings Employee training Seminars/webinars Satisfaction surveys Performance evaluation Emails Phone calls Events	Annually/ Monthly/ Quarterly	Remuneration Career growth Occupational health and safety Work-life balance Company policies and procedures Equal opportunity Training and development
Board of Directors	Board meetings Annual reporting	Quarterly/ Semi-annually/ Annually	Corporate governance Sustainability aspects Compliance with regulations Policies and procedures Ethical conduct
Suppliers	In-person/virtual meeting Supplier assessment Contracts	Ongoing	Quality of product/service Price and profitability Availability of materials
Certification bodies	Audits External training Meetings	Semi-annually/ Annually	Compliance with certification standards Knowledge sharing

Stakeholder Group	Selected Mode of Engagement	Frequency of Engagement	Selected Topics for Engagement
Government agencies	Official notifications Press releases Meetings Annual reporting	As and when required	Compliance with relevant regulations Accountability in disclosures
Investors	Annual general meeting Interim financial statements Roadshows Corporate disclosures Press releases Annual reporting	Quarterly/ Semi-annually/ Annually	Profit and growth Corporate governance Sustainability aspects Compliance with regulations Policies and procedures Ethical conduct
Shareholders	Annual General meeting Interim financial statements Directors' report Board meetings Corporate disclosures Press releases Annual reporting	Quarterly/ Semi-annually/ Annually	Profit and growth Compliance with regulations Policies and procedures Ethical conduct
Local communities	CSR projects	Ongoing	Feedback on CSR interventions Youth empowerment Sponsorships Donations Financial accessibility for vulnerable groups

### Double-Materiality Assessment (DMA)

The Bank's double-materiality assessment (DMA) continues to maturely evolve with our sustainability practices. For the past several years, we have conducted materiality analyses to identify the most material issues (economic, environmental, governance, and social) of our operations. We continue to publicly disclose our process and results annually through our Sustainability Reports. This year, after our annual assessment of material topics against industry benchmarks, and global standards and trends, the Bank developed topics that are both non-financially and financially material. Through a comprehensive DMA survey for internal and external stakeholders, we arrived at the following material topics, demonstrating the diverse perspectives of our stakeholders.

Our new chapter starts today.

































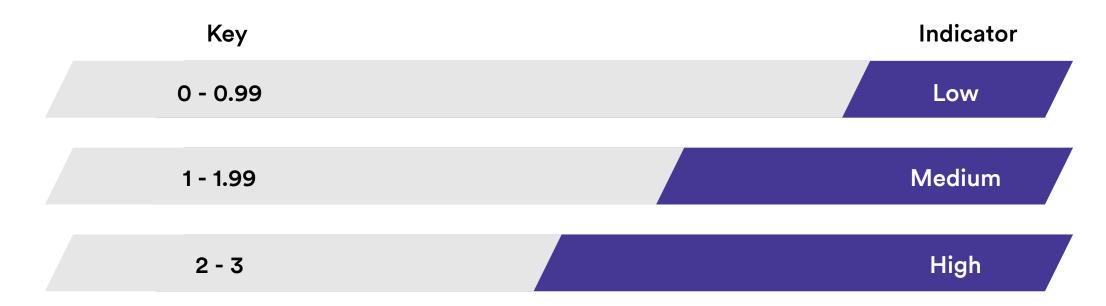




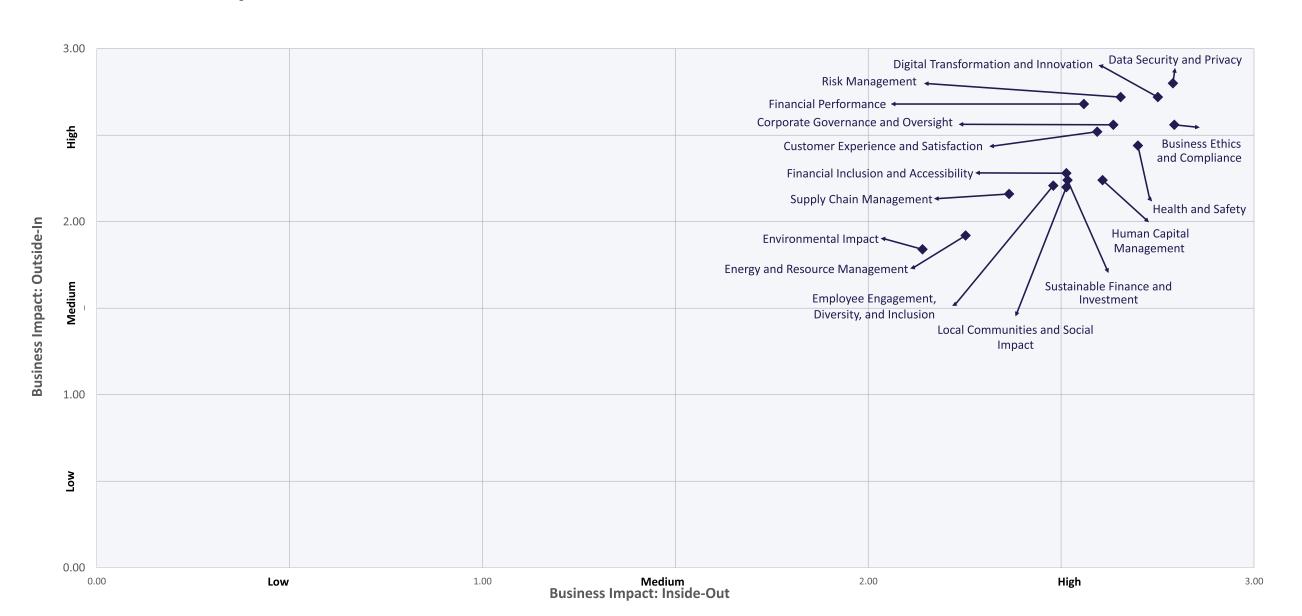
Material Topics	Selected SDG Alignment	Selected GRI Topic Standard Alignment	Assessing Rating
Business Ethics and Compliance	■ <b>SDG 16.6</b> Develop effective institutions	<b>GRI 102</b> General Disclosures	High-High
Corporate Governance and Oversight	SDG 16.5 Substantially reduce corruption and bribery in all their forms	<b>GRI 205</b> Anti-Corruption	High-High
Risk Management	■ <b>SDG 8.10</b> Strengthen financial institutions	GRI 201 Economic Performance	High-High
Supply Chain Management	SDG 12.7 Promote sustainable procurement	GRI 204 Procurement Practices	High-High
Digital Transformation and Innovation	■ <b>SDG 16.10</b> Public access to information	-	High-High
Data Security and Privacy	SDG 16.10 Public access to information	GRI 418 Customer Privacy	High-High
Sustainable Finance and Investment	<ul> <li>SDG 7.4         Renewable energy financing     </li> <li>SDG 9.3         Sustainable lending SMEs     </li> <li>SDG 12.6         Sustainable practices     </li> </ul>	GRI 203 Indirect Economic Impact	High-High
Financial Inclusion and Accessibility	<ul> <li>SDG 1.4         Equal access to financial services         SDG 8.3         Encourage formalization of SMEs     </li> </ul>	GRI 203 Indirect Economic Impact	High-High
Employee Engagement, Diversity, and Inclusion	<ul> <li>SDG 5.5</li> <li>Women participation</li> <li>SDG 8.5</li> <li>Decent work</li> </ul>	GRI 401 Employment GRI 405 Diversity and Equal Opportunities	High-High

Material Topics	Selected SDG Alignment	Selected GRI Topic Standard Alignment	Assessing Rating
Human Capital Management	■ SDG 8.5 Achieve full and productive employment and equal pay	<b>GRI 404</b> Training and Education	High-High
Health and Safety	■ <b>SDG 8.8</b> Protect labor rights and promote safe work environments	<b>GRI 403</b> Occupational Health and Safety	High-High
Local Communities and Social Impact	SDG 11.3 Inclusive urbanization	GRI 413 Local Communities	High-High
Customer Experience and Satisfaction	SDG 9.3 Sustainable SMEs	<b>GRI 418</b> Customer Privacy	High-High
Environmental Impact	<ul> <li>SDG 7.2         Renewable energy</li> <li>SDG 13.2         Integrate climate measures</li> <li>SDG 13.3         Climate change mitigation, adaption, reduction</li> </ul>	GRI 305 Emissions GRI 302 Energy	High-Medium
Energy and Resource Management	<ul> <li>SDG 7.3         Double energy efficiency     </li> <li>SDG 13.2         Integrate climate measures     </li> </ul>	GRI 302 Energy Use GRI 306 Waste	High-Medium
Financial Performance	SDG 8.1 Sustainable economic growth	GRI 204 Economic Performance	High-High

#### Defining the significance of material topics for the Bank:



#### **Double-Materiality Matrix**







### 3 Overview

At Warba Bank, we recognize that our human capital, leadership and governance combined are foundational elements to our long-term success. The Bank is rooted in Islamic values and ethical best practices, upholding a commitment to responsible governance, employee development, and responsible risk management aligned with ethical and Sharia-compliant business practices.

### 3.1 Management of Human Capital

Warba Bank's workforce continues to grow steadily, reflecting our commitment to national employment, gender inclusion, and internal leadership development. In 2024, the Bank employed 787 individuals, with Kuwaitis making up 84.88% of the workforce and women representing over 16.26% of the total headcount, both showing a year-on-year increase. Most staff hold roles requiring moderate to high levels of specialization, and 28.08% of the total number of employees hold senior managerial and above positions, underscoring a maturing organizational structure.



### 2024 Breakdown Overview of Human Capital

High-level Workforce Profile	2024	2023	% Change
Total Employees	787	739	6.50%
By Gender			
Male	659	625	5.44%
Female	128	114	12.28%
By Nationality			
Kuwaiti	668	617	8.27%
Non-Kuwaiti	119	122	-2.47%
Employees Per Employee Type			
Full-Time	787	739	6.50%
Part-Time	0	0	0%
Non-Guaranteed Hours Employees	0	0	0%
Intern	0	27	-
Non-Employed Workers	0	0	0%
Outsourced employees*	159	-	-

<sup>\*</sup>Note: Outsourced employees are not under Warba residency.

Breakdown Workforce Profile	2024	2023	% Change
Board of Directors			
Total Numbers	11	11	0%
Male	9	9	0%
Female	2	2	0%
Executive Management Members			
Total Numbers	15	14	7.14%
Male	12	12	0%
Female	3	2	50%
Management Employees and Higher			
Total Numbers per Gender	261	247	5.67%
Male	231	225	2.67%
Female	30	22	36.36%

Breakdown Workforce Profile	2024	2023	% Change
Total Numbers per Nationality			
Kuwaiti	190	174	9.20%
Non-Kuwaiti	71	73	-2.74%
Grade Level Breakdown			
Junior up to Manager (M) level			
Total	566	_	_
Male	460	_	_
Female	106	-	-
Senior Manager (SM) and above by gender			
Total	221	-	_
Male	199	-	_
Female	22	-	_
Senior Manager (SM) and above by nationality			
Kuwaiti	153	-	-
Non-Kuwaiti	68	-	-
Age Group Breakdown			
Under 30	250	258	-3.10%
Male	205	-	-
Female	45	-	-
30-50	510	451	13.08%
Male	429	-	-
Female	81	-	-
Over 50	27	30	-10.00%
Male	25	-	-
Female	2	-	_
Total	27	30	-
High	11.56%	-	-
Moderate	72.80%	-	-
Low	15.63%	-	-
High	20.53%	-	-
Moderate	70.04%	-	-
Low	9.43%	_	_

In terms of training, the Bank has established a robust talent development strategy aimed at nurturing future leaders, equipping employees with technical and leadership skills, and aligning workforce competencies with our business needs. This year, we invested 340,000 KD in providing training to employees to strengthen our talent and skills development programs.

#### 2024 Training Overview

~790	Total Employees Receiving Training	
45,938.7	Total Training Hours	
~58	Average Training Hours per Employee	
~7	Average Training Days per Employee	
83%*	Percentage of Employees Receiving Training	
340,000 KD	Invested in Training Provided to Employees	

<sup>\*</sup>Note: This includes outsourced staff not under Warba's residency.

Part of these training programs is conducted under the Warba Institute of Leadership & Learning (WILL), which is critical to our talent development strategy, offering structured development programs to prepare employees for future roles while meeting regulatory requirements.



of Selected Talent Development Initiatives



#### **Employee Training Investment**

The annual training budget is approximately 0.7% of total staff costs, ensuring strategic allocation to development needs. The annual budget and annual plan are based on the strategic objectives and learning needs.



#### **Specialized Training Programs**

Certification-based training programs ensure employees across our departments meet industry and regulatory requirements. These include, but are not limited to:

- Certified Anti Money Laundering and Financial Crimes Prevention Professional CAMLFC
- Risk Management Certifications
- The Certified Specialist in Islamic Sustainability

  Management
- Certified Internal Auditor CIA



#### **Executive Leadership Development**

Annual revision of three-year leadership development plans, and succession planning based on CBK requirements. Also coaching 15 executives with four sessions each and offering dedicated training for the Board of Directors.



#### **Internship Programs**

Five distinct programs with structured training held for over 95 interns over the course of the year.

- o Ruwwad Program V 5.0, which took place in the United Kingdom (UK), hosted 16 students in collaboration with DIFC Innovation, empowering Kuwaiti youth with knowledge and skills.
- o Employees' Child Summer Program hosted 28 participants, training them on skills such as the Basic of Programming in collaboration with Arab University (AU).
- o Structured Inhouse Summer Program was held for over 30 interns from local and global universities. This program exposed them to theoretical and practical hands-on experience.
- o On-the-Job Assignment for Graduate Students Program offered 16 students internships to gain onsite experience of banking operations at our offices.
- o Sharia Auditor Program hosted five interns in 2024 and was in collaboration with the Kuwait Institute of Banking Studies.



#### **Customer Protection Training**

A mandatory onboarding session for new hires on consumer protection principles, with ongoing digital acknowledgments for existing employees.

The Bank's strategic partnerships with educational institutions such as Kuwait Foundation for the Advancement of Sciences (KFAS), ESADE Business School, United Nations Development Programme (UNDP), Gulf University for Science and Technology (GUST), and the Kuwait Institute of Banking Studies (KIBS), among others, offer and deliver a plethora of learning experiences that enable us to enhance our workforce's skills.

#### **Human Resources (HR) Policies and Workplace Standards**

Year-on-year the Bank's workplace policies and procedures continue to reinforce our commitment to fairness and inclusion. These policies, among others, are frequently clearly communicated to internal stakeholders through the HR portal and email communications. We ensure that employees are notified of any organizational or operational changes. Although there is no legally mandated minimum notice period, employees are promptly informed when changes affect their roles, reporting lines, or organizational structure.

In addition to the existing HR Policy and Employee Handbook, several core sustainability-related policies were developed and implemented at the Bank. These include but are not limited to a Diversity and Inclusion Policy, an Employee Engagement and Wellbeing Policy, and a Human Rights Statement.

#### **Performance Management and Evaluations**

Our performance management system is structured to assess employee contributions, align individual goals with business objectives, and drive professional development. The Bank's annual performance appraisal process follows a four-stage model, beginning with goal setting, progressing through a mid-year review, and concluding with final evaluations and performance calibration. In 2024, Warba Bank introduced a fully automated performance appraisal system, enhancing transparency and efficiency in tracking employee achievements.

The Bank employs a SMART KPI-based evaluation system, where employees are assessed based on individual goals, competency assessments, and performance ratings. The ranking structure categorizes employees as Low Performer, Occasionally Consistent Performer, Solid Performer, or High Performer, with direct implications for bonuses, salary increments, and promotions. For executive-level employees, the performance evaluation process is conducted quarterly, in three distinct stages, ensuring continuous feedback and alignment with strategic objectives. The non-executive Board Chairman and non-executive Board members' evaluations are completed annually as per the regulatory instructions.

The Board of Directors undergoes an annual independent evaluation to assess its oversight of economic, environmental, and social impacts. While no corrective actions were necessary in 2024, the evaluation process remains independent and a key component of governance accountability. The following gives an overview of the Bank's performance evaluation coverage, and includes both full-time employees and outsourced employees.

Performance Evaluation Overview	2024	2023
Employees who received Regular Performance and Career	100%*	87.01%
Development Reviews		
Employees who received Regular Performance and Career	866	784
Development Reviews		
Executive	18	18
Non-Executive	848	766
Frequency of Conducting Performance Appraisals	Annually	-

<sup>\*</sup> The percentage represents all employees who met the eligibility criteria for evaluation. All eligible individuals were assessed; none were excluded or omitted from performance and career development reviews.

#### **Employee Retention and Turnover Management**

We take a proactive approach to managing employee turnover by monitoring resignation trends and conducting exit interviews. Employees resigning from the Bank must complete an exit interview process, which captures key insights into their experiences and reasons for departure. This data is aggregated into quarterly turnover reports, allowing HR to identify trends and develop targeted retention strategies.

New Hires, Turnover, and Retention Data Overview	2024	2023	% Change
New Hires	125	149	-16.11%
Kuwaiti	118	140	-15.71%
Non-Kuwaiti	7	9	-22.22%
Turnover Rate	10.09%	11.49%	-
Retention Rate	89.58%	87.92%	-

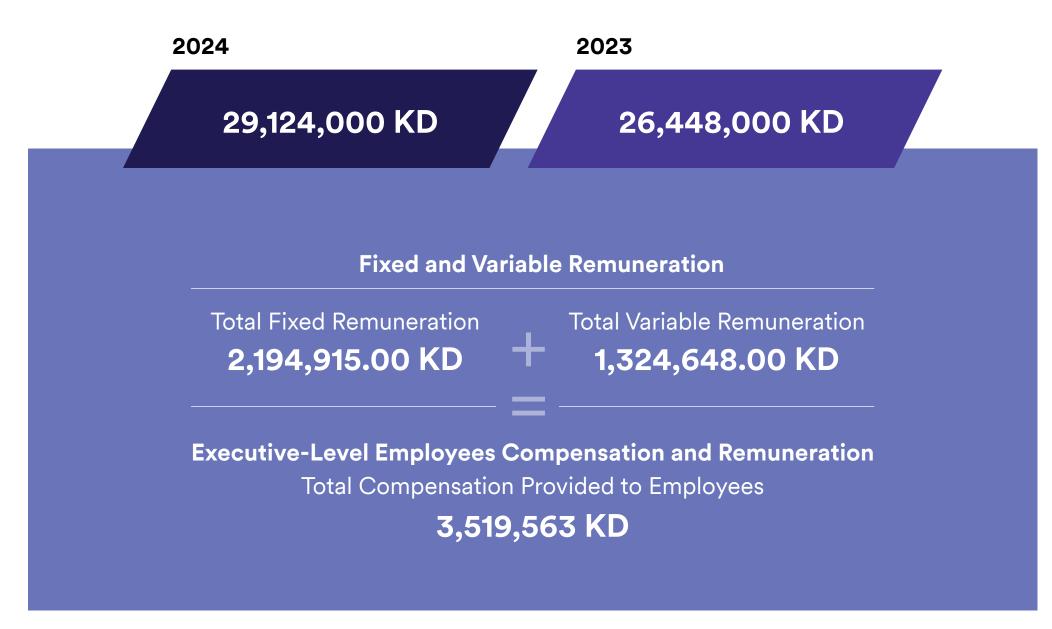
Efforts to enhance employee retention in 2024 have focused on work-life balance improvements, enhanced employee engagement programs, and responsiveness to employee feedback. Surveys such as the Insurance Survey, Policy Update Survey, and Employee Engagement Polls have been leveraged to tailor HR policies to employee needs.

#### Compensation, Benefits, and Remuneration

A fair, equitable, and competitive remuneration structure that attracts, retains, and rewards high-performing employees is standard practice at the Bank. Our compensation philosophy is designed to ensure employees are incentivized to drive performance and attract key top talents. We provide comprehensive benefits packages, with financial security, work-life balance, life insurance, health insurance, retirement provisions, and allowances, among others, that are tailored to employee needs. Notably, the Bank's end-of-service benefits exceed Kuwait's labor law requirements, offering 75% compensation compared to the 66% required by law for employees with five to ten years of service. To enhance the employee experience further, we partner with third-party providers to offer discounts and special offers.

In terms of variable compensation, the Bank's model is structured to align with business performance while rewarding employees based on individual and corporate achievements. This year total compensation provided to employees amounted to 29,124,000 KD.

#### **Total Amount Spent on Employee Compensation and Remuneration**



Selected

# Highlights of Offerings



Performance bonuses, linked to the annual performance appraisal process.



Target awards, based on financial achievements at both the individual and departmental levels.



Retail sales incentives, structured for the Retail Banking Group based on monthly sales targets.



Special allowances, including headset allowances, vault allowances, and shift allowances tailored to job functions.

The Bank's remuneration framework for the Board and senior executives is structured to guarantee fairness, consistency, and risk-balanced compensation in alignment with corporate governance principles.

The Remuneration Policy is reviewed by BNRC and approved by the Board. Independent external consultants are involved in shaping the Policy to ensure objectivity, while external auditors conduct annual reviews to maintain transparency and compliance with governance best practices.

In addition, a Clawback Policy has been implemented to ensure accountability, allowing the Bank to recoup incentive payments in cases where financial results are restated or if misconduct is identified. This measure reinforces ethical business practices and responsible financial governance.

Moreover, in alignment with our sustainability commitments, we have integrated ESG-related targets into our incentive structures.

Employees contributing to climate-related initiatives, such as offsetting business travel emissions, implementing e-waste management programs, and conducting Scope 1 emissions reporting, are eligible for performance-based bonuses and promotions. This initiative reflects the Bank's commitment to embedding ESG considerations into its corporate strategy.

### Highlighting HR's Enhanced Digital Platform

In 2024, Warba Bank's Human Resources and General Services Group focused on enhancing its newly introduced HR digital platform to improve efficiency and streamline internal processes. Initially launched with basic payroll processing and self-service functionalities, the platform was expanded to include Performance Appraisal, Recruitment, Talent Development, and Employee Engagement modules. These upgrades improved internal communication, accelerated service delivery, reduced administrative burdens on HR employees, and contributed to sustainability efforts by minimizing paper usage.

One of the key improvements was in payroll processing, where conditional payout processing time was reduced by 93.75%, decreasing from 48 hours to 3 hours. The introduction of digital QR Code Certificates also eliminated reliance on paper-based documentation.

In recruitment, the number of manhours required per hiring post decreased by 65%, cutting the time needed from five hours to one hour per position, based on an average of four to six applicants.

The platform also enhanced training and talent development, with the time spent on managing and publishing training activities reduced by 66%, from 65 minutes to 22 minutes per session. Utilization of KIBS/KFAS programs increased by 275%, extending developmental opportunities to 70% of employees by 2024. These advancements strengthened the Bank's ability to manage talent effectively, improve employee engagement, and enhance overall organizational efficiency.





### **Employee Engagement and Inclusion**

Warba Bank embraces equity and inclusion as core principles of our organizational culture, guided by Islamic ethics and justice. We have instituted a range of policies to ensure a respectful and professional work environment, including the HR Policy, Diversity & Inclusion Policy, Employee Handbook, and the General Principles for Customer Protection.

These policies explicitly prohibit sexual and non-sexual harassment, reinforcing a zero-tolerance approach to discrimination or inappropriate conduct within the organization. For example, the Diversity & Inclusion Policy explicitly outlines a commitment to non-discrimination, equal opportunity, and inclusive workplace practices. Harassment and discrimination—whether based

on gender, nationality, or other factors—are strictly prohibited, with a zero-tolerance policy enforced through HR procedures and the Employee Handbook. Employees undergo mandatory training on discrimination and harassment, both during onboarding and through ongoing compliance updates on the HR platform.

For accountability and responsiveness, the Bank has established clear corrective and disciplinary procedures for any confirmed instances of discrimination or harassment. While no such cases were reported in 2024, policies and statements such as the Human Rights Statement remain in place to address workplace conduct and any future violations strictly and effectively.



Our commitment to human rights and ethical labor practices is enshrined in our Human Rights Statement, which aligns with Kuwait Labor Law No. 6 of 2010. The Statement explicitly prohibits child labor and forced labor, among others, while ensuring fair treatment of employees in accordance with international standards. The Statement, publicly available online, further emphasizes our commitment to human rights, due diligence and responsible business practices. For more information please visit <u>Human Rights Statement</u>.

By extension, Warba Bank is actively engaged in hiring and supporting employees with special needs. The Bank has participated in career fairs and consultations with disability-focused organizations to promote accessibility in employment. Facilities, including parking spaces, elevators, and restrooms, have been adapted to accommodate employees with disabilities, ensuring a supportive work environment.

#### **Engagement and Workplace Satisfaction**

Employee engagement is a key priority for Warba Bank, with structured mechanisms in place to assess satisfaction, gather feedback, and improve workplace culture. The Bank conducts annual surveys, including the Employee Satisfaction Survey and Organizational Health Index (OHI), to measure employee morale and workplace effectiveness. The 2024 OHI survey scored 80%, which was a two-point increase from the previous year, reflecting continuous improvements in employee experience.

We also organize employee engagement events throughout the year, including Ramadan celebrations, National and Liberation Day events, and corporate town halls. A significant event in September 2024, which focused on strategy updates and organizational changes, was attended by over 700 employees. Several of these notable outcomes include an incentives initiative for volunteering for a good cause which now results in an extra day of leave; paternity leave increased from 2 days to 5; and a second hajj leave is now being offered. Moreover, the Bank granted an extra day of leave for all employees.

To enhance transparency, engagement results are shared through multiple communication channels, including the HR Portal and Warba Staff Instagram account. Additionally, the Bank sets annual targets for employee engagement, with leadership KPIs linked to OHI improvement scores. In 2024, the target was a one-point increase in OHI, but actual improvements exceeded expectations with a two-point gain.

Moreover, recognizing the importance of work-life balance, Warba Bank provides flexible working hours to employees, allowing them to begin their 7.5-hour shift workday between 7:00 AM and 8:00 AM. Additionally, remote work arrangements are available for employees with special circumstances, including pregnant women, who are permitted to work from home based on job requirements.

Workplace satisfaction is also linked to employee health and well-being. We offer specialized training sessions and proactive health programs. Throughout the year, Warba Bank delivers workshops and seminars covering workplace well-being, first aid, heart health, injury prevention, and CPR training. Moreover, maternity and paternity leave benefits exceed legal requirements, with 70 days of paid maternity leave and an additional two hours of childcare leave per day for two years. On the other hand, male employees are granted five days of paid paternity leave to support family responsibilities.

Parental Leave	2024
Total that Took Parental Leave	46
Male	40
Female	6
Total that Returned after Parental Leave	46

#### **Grievance Mechanisms and Stakeholder Feedback**

The Bank maintains structured grievance mechanisms to ensure employees can raise concerns, seek guidance, and report issues confidentially. Employees provide feedback on HR policies and workplace conditions through annual surveys, which help shape ongoing policy revisions. The Bank also tracks grievance resolution effectiveness, particularly in areas such as performance review disputes and workplace incident reports, ensuring that concerns are escalated to investigation committees or HR focal points for resolution.

Furthermore, the whistleblowing mechanism allows employees to confidentially escalate any violations of responsible business conduct directly to the Chairman, maintaining independence in the investigation process. This year, we proudly report that we received no employee complaints, demonstrating our strong employee satisfaction practices.

# 3.3 Sharia-compliant Corporate Governance and Ethics in the Workplace

The Bank's corporate governance is deeply rooted in Islamic principles, ensuring that ethical business conduct, Sharia compliance, and responsible banking practices guide various aspects of our operations. Governance structures, policies, and internal controls are designed to strengthen transparency, accountability, and fairness in line with our values, CBK regulations, and international best practices.

#### **Corporate Governance and Board Oversight**

Warba Bank's governance framework is rooted in a strong Board oversight mechanism designed to ensure business decisions and banking operations remain Sharia compliant, in accordance with CBK governance framework. It is also designed to ensure that corporate decisions align with the Bank's Sharia business model and long-term objectives. The Board plays a central role in ensuring that the Bank's governance policies and risk management frameworks align with Islamic banking principles.

The Bank is committed to a fair and inclusive Board, through a selection process that reinforces a culture of equal opportunity, balanced gender representation, and continuous professional growth. This commitment to inclusivity is guided by our core values of Islamic ethics, justice and Sharia. We recognize that an inclusive workplace environment acts as a driver of innovation, creativity, and sustainable growth and enhances our ability to serve and respond to our stakeholders. Our Board reflects a range of expertise across different industries, showcasing breadth in experience and knowledge.

The CEO also reviews and approves the annual Sustainability Report, ensuring that disclosures on material ESG topics, risk assessments, and responsible finance align with the Bank's broader strategic objectives and compliance frameworks.

The Board adheres to strict attendance requirements, ensuring that all members are actively engaged in strategic decision-making, governance oversight, and risk management deliberations. Independent Board members shall attend no less than 75% of all Board meetings, while non-independent members must be physically present at a minimum of six meetings annually. Active participation and regular attendance of each member is a requirement of the position. Should any member fail to attend the meetings for three successive sessions without a justifiable reason acceptable to the Board, the Board member may be considered having resigned by a decision of the Board. In 2024, Warba Bank held 12 meetings, exceeding the regulatory requirement, reflecting a commitment to high governance standards and proactive leadership.



# **Board of Directors**



**Mr. Hamad Al-Sayer**Chairman

Expertise: General Trading

Tenure: 6 years



**Mr. Bader Al-Shalfan** Vice-Chairman (VC)

Expertise: Real Estate
Tenure: 6 years



**Ms. Basma Al-Sanea**Non-Executive

Expertise: Marketing/Real Estate
Tenure: 3 years



Mr. Khaldoun Al-Tabtabaei Independent

Expertise: Information Technology and Capital Markets
Tenure: 3 years



**Mr. Mubarak Al-Sayer**Non-Executive

Expertise: General Trading
Tenure: 3 years



Mr. Mohammad Al-Ruwayeh Independent

Expertise: Legal Tenure: 3 years



Mr. Mohammad Al-Shalfan Non-Executive

Expertise: Engineering Tenure: 6 years



**Mr. Mohammad Al-Mutawa**Non-Executive

Expertise: Investment Tenure: 9 years



**Mr. Mohammad Saleem**Non-Executive

Expertise: Treasury
Tenure: 9 years



**Mr. Mohammad Al-Bahar** Independent

Expertise: Engineering Tenure: 3 years



**Ms. May Al-Mudhaf** Independent

Expertise: Treasury
Tenure: 3 years

### **Board Highlights**

Required number of meetings for the year:

At least 6

Actual number of meetings held in 2024:

12

Female board members:

2

Average attendance rate:

90.13%

### **Board Committees**

To enhance corporate governance, compliance, and risk management, Warba Bank operates through five key Board committees, each responsible for strategic oversight in critical areas such as risk assessment, financial decision-making, compliance enforcement, and governance transparency. Notably, in addition to traditional structures of roles and responsibilities for each committee, the ESG Policy Framework provides an extra layer of oversight and due diligence exercised by these committees.

### **Board Credit & Investment Committee (BCIC)**

Committee Owner: Mr. Mohammad Saleem

Meetings per Year: 21

The BCIC reviews, evaluates, develops, and recommends all issues related to financing and investment proposals, fees and commissions, financing portfolio performance and investments for the Board's approval, as well as the legal actions taken for non-performing financing. The Committee has specific delegated approval authority for credit financing and investment decisions.

### **Board Audit Committee (BAC)**

Committee Owner: Mr. Mohammad Al-Ruwayeh

Meetings per Year: 11

The BAC reviews the scope, effect, and extent of adequacy of the internal and external audit at the Bank, as well as key accounting issues of material impacts on the Bank's financial information and internal controls. It ensures sufficiency of the resources designated for control functions. It reviews the Bank's financial statements before submission to the Board of Directors, ensuring the adequacy of the necessary provisions.

**Board Governance & Compliance Committee (BGCC)** 

Committee Owner: Mr. Hamad Al-Sayer

Meetings per Year: 5

The BGCC assists the Board of Directors to fulfill the governance responsibilities, prepares and updates the Bank's corporate governance manual and ensures compliance of the Bank's related parties with implementing governance requirements and rules. The Committee submits reports to the Board of Directors on these issues and reviews the contents to be published in the Annual Report in respect of corporate governance.

#### **Board Risk Committee (BRC)**

Committee Owner: Mr. Khaldoun Al-Tabtabaei

Meetings per Year: 15

The BRC assists the Board of Directors to perform its duties and responsibilities in respect of strategies, risk appetite and risks associated with financing and investment activities. The Committee is also responsible for highlighting and developing the Bank's risk strategy, risk appetite and other risk-related measures such as reviewing the reports of the Risk Management Group, reviewing the Bank's risk and control policies, and recommending their approval by the Board of Directors.

### **Board Nominations & Remunerations Committee (BNRC)**

Committee Owner: Mrs. May Al-Mudhaf

Meetings per Year: 8

The BNRC assists the Board of Directors in determining the eligibility of the nominees to the Board membership, the nominees for the positions of CEO and CEO's deputies and assistants. It also ensures the efficiency and application of the nomination policy and its consistency with the Bank's objectives, along with ensuring the efficiency and integrity of compensation and rewards policies and practices in the Bank.

# **Sharia Supervisory Board**

Warba Bank's Sharia Supervisory Board (SSB) consists of three members appointed by the General Assembly. The SSB carries out the Board's work and ensures the Bank's commitment to the teachings of Islamic Sharia. In 2024, the Sharia Supervisory Board held 15 meetings.

### **Sharia Supervisory Board Member**



Sheikh Dr. Isam Khalaf Al-Enazi Chairman of SSB

Number of Meetings: Number of Attendance: 15 Attendance Percentage: 100%



Sheikh Dr. Mohammad Oud Al-Fuzaie Member of SSB

Number of Meetings: 15 Number of Attendance: 15 Attendance Percentage: 100%



Sheikh Dr. Ali Ibrahim Al-Rashed Member of SSB

Number of Meetings: 15 Number of Attendance: 15 100% Attendance Percentage:

# **Executive Management**

Warba Bank's Executive Management (EM) team comprises a diverse group of experienced professionals responsible for leading the Bank's strategic, operational, and financial performance. Guided by a commitment to strong corporate governance, innovation, and sustainability, the team plays a critical role in driving the Bank's long-term value creation while upholding Islamic banking principles.



**Shaheen Hamad Al-Ghanem**Chief Executive Officer



Anwar Bader Al-Ghaith
Deputy Chief Executive Officer
Support Services & Treasury



**Thuwaini Khalid Al-Thuwaini**Chief Investment Banking
Officer



**Faisal Abdulrazaq Al-Nassar** Chief Corporate Banking Officer



Maali Abdullah Al-Rasheed Chief Human Resources & General Services Officer



**Mohamed Sabry Eissa**Chief Financial Officer



Wael Elsaid Shawareb
Chief Technology Officer



Hussam Sulieman Mustafa Chief Internal Auditor



**Abdullah Mahmoud Al-Lanqawi**Chief Treasury Officer



**Layali Mustafa Al-Fahad**Chief Operations Officer



Hamad Fouzan Al-Fouzan
Chief Strategic Planning Officer



**Ahmad Faisal Al-Qatami** Chief Retail Banking Officer



Naser Maher Al-Mutawaa Chief Digital Officer



**Dr. Mohammad Barakat**Chief Marketing & Corporate
Communication Officer



Najat Mohammad Saleh Chief Risk Officer

# **Executive Management Committees**

Name of Management Committee	RACHANGINIITIAC	Owner of lanagement Committee	Members	Required Number of Meetings (Yearly)	Actual Number of Meetings Held
Executive Credit & Investment Committee (ECIC)	The ECIC is authorized to consider all credit financing and investment proposals. The Committee approves such proposals or refers them to the Credit & Investment Committee as per delegated authority. The ECIC is responsible for monitoring and reviewing the Bank's financing and investment portfolio and taking the appropriate measures to ensure sound performance of the Bank's financing and investment assets.	Chief Executive Officer	Chief Executive Officer – Chairman Chief Corporate Banking Officer Chief Investment Banking Officer Chief Risk Officer	52	65
Assets & Liability Management Committee (ALCO)	The ALCO is responsible for all matters related to managing and controlling the balance sheet, including all aspects of assets and liabilities, assets allocation, liabilities structure, liquidity requirements and all other matters in respect of capital adequacy and managing market risks and liquidity risks to which the Bank is exposed. The Committee is responsible for supervising all aspects of optimal balance of assets and liabilities on the short, medium, and long term to ensure business growth and profitability while maintaining compliance with the regulatory and financial requirements.	Chief Executive Officer	Chief Executive Officer – Chairman Chief Risk Officer – Deputy Chairman Deputy Chief Executive Officer – Support Services and Treasury Chief Financial Officer Chief Treasury Officer Chief Corporate Banking Officer Chief Retail Banking Officer Chief Investment Banking Officer Deputy Chief Risk Officer Deputy Chief Treasury Officer Deputy Chief Investment Banking Officer Deputy Chief Corporate Banking Officer Deputy Chief Retail Banking Officer Deputy Chief Retail Banking Officer Deputy Chief Financial Officer	12	14
Provisioning Committee	The Provisioning Committee is responsible for analyzing and evaluating all outstanding exposures under approved financing facilities and investments, for the purpose of determining whether an exposure is impaired or has any signs of irregularity, warranting that provisions are built in accordance with the internationally accepted financial reporting standards and Central Bank of Kuwait regulatory requirements. In addition, the Committee is delegated to review debt write-offs and provide relevant recommendations to the Board Audit Committee (BAC) and Board of Directors.	Chief Executive Officer	Chief Executive Officer - Chairman Deputy Chief Executive Officer - Deputy Chairman Chief Risk Officer Chief Financial Officer	4	7

Name of Management Committee	RACHANCINIITIAC	Owner of Management Committee	Members	Required Number of Meetings (Yearly)	Actual Number of Meetings Held
Management Committee (ManCom)	The Management Committee (ManCom) serves as a senior management-level body responsible for overseeing the implementation of Warba Bank's corporate strategy, reviewing and approving supporting strategies, and managing the tactical execution of these strategies. The Committee also addresses operational and governance matters, including Sharia compliance, ESG initiatives, and the formation of sub-committees or task forces as needed. ManCom ensures alignment of the Bank's strategic objectives with regulatory, legal, and internal guidelines.	Officer	Chief Executive Officer – Chairman Deputy Chief Executive Officer Support Services and Treasury – Vice Chairman Chief Risk Officer Chief Financial Officer Chief Human Resources and General Services Officer Chief Corporate Banking Officer Chief Retail Banking Officer Chief Investment Banking Officer Chief Operations Officer Chief Digital Officer Chief Strategic Planning Officer Chief Treasury Officer Chief Treasury Officer Head of Marketing and Corporate Communication Division Head of Legal Department Head of Sharia Department Chief Internal Auditor Officer	The committee shall hold a meeting fortnightly, or more frequently as business requirement dictate, or as otherwise determined by the Chairman of the Committee.	10
Procurement Committee	The Procurement Committee was established to ensure that the procurement process of all goods, services, contracts, and works necessary for Bank's business are undertaken properly according to a transparent, effective, and timely approach, taking into account best practices in the field of procurement. The main role of the Committee is to oversee the Bank's needs for procuring products and services that fit their objectives. The Committee ensures that procurement is carried out in proper time, at the right place and for the appropriate cost in such a manner that balances the overall corporate requirements of consumption rationalization, transparency, and accountability. It also ensures that the procurement activity is performed in accordance with the highest ethical standards of fair and equitable treatment with suppliers and vendors who provide the Bank with services and goods.		Chief Financial Officer - Chairman Chief Technology Officer - Deputy Chairman Chief Human Resources and General Services Officer Chief Operations Officer	26	29

Name of Management Committee	RASPONSIBILITIAS	Owner of Management Committee	Members	Required Number of I Meetings (Yearly)	Actual Number of Meetings Held
Retail Credit Exceptions Committee (RCEC)	The RCEC has been formed for reviewing all personal finance transactions that require thoughtful and deeper study, giving opinion about the viability of granting exceptions and taking decisions for approval/disapproval, depending on specific credit grounds and rationale in the best interest of the Bank's long-term business objectives under acceptable risk tolerance parameters.	Retail Banking Officer	Chief Retail Banking Officer Deputy Chief Retail Banking Officer (or delegated personnel) Director, Consumer Financing (or delegated personnel) - Coordinator Credit Risk Management Representative	52	61
Executive AML/CFT Committee (EAML/ CFTC)	Warba Bank, in implementation of CBK instructions dated August 28th, 2019, has established a committee for reporting suspicious transactions. The Committee's role is to take the final decision on suspicious cases that the Bank should report to the Kuwaiti Financial Intelligence Unit. The Committee prepares a quarterly report of all suspicious transactions, agreed by the Committee, for submission to Kuwait Financial Intelligence Unit and to the Board Risk Committee and Board of Directors.	Operations Officer	Chief Operations Officer – Chairman Chief Retail Banking Officer AML and CFT Compliance Officer	There is no fixed minimum frequency for meetings, as they depend on: The occurrence of suspicious transactions. The necessity for discussion and the Chairman's or members' discretion.	37
Investment Products Committee (IPC)	The IPC is responsible for the introduction, roll out and management of investment products, offerings, and services, licensed by the Capital Markets Authority, to the Bank's existing and prospective clients and ensuring that they are carried out in accordance with the strategy for asset management approved by the Board of Directors.	Executive Officer	Chief Executive Officer – Chairman Chief Investment Banking Officer – Deputy Chairman Chief Retail Banking Officer Chief Corporate Banking Officer Chief Risk Officer Chief Strategic Planning Officer Deputy Chief Risk Officer Deputy Chief Investment Banking Officer Head of Compliance & Governance Division Head of Sharia Department Head of Portfolios & Funds Management Head of Principal Investment Head of Marketing & Corporate Communication Division	2	8

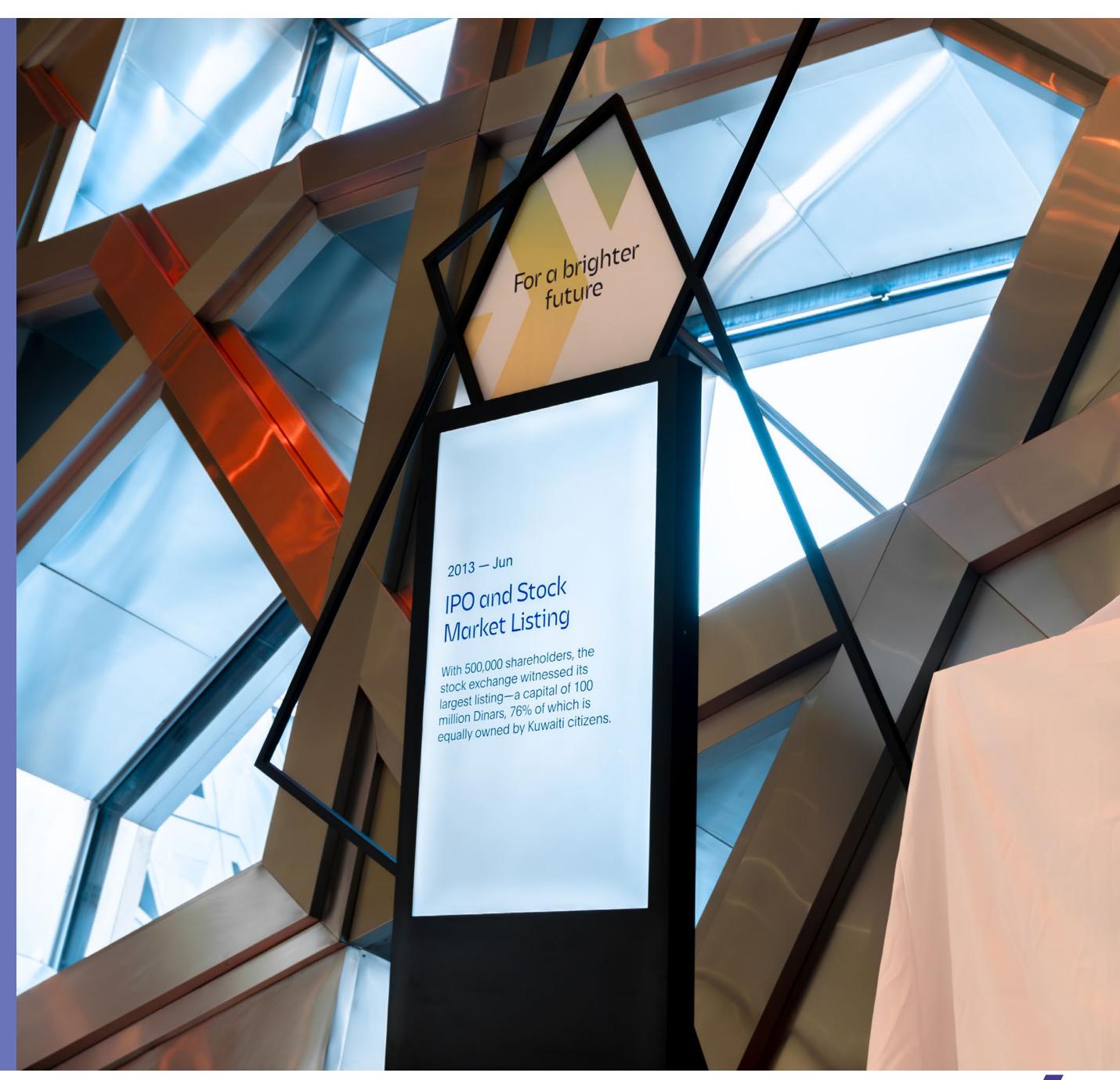
Name of Management Committee	Rachancibilities	Owner of Management Committee	Members	Required Number of Meetings (Yearly)	Actual Number of Meetings Held
Operational Risk Committee (ORC)	The ORC is a management-level committee that has been formed for the purpose of managing risks other than market, liquidity, and credit risk. The Committee convenes at least once per quarter to assess and monitor the overall control environment of the Bank and recommend or approve actions to mitigate risks whose impact (should it materialize) is over the Bank's risk appetite. The risks managed by ORC include, but are not limited to, operational risks, information security risks, IT risks, AML risks, legal risks, regulatory compliance risks and Sharia risk. It also reviews and monitors the Bank's business continuity plans and ensures that a managed process is followed to develop, maintain, and test business continuity plans.	Executive Officer	Chief Executive Officer - Chairman Chief Risk Officer - Deputy Chairman Deputy Chief Executive Officer Support Services & Treasury Chief Financial Officer Deputy Chief Risk Officer Head of Compliance & Governance Division Director Risk Operations Head of Legal Chief Internal Auditor (Observer)	4	4

# Highlights of Annual Board Training Program

The Board of Directors' annual development and training program was expanded to include additional topics beyond the mandatory requirements. This approach aimed to enhance executive technical skills and provide insights into market outlooks.

The initiative was designed to enable the Board to elevate the Bank's performance and achieve significant milestones. Members dedicated two days to sessions covering a range of topics, supporting multiple improvements and more effective decision-making.

All Board members attended the two-day workshop, which featured experts from different fields delivering sessions to ensure high-quality professional development.



# **Embedding Ethical Business Conduct**

The Bank has established a distinct Code of Business Conduct and Ethics Policy, which encompasses all forms of discrimination, and conflicts of interest, and also addresses insidertrading and significant ethical risks, outlining the responsibilities of management, and the Board regarding business ethics and investigation of incidents and other associated matters. This Policy is well-integrated across the Bank's operations and acts as a preventative measure to avoid non-compliance and ensure ethical business conduct. Additionally, the Policy is reviewed every two years and is supported by an onboarding awareness program facilitated by HR, ensuring that all employees are well informed of its contents and that strict adherence to the Policy is maintained. In the case of non-compliance, reporting is confidentially safeguarded.

To maintain the highest compliance standards, Warba Bank enforces a robust incident management framework that promptly addresses breaches of conduct and regulatory non-compliance. Employees are provided with multiple channels to report incidents, including dedicated compliance hotlines and direct escalation to the Chief Human Resources Officer (CHRO). Whistleblower-related concerns are handled at the highest levels, with direct reporting mechanisms to the Chairman to ensure confidentiality and accountability.

The Bank takes a structured approach to addressing compliance violations, beginning with incident reports, followed by comprehensive investigations. Corrective measures are implemented on a case-by-case basis to ensure that violations are reviewed, and appropriately addressed, reinforcing a culture of transparency, ethical responsibility, and adherence to regulatory and Sharia-compliant banking principles. Warba Bank maintains a transparent and rigorous compliance framework to prevent, detect, and mitigate non-compliance incidents.



Moreover, Warba Bank embeds its responsible business commitments throughout its activities and business relationships, and across all levels of the organization upholds ethical banking practices through the following additional pathways:

### Governance Structure

The Bank allocates clear roles and accountabilities defined at all levels. The Operations Group's Operations Excellence Department provides advisory support on policy implementation, ensuring compliance with the Bank's Code of Conduct, Sharia guidelines, and international best practices.

# Strategic Integration

Responsible business commitments are embedded into organizational strategies, operational policies, and risk management frameworks. Quality objectives are maintained through the ISO 9001-certified management system, ensuring compliance, continual improvement, and alignment with regulatory expectations

# **Business Relationships**

Warba Bank integrates responsible banking principles into its partnerships through Service Level Agreements (SLAs), quarterly business reviews, and due diligence mechanisms, ensuring alignment with ethical and Sharia-compliant financial standards.

# **Employee Training**

A comprehensive training program is in place, covering topics such as regulatory compliance, anti-corruption policies, and Sharia-compliant business ethics. These training initiatives ensure that employees, managers, and executives are well-equipped to uphold ethical banking principles.

Information on the <u>Code of Business Conduct and Ethics Policy</u> is publicly available on the Warba Bank website.

#### **Embedding Policy Commitments**

To further enhance compliance transparency, Warba Bank mandates that all employees sign an acknowledgment of the Code of Business Conduct and Ethics, ensuring that ethical banking commitments are upheld across all operations.

Warba Bank upholds a comprehensive set of policy commitments that ensure responsible business conduct is deeply embedded across all levels of the organization, and these commitments are shared and accessible across internal communication channels. These commitments are approved by the Chief of HR and the CEO, and integrated into strategic planning, operational policies, and corporate governance frameworks to align with Islamic banking principles, regulatory standards, and global best practices. The Bank's HR Policy, Employee Handbook, Diversity and Inclusion Policy, Employee Engagement and Well-being Policy, and Human Rights Statement provide the foundation for ethical conduct, transparency, and accountability in all business activities.

The Bank assigns clear responsibility for policy execution across various organizational levels for proper implementation. The Operations Group outlines roles and accountability, cascading these commitments throughout departments. Business functions, control units, and support teams monitor adherence to policies, while senior management and Board committees provide oversight to maintain governance integrity. These commitments extend to business relationships through Service Level Agreements (SLAs) with partners and suppliers, ensuring that third-party engagements align with the Bank's responsible banking practices. Periodic reviews and collaborative evaluations with stakeholders further enhance adherence to responsible practices.

Compliance with regulatory requirements is a critical component of Warba Bank's policy framework. The Bank follows a structured approach to embedding CMA regulations and CBK guidelines, ensuring that new requirements are promptly circulated, implemented, and reflected in subsequent policy updates. The Bank also enforces a mandatory onboarding and annual training program to educate employees on ethical business conduct, anti-corruption measures, and compliance responsibilities. This ensures that staff across all levels are equipped with the necessary knowledge to uphold the Bank's ethical commitments and regulatory obligations.

By institutionalizing these commitments, Warba Bank harnesses a corporate culture where compliance, ethical behavior, and responsible governance are integral to daily operations. The Bank's structured mechanisms for monitoring, enforcement, and continuous improvement reinforce its dedication to sustainable and Sharia-compliant banking practices.

# Improving Corporate Governance Practices

A comprehensive review of our corporate governance practices was conducted with a particular focus on Board charters and governance policies. This review ensured alignment with current regulatory requirements and industry best practices while assessing the effectiveness of the governance framework in promoting transparency, accountability, and ethical behavior.

As part of this process, areas for improvement were identified to refine policies and strengthen governance structures. These efforts have enhanced the Bank's ability to navigate regulatory challenges while reinforcing ethical conduct across the organization.





## 3.4 Risk Management

Warba Bank employs a comprehensive risk management framework that integrates financial, operational, regulatory, and ESG risks upholding the Bank's resilience. The Board Risk Committee oversees risk appetite, capital adequacy, and regulatory compliance, upholding adherence to global best practices and Sharia-compliant financial principles.

The Bank has taken proactive measures to fortify risk management practices through policy enhancements, governance practices, reviews, and advanced risk assessments, reinforcing ethical and responsible banking.

A strong risk culture is engraved in our governance model, ensuring that employees and leadership actively participate in risk oversight and mitigation.

# **Debt Collection Policy**

The Bank refrains from evergreen financing, ensuring all exposures have a defined maturity date or structured payment schedule. In cases of default, the Restructuring Department or Legal Department takes necessary action based on the nature of the case.

### Board of Directors' Risk Training and Governance

All Board members receive specialized risk training, ensuring effective oversight of financial, operational, and ESG risks.

### **Corruption and Fraud Prevention**

Warba Bank maintains stringent policies and risk assessments on critical issues such as bribery, corruption, fraud, and financial crime. The Bank's Anti-Bribery and Corruption (ABC) Policy applies to all employees, directors, and third parties, ensuring transparency in financial dealings.

Corruption risk is an integral component of operational risk, which is addressed and mitigated through internal control procedures. The Bank has recently approved new policies for the management of fraud risk, signaling an increased emphasis on this subject in the future, supported

by the establishment of a dedicated department. The Code of Business Conduct and Ethics explicitly outlines and addresses these issues of corruption and bribery, outlining the prohibition of personal gains, whether financial or non-financial, for both the Board and employees.

The Bank evaluates risks in business relationships, including conducting due diligence on third parties such as suppliers, vendors, and consultants to verify credentials, identify potential conflicts of interest, and assess reputational risks or legal issues. Risk assessments are conducted periodically to identify and mitigate bribery and corruption risks associated with the Bank's operations, products, services, and geographic presence.

Moreover, established internal control mechanisms help prevent misconduct. The Bank's controls are specifically designed to detect bribery and corruption activities through Compliance Monitoring and Assurance Testing outlined in the Anti-Bribery and Corruption (ABC) Policy. The whistleblowing hotline, outlined in our Whistleblowing Policy, offers employees a confidential hotline to report such concerns or suspicions regarding bribery and corruption.

In addition to internal control mechanisms, established Anti Money Laundering/Know Your Customer (AML/KYC) mechanisms also govern our business relationships. Across various departments, and at all levels of the Bank, employees adhere to this Policy and undergo training on an annual basis or as per the Policy and CBK instructions.

The Bank also continuously evaluates exposures to geographies with higher exposure to corruption risks, adjusting exposure limits accordingly based on corruption indices and regulatory ratings. Details on the level of the Bank's exposure to those geographies is confidential; however, the Bank endeavors to minimize involvement in such controversies.

### **ESG** in Financing and Risk Assessment

The Board has an integral role to play in ensuring the Bank's exposure to material ESG risks is maintained at prudent levels and is consistent with the Bank's risk appetite, and in accordance with regulations. Committees like the BRC and ALCO also play a critical role. The BRC, among other responsibilities, oversees ESG risk management and capital adequacy in the Bank by approving the risk strategy, and reviews and approves ESG risk assessments. While ALCO ensures the Bank's assets and liabilities are aligned with the Bank's sustainable finance goals and objectives as defined by the Sustainable Finance Framework.

In 2024, Warba Bank advanced its approach to sustainable financing, as we are anticipating future requirements and trends that may become integral to credit applications in the future. As a result, the Bank is considering incorporating an ESG risk scoring tool into credit decisions. This model evaluates borrowers' environmental and social risk exposure, influencing lending terms and investment decisions. The primary strategy involves providing incentives for credit applications with favorable ESG scores, while concurrently imposing penalties on credit applications with unfavorable ESG scores.

The Bank also formed the Sustainable Finance Working Group (SFWG), a newly established cross-functional governance body, to oversee due diligence in ESG lending and to identify ESG-compliant financing. By embedding ESG risks into financial decision-making, the Bank continues to align itself with global regulatory trends and investor expectations while reinforcing its Sharia-compliant approach to responsible banking.

#### **Climate-Related Risk and Financial Resilience**

The Bank is also strengthening its climate risk management strategy, integrating climate-related risk assessments into capital planning and operational risk evaluations. As part of our Internal Capital Adequacy Assessment Process (ICAAP), the Bank formally includes both physical risks such as natural disasters causing infrastructure damage, and transition risks like policy shifts, and market disruptions that may carry financial implications. The integration of ESG parameters into credit-risk decision-making processes allows us to better assess and manage the potential impacts of climate change on our operational resilience and financial stability.

To guide these efforts, the Bank's Risk Management Framework also recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities across business operations. This includes the development of methods looking into the financial implications of the climate-related risk before actions are taken, methods used to manage the climate-related risk, and cost of actions taken to manage the climate-related risk.

Looking ahead, the Bank is looking into additional development of mechanisms to better understand how climate-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet.

### Selected Details of "E" and "S" Risks Outlined in the Banks ESG Risk Policy:



### **Environmental Risks**

Determine environmental risks that have a material negative impact on the Bank's premises, financial performance, reputation, and credit exposure.

Description of the environmental and climate change related risks and opportunities for physical and transitional risks, that may impact the Bank's operations and activities, and revenue.



Determine work-related social risks and the process and methodology for assessing such risk.

Identify potential social risks associated with financing structures, investment, and financing activities in the local community through social risk assessments.

#### **Health and Safety**

Warba Bank prioritizes the health and safety of its employees through a structured Occupational Health & Safety (OHS) Management System. This is reflected in our recently developed Health and Safety Policy. Like several of our policies and procedures, this Policy is based on recognized risk management system standards and guidelines, and in line with CBK requirements

#### Our key OHS measures include:

Conducting OHS surveys via an automated system to monitor compliance and identify workplace safety gaps.

Ensuring periodic identification and elimination of hazards and minimizing risks through frequent fire and safety systems, first aid training and facility inspections.

Informing employees on health and safety practices through mandatory training and encouraging them to report on potential safety concerns.

Promoting employee engagement on employee health through annual events and initiatives, like blood drives, fitness programs, and health screenings.

Conducting frequent health and safety drills to ensure the efficacy of our action plans.

Communicating and coordinating health issues and risks across departments and impacted stakeholders.

Our system covers all workplaces occupied by Warba Bank workers. This also extends to business relationships with vendors, which are expected to maintain safety systems and protocols by complying with OHS guidelines, and inspections in line with our practices. Moreover, the relationship with the vendors is established contractually not only to perform general activities, but also to advise on any needs to achieve and maintain snag-free HSE environment.

The OHS system at the Bank is upheld through structured oversight and compliance-driven practices. These include regularly conducted HSE audits, periodic HSE inspections, and contracting with qualified external service providers for quality control to ensure compliance with safety guidelines. Moreover, the Bank frequently conducts assessments of health and safety impacts of product and service categories, to monitor and manage health and safety risks to employees, visitors, and customers. With these initiatives, the Bank upholds a safe and supportive work environment, reducing occupational health risks and improving employee well-being.

### **ESG Policy Enhancement Initiative**

The Strategic Planning Group, with the support of the Business Library Unit, collaborated with an ESG consultant to enhance Warba Bank's ESG policies, integrating sustainability and risk management into the Bank's operations and internal documentation. With the close involvement of the Board and senior management's involvement, the initiative focused on embedding ESG considerations into daily operations, creating sustainability guidelines, strengthening ESG-related risk management, and establishing a foundation for sustainable banking.

As a result, ESG policies were updated across various bank functions, and a standardized ESG risk assessment framework was developed. The initiative also facilitated connections with international sustainability experts, improving the Bank's ability to manage environmental and social risks. By aligning local practices with international ESG standards, Warba Bank positioned itself as a regional leader in sustainable banking.





#### 3.5 Relevance to ESG Risks and Opportunities

The Bank continues to enhance its internal capacity to identify, evaluate and manage ESG-related risks that may affect financial performance or impact stakeholders. The Bank's ESG Risk Policy outlines structured processes to classify and assess these risks, including physical and transitional climate risks, across all our business operations and in line with best practices in the industry.

Moreover, the Bank developed an ESG scoring tool, which is being integrated into credit applications. The tool provides incentives for credit applications with favorable ESG scores, while concurrently imposing penalties on credit applications with unfavorable ESG scores. The Bank also continues to advance its practices on current and anticipated effects of ESG-related risks and opportunities, and their impacts on the business model and value chain through upcoming stress testing and ICAAP model executions. Climate-related corporate credit risk shall be covered under the Bank's ICAAP. These efforts complement the Bank's capital planning initiatives under ICAAP, supporting a more resilient financial position.





4

Business
Operations and
Environment

# 4.1 Internal IT and Digital Transformation

Warba Bank continues to enhance its internal IT infrastructure and digital transformation efforts to drive efficiency, innovation, and improved customer experience. Digital integration development is governed by the Software Development Life Cycle (SDLC) Policy and the Secure SDLC Policy, ensuring that security requirements, quality gates, and compliance measures are incorporated throughout the development process.

Throughout 2024, we implemented several internal automation initiatives to enhance operational efficiency and streamline workflows. These include the automation of legal workflows, card delivery processes, key risk indicator (KRI) workflows, and financial operations dashboards. Additionally, the Bank expanded mobile and online banking capabilities, introducing a B2B integration feature to enhance transaction execution within the BEYOND segment app to provide corporate clients with exclusive offers and discounts. Other innovations include the ability to request letters of credit and guarantees online, submit invoice payment links with status updates, and attach documents for approval requests within online banking systems.

These advancements have significantly contributed to cost optimization and efficiency improvements, with several activities transitioning to digital processes. As of 2024:



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We inspire. We connect. We care



22%

of Sunbula Savings Accounts
Opened Digitally



72%

of Sunbula Term Deposits
Opened Digitally



98%

of remittance transactions

Conducted Digitally



65%

of new customers

Onboarded digitally

## **Digital Transformation Initiative**

The Career Experience is a gamified innovative tool designed to streamline the job application process during the Watheefti Career Fair. This platform enabled applicants to submit their CVs, complete assessments, and explore employee benefits at Warba Bank through a seamless digital experience.

The tool simplified the recruitment process by integrating all application steps into a single platform, enhancing accessibility and ensuring a user-friendly experience for prospective employees. It supported the Bank's diversity and inclusion objectives by making the application process accessible across different devices and locations. Additionally, the tool provided data-driven insights, allowing the Bank to analyze applicant demographics, performance, and engagement to refine recruitment strategies.

The initiative successfully processed over 900 applications, with 186 candidates qualifying for the pre-employment assessment and more than 50 interviews conducted during the career fair. This transformation positioned Warba Bank as an innovative and technology-driven employer, reinforcing its commitment to digital advancement and employee development.





# **Data Security and Privacy**

**Sharing Policies** 

The Bank prioritizes data security and privacy through a comprehensive governance framework led by the Information Security Governance, Risk and Compliance Department under the Risk Management Group. The Information Security Management System (ISMS) ensures the protection of digital and non-digital data, covering governance, operations, and IT processes. Our robust data protection and cybersecurity infrastructure functions on multiple fronts to ensure safety, privacy, and security of data. The following presents a high-level overview of some of these measures.

and with explicit consent.

#### Key Data Protection and Cybersecurity Measures to Ensure Effective Implementation:

Rey Data Protection and Cybe	rsecurity ineasures to Elisure Eliective implementation.		
Access Controls	Implementing Role-Based Access Control (RBAC) with Multi-Factor Authentication (MFA) and Privileged Access Monitoring (PAM).	Incident Response	Implementing an Incident Management Plan that includes detection, containment, recovery, and analysis processes.
Data Protection	Ensuring protection of personal information against loss or theft, unauthorized access, misuse, and extends to supplychain vendors and business partners.	Advanced Cybersecurity	Implementing advanced encryption and authentication through biometrics, decreasing fraud and allowing stronger protections.
Data Minimization	Limiting data collection to only necessary information and ensuring compliance with privacy regulations.	Third-Party Vulnerability Analysis	Performing third-party vulnerability analysis and disclosing breaches or cybersecurity incidents as part of crisis communication procedures.
Data Retention Policies	Retaining personal information for up to ten years while ensuring secure disposal when no longer needed. No personal information stored with unauthorized parties.	Cybersecurity Awareness	Conducting cybersecurity awareness and training programs according to compliance requirements, for employees, and actively participating in the CBK's "Let's Be Aware" campaign.
Strict Data-	Ensuring that customer data is only shared when necessary		34pa.g

**Secure Disposal** 

**Certifications** 

of Data

Securely erasing personal data through shredding or

Maintaining compliance with ISO 27001:2022, PCI-DSS

V4.0, and SWIFT CSP standards, reinforcing robust security

electronic deletion methods.

measures.



The following figure summarizes our data security and privacy performance, demonstrating the Bank's commitment to maintaining customer trust and safeguarding sensitive information.

0

Incidents: Substantiated complaints received concerning breaches of customer privacy

0

Incidents: Complaints from regulatory bodies

0

Incidents: Confirmed incidents of identified data leaks

0%

Incidents: Customer data lost

Incidents: Number of data breaches

0%

Incidents: Breaches involving personally identifiable information (PII)

0

Incidents: Account holders affected

#### **Customer Rights and Consent Management**

Customers are provided with full control over their personal data, with clear guidelines on obtaining, withdrawing and managing consent. Consent must be explicit, unambiguous, and separate from other agreements. Customers can request data deletion or withdrawal of consent at any time by submitting written requests. These details are clearly communicated with customers in privacy policies and through data protection measures. Moreover, personal data shared with third parties requires documented contracts and customer consent to ensure transparency.

The Bank strictly regulates how customer data is used. Customer information is never shared externally unless required for service evaluation or regulatory compliance:

- Customer satisfaction surveys collect only basic information, such as name and number, and are used solely for service assessments.
- The Bank ensures no banking or financial data is shared externally without direct consent.

### **Incident Management and Data Breach Response**

**Preparation** Continuous monitoring and proactive threat detection.

**Detection** dentifying unauthorized access or suspicious activities.

Containment Isolating compromised systems to prevent further exposure.

Recovery Implementing corrective actions and system restorations.

**Analysis** Conducting post-incident evaluations to strengthen future defenses.

5

# Cyber Insurance & Risk Mitigation

Warba Bank considers cyber attacks as one of its key risks related to the governance and social pillar of ESG. Therefore, the Bank has cyber insurance coverage to safeguard against potential financial and operational implications arising from cybersecurity risks and substantiated incidents. reinforces its commitment to protecting customer data and maintaining digital trust. This ensures financial protection and resilience against evolving cyber threats.

By continuously enhancing its data security framework, conducting annual policy reviews, regular audits and security assessments, and implementing robust governance policies, Warba Bank

# 4.3 Energy, Resource Management, and Carbon Footprint from Operations

Warba Bank is progressively enhancing its sustainability efforts in terms of aiming for continuous efficiency in energy, waste, and water management practices. In the past three years, we developed an Environmental Policy, Climate Change and Carbon Reduction Policy, and a Waste Management Program. Key initiatives include:

# **Energy Consumption**

Targeting a 20% renewable energy generation goal (excluding AC load and planning the installation of a lighting control system to reduce consumption in eight branches.

# Waste Management

Partnering with Tadwire to collect and recycle plastic, paper, and electronic waste from headquarters and branches.

# Water Management

Installing water-efficient equipment to reduce water use. Also, periodically inspecting and monitoring water filters, and implementing smart water meters in branches by Q1 2025 to track and optimize water usage.

While Warba Bank has minimal direct environmental impact as a bank, it remains committed to sustainable resource management and continues to monitor and assess potential areas for improvement. The following provides a detailed overview of the Bank's environmental performance, highlighting key metrics related to our greenhouse gas emissions (GHG) emissions, water consumption and energy usage. The data presented here has been compiled in line with internationally recognized standards, including the Greenhouse Gas Protocol (GHG Protocol) Guidelines for GHG accounting methodologies and sourcing of applicable emission factors (EFs) and global warming potentials (GWPs).

We have carefully categorized our emissions into direct (Scope 1) and indirect (Scope 2 and Scope 3) emissions, which reflect the amount of GHGs emitted from the use of owned and leased fuel/energy consuming assets under the control of the Bank's operations, to provide a comprehensive view of the environmental impact of our operations. Through responsible monitoring and continued efforts to optimize our resource consumption, we aim to minimize our environmental footprint and contribute to sustainability goals in Kuwait.



### 2024 Breakdown Overview of Environmental Impact

	2024	2023	% Change
Total GHG Emissions (tCO2e)	6,521.41	-	-
Scope 1	1,207.62	866.16	_
Stationary Combustion	1,178.94	866.16	36.11%
Fugitive Emissions - Leakages	28.68	-	-
Scope 2	4,064.14	2,464.68*	64.89%
Electricity	4,064.14	2,464.68	64.89%
Scope 3	1,249.66	5,212.26	_
Water Consumption	0.52**	4.56*	-
Business Travel	119.97	92.84*	29.44%
Mobile Combustion***	33.77	28.94	14.29%
Employee Commute****	1,065.49	4,974.94	-78.58
Courier Services****	29.91	110.98	-73.05%
GHG Emissions Intensity (tC02e/employee)	8.25	-	-
Scope 1	1.50	1.17	27.81%
Stationary Combustion	1.50	1.17	27.81%
Scope 2	5.16	3.34	_
Electricity	5.16	3.34	-
Scope 3	1.59	-	_
Water Consumption	0.00066**	0.00617*	-
Business Travel	0.15	0.13*	21.34%
Mobile Combustion***	0.043	0.04	9.55%
Employee Commute****	1.35	6.73	-79.89%
Courier Services****	0.04	0.15	-55.93%

The GHG emissions presented above were estimated based on the organizational boundary and reporting period set for this year's report while

Scope 1 emissions encompass direct emissions from stationary combustion of fuel consumed by controlled generators and fugitive emissions from refrigerant leakage from controlled HVAC systems.

Scope 2 includes indirect emissions from the generation of the consumed amount of electricity estimated using Country Specific Electricity Factors from the Carbon Database Initiative (CaDI). The electricity consumption figures for Egaila Branch, Avenues Branch, and Mangaf Branches were estimated based on utility bill payments for the reporting period. The electricity consumption figures for HQ Arraya Tower, Alraya, Ministries Complex, Saad Al Abdulah Branch, West Meshrif Branch, Adailiyah Branch, Jahra Branch, Salmiya Branch, Sidi Branch, Farwaniya Branch, Airport Branch, and Adan Branch were estimated based on their respective area (square meters). It should be noted that due to the high standard deviation

	2024	2023	% Change
Consumption Metrics			
Generators (liters)	402,889.23	-	_
Electricity (kWh)	6,513,456.29	3,950,065.34	64.89%
Electricity Intensity (kWh/employee)	8,276.3	5,345.15	54.84%
Water Consumption (m3)	2,947.10	25,763.67	-
Refrigerant Gas Leakage (kg)	15.28	-	-
Emissions Avoided			
Solar Energy (tCO2e)	42.05	-	-
Recycling			
Total Weight (kg)	14,311	-	-
Scrap paper and OCC	5,145	-	_
PET	3,779.5	-	-
E-waste	5,386.5	-	_
Trees Saved	86.68	-	-
CO2 Reduction (kg)	15,219.63	-	_

observed when comparing electricity usage per square meter (kWh/m²) across branches, the applied estimation factor may lead to an overestimation of actual consumption values.

Scope 3 includes indirect emissions from upstream activities along the Bank's value chain, including water sourcing, fugitive emissions from noncontrolled leased assets, business travel, emissions from the operation of leased cars.

The estimated emissions represent carbon dioxide (CO2), Methane (CH4), and Nitrous Oxide (N2O) emissions in CO2 equivalent (CO2e) values, excluding Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), and Sulfur Hexafluorides (SF6) due to its low relevance given the nature of operations.

Additional information corresponding to asterisks and details on the applied approach, calculation methodology, and data used for Scope 1, 2, and 3 emissions, among other details, are located in Section 7.4.3.

# **Lower Carbon Footprint**

### Solar System initiative

In alignment with Warba Bank's commitment to sustainability and renewable energy, the Bank launched an initiative to equip eight branches with solar energy systems. This strategic project aims to generate 20% of these branches' total energy requirements from renewable sources.

Between August and December 2024, the solar installations produced 76,053 kWh of renewable electricity. This initiative significantly contributes to Warba Bank's environmental goals by reducing reliance on conventional power, lowering carbon emissions, and promoting sustainable practices within the Bank's operations.

42.05 tC02e

emissions avoided as a result of solar energy use.



#### **Waste Management Initiatives**

The Bank has pursued various waste management initiatives to reduce overall waste produced from operations and promote responsible sustainable practices across the Bank. Initiatives focused

on recycling and reducing waste demonstrate our commitment to sustainability, responsible resource management, and innovative problem-solving. Two notable initiatives are highlighted in the following.



# Recycling and Repurposing Notepads

Warba Bank accumulated various printed stationery items, including letterheads and A4-sized branch vouchers, that became unusable due to design revisions, content updates (e.g., capital increases), and modifications to terms and conditions. Typically, such outdated stationery would be shredded and discarded. However, as part of our environmental initiatives during 2023-2024, the General Services Department (GSD) implemented an innovative solution by recycling this unused stationery into practical, A5-sized notepads. Each notepad contained 100 sheets, and through this recycling initiative, 2,000 notepads were produced.

The key objectives of repurposing this stationery were to promote environmentally responsible recycling practices, and to utilize existing materials to create valuable office supplies, minimizing the need to purchase additional stationery and reducing operational costs.



# Paperless Operations Initiative

The Archives Optimization Project, launched in 2024 by the Review Unit within the Operations Group, aimed to reduce paper usage by digitizing documents through the OpenText system. This initiative focused on implementing digital document storage, improving operational efficiency, and supporting sustainable document management.

As part of the project, thousands of documents were digitized, significantly reducing paper consumption. A secure digital storage system was established, enhancing document retrieval speed and accessibility. By laying the groundwork for future paperless initiatives, this project set a new standard for green banking through digital transformation.



# 4.4 Supply Chain Management

The Bank applies strict governance policies for ethical and sustainable supply chain operations. Our Bribery and Anti-Corruption Policy mandates due diligence on all suppliers and third parties, requiring contractual agreements to mitigate risks.

The Bank's Human Rights Policy also extends to all partners, ensuring compliance with ethical labor standards. We make sure new suppliers undergo environmental and social responsibility, aligning our commitment to responsible sourcing.

Additionally, Warba Bank has an incident management process in place to address any negative social or environmental impacts within its supply chain. The Bank has not identified significant supplier risks related to child labor, forced labor, or unethical practices, reinforcing its commitment to responsible business conduct.

In 2024, we expanded our supplier network while maintaining a strong focus on local sourcing. The number of local suppliers increased by 5.48%, reflecting the Bank's commitment to strengthening domestic relationships and partnerships. Similarly, the Bank increased its expenditure on local supplier spending by 5.30%. Overall, total suppliers and supplier expenditure grew approximately 7.33% and 8.70% respectively.

### **Supplier Breakdown**

	2024	2023	% Change
Local Suppliers	443	420	5.48%
Foreign Suppliers	128	112	14.29%
Total Suppliers	571	532	7.33%

### **Supplier Breakdown - Expenditure**

	2024	2023	% Change
Expenditure on Local Suppliers	18,392,982	17,466,479	5.30%
Expenditure on Foreign Suppliers	5,620,296	4,624,721	21.53%
Total Expenditure	24,013,278	22,091,200	8.70%







Products, Services, and Offerings

## **Overview**

The Bank provides a comprehensive suite of financial services, including retail, corporate, and investment banking, and wealth management for high worth individuals. Selected products and services offered to our customers include:

Corporate Banking	Investment Banking	Retail Banking
Commodity Murabaha	Tap into Sharia-compliant	Multiple customer accounts,
Ijara lease to own	Financing markets	including investment, salary,
Real estate financing	Funding solutions for optimal balance sheet management	family, and savings accounts among others
Project financing	Asset-based and asset-backed	Fixed deposits
SME financing	finance transactions	Rewards and cashback
Invoice factoring	Portfolio and fund management	programs
B2B integration	Funding opportunities across	Consumer, construction,
Trade finance product	debt capital markets	medical, and auto-financing among others
Stock market trading limits	Digital wealth management	0% financing promotions
Treasury services		Car leasing
Financial consultancy		

More information on our detailed offerings can be found on Warba Bank's official website: <a href="https://www.warbabank.com">www.warbabank.com</a>.

### **Financing Modification Options**

Financing modification options are provided to our customers and are assessed on a case-by-case basis. Modification options may be provided to customers due to a delay in completing a project or due to a cash flow squeeze the business is experiencing. The Bank also offers modification to delinquent accounts to provide cash flow relief to customers, allowing them to recover and resume normal business operations.



## **Financing Modifications Options**

- Extended financing period
- Re-arranged contracting conditions
- Liability transfers



# **Financing Officiation Conditions**

- The finance type (construction/consumer) shall be rescheduled as per the existing finance contract.
- The retail customer must have repaid at least 30% of the finance installments, regularly without past dues.
- The new finance contract granted shall be considered "new" and replacing the existing contract.
- The maximum limits for this re-financing contract shall be in compliance with the instructions related to the finance tenure, total financing value, and monthly installment based on the customer's profile on the date of the new contract.

# 5.1 Update on New Digital Offerings and Solutions

We continue to enhance our digital banking experience through innovative solutions aimed at improving accessibility, efficiency, and customer engagement. The Bank has introduced multiple digital offerings, including enhanced mobile banking services and Al-driven customer interactions, further solidifying its position as a leader in Sharia-compliant digital banking.

The Bank's latest digital advancements include the introduction of gold trading services, allowing users to track gold prices, receive alerts, and trade gold through an integrated digital platform. Additionally, the Bank has launched a series of mobile app enhancements, including two-way chat capabilities for customer support, digital activation of dormant accounts, and streamlined account opening processes for Super Saving Accounts.

Several newly launched applications and digital services were introduced in 2024, including WAMD Transfers, Gulf Payments (AFAQ), and Taskeen Property Manager. These services cater to diverse customer needs, from real estate management to seamless international money transfers. Furthermore, the Bank launched a Quran App (Mus'hafy), and multiple AR/VR gamified experiences including: Warba World: Career Experience 2.0, a customized user journey for job applications during the Watheefti Career Fair, Warba World: Cyber Quest, cybersecurity awareness, Warba World: Summer Tour, and Warba World: Warba Arcade, showcasing our commitment to digital inclusion, service diversification, and products with social value.

In the Corporate Banking segment, Warba Bank dedicated resources to developing the Business Banking for BEYOND segment, launching an online banking platform and app in early 2024. The BEYOND App provides a wide range of services, enabling corporate customers to manage banking activities efficiently without visiting a branch. Additionally, the Bank launched an online trade banking platform for corporate clients, allowing them to submit Letters of Credit and Letters of Guarantee digitally.

To ensure the quality and security of its digital offerings, Warba Bank has implemented an extensive quality assurance (QA) testing cycle. This cycle involves pre and post-launch testing in both testing and live environments to ensure seamless performance and a robust user experience.



## Strategic Focus on Innovative Client-Centric Solutions

Warba Bank launched an electronic trading platform as part of its strategic focus on innovation and client-centric financial solutions. This platform integrates digitalization, automation, and advanced technology to provide clients with unlimited instant access to competitive prices and efficient transaction execution, improving the overall foreign exchange management experience.

The initiative was designed to establish Warba Bank as a leader in Kuwait's foreign exchange market, offer innovative Sharia-compliant financial solutions, and enhance customer experience through digital transformation and automation.

The implementation of the electronic trading platform led to an increase in the customer base and market share in foreign exchange trading. Warba Bank was recognized as the "Best Foreign Exchange Bank in Kuwait" for 2024 by Euromoney and accredited as a market maker for foreign currencies through the global FX ALL platform, further strengthening its position in the foreign exchange markets.

Euromoney, an international financial magazine and awards organization known for its analysis of global financial markets, grants awards that highlight industry leaders and reinforce market credibility. The recognition of Warba Bank underscores its leadership in the foreign exchange markets.

# Highlights from the Rowad 5.0 Program

The ROWAD 5.0 Program is a six-week ideation initiative designed to generate new ideas that could become future banking products. For the first time, the program was expanded to include Kuwaiti students studying in the United Kingdom (UK) to assess how targeting this demographic would impact the quality and viability of ideas received.

The Program was successfully completed, with both students and internal Bank stakeholders expressing satisfaction. The ideas generated through this expansion were well received, and the winning idea was considered highly viable. However, the lack of physical presence due to the students' location introduced some challenges. Despite this, the expansion was considered a success.

One of the notable benefits of this initiative was the opportunity to identify potential talent for future employment. Members of the top two teams demonstrated strong potential and were highly engaged throughout the program.





### 5.2 Sustainable Finance Products and Investments

As part of our sustainable finance initiatives, the Bank actively promotes ESG Sukuk issuance. The Debt Capital Markets (DCM) team has pledged to contribute positively on the ESG front by gradually increasing its investments in ESG-friendly Sukuk. In 2024, the Bank issued the first sustainability Sukuk, demonstrating our commitment to low carbon emission products. This year, the Bank's ESG portfolio made up 0.06% out of total financing portfolio.

**Selected Overview of** 

# Financing

**Portfolio** 

2,566,292,000 KD

Total Financing Portfolio

1.55%

Total sharia dept SMEs out of Total Financing Portfolio

74.85%

Total sharia dept to Large Corporations out of Total Financing 10.10%

Year-on-Year Financing Growth Rate Percentage of Total sharia dept to Large Corporations 5.36%

Year-on-Year Financing Growth Rate Percentage of Total sharia dept to SMEs





Highlights

14,799,671.10 KD

Total financing for ESG Portfolio

#### **ESG Integration Across Investment and Asset Management Activities**

Warba Bank integrates ESG considerations across its investment and asset management approach, aligning with both Sharia compliance and responsible investing principles. Within the Debt Capital Markets (DCM) team, the Bank actively participates in ESG-oriented Sukuk issuances, embedding sustainability considerations into its investment strategies. The DCM also promotes ESG-friendly solutions to its internal asset managers and private-banking clients by giving them access to ESG-friendly Sukuk liquidity in secondary markets. Furthermore, the Structured and Syndicated Finance (SSF) Unit contributes to ESG financing through active participation in the green financing market, supporting projects with positive environmental outcomes. On the other hand, the Portfolio and Fund Management (PFM) team assesses ESG compliance in its due diligence process for fund managers, incorporating ESG ratings into investment decisions.

### **ESG Integration into Investment Business Model Under the PFM**

The PFM team conducts a ranked assessment, which includes a rating for ESG criteria determined by these stated factors.

The team carries out a due diligence exercise to assess ESG compliance.

The PFM ensures compliance with all laws and regulations of the CMA and other regulatory authorities, as applicable, in regard to funds and related procedures and/or related amendments.

The PFM's product pipeline is driven by the client's Sharia-compliant mandate. Thus, ESG compliance depends on the client's preference, capital preservation or profit maximization.

In the Direct Investments Division (DID), ESG implementation is delegated to fund managers across the portfolio. As of 2024, 96% of the Bank's investments are with fund managers who have either:



Implemented an ESG framework



UN-PRI signatories



Exceptional ESG Awards

#### **ESG in Financing and Credit Analysis**

We remain committed to integrating ESG factors into financial decisions and financial offerings. The Bank has been progressively incorporating ESG considerations into its credit analysis by developing an ESG scoring tool, expected to become a component of credit applications in 2024. This tool will enable the Bank to incentivize financing for projects with positive ESG impacts while imposing stricter criteria for projects with lower ESG scores.

### Sustainable Project Financing and Environmental Impacts

The Bank offers several products and services that provide added value for the environment. We are actively involved in projects that have a positive environmental impact and contribute to the mitigation of and adaptation to potential negative climate impacts, such as renewable energy projects and sustainable infrastructure development.

The Bank's Real Estate Investment Department (REID) portfolio also reflects a strong ESG commitment to sustainable investment. Over 55% of our real estate investments are either ESG-related or in the process of obtaining such certifications. The Bank actively finances green projects across the Gulf Cooperation Council (GCC), including solar photovoltaic (PV) power generation, while ensuring that its project finance exposures comply with the Equator Principles and environmental and social due diligence requirements by independent advisors.

Beyond the ESG-related projects financed to encourage positive environmental impacts, the Bank also acknowledges that it also finances projects that may have negative environmental impacts. Some of these include the Corporate Banking Group's (CBG) involvement in financing projects in the oil industry. These are government-owned projects that are essential for the local economy and the country's fiscal budget. As a result, over the years the Bank has proactively focused on financing projects under the criteria that meet ESG standards, and we will continue to do so over the coming years.



**Projects** 



## Renewable Energy

Five regional renewable energy projects met the eligibility criteria. These projects combined total over 6,000-megawatt (MW) PV power generation across the GCC.



# Sustainable Water and Wastewater Management

One of our notable projects is the water desalination plant, which is partially energized with a solar energy power plant, this financing qualifies under the Loan Market Association's (LMA) Green Loan Principles.

The Bank also financed another GCC water transmission project, that incorporates eco-friendly technologies, such as energy-efficient pumps, smart water management systems, and low carbon materials.

# Financial Inclusion and Accessibility **5.3** We continue to expand our efforts to promote financial inclusion by providing accessible banking solutions tailored to underserved communities. Through the SiDi Account, for example, the Bank ensures that low-income individuals and underprivileged social groups, including expatriate workers, have access to essential financial services. SiDi features a simplified mobile banking application, multilingual support, and low-cost transactions, making financial services more inclusive and accessible.

### SiDi Account

SiDi provides inclusive and affordable banking solutions for individuals who may not qualify for traditional banking services. SiDi Account offers:



# **Low entry** requirements

An account with minimal documentation and eligibility requirements, allowing low-income individuals, including household workers and laborers, to access financial services effortlessly.

No required minimum balance or high salary transfers, with the salary limit recently proposed to increase from KD 400 to KD 500 to accommodate more users.



# **Affordable** and accessible services

Free-fee or minimal-cost services such as money transfers, mobile banking, and prepaid card issuance.

Customers can access SiDi services through mobile applications and designated branches, reducing physical and financial barriers.



# **Financial** empowerment initiatives

Campaigns and promotional initiatives, such as encouraging sponsors to help their household workers open accounts. These initiatives aim to instill financial discipline and independence in underserved communities.



# **Inclusive** customer support

Ensure that low-income groups receive adequate support through multilingual customer service representatives, call centers, and user-friendly digital platforms.

Training sessions, workshops and educational materials are provided to help customers understand and make the most of the financial services available.

## Highlighting SME Clients' Experience

The Bank also actively supports microfinance initiatives, particularly for SMEs and entrepreneurs. Our dedicated SME Financing Unit offers a variety of Sharia-compliant financing products, including Murabaha, Ijarah, invoice factoring, Sharia-compliant overdraft facilities, and letters of guarantees among other offerings, to support the growth of small businesses. The Bank recently launched "Business Banking Beyond", a dedicated department to serve SMEs by providing the segment with a digital platform to conduct banking transactions seamlessly, and other in-person cash management benefits. Moreover, the Unit created a B2B marketplace to offer special discounts on products and services for the SME segment, which assists them in managing their daily activities.

Recognizing the importance of small and medium-sized enterprises (SMEs) to Kuwait's economy, Warba Bank introduced BEYOND, an innovative B2B Loyalty program accessible through the BEYOND mobile application. Designed specifically to support SMEs, the FORUM provides business owners with valuable non-banking services, helping them streamline their daily operations and enhance their market competitiveness.

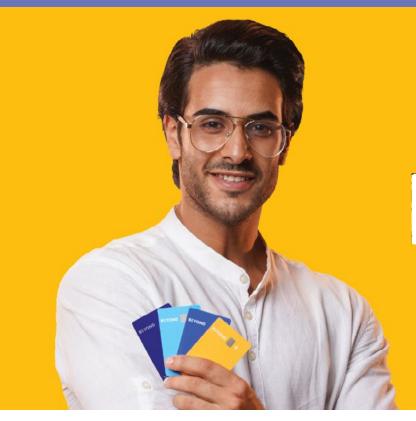
The BEYOND App offers SME clients exclusive access to instant vendor discounts, convenient redemption of Kuwait Airways Oasis Miles, and a specialized Marketplace featuring critical business services. This Marketplace provides comprehensive solutions such as logistics, marketing, accounting, and various essential business resources.

With simplicity at its core, the platform is automatically accessible to all SME customers upon opening an account with BEYOND. Business owners can conveniently explore the Marketplace, select services relevant to their needs, and directly communicate interest with selected vendors. Once interest is indicated, vendors proactively engage with clients, offering preferential rates negotiated by Warba Bank.

Through carefully curated partnerships with trusted and reputable service providers, Warba Bank ensures SMEs consistently benefit from high-quality solutions at competitive terms. As the first of its kind in Kuwait, BEYOND effectively consolidates multiple business benefits—discounts, travel rewards, and professional services—within a single intuitive digital platform.

BEYOND reflects Warba Bank's commitment to strengthening relationships with SMEs by providing practical, value-added solutions tailored specifically to their operational requirements and growth ambitions.

Beyond financial accessibility for selected business sectors in the market, the Bank ensures its products and services are inclusive and financially accessible for all customers without discrimination. We adhere to the principles of fairness, equality, and honesty in our transactions. We also emphasize transparency and disclosure, providing clear and accurate information about our products and services to ensure customers are able to make informed decisions. We do not oblige customers to purchase additional services or products as a condition for obtaining a specific product or service. Moreover, the Bank complies with CBK regulations, which require one branch in each governate that offers advanced facilities and services for customers with disabilities. We have six branches fully equipped to accommodate our customers.



BEYOND

## 5.4 Relevance to ESG Risks and Opportunities

As part of its broader sustainability strategy, Warba Bank actively accounts for ESG risks and opportunities in its financial decision-making and operational processes. The Bank's Corporate Banking Group (CBG) is progressively incorporating ESG factors into its financing policies, particularly in large-scale project financing, by conducting environmental and social due diligence during the credit assessment process. These efforts are guided by the Sustainable Finance Working Group (SFWG), which oversees the identification and advancement of sustainable and sustainability-aligned financing opportunities across the Bank. The CBG aims to align its financing practices with ESG principles by assessing environmental and social risks before approving financing deals.

Warba Bank adheres to the Central Bank guidelines on sustainable financing, which include "E" and "S" impacts of lending activities, reinforcing its commitment to ESG risk management. The Bank also applies ESG criteria in its underwriting and advisory services. Part of CBG's objectives is to streamline the approval processes for ESG-integrated financing opportunities, ensuring that sustainability aligned projects receive priority consideration.

Furthermore, the Bank's investment in sustainable real estate and infrastructure projects plays a strategic role in mitigating both physical and transition risks. By financing renewable energy infrastructure, energy-efficient developments, and properties seeking green certifications, Warba Bank is future-proofing its asset portfolio against climate-related shocks and market shifts stemming from the global transition to a low-carbon economy. These investments strengthen the Bank's financial resilience in the face of emerging ESG-related regulatory, reputational, and operational risks.







ocial

Social Capital and Future Impact



## 6.1 Community Impact

As a leading Islamic financial institution in Kuwait, we are committed to making a meaningful social impact by addressing key sustainability challenges, supporting local communities, and contributing to broader socio-economic development in line with the Kuwait Vision and UN SDGs.

The Bank recognizes the environmental and social impacts of its business operations, products, and services. Each year, we evaluate these impacts and strive for continuous improvement, ensuring that ESG considerations remain central to strategic decision-making.

To maintain transparency and enhance ESG performance, the Bank actively engages with rating agencies including MSCI, FTSE, and S&P Global to evaluate its ESG performance among industry peers and incorporates feedback reports into its sustainability strategy. ESG-related performance updates are disclosed annually through the Sustainability Report and, when necessary, via public announcements or press releases to inform stakeholders.

#### **Indirect Environmental and Social Impact**

Warba Bank contributes to indirect global and local economic benefits through various initiatives, including carbon offsetting for employee travel by funding climate projects in Africa, providing sustainable finance products, and supporting financial inclusion nationally, through accounts like SiDi. The Bank also annually hosts a blood donation campaign for employees to encourage contribution and impact across our community.

The Bank also undertakes numerous campaigns focused on consumer awareness, including data security, privacy, and financial literacy. Year on year, we continue to actively support financial literacy initiatives, such as the CBK "Let's Be Aware" campaign, by disseminating educational materials and conducting awareness programs on responsible banking practices. Additionally, employees actively participate in volunteer programs, particularly during Ramadan, where they distribute Iftar meals to underprivileged communities. Such initiatives align with external benchmarks and global policy agendas, demonstrating our commitment to responsible banking and economic resilience.

#### **Customer Satisfaction**

Warba Bank is dedicated to maintaining high levels of customer satisfaction across its community of customers. We measure customer satisfaction based on the percentage of satisfied customers out of total survey respondents. Our monthly satisfaction surveys monitor performance and set internal improvement targets. This year, we proudly achieved a 90% Customer Satisfaction Index (CSI) score.



A key contributor to our improved customer satisfaction rates is a seamless structured complaint resolution process. Upon receiving a complaint, the Bank registers it within three working days in the Complaint Register System (CRS), as per CBK requirements. The complaint is then forwarded to the respective department for investigation and resolution, with an official response issued within 15 working days.

For financial product-related complaints, the Bank conducts a thorough assessment to identify potential procedural improvements. If necessary, corrective actions are implemented to enhance customer satisfaction, including offering compensation where applicable. Customers can submit complaints through multiple channels, including Warba Bank's official website, mobile app, branches, and registered mail. The Bank also minimizes complaints by issuing internal circulars to retail branches, enhancing staff training, and regularly reviewing compliance with customer protection standards. These proactive and reactive approaches ensure continuous improvement in customer satisfaction.

#### **Fair Advertising Policies and Procedures**

Warba Bank adheres to strict fair advertising policies to ensure transparency in financial product marketing. The Marketing and Corporate Communication Division is responsible for developing promotional strategies, coordinating campaigns, and ensuring compliance with the Sharia Supervisory Board's guidelines. The department also oversees disclosures related to marketing materials and product information to prevent misleading advertisements.

### **Community Engagement and Social Initiatives**

The Bank has no significant operations with actual or potential negative impacts on local communities. Our activities align with responsible business conduct policies, and ongoing evaluations ensure that all initiatives contribute positively to society. Beyond business policies and activities, we actively support a range of community-driven initiatives, investing in a range of programs that promote education, health, environmental sustainability, and financial literacy, among others. Community sponsorships for this year amounted to 12,376 KD, sponsoring key events for strategic partners. Moreover, we dedicated 138,500 KD across 18+ initiatives, to community initiatives, including but not limited to:

#### **Selected Community Sponsorships**

	Initiatives	Description	Cost in KD
(R) S)	Environmental Education	Partnership with The Scientific Center to introduce children to environmental concepts through interactive learning.	20,000
Environmental	Environmental Sustainability	Ocean Minded Camp, Plant It for Free Initiative, and World Earth Day Awareness Programs.	5,000 - 10,000
	SME Support	Sponsorship of technology and innovation events, as well as the launch of the BEYOND Account for SMEs.	30,000
	Health and Well-Being	Cancer awareness campaigns, blood donation drives, and support for Down Syndrome Marathons.	2,500 - 5,000 per initiative
	Youth and Gaming Engagement	Hosting the Game Edition Tournament and Super Run Kids Marathon.	5,000 – 7,500
Social	Cybersecurit Awareness	Collaboration with the Ministry of Interior on public education campaigns.	1,000
	Religious and Cultural Contributions	Sponsorship of Quran memorization competitions and awareness campaigns promoting charitable acts beyond Ramadan.	12,000 – 20,000

## Case Study

## **Contributions to Mega-Projects**

Impulse International Telecommunications Company (Impulse) entered into an agreement with the Central Agency for Information Technology (CAIT) as an authorized distributor for managing services related to the Alliance Framework Agreement between the Government of Kuwait and Google Cloud. This strategic alliance is set to implement a comprehensive digital transformation roadmap across government departments and key state-owned enterprises, with approximately 114 public sector organizations and state-owned entities expected to participate. The project will span seven years.

As part of this initiative, the Kuwaiti government will utilize Google's technology and expertise in data analytics, cybersecurity, and artificial intelligence to enhance digital transformation efforts. Key areas of focus include improving employee productivity through tools and training, advancing digital initiatives in healthcare, education, disaster recovery, and smart living, reducing resource maintenance and real estate costs, strengthening security measures, and ensuring reliable backup and recovery capabilities to support business continuity.

Google Cloud will provide a range of products and services, including Google Cloud Platform (GCP) for computing, storage, networking, data analytics, and machine learning; G Suite for productivity and collaboration tools such as Gmail, Calendar, Drive, Docs, Sheets, Slides, and Meet; Google Cloud Al services such as TensorFlow, Cloud Natural Language API, Cloud Vision API, and Cloud Translation API; Google Maps Platform for mapping and location services; Google Cloud IoT Core for managing IoT devices; and Google Cloud Security, which includes Cloud Identity and Access Management, Cloud Data Loss Prevention, and Cloud Security Command Center.



## 6.2 Future Aspirations

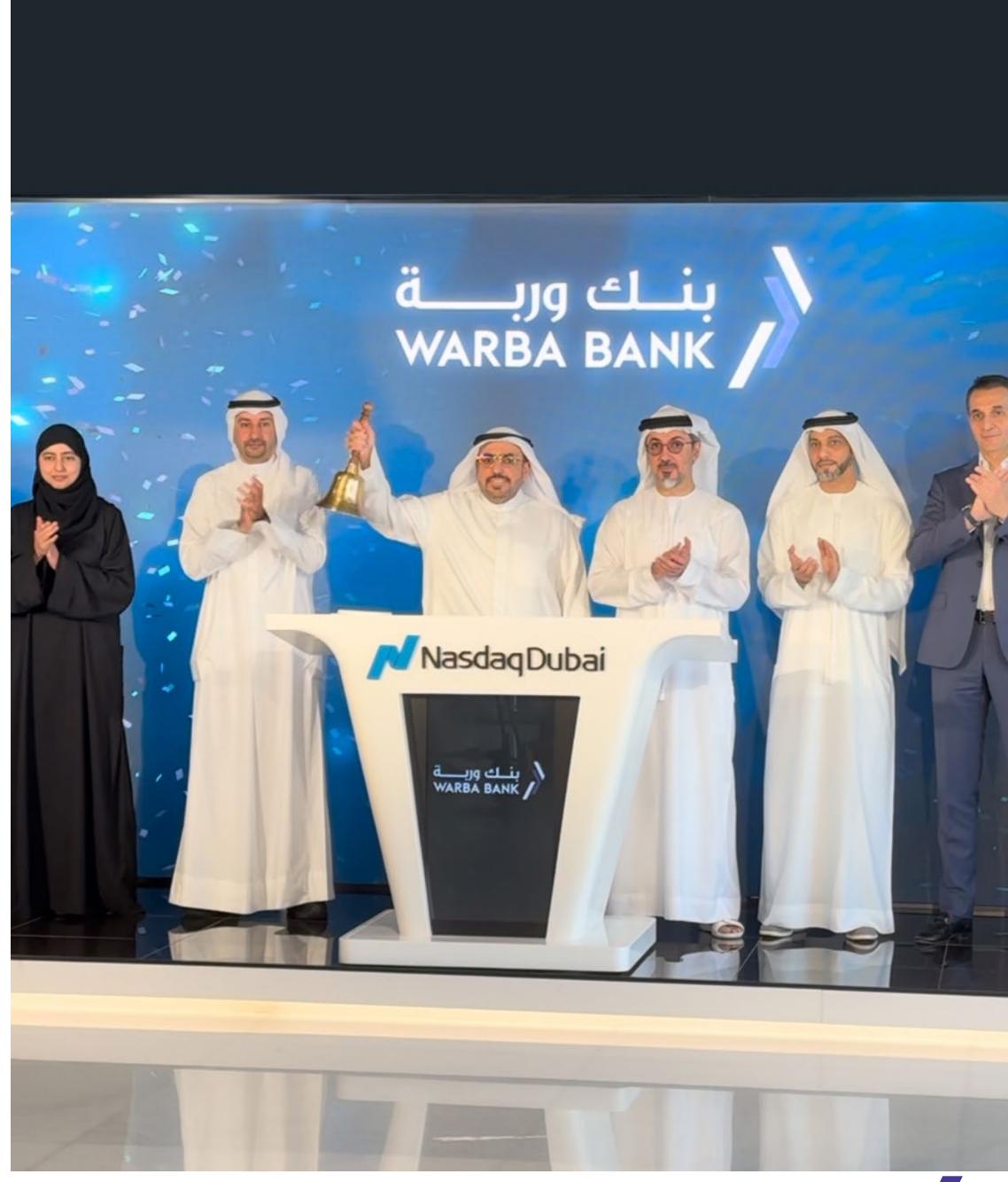
Warba Bank's forward-looking strategy emphasizes an expanded role in sustainable finance, greater integration of ESG criteria in investment decisions, and the continued enhancement of digital accessibility to financial services. As part of our long-term vision, the Bank aims to increase financial inclusion for underserved communities, develop innovative digital banking solutions, and strengthen partnerships for sustainable impact. These aspirations align with our commitment to advancing Kuwait's financial sector and contributing to the Kuwait Vision, while upholding Islamic banking principles.

## 6.3 Conclusion

As Warba Bank concludes another year of purpose-driven growth, our 2024 Sustainability Report reaffirms our commitment to embedding ESG principles at the heart of our strategy, culture, and operations. Guided by Sharia-compliant values and a vision for long-term sustainable impact, we have advanced in key areas—from issuing Kuwait's first sustainability Sukuk to strengthening human capital and improving environmental performance through data-driven approaches.

Our progress reflects internal transformation and our response to growing expectations from regulators, customers, and global markets. With an ESG Policy Framework and Sustainable Finance Framework now firmly in place, we are well-positioned to deepen stakeholder trust, innovate responsibly, and contribute meaningfully to Kuwait's sustainable development objectives.

Looking ahead, Warba Bank remains steadfast in its ambition to be a leading force in ethical finance and sustainability—committed to transparency, accountability, and continuous improvement as we shape a resilient and inclusive future for all.





# 7.1 GRI Content Index

Name	Brief
Statement of use	Warba Bank has reported in accordance with the GRI Standards for the period January 1st, 2024, to December 31st, 2024
GRI 1 used Applicable GRI Sector Standard(s)	GRI 1: Foundation 2021  Not applicable

GRI			Omission	Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
General Disclosures					
	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.	<ul><li>a. Section on "Report Introduction".</li><li>b. Section on "Report Introduction" and Section 1.2 (Ownership Structure).</li><li>c. and d. Location of operations is in Kuwait.</li></ul>	"A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Streference number is not available		
GRI 2: General Disclosures 2021	<ul> <li>2-2 Entities included in the organization's sustainability reporting:</li> <li>a. List all its entities included in its sustainability reporting;</li> <li>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;</li> <li>c. If the organization consists of multiple entities, explain the approach used for consolidating the information, including: <ol> <li>i. whether the approach involves adjustments to information for minority interests;</li> <li>ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities;</li> <li>iii. whether and how the approach differs across the disclosures in this Standard and across material topics.</li> </ol> </li> </ul>	<ul> <li>a. Entities included in this report are Warba Bank. Entities are listed for transparency in the section on "Report Introduction".</li> <li>b. The Bank discloses audited financial statements in its Annual Report 2023. No differences are reported between the disclosure in the Annual Report and the Sustainability Report.</li> <li>c. A consolidated approach was used for sustainability reporting, similar to the one used in the financial reports of the Bank. This includes considering entities that are fully owned by the Bank across the reporting, and this was applied across all disclosures. Information on subsidiaries is found in the Section on Introduction, under Warba Bank Entities.</li> </ul>			closure or that a GRI Sector Standard
	<ul> <li>2-3 Reporting period, frequency and contact point</li> <li>a. Specify the reporting period for, and the frequency of, its sustainability reporting;</li> <li>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;</li> <li>c. Report the publication date of the report or reported information;</li> <li>d. Specify the contact point for questions about the report or reported information.</li> </ul>	<ul> <li>a. Section on "Report Introduction".</li> <li>b. Annual reports and sustainability reports are published annually. In the Sustainability Report, the reporting year refers to January 1st to December 31st, 2024.</li> <li>c. The Report's publication date is May 2025.</li> <li>d. Section on "Report Introduction".</li> </ul>			

GRI	Disclosure	Location	Omission		
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	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 of information are in Section 4.3 on "2024 Breakdown Overview of Environmental Impact". Breakdown of restatements, where applicable, can be found in Section 7.4.3, complementing Section 4.3.			
	<ul> <li>2-5 External assurance</li> <li>a. Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved:</li> <li>b. If the organization's sustainability reporting has been externally assured: <ol> <li>i. provide a link or reference to the external assurance report(s) or assurance statement(s);</li> <li>ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;</li> <li>iii. describe the relationship between the organization and the assurance provider.</li> </ol> </li></ul>	No Sustainability Report assurance was conducted.			
	<ul> <li>2-6 Activities, value chain and other business relationships</li> <li>a. Report the sector(s) in which it is active;</li> <li>b. Describe its value chain, including: <ul> <li>i. the organization's activities, products, services, and markets served;</li> <li>ii. the organization's supply chain;</li> <li>iii. the entities downstream from the organization and their activities;</li> <li>c. Report other relevant business relationships;</li> <li>d. Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.</li> </ul> </li> </ul>	a., and b. The Bank is active in Kuwait's banking sector. More information on activities, products and services, and customers is found in Section 5 in Overview, and 5.1.	c., and d.	Information unavailable/ incomplete	Detailed information on relevant business relationships for the Bank is not available. Additionally, there have been no significant changes compared to the previous reporting year.
	<ul> <li>2-7 Employees</li> <li>a. Report the total number of employees, and a breakdown of this total by gender and by region;</li> <li>b. Report the total number of: <ul> <li>i. permanent employees, and a breakdown by gender and by region;</li> <li>ii. temporary employees, and a breakdown by gender and by region;</li> <li>iii. non-guaranteed hours employees, and a breakdown by gender and by region;</li> <li>iv. full-time employees, and a breakdown by gender and by region;</li> <li>v. part-time employees, and a breakdown by gender and by region;</li> <li>c. Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:</li> <li>i. in head count, full-time equivalent (FTE), or using another methodology;</li> </ul> </li> </ul>	<ul> <li>a., b., and c. Section 3.1.</li> <li>c. Employee data is reported in headcount, not full-time equivalent (FTE). The reported figures represent employee counts as of the end of the reporting period (December 31st, 2024).</li> <li>d. The Bank's entire workforce is located in Kuwait, with no overseas branches or offices. Therefore, all breakdowns by region reflect a single operating region. The reported data covers only directly employed staff and does not include outsourced workers, interns, or contractors, who are reported to CBK, and separately under GRI 2-8.</li> <li>e. Year-on-year changes are reflected in Section 3.1.</li> </ul>			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	<ul> <li>ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;</li> <li>d. Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b;</li> <li>e. Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.</li> </ul>				
GRI 2: General Disclosures 2021	<ul> <li>2-8 Workers who are not employees</li> <li>a. Report the total number of workers who are not employees and whose work is controlled by the organization and describe: <ul> <li>i. the most common types of workers and their contractual relationship with the organization;</li> <li>ii. the type of work they perform;</li> </ul> </li> <li>b. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: <ul> <li>i. in head count, full-time equivalent (FTE), or using another methodology;</li> <li>ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;</li> <li>c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.</li> </ul> </li></ul>	<ul> <li>a. Section 3.1. Additionally, the most common type of workers who are not employees are outsourced personnel, provided through third-party service providers. These workers are primarily engaged in support functions, including facility management, security services, cleaning, and branch-level administrative tasks.</li> <li>b. Worker numbers are reported in headcount. Data reflects the end of the reporting period (December 2024).</li> <li>c. No identified number of outsourced employees was recorded. Number of outsourced employees was not reported in 2023, while this year it was 159.</li> </ul>			
	<ul> <li>2-9 Governance structure and composition</li> <li>a. Describe its governance structure, including committees of the highest governance body;</li> <li>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;</li> <li>c. Describe the composition of the highest governance body and its committees by: <ol> <li>i. executive and non-executive members;</li> <li>ii. independence;</li> <li>iii. tenure of members on the governance body;</li> <li>iv. number of other significant positions and commitments held by each member, and the nature of the commitments;</li> <li>v. gender;</li> <li>vi. under-represented social groups;</li> <li>vii. competencies relevant to the impacts of the organization;</li> <li>viii. stakeholder representation.</li> </ol> </li> </ul>	a., b., and c. Section 3.3.	c-vi., c-viii.	Information unavailable/ incomplete	Specific information on under-represented social groups, and stakeholder representation is not available in relation to the composition of the highest governance body.

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	<ul> <li>2-10 Nomination and selection of the highest governance body</li> <li>a. Describe the nomination and selection processes for the highest governance body and its committees;</li> <li>b. Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: <ol> <li>i. views of stakeholders (including shareholders);</li> <li>ii. diversity;</li> <li>iii. independence;</li> <li>iv. competencies relevant to the impacts of the organization.</li> </ol> </li> </ul>	a. The Bank's nomination and selection process for Board members follows the procedures outlined in the Board Nomination and Remuneration Committee Charter and CBK regulations. More information in Section 3.3.	b.	Information unavailable/ incomplete	Details on the criteria for nominating and selecting highest governance body members are not available.
	<ul> <li>2-11 Chair of the highest governance body</li> <li>a. Report whether the chair of the highest governance body is also a senior executive in the organization:</li> <li>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.</li> </ul>	<ul> <li>a. The Chairperson of the Board is not a senior executive of the Bank.</li> <li>b. This separation ensures independence between governance oversight and executive management, reducing conflicts of interest and reinforcing a system of checks and balances in line with corporate governance best practices and CBK guidelines.</li> </ul>			
GRI 2: General Disclosures 2021	<ul> <li>2-12 Role of the highest governance body in overseeing the management of impacts</li> <li>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;</li> <li>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: <ol> <li>i. whether and how the highest governance body engages with stakeholders to support these processes;</li> <li>ii. how the highest governance body considers the outcomes of these processes;</li> <li>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.</li> </ol> </li> </ul>	<ul> <li>a. Responsibility for managing ESG and sustainability impacts is formally delegated to the CEO and relevant Chief Officers, including the CRO and Chief HR Officer, who are supported by a designated ESG working group. Day-to-day implementation is managed by operational departments with ESG responsibilities embedded across functions. More information is in Section 2.1.</li> <li>b. Regular reporting mechanisms are in place, including annual ESG performance reviews, among other review processes relevant to ESG-related policies, shared with the Board through the other Committees. These reports assess progress on ESG targets, risk management, compliance, and sustainability initiatives.</li> <li>c. The effectiveness of these processes is reviewed through quarterly Board meetings, annual reviews, and performance assessments of the governance body. The highest governance body also annually reviews and approves the Sustainability Report, which reflects the details on sustainability performance of the Bank.</li> </ul>			

GRI Standard/			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	<ul> <li>2-13 Delegation of responsibility for managing impacts</li> <li>a. Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: <ol> <li>whether it has appointed any senior executives with responsibility for the management of impacts;</li> <li>whether it has delegated responsibility for the management of impacts to other employees;</li> </ol> </li> <li>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.</li> </ul>	<ul> <li>a. The highest governance body, through its Strategy Committee and executive management, plays an active role in reviewing and approving Warba Bank's vision, mission, ESG strategies, policies, and key sustainability goals, including the ESG Policy Framework and Sustainable Finance Framework developed and approved in 2024. For more information, see Section 2.1.</li> <li>b. The Board and its committees engage with internal stakeholders, including senior executives and department heads, during Board meetings and policy reviews. The Board considers audit and risk assessments, ESG materiality assessments, and stakeholder feedback in shaping decisions.</li> </ul>			
	<ul> <li>2-14 Role of the highest governance body in sustainability reporting</li> <li>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:</li> <li>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.</li> </ul>	a., and b. Section 3.3			
	<ul> <li>2-15 Conflicts of interest</li> <li>a. Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated;</li> <li>b. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: <ul> <li>i. cross-board membership;</li> <li>ii. cross-shareholding with suppliers and other stakeholders;</li> <li>iii. existence of controlling shareholders;</li> <li>iv. related parties, their relationships, transactions, and outstanding balances.</li> </ul> </li> </ul>	a., and b. Section 3.3. Additionally, this is reflected through the Bank's Avoiding Conflicts of Interest Policy.			
	<ul> <li>2-16 Communication of critical concerns</li> <li>a. Describe whether and how critical concerns are communicated to the highest governance body;</li> <li>b. Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.</li> </ul>	<ul> <li>a. Section 3.3.</li> <li>b. No critical concerns were reported to the highest body. More information is in Section 3.3 on Grievance Mechanisms and Stakeholder Feedback.</li> </ul>			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	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.	N/A			
	<ul> <li>2-18 Evaluation of the performance of the highest governance body</li> <li>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;</li> <li>b. Report whether the evaluations are independent or not, and the frequency of the evaluations;</li> <li>c. Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.</li> </ul>	<ul> <li>a., and b. Section 3.1 on Performance Management and Evaluations.</li> <li>c. No actions or changes to the Board's composition or organizational practices were made in 2024 as a result of these evaluations.</li> </ul>			
GRI 2: General Disclosures 2021	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;	a. Section 3.1 on Compensation, Benefits, and Remuneration. Fixed pay and variably pay of executives is disclosed. Additionally, fixed pay and variable pay, termination payments, and retirement benefits also exist, but details are not disclosed in the report.	b.	Information unavailable/ incomplete	Details on remuneration policies for members of the highest governance body and senior executives' performance tied to organization's impacts are not available.
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.	a. Section 3.1 on Compensation, Benefits, and Remuneration.	b.	Information unavailable/ incomplete	No stakeholder votes on remuneration policies or proposals were conducted or disclosed during the reporting period.

GRI	Disclosure	Location	Omission		
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation
	<ul> <li>2-21 Annual total compensation ratio</li> <li>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);</li> <li>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);</li> <li>c. Report contextual information necessary to understand the data and how the data has been compiled.</li> </ul>	a. Section 3.1 on Compensation, Benefits, and Remuneration.	a., b., and c.	Not applicable	The ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees was not disclosed during the reporting period. The ratio of percentage increase in annual total compensation for the highest-paid individual compared to the median increase for all other employees was not disclosed. Additionally, no contextual information on calculation methodologies or ratios was provided. Due to this, the disclosure is currently marked as N/A.
	<ul> <li>2-22 Statement on sustainable development strategy:</li> <li>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.</li> </ul>	Section on Chairman's Message and CEO's Message in the introductory section of the report.			
GRI 2: General Disclosures 2021	<ul> <li>2-23 Policy commitments</li> <li>a. Describe its policy commitments for responsible business conduct, including: <ul> <li>i. the authoritative intergovernmental instruments that the commitments reference;</li> <li>ii. whether the commitments stipulate conducting due diligence;</li> <li>iii. whether the commitments stipulate applying the precautionary principle;</li> <li>iv. whether the commitments stipulate respecting human rights;</li> <li>b. Describe its specific policy commitment to respect human rights, including: <ul> <li>i. the internationally recognized human rights that the commitment covers;</li> <li>ii. the categories of stakeholders, including atrisk or vulnerable groups, that the organization gives particular attention to in the commitment;</li> <li>c. Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this;</li> <li>d. Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level;</li> <li>e. Report the extent to which the policy commitments apply to the organization's activities and to its business relationships;</li> <li>f. Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.</li> </ul> </li> </ul></li></ul>	<ul> <li>a. Section 3.3 on Embedding Policy Commitments, and Section 3.3 on Embedding Responsible Business Conduct (RBC) in Governance.</li> <li>b. Section 3.2 outlines the Bank's commitment to respect human rights. Also, it has a publicly available Human Rights Statement to demonstrate its commitment.</li> <li>c. The Bank's Human Rights Statement, the Corporate Governance, and other policy documents are available on the website.</li> <li>d. All approvals go through the Board of Directors (BoD) and executive management.</li> <li>e. These policies are applicable across the Bank's entire operations, including business relationships and suppliers.</li> <li>f. They are communicated through the internal HR platform, employee training, email updates, and documented policy centers.</li> </ul>			

GRI	Disclosure		Omission		
Standard/ Other Source		Location	Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	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. Section 3.3 on Embedding Responsible Business Conduct (RBC) in Governance.			
	<ul> <li>2-25 Processes to remediate negative impacts</li> <li>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;</li> <li>b. Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in;</li> <li>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;</li> <li>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;</li> <li>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.</li> </ul>	a.— e. Warba Bank commits to the remediation of any social and governance negative impacts it causes or contributes to through its Human Rights Statement, among other governance policies that focus on grievance mechanisms. More information is in Section 3.2 on Grievance Mechanisms and Stakeholder Feedback. Additionally, the Bank also commits to the remediation of negative environmental impacts through its environmental and climate change policies that focus on best practices in line with international standards. These processes are new and continue to improve at the Bank as we establish standardized monitoring processes.			
	<ul> <li>2-26 Mechanisms for seeking advice and raising concerns</li> <li>a. Describe the mechanisms for individuals to: <ol> <li>i. seek advice on implementing the organization's policies and practices for responsible business conduct;</li> <li>ii. raise concerns about the organization's business conduct.</li> </ol> </li> </ul>	<ul> <li>a. Section 3.2 on Grievance Mechanisms.</li> <li>Additionally, the Whistleblowing Policy is mentioned in the following sections: Section 3.3 on Business Ethics and Compliance, and Section 3.3 on Corruption and Fraud Prevention.</li> </ul>			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	<ul> <li>2-27 Compliance with laws and regulations</li> <li>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: <ul> <li>i. instances for which fines were incurred;</li> <li>ii. instances for which non-monetary sanctions were incurred;</li> </ul> </li> <li>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: <ul> <li>i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period;</li> <li>ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods;</li> <li>c. Describe the significant instances of non-compliance;</li> <li>d. Describe how it has determined significant instances of non-compliance.</li> </ul> </li> </ul>	<ul> <li>a. In 2024, Warba Bank recorded one significant instance of non-compliance with laws and regulations: <ol> <li>Fines incurred: 1</li> <li>Non-monetary sanctions: 0</li> </ol> </li> <li>b. The total monetary value of fines paid was 10,000 KD.</li> <li>c. The incident was related to regulatory non-compliance.</li> <li>d. Determined through a structured comprehensive compliance review process. <ol> <li>Once information is gathered and reviewed, these instances are documented and prioritized based on severity, thus allowing a corrective action plan.</li> </ol> </li> </ul>			
GRI 2: General Disclosures 2021	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.	N/A	a.	Not applicable	The Bank does not participate in a significant role in any industry or membership associations.
	<ul> <li>2-29 Approach to stakeholder engagement</li> <li>a. Describe its approach to engaging with stakeholders, including: <ul> <li>i. the categories of stakeholders it engages with, and how they are identified;</li> <li>ii. the purpose of the stakeholder engagement;</li> <li>iii. how the organization seeks to ensure meaningful engagement with stakeholders</li> </ul> </li> <li>b. Report the frequency of engagement with each stakeholder group;</li> <li>c. Describe key topics and concerns raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.</li> </ul>	a., b., and c. Section 2.1. Additional information on stakeholder engagement can be found under Section 3.2 on Engagement and Workplace Satisfaction.			
	<ul> <li>2-30 Collective bargaining agreements</li> <li>a. Report the percentage of total employees covered by collective bargaining agreements:</li> <li>b. For employees not covered by collective bargaining agreements, Report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.</li> </ul>	N/A	a., and b.	Not applicable	Collective bargaining agreements are not applicable in the State of Kuwait.

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
Material Topics					
	<ul> <li>3-1 Process to determine material topics</li> <li>a. Describe the process it has followed to determine its material topics, including: <ul> <li>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;</li> <li>ii. how it has prioritized the impacts for reporting based on their significance;</li> <li>b. Specify the stakeholders and experts whose views have informed the process of determining its material topics.</li> </ul> </li> </ul>	a. Section 2.1 on Stakeholder Identification Process, and Double Materiality Assessment (DMA).			
GRI 3: Material Topics 2021	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.	a. Section 2.1 on Double Materiality Assessment (DMA). b. The 2024 material topics list reflects an evolved and expanded ESG approach compared to 2023. Key changes to the material topics include introducing new topics: Risk Management – Previously integrated into broader ESG oversight, now a standalone priority. Health and Safety – Newly introduced to reflect internal workplace practices and external stakeholder expectations. Customer Experience and Satisfaction – New topic acknowledging the importance of client-centric strategies. Financial Performance – Introduced to reflect the growing intersection between ESG performance and financial outcomes.  Other topics were only refined or expanded on as the Bank has matured in its understanding of impact and financial materiality. The Bank has also aligned with both the GRI Standards of materiality and recently referenced the IFRS ISSB Standards for better capturing financial materiality as part of the double materiality process.			
Economic performa	nce				
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 1.2 Section 7.1-b: Financial Performance			

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 201: Economic Performance 2016	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.' b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.	a. In 2024, Warba Bank reported its direct economic value generated (revenues) as KD 270,376,000. The economic value distributed included: Operating costs: KD 46,357,000 Employee wages and benefits: KD 29,124,000 Payments to providers of capital: No cash dividends were distributed in 2024; instead, a 6% bonus share issuance was issued for the year 2023 Payments to government: KD 1,073,000 (comprising Zakat, NLST, and KFAS contributions) Community investments: KD 861,944 The economic value retained is calculated as the difference between generated and distributed value, which is detailed in the financial disclosures and will be provided in Warba Bank's 2024 financial statements. More information can be found in Section 1.2 on Financial Disclosures. b. Since Warba Bank's operations are fully based in Kuwait, the entire EVG&D is reported at the national level. No disaggregation by other countries or markets is applicable.			
	201-2 Financial implications and other risks and opportunities due to climate change  a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: i. a description of the risk or opportunity and its classification as either physical, regulatory, or other; ii. a description of the impact associated with the risk or opportunity; iii. the financial implications of the risk or opportunity before action is taken; iv. the methods used to manage the risk or opportunity; v. the costs of actions taken to manage the risk or opportunity.	a. The Bank has proactively assessed the risks and opportunities associated with climate change as part of its climate risk roadmap, aligning with regulatory expectations such as the CBK Sustainable Finance Circular.  i. The Bank identifies regulatory risks related to ESG disclosures and climate-related compliance, and physical risks including climate-induced disruptions that may affect business continuity and customer behavior. More information in Section 3.4 and 3.5  ii. These may include changes to the financing portfolio mix, ESG-related investor expectations, and potential reputational impacts if sustainability targets are unmet.  iii. Though not yet quantified, the Bank acknowledges that future capital allocations may shift toward ESG-compliant assets and green financing products.  iv. Warba Bank has adopted several internal policies such as the Environmental Policy, and Climate Change and Carbon Reduction Policy. It also launched Kuwait's first Sustainability Sukuk worth USD 500 million in 2024. More information in Section 2.1, and 3.5.  v. Costs are primarily associated with ESG integration, sustainable issuance frameworks, and improving environmental data infrastructure, and training. The amount of costs attributed to implemented actions is not categorically tracked.			

GRI		Location	Omission		
Standard/ Other Source	Disclosure		Requirement(s) omitted	Reason	Explanation
GRI 201: Economic Performance 2016	<ul> <li>201-3 Defined benefit plan obligations and other retirement plans</li> <li>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</li> <li>b. If a separate fund exists to pay the plan's pension liabilities: <ul> <li>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;</li> <li>ii. the basis on which that estimate has been arrived at;</li> <li>iii. when that estimate was made.</li> </ul> </li> <li>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.</li> <li>d. Percentage of salary contributed by employee or employer.</li> <li>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.</li> </ul>	a.—e. The Bank's employee retirement coverage is provided through the national system administered by the Public Institution for Social Security (PIFSS). While the Bank offers an end-of-service benefit in line with labor law, retirement pensions and long-term social security are managed externally through PIFSS. The Bank offers end-of-service indemnity in line with Kuwaiti law. Since the PIFSS is a public system, Warba Bank does not manage its own defined benefit plans or funds.			
	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 grants;  iv. awards;  v. royalty holidays; vi. financial assistance from Export Credit Agencies (ECAs); viii. financial incentives; viiii. other financial benefits received or receivable from any government for any operation.  b. The information in 201-4-a by country. c. Whether, and the extent to which, any government is present in the shareholding structure.	<ul> <li>ab. Warba Bank did not receive any direct financial assistance from the Government of Kuwait during the 2024 reporting period, including subsidies, grants, awards, or other forms of financial benefits.</li> <li>c. However, it is relevant to disclose that the Kuwait Investment Authority (KIA) and Public Institution for Social Security (PIFSS) are shareholders in Warba Bank, holding 15.9% and 8.06% indirect ownership, respectively. While this constitutes government ownership, it does not represent direct financial support in 2024. For more information see Section 1.2 on Ownership Structure.</li> </ul>			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 202: Market Presence 2016	<ul> <li>202-1 Ratios of standard entry level wage by gender compared to local minimum wage</li> <li>a. Percentage of senior management at significant locations of operation that are hired from the local community.</li> <li>b. The definition used for 'senior management.'</li> <li>c. The organization's geographical definition of 'local.'</li> <li>d. The definition used for 'significant locations of operation.'</li> <li>When compiling the information specified in Disclosure 202-2, the reporting organization shall calculate this percentage using data on full-time employees.</li> <li>202-2 Proportion of senior management hired from the local community</li> <li>a. Percentage of senior management at significant locations of operation that are hired from the</li> </ul>	<ul> <li>a. Warba Bank's standard entry-level wage is 605 KWD per month for both male and female employees, which significantly exceeds Kuwait's legal minimum wage of 75 KWD.</li> <li>b. Warba Bank defines senior management as employees holding grades of Senior Manager and above, which includes C-level executives and department heads. More information on management is in Section 3.1.</li> <li>c. The Bank defines "local" as individuals who are nationals of the State of Kuwait.</li> <li>d. "Significant locations of operation" are defined as Warba Bank's operations within Kuwait, where the entirety of its core banking, governance, and its business operations are based.</li> <li>a. Section 3.1.</li> <li>b. As noted above, senior management refers to employees holding the grade of Senior Manager and above, which includes leadership-level roles across all business units and divisions.</li> </ul>			
	locations of operation that are hired from the local community. b. The definition used for 'senior management.' c. The organization's geographical definition of 'local.' d. The definition used for 'significant locations of operation.'	across all business units and divisions. c. "Local" is defined as Kuwaiti nationals, in alignment with national labor regulations and Warba Bank's internal policies supporting national employment. d. "Significant locations of operation" refers exclusively to the Bank's operations within the State of Kuwait, which encompasses its 21 branches and headquarters.			
Indirect economic ir	npacts				
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 5.2, 5.3, and 6.1 Section 7.1-b: Sustainable Finance and Investment; and Financial Inclusion and Accessibility			
GRI 203: Indirect Economic Impacts 2016	<ul> <li>203-1 Infrastructure investments and services supported</li> <li>a. Extent of development of significant infrastructure investments and services supported.</li> <li>b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.</li> <li>c. Whether these investments and services are commercial, in-kind, or pro bono engagements.</li> </ul>	N/A	a., b., and c	Not applicable	No significant infrastructure investments or services supported during the reporting period.

GRI	Disclosure			Omission	
Standard/ Other Source		Location	Requirement(s) omitted	Reason	Explanation
GRI 203: Indirect Economic Impacts 2016	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.	<ul> <li>a. The Bank has undertaken several initiatives that result in significant indirect economic impacts, including:</li> <li>Offsetting carbon emissions from employee travel by financing verified climate projects in Africa, contributing to economic growth and sustainable development in host countries (Section 6.1).</li> <li>Operating branches and services that support underserved or special needs customers, thereby improving financial inclusion (Section 5.2, and 5.3).</li> <li>Enhancing digital banking platforms, reducing customer transaction time and increasing accessibility.</li> <li>Launching Kuwait's first sustainable Sukuk, which encourage investment in environmentally and socially beneficial sectors.</li> <li>Volunteering activities such as iftar distribution during Ramadan and ongoing awareness campaigns related to financial literacy, cybersecurity, and general banking awareness (Section 6.1).</li> <li>b. These impacts are significant when viewed in the context of external benchmarks such as: The UN Sustainable Development Goals (SDGs), particularly SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 13 (Climate Action).</li> <li>The Central Bank of Kuwait's Sustainable Finance Guidelines, which Warba Bank actively aligns with through its Sustainability Strategy and product offerings.</li> <li>The Bank's support of broader Kuwait Vision 2035 national goals for financial inclusion, digital transformation, and environmental stewardship.</li> </ul>			
Procurement practice	es				
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.4			
GRI 204: Procurement Practices 2016	<ul> <li>204-1 Proportion of spending on local suppliers</li> <li>a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally).</li> <li>b. The organization's geographical definition of 'local.'</li> <li>c. The definition used for 'significant locations of operation.'</li> </ul>	<ul> <li>a. Section 4.4.</li> <li>b. "Local" is defined as suppliers operating within the State of Kuwait, where Warba Bank's operations are headquartered and concentrated.</li> <li>c. "Significant locations of operation" refers to the Bank's main branches, and headquarters within Kuwait, which is the only country of operation mentioned.</li> </ul>			

GRI				Omission	
Standard/ Other Source		Requirement(s) omitted	Reason	Explanation	
Anti-corruption					
3-3 Management of material topics	Section 3.3 Section 7.1-b: Business Ethics and Compliance; Corporate Governance and Oversight.	Section 3.3 Section 7.1-b: Business Ethics and Compliance; Corporate Governance and Oversight.			
	<ul> <li>205-1 Operations assessed for risks related to corruption</li> <li>a. Total number and percentage of operations assessed for risks related to corruption</li> <li>b. Significant risks related to corruption identified through the risk assessment</li> </ul>	b. Section 3.4	a.	Information unavailable/ incomplete	The Bank assesses corruption risk as an integral component of operational risk across its operations. While a specific numerical total or percentage of operations assessed is not available, the Bank conducts periodic assessments across various departments as part of its internal control procedures.
GRI 205: Anti- corruption 2016	<ul> <li>205-2 Communication and training about anticorruption policies and procedures</li> <li>a. Total number and percentage of governance body members that the organization's anticorruption policies and procedures have been communicated to, broken down by region.</li> <li>b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.</li> <li>c. Total number and percentage of business partners that the organization's anticorruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.</li> <li>d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.</li> <li>e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.</li> </ul>	N/A	a., b., c., d., and e.	Information unavailable/incomplete	The Bank communicates, shares, and trains its anticorruption policies with its internal stakeholders, as outlined in Section 3.3. The Bank also extends these policies to suppliers and business partners as outlined in Section 4.4. However, numerical data on total numbers and percentages of this information is not available due to limitations on tracking for the Bank.
	<ul> <li>205-3 Confirmed incidents of corruption and actions taken</li> <li>a. Total number and nature of confirmed incidents of corruption.</li> <li>b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.</li> <li>c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.</li> <li>d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.</li> </ul>	<ul> <li>a. There were no confirmed incidents of corruption in 2024.</li> <li>b. No employees were dismissed or disciplined for corruption.</li> <li>c. No contracts with business partners were terminated or not renewed due to corruption.</li> <li>d. There were no public legal cases brought against the organization or its employees regarding corruption.</li> </ul>			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
Anti-competitive be	ehavior				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 206: Anti- competitive Behavior 2016	<ul> <li>206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</li> <li>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.</li> <li>b. Main outcomes of completed legal actions, including any decisions or judgements.</li> </ul>	<ul> <li>a. There were zero legal actions during the reporting period in which Warba Bank was identified as a participant regarding anticompetitive behavior, anti-trust, or monopoly practices.</li> <li>b. Since there were no cases, there are no outcomes to report.</li> </ul>			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 207: Tax 2019	207-1 Approach to tax a. 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.	N/A	a.	Not applicable	The Bank does not currently publish a formal standalone tax strategy. However, Note 26 of its 2024 Financial Statements outlines its expected compliance with OECD's BEPS Pillar 2, including the Domestic Minimum Top-Up Tax enacted under Law No. 157 of 2024 in Kuwait, effective 2025. The Bank expects to become liable for Global Minimum Tax under BEPS regulations beginning in 2025 and acknowledges its commitment to assessing the impacts of these regulations. While this outlines an anticipated regulatory approach, specific governance structures and links to the Bank's sustainable development strategy are not publicly detailed.

GRI				Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation	
	<ul> <li>207-2 Tax governance, control, and risk management</li> <li>a. A description of the tax governance and control framework, including: <ul> <li>i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy;</li> <li>ii. how the approach to tax is embedded within the organization;</li> <li>iii. the approach to tax risks, including how risks are identified, managed, and monitored;</li> <li>iv. how compliance with the tax governance and control framework is evaluated.</li> </ul> </li> <li>b. A description of the mechanisms to raise concerns about the organization's business conduct and the organization's integrity in relation to tax.</li> <li>c. A description of the assurance process for disclosures on tax including, if applicable, a link or reference to the external assurance report(s) or assurance statement(s).</li> </ul>	N/A	a., b., and c.	Not applicable	Due to the nature of the Bank's operations and its jurisdiction, the Bank has not yet developed or disclosed a tax governance framework or policy.	
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax  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.	N/A	a.	Not applicable	Stakeholder engagement on tax is not currently addressed by the Bank.	
	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.	N/A	a., b., and c.	Not applicable	The Bank does not currently report on a country-by-country basis. The Bank operates primarily in Kuwait and is not a multinational entity required to disclose country-level tax data. The Bank does note the anticipated application of BEPS Pillar 2 beginning 2025, which may influence future disclosures.	

GRI	Disclosure			Omission	
Standard/ Other Source		Location	Requirement(s) omitted	Reason	Explanation
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.3 Section 7.1-b: Environmental Impact, and Energy and Resource Management			
	301-1 Materials used by weight or volume a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.	N/A	a.	Not applicable	The Bank is a financial institution and does not manufacture products; materials are limited to internal use. No system is currently in place to consolidate weights or volumes of materials used.
GRI 301: Materials 2016	301-2 Recycled input materials used a. Percentage of recycled input materials used to manufacture the organization's primary products and services.	N/A	a.	Information unavailable/ incomplete	The Bank's operations are service-based, and recycled input materials are not applicable in the context of production. However, the Bank has a robust recycling partnership in place with Tadwire, a third-party recycling service provider, as reported in Section 4.3. Through this, the Bank recycles materials such as paper (OCC), PET plastics, and e-waste. While this demonstrates responsible waste management, it does not apply to input materials used in product manufacturing. Therefore, the percentage of recycled input materials used is not calculated.
	<ul> <li>301-3 Reclaimed products and their packaging materials</li> <li>a. Percentage of reclaimed products and their packaging materials for each product category.</li> <li>b. How the data for this disclosure has been collected.</li> </ul>	N/A	a., and b.	Not applicable	The Bank's operations do not involve products or packaging that would be subject to reclamation.
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.3 Section 7.1-b: Environmental Impact, and Energy and Resource Management			

GRI			Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	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 of 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., b., and c. Section 4.3.  f., and g. Energy data within the organization was calculated in kWh based on utility bill payments for the reporting period. Some branches' energy data was calculated based on estimations from their respective area (in square meters). The Carbon Data Base Initiative (CaDI), was utilized for regional electricity factors. Details on methodology and breakdown of branches with existing data vs. Estimations made due to lack of data, are reflected in Section 7.4.3 on "Additional Environmental and GHG Disclosures".	d., and e.	Not applicable	The Bank does not produce nor sell any type of energy to other parties.
GRI 302: Energy 2016	<ul> <li>302-2 Energy consumption outside of the organization</li> <li>a. Energy consumption outside of the organization, in joules or multiples.</li> <li>b. Standards, methodologies, assumptions, and/or calculation tools used.</li> <li>c. Source of the conversion factors used.</li> </ul>	a. Section 4.3. b., and c. Section 4.3, and Section 7.4.3			
	<ul> <li>302-3 Energy intensity</li> <li>a. Energy intensity ratio for the organization.</li> <li>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</li> <li>c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>d. Whether the ratio uses energy consumption within the organization, outside of it, or both.</li> </ul>	<ul> <li>a. Section 4.3.</li> <li>b. The denominator used was the total number of employees at the end of the reporting period (787 employees).</li> <li>c. The intensity includes electricity and generator fuel use and excludes energy consumption outside the organization.</li> <li>d. This intensity ratio reflects only energy consumption within the organization.</li> </ul>			
	<ul> <li>302-4 Reduction of energy consumption</li> <li>a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.</li> <li>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>d. Standards, methodologies, assumptions, and/ or calculation tools used.</li> </ul>	<ul> <li>a. Reduction of energy consumption in 2024 was achieved primarily through the production of 76,053 kWh of solar energy between August and December 2024, replacing grid electricity use. For more information, see Section 4.3.</li> <li>b. Energy reductions included fuel and grid electricity by integrating solar energy and operational efficiency improvements (lighting control systems, HVAC upgrades).</li> <li>c. No formal base year was set, but energy reductions are tracked against 2023 consumption (noting a 64.89% increase in electricity use due to improved coverage of monitored sites).</li> <li>d. Calculation tools include GHG Protocol energy tools, energy invoices, and facility-level solar monitoring systems.</li> </ul>			

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
	<ul> <li>302-5 Reductions in energy requirements of products and services</li> <li>a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.</li> <li>b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>c. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	N/A	a., b., and c.	Information unavailable/ incomplete	Due to the nature of the Bank's monitoring mechanisms, the information on energy requirements of products sold and services is not available.
Water and effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.3 Section 7.1-b: Environmental Impact, and Energy and Resource Management			
GRI 303: Water and Effluents 2018	<ul> <li>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 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).</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	a. The Bank's interaction with water is limited to consumption within its office and branch facilities, where water is withdrawn from landlord-managed municipal supplies and discharged into the public sewage system. The Bank does not operate facilities that withdraw water from natural sources, nor does it produce or discharge industrial effluents. As such, Warba Bank has not identified any significant direct or indirect water-related impacts caused by its operations or business relationships.	b., c., and d.	Information unavailable/ incomplete	The Bank has not yet developed a formal methodology to use to identify water-related impacts, and how they are addressed. Additionally, no targets have been set for water-related goals for the Bank.
	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.	N/A	a.	Not applicable	Water discharge from the Bank's operations is limited to sanitary wastewater from office and branch facilities, which is discharged through standard municipal sewage systems. Therefore, the Bank does not engage in operations involving industrial processes or effluent discharge for internal or sector-specific water quality standards.

GRI				Omission		
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation	
GRI 303: Water	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.	N/A	a., b., c., and d.	Not applicable	Water source is from the utility provider; therefore, water withdrawal is not applicable for the Bank.	
and Effluents 2018	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; iiv. 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); 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 has been compiled, such as any standards, methodologies, and assumptions used.	N/A	a., b., c. d., and e.	Not applicable	Details on water discharge to all areas are not applicable to the Bank's operations and its water usage practices.	

GRI		Location	Omission		
Standard/ Other Source	Disclosure		Requirement(s) omitted	Reason	Explanation
	<ul> <li>303-5 Water consumption</li> <li>a. Total water consumption from all areas in megaliters.</li> <li>b. Total water consumption from all areas with water stress in megaliters.</li> <li>c. Change in water storage in megaliters if water storage has been identified as having a significant water-related impact.</li> <li>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.</li> </ul>	<ul> <li>a. Section 4.3 provides details on retrievable information on water consumption. However, due to limitations from rented offices/branches, some data on water consumption was not retrievable.</li> <li>d. The Bank retrieves water consumption based on the financial cost of the consumption of water per month or per year. Due to limitations from rented offices/branches, data on expenditure on water consumption was not available for all facilities. Therefore, the data available on expenditure from water consumption were used to calculate environmental data.</li> </ul>	b., and c.	Information unavailable/ incomplete	Details on water consumption from areas in water stress, and details on changes in water storage have been identified. Therefore, this is not applicable to the Bank's areas of operations.
Biodiversity  GRI 3: Material  Topics 2021	3-3 Management of material topics	N/A			
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 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 km2 (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).	N/A	a.	Not applicable	The Bank does not operate or manage operations in or near areas that are protected, or that have high biodiversity. Therefore, this is not applicable.

GRI	Disclosure	Location	Omission		
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation
GRI 304: Biodiversity 2016	<ul> <li>303-5 Water consumption</li> <li>a. Total water consumption from all areas in megaliters.</li> <li>b. Total water consumption from all areas with water stress in megaliters.</li> <li>c. Change in water storage in megaliters if water storage has been identified as having a significant water-related impact.</li> <li>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.</li> </ul>	N/A	a., and b.	Not applicable	The Bank does not operate or manage operations in or near areas that are protected, or that have high biodiversity. Therefore, this is not applicable.
	<ul> <li>304-3 Habitats protected or restored</li> <li>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.</li> <li>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.</li> <li>c. Status of each area based on its condition at the close of the reporting period.</li> <li>d. Standards, methodologies, and assumptions used.</li> </ul>	N/A	a., b., c., and d.	Not applicable	The Bank does not operate or manage operations in or near areas that are protected, or that have high biodiversity. Therefore, this is not applicable.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations  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	N/A	a.	Not applicable	The Bank does not operate or manage operations in or near areas protected or with high biodiversity, which may impact IUCN Red List species. Therefore, this is not applicable.

GRI Standard/ Other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.3, and Section 7.4.3. Section 7.1-b: Environmental Impact			
GRI 305: Emissions 2016	<ul> <li>305-1 Direct (Scope 1) GHG emissions</li> <li>a. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. Gases included in the calculation; whether CO2 CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Biogenic CO2 emissions in metric tons of CO2 equivalent.</li> <li>d. Base year for the calculation, if applicable, including: <ul> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> <li>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul> </li> </ul>	<ul> <li>a. Section 4.3.</li> <li>b. CO2, CH4, and N2O gases are considered in terms of CO2 equivalent for Scope 1.</li> <li>d. Warba Bank is following a rolling base year approach and therefore the base year considered for this report is 2023. The rolling base year allows Warba Bank to use more accurate data and comparisons year over year. Base year emissions for categories corresponding to this reporting year are presented in the report. More information can be found in Section 7.4.3.</li> <li>e., f., and g. Section 4.3. Additionally, the Bank's consolidation approach for emissions is based on operational control.</li> </ul>	C.	Not applicable	Information on biogenic CO2 emissions in metric tons of CO2 equivalent is not relevant or measured by the Bank.
	<ul> <li>305-2 Energy indirect (Scope 2) GHG emissions</li> <li>a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.</li> <li>c. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>d. Base year for the calculation, if applicable, including: <ol> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> <li>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ol> </li></ul>	a., and b. Section 4.3. c. CO2, CH4, and N2O are gases considered in terms of CO2 equivalent for Scope 2. d. Warba Bank is following a rolling base year approach and therefore the base year considered for this report is 2023. The rolling base year allows Warba Bank to use more accurate data and comparisons year over year. Base year emissions for categories corresponding to this reporting year are presented in the report. e. Section 4.3. f. Additionally, the Bank's consolidation approach for emissions is based on operational control. g. Section 4.3.			

GRI	Disclosure	Location	Omission			
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation	
	<ul> <li>305-3 Other indirect (Scope 3) GHG emissions</li> <li>a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent.</li> <li>b. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Biogenic CO2 emissions in metric tons of CO2 equivalent.</li> <li>d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</li> <li>e. Base year for the calculation, if applicable, including: <ol> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ol> </li> <li>f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</li> <li>g. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	<ul> <li>a.and d. Section 4.3.</li> <li>b. CO2, CH4, and N2O gases are considered in terms of CO2 equivalent for Scope 3.</li> <li>d. Section 4.3. More information can be found in Section 7.4.3.</li> <li>e. Warba Bank is following a rolling base year approach and therefore the base year considered for this report is 2023. The rolling base year allows Warba Bank to use more accurate data and comparisons year over year. Base year emissions for categories corresponding to this reporting year are presented in the report.</li> <li>f., and g. Section 4.3.</li> </ul>	C.	Not applicable	Information on biogenic CO2 emissions in metric tons of CO2 equivalent is not relevant or measured by the Bank.	
GRI 305: Emissions 2016	<ul> <li>305-4 GHG emissions intensity</li> <li>a. GHG emissions intensity ratio for the organization.</li> <li>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</li> <li>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</li> <li>d. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> </ul>	a., b., and c. Section 4.3. d. For direct and indirect GHG emissions, CO2, CH4, and N2O are gases considered for this reporting year across the scopes, where applicable. More information can be found in Section 7.4.3.				
	<ul> <li>305-5 Reduction of GHG emissions</li> <li>a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent.</li> <li>b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.</li> <li>c. Base year or baseline, including the rationale for choosing it.</li> <li>d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</li> <li>e. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	a., d., and e. Section 4.3 reflects, where applicable, the breakdown of GHG emissions reduced where directly comparable across the Scopes.	b., and c.	Not applicable	The Bank does not measure initiatives based on emissions reductions. Therefore, this data is unavailable.	
	<ul> <li>305-6 Emissions of ozone-depleting substances (ODS)</li> <li>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.</li> <li>b. Substances included in the calculation.</li> <li>c. Source of the emission factors used.</li> <li>d. Standards, methodologies, assumptions, and/or calculation tools used.</li> </ul>	N/A	a., b., c., and d.	Information unavailable/ incomplete	The Bank does not have information available on emissions of ozone-depleting substances (ODS) as a result of operations.	

GRI	Disclosure	Location	Omission		
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions  a. Significant air emissions, in kilograms or multiples, for each of the following:  i. NOx  ii. SOx  iii. Persistent organic pollutants (POP)  iv. Volatile organic compounds (VOC)  v. Hazardous air pollutants (HAP)  vi. Particulate matter (PM)  vii. Other standard categories of air emissions identified in relevant regulations  b. Source of the emission factors used.  c. Standards, methodologies, assumptions, and/or calculation tools used	N/A	a., and b.	Information unavailable/ incomplete	The Bank considered NOx as part of emissions calculations, but it was combined into the totals rather than breakdowns. Therefore, it does not have specific information available on NOx, SOz, and other significant air emissions as a result of operations.
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.3 Section 7.1-b: Energy and Resource Management			
GRI 306: Waste 2020	306-1 Waste generation and significant wasterelated impacts  a. For the organization's significant actual and potential waste-related impacts, a description of:     i. the inputs, activities, and outputs that lead or could lead to these impacts;     ii. whether these impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain.	N/A	a.	Information unavailable/ incomplete	Information on waste-related impacts is not available for this year due to the absence of monitoring mechanisms.
	<ul> <li>306-2 Management of significant waste-related impacts</li> <li>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.</li> <li>b. If the waste generated by the organization in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations.</li> <li>c. The processes used to collect and monitor waste-related data.</li> </ul>	a., and b. Section 4.3	C.	Not applicable	Information 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.
	<ul> <li>306-3 Waste generated</li> <li>a. Total weight of waste generated in metric tons,</li> <li>and a breakdown of this total by composition of the waste.</li> <li>b. Contextual information necessary to understand the data and how the data has been compiled.</li> </ul>	N/A	a., and b.	Information unavailable/ incomplete	The Bank is still developing its waste management practices. Therefore, the total weight of waste generated in metric tons is not measured by the Bank.

GRI Standard/ Other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 306: Waste 2020	<ul> <li>306-4 Waste diverted from disposal</li> <li>a. Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste.</li> <li>b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: <ul> <li>i. Preparation for reuse;</li> <li>ii. recycling;</li> <li>iii. other recovery operations.</li> </ul> </li> <li>c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations: <ul> <li>i. preparation for reuse;</li> <li>ii. recycling;</li> <li>iii. other recovery operations.</li> </ul> </li> <li>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: <ul> <li>i. onsite;</li> <li>ii. offsite.</li> </ul> </li> <li>e. Contextual information necessary to understand the data and how the data has been compiled.</li> </ul>	N/A	a., b., c., d., and e.	Information unavailable/ incomplete	Information on total waste diverted from disposal is unavailable. However, in Section 4.3, the Bank highlights waste recycled in collaboration with a third-party.
	<ul> <li>a. Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste.</li> <li>b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: <ol> <li>i. incineration (with energy recovery);</li> <li>ii. incineration (without energy recovery);</li> <li>iii. landfilling;</li> <li>iv. other disposal operations.</li> </ol> </li> <li>c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: <ol> <li>i. incineration (with energy recovery);</li> <li>ii. incineration (without energy recovery);</li> <li>iii. landfilling;</li> <li>iv. other disposal operations.</li> </ol> </li> <li>d. For each disposal operations.</li> <li>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: <ol> <li>i. onsite;</li> <li>ii. offsite.</li> </ol> </li> <li>e. Contextual information necessary to understand the data and how the data has been compiled.</li> </ul>	N/A	a., b., c., d., and e.	Information unavailable/incomplete	Data on total waste directed to disposal is not measured by the Bank.

GRI Standard/ Other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
Supplier environmen	ital assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria a. Percentage of new suppliers that were screened using environmental criteria.	N/A	a.	Not applicable	ESG practices are still being integrated into the Bank's practices. Sustainability is not yet integrated into the supply chain management system. Therefore, information on suppliers that were screened using environmental criteria is not available yet for the Bank.
	<ul> <li>308-2 Negative environmental impacts in the supply chain and actions taken</li> <li>a. Number of suppliers assessed for environmental impacts.</li> <li>b. Number of suppliers identified as having significant actual and potential negative environmental impacts.</li> <li>c. Significant actual and potential negative environmental impacts identified in the supply chain.</li> <li>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.</li> <li>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.</li> </ul>	N/A	a., b., c., d., and e.	Not applicable	ESG practices are still being integrated into the Bank's practices. Sustainability is not yet integrated into the supply chain management system. Therefore, information on suppliers that were screened using environmental criteria is not available yet for the Bank.
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 Section 7.1-b: Human Capital Management			
GRI 401: Employment 2016	<ul> <li>401-1 New employee hires and employee turnover a. Total number and rate of new employee hires during the reporting period, by age group, gender, and region.</li> <li>b. Total number and rate of employee turnover during the reporting period, by age group, gender, and region.</li> <li>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</li> <li>a. Total number and rate of new employee hires during the reporting period, by age group, gender, and region.</li> <li>b. Total number and rate of employee turnover during the reporting period, by age group, gender, and region.</li> </ul>	<ul> <li>a. and b. The Bank tracked the number of new employee hires and employee turnover by nationality. A breakdown of gender group hires is only reflected in tracking through the January 1st gender breakdown, and the December 31st gender breakdown. More information is found in Section 3.1.</li> <li>a., and b. Section 3.1</li> </ul>			

GRI	Disclosure	Location	Omission		
Standard/ Other Source			Requirement(s) omitted	Reason	Explanation
GRI 401: Employment 2016	<ul> <li>401-3 Parental leave</li> <li>a. Total number of employees that were entitled to parental leave, by gender.</li> <li>b. Total number of employees that took parental leave, by gender.</li> <li>c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.</li> <li>d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.</li> <li>e. Return to work and retention rates of employees that took parental leave, by gender.</li> </ul>	a., b., and c. Section 3.1	d., and e.	Information unavailable/ incomplete	Reporting of returned employees was provided, but not after 12 months. Therefore, the Bank was unable to calculate the retention rate accurately.
Labor/management	t relations				
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 Section 7.1-b: Human Capital Management			
GRI 402: Labor/ Management Relations 2016	<ul> <li>402-1 Minimum notice periods regarding operational changes</li> <li>a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.</li> <li>b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.</li> </ul>	a. No minimum notice period required. More details are found under Section 3.1, Human Resources and Workplace Standards.	b.	Not applicable	Not applicable to the Bank as there are no collective bargaining agreements according to Kuwait's labor law pertaining to the financial sector.
Occupational health	n and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics				
GRI 403: Occupational Health and Safety 2018	<ul> <li>403-1 Occupational health and safety management system</li> <li>a. Please report whether an occupational health and safety management system has been implemented. If applicable, specify: <ol> <li>i. whether the system was implemented due to legal requirements, including a list of those requirements.</li> <li>ii. whether the system was implemented based on recognized risk management and/or management system standards or guidelines, including a list of those standards/guidelines.</li> <li>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.</li> </ol> </li> </ul>	a., and b. Section 3.2			

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 403: Occupational Health and Safety 2018	<ul> <li>403-2 Hazard identification, risk assessment, and incident investigation</li> <li>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: <ul> <li>i. how the organization ensures the quality of these processes, including the competency of persons who carry them out;</li> <li>ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system.</li> </ul> </li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	a. Section 3.4. b. The Whistleblowing Policy allows for a confidential reporting mechanism that employees can use without fear of reprisal. More information on reporting mechanisms is in Section 3.2 on "Grievance Mechanisms and Stakeholder Feedback". d. Section 3.4.	C.	Information unavailable/ incomplete	The Bank has not disclosed policies or procedures explicitly granting workers the right to remove themselves from unsafe work situations, nor specific protections against reprisals in such cases. As a result, this information is currently not available for reporting.
	403-3 Occupational health services a. A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them.	a.Section 3.4.			
	<ul> <li>403-4 Worker participation, consultation, and communication on occupational health and safety</li> <li>a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.</li> <li>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.</li> </ul>	a. Section 3.4. b. No formal joint management-worker health and safety committees exist.			

GRI			Omission				
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation		
	403-5 Worker training on occupational health and safety  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	a. Section 3.4.					
GRI 403: Occupational Health and Safety 2018	<ul> <li>403-6 Promotion of worker health</li> <li>a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.</li> <li>b. A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.</li> </ul>	<ul> <li>a. Section 3.4.</li> <li>b. The Bank has several initiatives that focus on health promotion, including but not limited to Ramadan weight loss campaign, and the Fayez Application that encourages people to move by earning more points with more steps. Additionally, the Bank collaborates with Gulf Insurance Group (GIG) for female breast cancer awareness month to offer free examinations and collaborates with Kuwait Central Blood Bank for blood donations.</li> </ul>					
	<ul> <li>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</li> <li>a. A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products, or services by its business relationships, and the related hazards and risks.</li> </ul>	a. Section 3.4.					
	<ul> <li>403-8 Workers covered by an occupational health and safety management system</li> <li>a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines: <ul> <li>i. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system;</li> <li>ii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited;</li> <li>iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party.</li> <li>b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of workers excluded.</li> <li>c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul> </li> </ul>	a. Section 3.2, and 3.4 provide details on Health and Safety and the occupational health system. c. The relevant policies are applicable to all employees of the Bank and cover all operations and premises.	b., and c.	Information unavailable/incomplete	Information on whether any workers have been excluded from this disclosure, and is not available.		

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 403: Occupational Health and Safety 2018	<ul> <li>403-9 Work-related injuries</li> <li>a. For all employees: <ul> <li>i. the number and rate of fatalities as a result of work-related injury;</li> <li>ii. the number and rate of high-consequence work-related injuries (excluding fatalities);</li> <li>iii. the number and rate of recordable work-related injuries;</li> <li>iv. the main types of work-related injury;</li> <li>v. the number of hours worked.</li> </ul> </li> <li>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ul> <li>i. the number and rate of fatalities as a result of work-related injury;</li> <li>ii. the number and rate of high-consequence work-related injuries (excluding fatalities);</li> <li>iii. the number and rate of recordable work-related injuries;</li> <li>iv. the main types of work-related injury;</li> <li>v. the number of hours worked.</li> </ul> </li> <li>c. The work-related hazards that pose a risk of high-consequence injury, including: <ul> <li>i. how these hazards have been determined;</li> <li>ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;</li> <li>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</li> </ul> </li> <li>d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.</li> <li>e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.</li> <li>f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of workers excluded.</li> <li>g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	a. Section 3.2.	b., c., d., e., f., and g.	Information unavailable/incomplete	Detailed breakdowns of work-related injuries based on type of employees, among other details, are not tracked by the Bank yet due to the relatively recent establishment of the occupational health and safety system.
GRI 403: Occupational Health and Safety 2018	<ul> <li>403-10 Work-related ill health</li> <li>a. For all employees: <ul> <li>i. the number of fatalities as a result of work-related ill health;</li> <li>ii. the number of cases of recordable work-related ill health;</li> <li>iii. the main types of work-related ill health.</li> </ul> </li> <li>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ul> <li>i. the number of fatalities as a result of work-related ill health;</li> <li>ii. the number of cases of recordable work-related ill health;</li> <li>iii. the main types of work-related ill health.</li> </ul> </li> </ul>	a. Section 3.2.	b., c., d., and e.	Information unavailable/ incomplete	Detailed breakdowns of work-related ill-health incidents based on type of employees, among other details, are not tracked by the Bank yet due to the relatively recently established occupational health and safety system.

GRI			Omission				
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation		
GRI 403: Occupational Health and Safety 2018	<ul> <li>c. The work-related hazards that pose a risk of ill health, including: <ol> <li>i. how these hazards have been determined;</li> <li>ii. which of these hazards have caused or contributed to cases of ill health during the reporting period;</li> <li>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</li> </ol> </li> <li>d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of workers excluded.</li> <li>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</li> </ul>	a. Section 3.2.	b., c., d., and e.	Information unavailable/ incomplete	Detailed breakdowns of work-related ill-health incidents based on type of employees, among other details, are not tracked by the Bank yet due to the relatively recently established occupational health and safety system.		
Training and educati	on						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 Section 7.1-b: Human Capital Management					
	404-1 Average hours of training per year per employee a. Average hours of training that the organization's employees have undertaken during the reporting period, by: i. gender; ii. employee category.	a. Section 3.1 provides a total training overview. However, further details on gender and employee categories were not recorded.					
GRI 404: Training and Education 2016	<ul> <li>404-2 Programs for upgrading employee skills and transition assistance programs</li> <li>a. Type and scope of programs implemented, and assistance provided to upgrade employee skills.</li> <li>b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.</li> </ul>	a., and b. Section 7.6.4 provides details on the general type and scope of offered employee assistance, labeled as employee advances, that is beyond training. However further details on these programs do not exist.					
	404-3 Percentage of employees receiving regular performance and career development reviews a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	a. Section 3.1.					

GRI			Omission				
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation		
Diversity and equal	opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.2 Section 7.1-b: Employee Engagement, Diversity, and Inclusion					
GRI 405: Diversity and Equal Opportunity 2016	<ul> <li>405-1 Diversity of governance bodies and employees a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: <ol> <li>gender;</li> <li>age group: under 30 years old, 30-50 years old, over 50 years old;</li> <li>iii. other indicators of diversity where relevant (such as minority or vulnerable groups).</li> </ol> </li> <li>b. Percentage of employees per employee category in each of the following diversity categories: <ol> <li>gender;</li> <li>age group: under 30 years old, 30-50 years old, over 50 years old;</li> <li>other indicators of diversity where relevant (such as minority or vulnerable groups).</li> </ol> </li> <li>405-2 Ratio of basic salary and remuneration of women to men <ol> <li>Ratio of the basic salary and remuneration of</li> </ol> </li> </ul>	a., and b. Section 3.1 on High-level Workforce Profile.  a. Ratio for average standard salary for entry level wage is 1:1. Additional information on ratio of basic salary and remuneration of women to men					
	women to men for each employee category, by significant locations of operation. b. The definition used for 'significant locations of operation.'	for each employee category is not available. b. All the Bank's operations are within the State of Kuwait, therefore significant locations of operations are within this jurisdiction.					
Non-discrimination							
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.2					
GRI 406: Non- discrimination 2016	<ul> <li>406-1 Incidents of discrimination and corrective actions taken</li> <li>a. Total number of incidents of discrimination during the reporting period.</li> <li>b. Status of the incidents and actions taken with reference to the following: <ul> <li>i. Incident reviewed by the organization;</li> <li>ii. Remediation plans being implemented;</li> <li>iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</li> <li>iv. Incident no longer subject to action.</li> </ul> </li> </ul>	a. Section 3.2 on Workplace-Related Incidents. b. According to Section 3.2, 0 incidents of discrimination occurred during the reporting year. Therefore, 0 incidents were reviewed by the Bank, no remediation plans were implemented, and no additional actions were taken as a result.					

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
Freedom of associa	tion and collective bargaining				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 407: Freedom of Association and Collective Bargaining 2016	<ul> <li>407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</li> <li>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: <ol> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ol> </li> <li>b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.</li> </ul>	N/A	a., and b.	Not applicable	Information on the Bank's suppliers and their operations in relation to the right to exercise freedom of association is not part of the information applicable to the Bank.
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 408: Child Labor 2016	<ul> <li>408-1 Operations and suppliers at significant risk for incidents of child labor</li> <li>a. Operations and suppliers considered to have significant risk for incidents of: <ul> <li>i. child labor;</li> <li>ii. young workers exposed to hazardous work.</li> </ul> </li> <li>b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of: <ul> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> </li> <li>c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.</li> </ul>	<ul> <li>a. None on record.</li> <li>c. Measures recently taken to contribute to the effective abolition of child labor is reflected in the publicly available <u>Human Rights Statement.</u></li> </ul>	b.	Not applicable	The Bank has taken the initiative to commit to operations free from incidents of child labor, forced or compulsory labor, and other misconduct through the Human Rights Statement. However, it has not yet begun assessing the operations and suppliers considered to have significant risk for such incidents.
Forced or compulso	ory labor				
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.2			

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 409: Forced or Compulsory Labor 2016	<ul> <li>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor.</li> <li>a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: <ul> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> </li> <li>b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.</li> </ul>	b. Measures recently taken to contribute to the elimination of forced and compulsory labor, among other human rights and discrimination incidents, are reflected in the publicly available Human Rights Statement.	a.	Not applicable	The Bank does not have information on operations and suppliers with significant risk for incidents of forced or compulsory labor.
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 410: Security Practices 2016	<ul> <li>410-1 Security personnel trained in human rights policies or procedures</li> <li>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.</li> <li>b. Whether training requirements also apply to third-party organizations providing security personnel.</li> </ul>	N/A	a., and b.	Not applicable	The Bank has not yet established processes for training in the organization's human rights policies. It has only recently developed a Human Rights Statement. Therefore, security personnel training in human rights policies or procedures is not yet applicable.
Rights of indigenous	s peoples				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
GRI 411: Rights of Indigenous Peoples 2016	<ul> <li>411-1 Incidents of violations involving rights of indigenous peoples</li> <li>a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.</li> <li>b. Status of the incidents and actions taken with reference to the following: <ol> <li>i. incident reviewed by the organization;</li> <li>ii. remediation plans being implemented;</li> <li>iii. remediation plans that have been implemented, with results reviewed through routine internal management review processes;</li> <li>iv. Incident no longer subject to action.</li> </ol> </li> </ul>	a. The Bank does not have any incidents concerning the violations involving rights of indigenous peoples.	b.	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	Section 6.1 Section 7.1-b: Local Communities and Social Impact			

GRI				Omission	
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:  i. social impact assessments, including gender impact assessments, based on participatory processes; ii. environmental impact assessments and ongoing monitoring; iii. public disclosure of results of environmental and social impact assessments; iv. local community development programs based on local communities' needs; v. stakeholder engagement plans based on stakeholder mapping; vi. broad based local community consultation committees and processes that include vulnerable groups; vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts; viii. formal local community grievance processes.	N/A	a.	Information unavailable/ incomplete	Information on operations with local community engagement, impact, assessments, and development programs is not yet measured by the Bank.
	413-2 Operations with significant actual and potential negative impacts on local communities a. 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.	a. Section 6.1 on Community Engagement and Social Initiatives. The Bank does not have any operations assessed as having significant actual or potential negative impacts on local communities.			
Supplier social asse	ssment				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A			
	414-1 New suppliers that were screened using social criteria a. Percentage of new suppliers that were screened using social criteria.	N/A	a.	Not applicable	The Bank has not yet incorporated new supplier screening criteria.
GRI 414: Supplier Social Assessment 2016	<ul> <li>414-2 Negative social impacts in the supply chain and actions taken</li> <li>a. Number of suppliers assessed for social impacts.</li> <li>b. Number of suppliers identified as having significant actual and potential negative social impacts.</li> <li>c. Significant actual and potential negative social impacts identified in the supply chain.</li> <li>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.</li> <li>e. 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.</li> </ul>	N/A	a., b., c., d., and e	Not applicable	The Bank has not yet incorporated screening processes that include social criteria. Therefore, no detailed data is available on the negative social impacts in the supply chain.

GRI			Omission			
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation	
Public policy						
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A				
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. None of these types of contributions were made by the Bank.	b.	Not applicable	No contributions were made by the Bank; therefore b. is not applicable.	
Customer health and	safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.4: Health and Safety Section 7.1-b: Health and Safety				
	416-1 Assessment of the health and safety impacts of product and service categories  a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.  N/A		a.	Not applicable	Information on product and service categories related to health and safety impacts is not tracked and therefore is not available for the Bank.	
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by: i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	N/A	a., and b.	Not applicable	Data on incidents of non-compliance concerning health and safety is not measured at the Bank, due to the absence of monitoring mechanisms, and therefore it is not available.	
Marketing and labeli	ng					
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A				
GRI 417: Marketing and Labeling 2016	iii aafa uga af tha praduat ar aaniigas					

GRI			Omission				
Standard/ Other Source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation		
GRI 417: Marketing and Labeling 2016	<ul> <li>417-2 Incidents of non-compliance concerning product and service information and labeling</li> <li>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by: <ul> <li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li> <li>ii. incidents of non-compliance with regulations resulting in a warning;</li> <li>iii. incidents of non-compliance with voluntary codes.</li> </ul> </li> <li>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</li> </ul>	<ul> <li>a. 1 recorded incident of non-compliance with regulations resulting in a fine or penalty. 0 incidents of non-compliance with regulations resulting in a warning, and 0 incidents of non-compliance with voluntary codes.</li> <li>b. These instances were promptly resolved, and corrective actions were implemented. All staff (including new hires) acknowledged applicable policies through training and digital access on the HR Portal, ensuring ongoing awareness and adherence.</li> </ul>					
	<ul> <li>417-3 Incidents of non-compliance concerning marketing communications</li> <li>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: <ol> <li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li> <li>ii. incidents of non-compliance with regulations resulting in a warning;</li> <li>iii. incidents of non-compliance with voluntary codes.</li> </ol> </li> <li>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</li> </ul>	a. None. b. Warba Bank did not identify incidents of non-compliance with regulations or voluntary codes for the 2024 reporting year.					
Customer privacy							
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.2 Data Security and Privacy; Section 7.1-b: Data Security and Privacy					
GRI 418: Customer Privacy 2016	<ul> <li>418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</li> <li>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: <ul> <li>i. complaints received from outside parties and substantiated by the organization;</li> <li>ii. complaints from regulatory bodies.</li> </ul> </li> <li>b. Total number of identified leaks, thefts, or losses of customer data.</li> <li>c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.</li> </ul>	<ul> <li>a., and b. Section 4.2.</li> <li>c. The Bank has not identified any substantiated complaints, and monitors, records, and reports on these complaints if and when they occur.</li> </ul>					



## 7.1 GRI content index

Every year, following identification of material topics, the Bank explores the negative and positive impacts of these topics on Warba Bank and vice versa, relevant long-term targets and metrics, among other key areas. The following provides more details on the material topics:

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Business Ethics and Compliance	Positive Impact: adhering to ethical standards fosters a positive image among customers, employees, and stakeholders, leading to increased trust and loyalty. Effective ethical practices also help identify and mitigate potential regulatory risks, reducing the likelihood of fines and penalties. The Bank has established a strong ethical culture, which builds trust with stakeholders, strengthens regulatory compliance, and enhances its reputation and credibility with partners. Additionally, 28 training sessions for new and existing staff will help to reinforce these ethical practices.  Negative: the implementation of compliance programs can be costly, diverting resources from other business activities. Overly strict compliance measures may lead to bureaucratic hurdles, which can slow decisionmaking and innovation. Furthermore, compliance costs and operational constraints are challenges that need to be managed effectively.	Ethical compliance fosters trust and transparency in supplier relationships, leading to stronger partnerships and better collaboration. However, a negative impact may be that ethical compliance can increase costs for sourcing services due to additional due diligence requirements for partners. On the positive side, ethical practices have led to greater confidence among customers and partners, encouraging mutually beneficial partnerships. The Bank's commitment to handling CBK compliance in relation to third-party providers and cloud solutions further strengthens relationships and builds trust, particularly in Treasury operations.	Yes, corporate governance policies, credit, and HR policies to maintain controls, and internal compliance policies aligned with CBK regulations. The Bank also follows a Code of Conduct, Anti-Money Laundering Policy, and Compliance Framework to ensure adherence to ethical standards and regulatory requirements.	Adjusting training programs to enhance employees' understanding of compliance requirements, reducing the likelihood of violations and extensive remediation efforts. Monitoring and providing ethical standards to all Corporate Banking Group (CBG) staff, with examples set by the leadership, ensure further adherence to compliance. The Bank also conducts monthly reviews of the controlled list of third-party providers (TPPs) and coordinates daily with the Risk Management Group (RMG) and Compliance Department. Regular training, compliance monitoring, internal audits, and compliance checks ensure that all staff are aligned with ethical standards and regulations. Audit assignments help to highlight control efficiency, efficiency, and improvements.	Through regulatory awareness, specifically focusing on conflicts of interest and the ethical implications involved. The Bank initiates incident reports and internal investigations in case of any occurrences. Immediate responses are provided for missing submissions to CBK through coordination with relevant stakeholders. Additionally, recommendations from audit assignments are implemented when observations are noted. The Bank swiftly resolves compliance violations by investigating them immediately and implementing corrective action plans to prevent further issues.	Disclosing the status of compliance and governance in the annual report, reinforcing the Bank's commitment to ethical practices. The year-end performance review is completed for all employees to reflect progress. Proactive reviews are conducted to ensure compliance, and recognition programs for ethical conduct and transparency initiatives are implemented to encourage these behaviors. Additionally, the Bank promotes ethical Treasury practices to maintain a strong ethical culture across all operations.	Upon Compliance Review, no material observations were made regarding the effectiveness of ethical practices. The processes are considered highly effective, with high compliance rates and few regulatory issues. These efforts are successful in minimizing compliance risks, ensuring that the Bank maintains strong ethical standards and adheres to regulatory requirements.	Warba Bank evaluates progress through clear goals, targets, and Key Performance Indicators (KPIs) set by the Compliance Department. Regulatory awareness is provided on an ongoing basis, with newly joined staff required to attend compliance sessions emphasizing its importance. The Bank aims for 100% employee training completion, zero major violations, and timely reporting. Tracking these indicators ensures that compliance standards are met and that there are zero compliance violations, reinforcing the Bank's commitment to ethical practices and regulatory adherence.	Highly effective, with no observations found during an assessment review of the Code of Business Conduct, which supports the department in preventing potential penalties by regulators. Yearly assessments are in place to track goals and ensure their achievement. The Bank consistently meets the set goals, demonstrating strong progress in maintaining high compliance standards and regulatory adherence.	Staying ahead of evolving regulations and plans to go beyond basic regulatory awareness to ensure employees remain informed about regulatory updates. The Bank is improving CBG workflows to enhance efficiency, reduce costs, and provide better service to clients, including digitizing customer request workflows and enhancing app and online banking features. Additionally, the Bank has focused on regulating TPP engagement and onboarding to ensure compliance with CBK-CSF requirements. Data analytics and continuous auditing are used to improve audit efficiency, while enhanced automation of compliance processes and automated compliance reporting are being introduced to increase operational effectiveness. These lessons have been incorporated into the Bank's operational policies and procedures to support ongoing improvements in compliance and service delivery.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Corporate Governance and Oversight	Corporate governance and oversight have both positive and negative impacts on the Bank's operations. On the positive side, it ensures clear decision-making, accountability, and effective execution of the Bank's strategy while adhering to governance metrics. It also supports the implementation of the Bank's sustainability strategy and enhances control effectiveness, efficiency, and improvements as highlighted in audit assignments. Additionally, it ensures accountability in Treasury decisions and operations and contributes to the development of the Information Technology Group (ITG) governance framework and its effective implementation. Staff and Board of Directors' training in 2024 is part of these efforts.  On the negative side, complex approval processes can slow decision-making, and delays in implementing key strategic goals and initiatives may prevent the achievement of certain KPIs, which can impact the Bank's practices and operations.	Warba Bank's corporate governance framework has both positive and negative implications through its activities and business relationships.  On the positive side, it strengthens stakeholder confidence, supports efficient foreign exchange and liquidity management, improves employees' and customers' experiences, and ensures alignment with regulators. It also enhances shareholder value by contributing to the Bank's growth and effective governance. Additionally, the Bank's oversight helps in managing changes in services provided to customers and ensures that its strategy and sustainability commitments are implemented effectively.  On the negative side, extended decision timelines and delays in implementing key strategic goals and initiatives may impact the Bank's operations and practices. Failure to achieve certain KPls can also have negative consequences for overall performance.	Warba Bank's policies and commitments regarding corporate governance include the Corporate Governance Manual, Board Charter, and Treasury Framework and Policies.	Warba Bank takes actions to address actual negative impacts through audit assignments that highlight control effectiveness, efficiency, and improvements. Regular Board meetings and committee oversight are conducted to monitor governance practices. Policies are also reviewed regularly to ensure alignment with governance standards.	Warba Bank takes several actions to address actual negative impacts, including independent party assessments and audits, governance reviews, and structure updates. Recommendations provided by Audit are addressed if any observations are noted during Audit assignments. Concerns are raised with management, and escalations are made when applicable. Efforts are also made to address delays in decision-making processes	Warba Bank takes actions to manage actual and potential positive impacts by developing and approving IT Governance policies and procedures and implementing the ROPG Authority Matrix. Financial incentives, recognition, and other positive, rewarding initiatives are provided where applicable to different stakeholders. Efforts are also made to enhance clarity in Treasury roles and responsibilities.	Warba Bank tracks the effectiveness of the actions through Board oversight, governance ratings, and ongoing evaluations. The process has been observed as effective, with no significant issues reported so far. Positive growth for the Bank reflects the effectiveness of these measures, though ongoing improvements are needed to enhance governance further.	Warba Bank evaluates progress through quarterly Board meetings and an annual governance review. Faster decision-making processes in the Treasury are also used as an indicator of improvement.	Warba Bank assesses the effectiveness of the actions taken, with most goals and targets being met. Progress has been observed, and the implemented measures are considered effective.	Warba Bank takes several steps to incorporate lessons learned into its operations, including amending policies and procedures as needed for effective implementation, utilizing data analytics and continuous auditing to enhance audit efficiency, and implementing digital governance tools. Efforts are also focused on streamlining governance processes for faster approvals, with overall effectiveness to be determined over time.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Customer Experience and Satisfaction	Warba Bank's customer experience and satisfaction initiatives have both positive and negative impacts. On the positive side, 21 training sessions covered 278 employees with a total of 450.5 training hours, supporting service improvement. Implementing high-end software enhances efficiency, customer loyalty, retention, brand reputation, and revenue growth. The Treasury's efficient FX operations and liquidity management also contribute to customer satisfaction. Audit assignments highlight control effectiveness, efficiency, and improvements.  On the negative side, risks include reputation damage, loss of trust, revenue decline, and missed financing opportunities. Complaints and dissatisfaction can arise, and service costs remain a challenge in maintaining high-quality customer experience.	Warba Bank's activities impact customer experience and satisfaction both positively and negatively. On the positive side, maintaining strong relationships with CBG customers ensures continued engagement. A smooth implementation process for most projects contributes to better supplier and customer trust. Strong brand reputation and Treasury's role in building trust and confidence among direct clients further enhance customer satisfaction.  On the negative side, service challenges and delays can affect overall satisfaction and create operational difficulties.	Warba Bank has established policies and commitments to ensure customer experience and satisfaction. These include Quality Policy, CX, Complaint Handling, and Feedback Management policies, as well as Treasury service and operations policies. All staff are trained in how to handle customers, ensuring adherence to these policies.	Warba Bank takes several actions to prevent or mitigate potential negative impacts on customer experience and satisfaction. These include providing feedback to customers, conducting surveys, and staff training in customer service. Follow-ups and anticipation strategies are in place, along with adherence to established controls. Audit assignments highlight control effectiveness, efficiency, and improvements. Service standards, OICU monitoring, training, feedback loops, and monitoring metrics ensure ongoing service quality. Treasury focuses on timely FX processing and accurate reporting to enhance customer satisfaction.	Warba Bank has measures in place to address actual negative impacts on customer experience and satisfaction. Issues are escalated to the concerned team, and recommendations from audit assignments are implemented when observations are noted. SLA management, faster resolutions, improved digital tools, and root cause analysis help enhance service quality. Treasury actively resolves client issues related to its services to maintain efficiency and customer trust.	Warba Bank takes actions to manage actual and potential positive impacts on customer experience and satisfaction through appreciation and recognition, reporting to the concerned team, and service enhancements based on self-detection of quality touchpoints. Exceptional service is rewarded, offerings are refined, and customer engagement is prioritized. Treasury optimizes FX trading platforms and liquidity management to enhance service efficiency.	Warba Bank tracks the effectiveness of actions taken to enhance customer experience and satisfaction through high SLA satisfaction scores, improved NPS, reduced complaints, and higher overall satisfaction. These processes have been assessed as highly effective in improving customer satisfaction.	Warba Bank evaluates progress through non-financial KPIs, customer satisfaction metrics, and specific targets. These include maintaining an NPS above 85%, resolving 95% of complaints within 48 hours, and achieving 90% satisfaction. FX processing KPIs, such as turnaround times and accuracy rates, are also tracked to measure performance improvements.	Warba Bank's actions have been effective in achieving the set goals and targets, with consistent progress. While minor areas for improvement exist, the overall effectiveness has been maintained.	Warba Bank has incorporated lessons learned into its operational policies and procedures through constant staff training, data analytics, and continuous auditing to improve audit efficiency. A new list of initiatives for 2025 is in place to enhance customer satisfaction. Digital service channels, Aldriven insights, and an improved omnichannel experience are being utilized, along with the creation of a CX innovation hub. Treasury operations continue to be enhanced to better meet client needs.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Data Security and Privacy	Warba Bank's data security and privacy efforts have positive impacts, including enhanced control effectiveness, efficiency, and improvements as identified through audit assignments. Five training sessions were conducted, covering 879 employees with a total of 109 training hours	Warba Bank's activities positively impact customer cybersecurity and data privacy across all aspects. Measures are taken to ensure secure data handling and protection.	Yes	Warba Bank takes several actions to prevent or mitigate potential negative impacts on data security and privacy. These include follow-ups, anticipation strategies, and the use of various monitoring solutions. Audit assignments also highlight control effectiveness, efficiency, and improvements to strengthen data protection measures.	Warba Bank addresses actual negative impacts through independent party assessments, audits, and the implementation of recommendations provided during audit assignments when observations are noted.	Implementing various detection and prevention solutions and continuously working on further improvements.	The measures have been assessed as highly effective, with no major incidents reported, though some areas require further improvement.	Yes targets and goals are set, but details are not disclosed.	N/A	Through system updates and improvements, regular evaluation of solutions, and the implementation of new techniques and technologies. Additionally, Internal Audit Group (IAG) will cover data governance as part of the audit plan and recommend improvements to the process.
Digital Transformation and Innovation	Warba Bank's digital transformation and innovation efforts have both positive and negative impacts. On the positive side, automation and digitalization improve efficiency and speed in FX operations. Engaging with IT and Digital Groups ensures that customer requirements are reflected in system improvements. Infrastructure and integration support digital transformation initiatives, enhancing overall efficiency. Additionally, audit assignments highlight control effectiveness, efficiency, and improvements, including the transformation of audit management from a manual to a system-based process. Thirteen training sessions were conducted, covering 67 employees with a total of 306.5 training hours, strengthening digital capabilities. On the negative side, implementation challenges can arise, requiring continuous adaptation and improvement to ensure the success of digital initiatives.	Warba Bank's digital transformation initiatives positively impact service quality by improving transaction processing speed and delivering more creative and innovative services to customers. These efforts enhance customer satisfaction and overall service delivery.  However, challenges exist, such as the costs associated with adopting new technologies, which require careful management to balance innovation with financial sustainability.	Include the Warba Bank Digital Strategy, ET platform policies, and the Treasury digitization strategy.	By prioritizing essential requirements, following established controls, and implementing change management and training programs. Audit assignments highlight control effectiveness, efficiency, and improvements. Additionally, regular IT system updates and user training ensure smooth adoption and operational stability.	By implementing workarounds for delays, such as engaging third-party vendors, escalating issues to the concerned team, and providing technical support and system upgrades. Audit recommendations are applied when observations are noted, and continuous improvements are introduced to enhance audit processes. Proactive measures are also being taken to address technical issues efficiently.	By recognizing and rewarding staff, reporting to the concerned team, and investing in new digital tools and platforms. Additionally, the creation of a Lean Management Unit supports continuous improvement and operational efficiency.	Through measures that have been assessed as highly effective. Successful digital adoption and automation have significantly streamlined processes, ensuring operational efficiency and improved service delivery.	Warba Bank evaluates progress through key performance indicators (KPIs) that include CBG KPIs, digital adoption rates, innovation metrics, and ET platform usage indicators such as transaction processing times.	Warba Bank's actions have been effective in progressing toward goals and targets, with most objectives achieved. Some areas remain partially completed, requiring further development and refinement.	Expediting the completion of pending projects and introducing new digital initiatives for 2025. Efforts have been made to improve IAG's reliance on technology, including data analysis, continuous audit, and reporting. Advanced automation solutions and enhanced analytics for forecasting and reporting have also been introduced to strengthen digital transformation efforts.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Employee Engagement, Diversity, and Inclusion	Employee engagement, diversity, and inclusion have positive impacts on Warba Bank's workforce and operations. A diverse and inclusive environment leads to better market insights, improved productivity, and staff retention, while fostering innovation. These efforts contribute to an attractive work environment and enhance staff loyalty. Three training sessions covered 80 employees with a total of 27 hours, supporting these initiatives and improving overall engagement.	Positive as we send a message to all customers that we are an objectively thinking group.	Warba Bank's policies regarding employee engagement, diversity, and inclusion are guided by HR policies, with ITG following these policies to ensure alignment across departments.	Warba Bank's policies regarding employee engagement, diversity, and inclusion are guided by HR policies, with ITG following these policies to ensure alignment across departments.	Warba Bank's policies regarding employee engagement, diversity, and inclusion are guided by HR policies, with ITG following these policies to ensure alignment across departments.	Through appreciation and recognition of employees, ITG adhering to HR policies to ensure consistent implementation across the Bank.	Highly effective actions	Not yet incorporated	Not yet	Warba Bank has incorporated lessons learned by gradually improving the percentage of diversity across the Bank and fostering close communication with staff, treating them as one family. These practices are reflected in the Bank's operational policies and procedures to strengthen employee engagement and inclusion.
Energy and Resource Management	Warba Bank's energy and resource management efforts have positive impacts by complying with international standards and aligning with the overall Bank's framework. Treasury indirectly supports resource efficiency through digitizing processes and reducing manual workflows, contributing to environmental sustainability.	Positive: the Bank complies with international standards and its overall framework, while digital transformation reduces reliance on paper and other physical resources, supporting environmental sustainability.	Adherence to the Bank's digital transformation and environmental policies, with ITG following the Bank's overall policies to ensure alignment and compliance.	Warba Bank mitigates potential negative impacts by promoting digitization within Treasury to reduce resource use, with ITG following the Bank's policies to support these efforts.	By transitioning manual processes to digital platforms, ITG follows the Bank's policies to support this shift and enhance resource efficiency.	By upgrading Treasury systems to improve efficiency and reduce waste, ITG is following the Bank's policies to ensure alignment with these goals.	Effective; digitization efforts have reduced resource usage significantly.	Evaluates progress by setting goals to reduce Treasury's operational resource consumption, using KPIs to track performance and measure the effectiveness of actions taken.	Yes, largely achieved.	By effectively following the Bank's environmental regulations and exploring further digitization opportunities to reduce resource consumption even more. These practices are integrated into the Bank's operational policies and procedures.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Environmental Impact	On the positive side, the Bank complies with international standards and its overall framework, supporting sustainability. Collaborations with internal stakeholders help gather data to measure Scope 1, 2, and 3 emissions, with data quality improving each year. The Bank works with HR to offset business travel emissions through financial contributions to verified climate projects and collaborates with General Services Department (GSD) to reduce employees' plastic and paper waste. Additionally, the Bank indirectly supports environmentally friendly financing through sustainability Sukuk initiatives.  On the negative side, implementation costs and carbon emissions remain challenges. There is a need to improve data collection practices for more accurate environmental impact results and to include more Scope 3 categories over time.  Five training sessions were conducted, covering 169 employees with a total of 51 hours' training, to enhance awareness and engagement with these initiatives.	The Bank complies with international standards and its overall framework, contributing to a strong green reputation.  The Bank promotes recycling practices among employees and increases environmental impact awareness, while encouraging customers to reduce paper waste through digitization. It also supports clients in adopting green financing products.  However, there is a need to develop practices that help influence customers and suppliers to further reduce their environmental impacts. Operational adjustments are required to enhance these efforts.	Adherence to the Bank's policies, ESG standards, and ESG policies for Sukuk issuance. ITG follows the Bank's overall policies to ensure alignment with these commitments.	By identifying paper-based operations for environmental monitoring and waste management. The Bank is driving the development of robust environmental data collection methods and practices and collaborates with ESG teams to ensure environmentally aligned financing. ITG follows the Bank's policies to support these efforts.	By implementing impact reduction and efficiency measures, as well as promoting awareness of environmental financing options. The Bank is also working on implementing robust environmental data collection methods and practices to further mitigate negative impacts. ITG follows the Bank's policies to support these actions.	Through paperless initiatives, providing financial incentives, recognition, and other rewarding initiatives where applicable to different stakeholders. The Bank is also focused on developing more green finance products. ITG follows the Bank's policies to support these efforts.	Warba Bank tracks the effectiveness of its actions through processes that have been assessed as highly effective in reducing environmental impact. The adoption of green products is increasing steadily, though it is considered moderately effective, indicating room for further improvement in driving broader adoption.	Evaluates progress through environmental metrics, with goals to increase the share of green Sukuk in the portfolio. These targets are tracked to measure the effectiveness of the Bank's sustainability efforts.	N/A	Warba Bank has incorporated lessons learned by effectively following the Bank's environmental regulations and working toward a zero-paper operations ambition. Collaboration on green finance programs will be expanded to offer more sustainable products. These practices are being integrated into the Bank's operational policies and procedures, with further developments to be determined over time.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Financial Inclusion and Accessibility	Positive impacts by expanding access to financial products for underserved segments. The Bank provides banking facilities to most entities, enhancing access to essential financial services. Through 18 training sessions covering 180 employees with a total of 822 hours' training, the Bank improves staff capabilities to support these initiatives. New solutions are introduced to facilitate high-quality products, positively contributing to economic development.	Warba Bank's activities positively impact financial inclusion by assisting SMEs in growing their businesses and providing software that eases the creation of new products for customers. This support enhances customer engagement and satisfaction. However, there are negative aspects, such as the slow pace of progress in some areas, which can hinder the full realization of potential benefits.	While not directly under CBG, the Bank's efforts align with broader inclusion objectives. The Treasury does not directly manage inclusion policies but contributes indirectly by supporting the development of inclusive financial products.	By continuously enhancing services and tailoring customerspecific value propositions. The Bank follows established controls and collaborates with other teams to ensure the development of inclusive financial products.	Coordinating with different bank groups to meet SME requirements related to services and transaction processing. Issues are escalated to the concerned team, and input is provided on Treasury's role in supporting financial inclusion efforts.	Continuous service improvement, streamlining the onboarding process, and expanding access to banking services. The Bank encourages the use of digital tools to broaden access to services and reports progress to the concerned team.	While actions have been effective, there is a recognition that further efforts are needed to improve indirect support for inclusion initiatives.	Warba Bank evaluates progress through nonfinancial KPIs, including the expansion of inclusive banking products and services as key goals and targets. These indicators help measure the effectiveness of financial inclusion efforts.	Warba Bank's actions have been largely effective, with the majority of goals and targets met. While significant progress has been made, some targets are partially met, and ongoing efforts are being made to continue advancing financial inclusion initiatives.	Warba Bank has learned valuable lessons from its financial inclusion efforts, including the importance of completing the setup of a new core banking system to improve resource allocation for upcoming projects. A new list of initiatives for 2025 has been developed as part of the strategy, focusing on collaboration to create new initiatives for underserved customer groups. These lessons have been incorporated into the Bank's operational policies and procedures.
Financial Performance	Positive: the financial performance of CBG directly impacts the Bank's profitability, driving growth, increased revenue, and improved overall profitability. The Treasury Department also contributes directly to the Bank's financial performance through liquidity management and FX trading.  However, market pressures and declining sales can negatively impact financial performance, leading to rising expenses and declining profitability. Sixteen training sessions covered 67 employees with a total of 1340.5 hours' training, supporting staff development and enhancing financial management capabilities. Audit assignments highlighted control effectiveness, efficiency, and improvements to further optimize financial performance.	Positive: financial performance directly impacts stakeholders by improving profitability and operational efficiency. It also enhances stakeholder returns. However, competition challenges pose a negative impact, affecting the number of clients to be financed and the offers available, which can be either positive or negative depending on market conditions.	Includes the Credit Policy, FCG Policy, CBK policy and regulations, internal bank policies, and Treasury financial performance policies. These policies ensure alignment with regulatory requirements and support effective financial management.	Yes, structuring and distributing the team in a smart hierarchy to ensure that experience and guidance are passed down to all members. The Bank also focuses on performance monitoring, risk management, and maintaining a strong emphasis on risk-adjusted returns. Audit assignments highlight control effectiveness, efficiency, and improvements to optimize financial operations.	Setting clear expectations, providing regular updates, and maintaining transparent communication. Recommendations from audit assignments are implemented when observations are noted, while cost control and revenue optimization measures are also put in place. Regular performance analysis and reporting help track progress and identify areas for improvement.	Yes, this will be reflected in the yearly score cards, focusing on revenue growth initiatives, and utilizing advanced analytics to optimize performance. These actions ensure that positive impacts are tracked and leveraged to sustain financial success.	Assessed as highly effective in achieving strong financial outcomes. The impact of these actions is reflected in the yearly performance of individuals, with effective financial results indicating success in the implemented strategies.	Setting clear goals, targets, and Key Performance Indicators (KPIs), including financial targets. These KPIs track personal finance growth, the number of customers, total deposits, and CASA accounts, all of which contribute to better financial results. The Bank also focuses on maintaining and improving profit and risk-adjusted return KPIs to ensure sustained financial performance.	Yes	Warba Bank has learned valuable lessons, including the importance of providing innovative products to customers and expediting the processing of customer requests. These lessons have been incorporated into operational policies through the use of data analytics and continuous auditing to improve audit function efficiency. The Bank is focused on expanding its products and services to gain a competitive edge, boost sales, drive profitability, and improve overall performance. Additionally, the investment in advanced analytics and tools supports the continued growth of financial performance.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Health and Safety	Positive aspects: by supporting an attractive work environment, enhancing staff loyalty, and complying with international standards and the Bank's overall framework. Six training sessions covered 102 employees with a total of 45.5 hours' training, promoting health and safety awareness within the organization.	Positive, by taking care of TPP resources.	Yes. ITG follows HR policies.	Yes. Through follow-up and anticipation. ITG follow HR policies.	Yes. ITG follow HR policies.	No. ITG follow HR policies.	Very effective	N/A	N/A	Warba Bank has incorporated lessons learned by reviewing new materials and studies to apply relevant insights. The Bank continues to follow its health and safety regulations effectively, ensuring that operational policies and procedures are aligned with best practices.
Human Capital Management	Positive impacts by supporting an attractive work environment, enhancing staff loyalty, and fostering a skilled workforce. Fifty-one training sessions covered 269 employees with a total of 6498 hours' training, contributing to employee development. However, the negative impact includes training costs associated with these initiatives.	Positive: Service quality. Negative: Retention challenges	HR Policy and practices	ITG follow HR policies - training programs, career development.	Addresses actual negative impacts through performance management and retention strategies, with ITG following HR policies to ensure alignment and support in these efforts.	Providing development opportunities for potential successors, with ITG following HR policies to support these efforts and ensure alignment with the Bank's objectives.	Highly effective processes, focusing on strong talent retention as a key indicator of success.	Yes, training completion, retention and Kuwaitization rates.	N/A	Warba Bank has learned valuable lessons, including the importance of regular meetings, effective communication, and the continuous review of KPIs and objectives. Leadership development has been emphasized and incorporated into the Bank's operational policies and procedures to support ongoing growth and employee engagement.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Local Communities and Social Impact	Warba Bank's local communities and social impact initiatives have both positive and negative impacts. On the positive side, the Bank supports local stakeholders through donations, helps initiate local community events and initiatives, and collaborates with other groups to provide tailored products for the local community, driving in social impact. In 2024, the Bank offered 51 internship opportunities, covering 120 hours, and the Rowad program for 17 Kuwaiti students in the UK, totaling 180 hours, further contributing to community development. On the negative side, there is a need to develop more initiatives focusing on different social metrics to broaden the scope of impact.	Positive: Shareholders - Improving the Bank's reputation. Employees - Providing employees with opportunities to contribute to the local economy. Customers and the local community - Enjoying special experiences/opportunities.  Negative: Some stakeholders might not have catered experiences/opportunities to their liking.	Yes	No	N/A	Providing financial incentives, recognition, and other incentives/ positive rewarding initiatives where appliable to different stakeholders.	Effective and TBD for some.	N/A	Confidential	Will be determined over time.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or business relationships	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and procedures
Risk Management	Positive: closely monitoring corporate accounts and adhering to compliance and credit policies helps maintain a good portfolio risk profile. Risk management ensures financial stability, regulatory compliance, and enhanced decision-making. It protects customer trust, enables strategic planning, and allows for the integration of ESG factors into the Bank's risk management framework. By developing new policies and amending existing ones, the Bank has strengthened its approach to risk mitigation.  Fourteen training sessions covered 90 employees with a total of 678.5 hours' training, promoting a strong risk management culture. Regular reports on management highlight risk management information and address potential delays in executing strategic initiatives.  On the negative side, delays in highlighting major risks to management and key stakeholders could lead to potential negative impacts on the Bank and its stakeholders. A conservative growth approach may also limit opportunities, though it aims to mitigate risks effectively.	Positive: reliable partnerships and ensuring alignment with regulators, which benefits shareholders, employees, customers, and suppliers. Shareholders benefit from the Bank's growth and positive yields, while the employees' and customers' experiences are improved. The Bank also ensures stability in relationships with liquidity providers and FX clients.  On the negative side, different stakeholders may be exposed to various risks depending on the issue at hand. Stricter partner requirements may also present challenges, although the Bank strives to manage these risks effectively.	Includes a comprehensive Credit Policy, an Enterprise Risk Management Framework, and Treasury risk management policies. These policies ensure alignment with best practices and regulatory requirements, supporting effective risk management across the organization.	Yes, by proactive monitoring and working with teams like the post-fact team in RMG to ensure facility terms and conditions are met. Risk assessments, monitoring systems, and regular follow-ups help to identify and prioritize risks. The Bank implements policies and procedures to mitigate risks, conducts scenario analysis and stress testing, and ensures regulatory compliance to avoid penalties. Audit assignments highlight control effectiveness, efficiency, and improvements, and the Bank works to improve the timing of control measures and address emerging risks early.	Various monitoring solutions are in place, and recommendations from audit assignments are implemented if observations are noted. The Bank applies risk mitigation strategies, contingency planning, and raises concerns to the Board of Directors when needed. Efforts are focused on highlighting major risks in a timely manner and implementing regular mitigation strategies to address potential impacts.	Offering recognition and rewards to employees through appraisals and incentives. The Bank employs various detection and prevention solutions, advanced risk modeling, and early warning systems to identify opportunities for improvement.  Financial incentives and positive, rewarding initiatives are provided where applicable to different stakeholders. The use of advanced risk management tools and models helps to optimize the Bank's performance, though some aspects are still to be determined.	Very effective, particularly in impacting on the yearly performance of individuals. The Bank has experienced no major incidents and has strong risk control measures in place, leading to a few unexpected losses. The effectiveness of the actions is highly evident in reducing risk exposure, ensuring a robust risk management framework.	Yes, clear goals and targets are set to minimize risks, with specific risk appetite metrics and loss limits in place. The Bank also focuses on meeting risk-adjusted return and liquidity KPIs to ensure alignment with overall financial objectives and effective risk management practices.	Effective, with many goals and targets met. Progress toward the set objectives has been positive, and the Bank has consistently achieved the desired outcomes in risk management, including meeting most of the goals and targets related to risk-adjusted returns and liquidity.	Better control and enhanced proactive monitoring by automating the workflow of CBG and Risk Group's transaction processing. The Bank continuously evaluates solutions and implements new techniques and technologies, such as Al-powered risk analytics. Data analytics and continuous auditing are also used to improve the efficiency of the audit function. As part of the ongoing implementation of its vision, the Bank is expanding its risk monitoring capabilities with Al-driven models, with further developments to be determined over time.

Material Topic	Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on your human rights	Is your organization involved with the negative impacts through its activities or as a result of its business relationships? If yes, describe the activities or	Describe your policies or commitments regarding the material topic	Describe actions taken to prevent or mitigate potential negative impacts	Describe actions taken to address actual negative impacts, including actions to provide for or cooperate in their remediation	Describe actions taken to manage actual and potential positive impacts	Describe the processes used to track the effectiveness of the aforementioned actions	Describe goals, targets, and indicators used to evaluate progress of the aforementioned actions	Describe the effectiveness of the actions, including progress toward the goals and targets	Describe lessons learned and how these have been incorporated into your organization's operational policies and
Supply Chain Management	Positive impacts on efficiency, budget control, and expenses, contributing to improved operations. However, negative aspects include vendor dependencies, which could pose challenges if not managed effectively. These factors influence both the economy and the Bank's internal operations.	Positive: the Bank maintains strong vendor relationships and ensures a smooth procurement process. However, cost pressures may present challenges, which need to be carefully managed to maintain operational efficiency.	Yes - Procurement Policy, Vendor Management Guidelines.	Yes, through vendor assessments and performance monitoring. The Bank follows established controls to ensure that the supply chain operates smoothly and efficiently.	Yes, by escalating issues to the concerned team and implementing supplier diversification and contract management strategies to reduce risks and improve supply chain resilience.	Yes, by reporting to the concerned team and using multi-vendor contracts for critical outsourced operations to ensure continuity and reduce dependency on a single supplier.	Highly effective processes, ensuring stable supply chain operations that support overall business continuity and efficiency.	Yes, through vendor performance metrics and cost targets, ensuring that supply chain actions align with set goals and targets for efficiency and cost management.	N/A	Implement a new Supply Chain Management System and adopt a digital procurement platform across the Bank. These insights have been incorporated into the Bank's operational policies and procedures to enhance supply chain efficiency and streamline procurement processes.
Sustainable Finance and Investment	Positive: The Bank actively participates in promoting ESG initiatives and investing in green and sustainable assets, which help reduce ecological damage and aim for zero carbon emissions in the future. The introduction of a new sustainability Sukuk product further supports these efforts. The Bank also offers a range of sustainable finance products and integrates sustainable investments into its portfolio, ensuring that finance practices are aligned with environmental, social, and governance principles. Training efforts, including five sessions covering 110 employees with a total of 90 hours' training, contribute to increasing awareness and expertise in sustainable finance. Negative: the lack of ESG financing opportunities is a challenge, as Kuwait's major contracts are heavily dependent on government projects. Additionally, there is a need to provide more products that appeal to both corporate and retail customers to expand the impact of sustainable finance.	Positive: The Bank encourages customers to adopt sustainable financing practices and provides sustainable investment products to support the transition to a green economy. The Bank raises awareness by enrolling all employees in mandatory ESG-related courses and fosters an ESG-friendly environment. These actions align with the Bank's growth objectives, benefit shareholders, and ensure alignment with regulators. Additionally, the Bank helps customers transition to a green economy by promoting sustainable financing practices.	The Bank's ESG policy, which encourages investment in and issuance of Green and sustainability Sukuk. Additionally, the Bank has ESG policies in place for Sukuk issuance, ensuring alignment with sustainable investment principles.	Reducing the number of non-ESG Sukuk new investments and providing more sustainable finance products. The Bank also conducts awareness campaigns to promote sustainable finance.  Audit assignments highlight control effectiveness, efficiency, and improvements, ensuring the alignment of sustainable finance efforts.	Exchanging non-ESG-friendly existing Sukuk investments into ESG-friendly Sukuk where possible. The Bank is also developing more sustainable finance products to cater to customer needs and conducts regular ESG compliance monitoring. Recommendations from audit assignments are implemented when observations are noted, ensuring continuous improvement in sustainability efforts.	Continuing efforts to source applicable ESG financing and providing financial incentives, recognition, and other rewarding initiatives where applicable to different stakeholders. The Bank is focused on developing more ESG-compliant products and reports progress to the concerned team to ensure alignment with sustainability goals.	Warba Bank tracks the effectiveness of its actions with varying degrees of success. While the effect has been limited so far due to the lack of broader ESG projects and awareness, the adoption of ESG initiatives is growing steadily. The Bank's processes are generally considered highly effective, with positive growth reflected in increasing ESG product adoption and sustainable finance efforts.	Evaluate progress through goals and targets aimed at increasing the share of ESG products in the portfolio. While these indicators are not fully incorporated yet due to the lack of opportunities, the focus is on expanding the Bank's ESG offerings as they become available.	Partially effective, with some goals and targets met and progress ongoing. For certain aspects, the bank has made significant strides, while others are still to be determined as they evolve.	Gradually sourcing ESG financing opportunities and incorporating these into its operational policies. The Bank's Debt Capital Markets (DCM) team introduced ESG investing measures and requirements into its investment policy this year, building on last year's approach. These amendments remain under management approval. Additionally, data analytics and continuous auditing are used to improve the efficiency of the audit function. The Bank aims to enhance client education on ESG financing opportunities, with further developments to be determined over time.

## 7.2 S&P index

#	Indicator	Answers
1	Do you provide incentives for the management of climate change issues, including the attainment of targets? (including disclosure of who is entitled to the benefit, type of incentive, the incentivized KPIs)	Yes, the Bank provides incentives for the management of climate change issues, including the attainment of targets by incorporating ESG factors into the Group balanced scorecard (BSC). Different groups within Warba Bank work on achieving ESG-related KPIs and initiatives. Below are some examples:  a) Offsetting business travel emissions CO2  b) Implementing e-waste management program and water measurement c) Conducting Scope 1 measurements and disclosures Achieving the above will lead to bonuses, promotions, and more.
2	Do you integrate the Task Force on Climate-related Financial Disclosure (TCFD) framework into your risk management?	We have started to integrate Environmental, Social, and Governance (ESG) parameters and aspects into our credit risk decision-making process. Additionally, we are considering climate risk in our Internal Capital Adequacy Assessment Process (ICAAP) calculation. However, this does not constitute a formal integration of the Task Force on Climate-related Financial Disclosures (TCFD) framework into our risk management at this time.
3	Are there documented processes for assessing and managing risk and opportunities from climate change?	Assessment of climate risk for ICAAP purposes are documented in the related policy.
4	Has the company assessed physical risks related to climate change?	Yes, our ICAAP assessment covers Physical & Transition risk. No further details are available.
5	Has the company assessed transition risks related to climate change?	Yes, our ICAAP assessment covers Physical & Transition risk. No further details are available.
6	Is GHG emissions - Scope I disclosed for the latest year?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
7	Is Scope I GHG emissions data publicly available?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
8	Is Scope I GHG emissions data verified by a third party?	Yes.
9	Is GHG emissions - Scope I disclosed 1 year back?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
10	Is GHG emissions - Scope II disclosed for the latest year?	Yes, Section 4.3.
11	Is Scope II GHG emissions data publicly available?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
12	Is GHG emissions - Scope II disclosed 1 year back?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
13	Is GHG emissions - Scope III disclosed for the latest year?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report
14	Is Scope III GHG emissions data publicly available?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
15	Is GHG emissions - Scope III disclosed for 1 year back?	Yes, Section 4.3. Additional information can also be found in the publicly available 2023 Sustainability Report.
16	Do GHG Scope III emissions include Upstream transportation and distribution?	Yes, Section 4.3.
17	Do GHG Scope III emissions include Business travel? (for the current year) (i.e., air, road, etc.)	Yes, Section 4.3.
18	Do GHG Scope III emissions include Employee commuting?	Yes, Section 4.3.
19	Do GHG Scope III emissions include Upstream leased assets?	Yes, Section 4.3.
20	Do GHG Scope III emissions include Downstream transportation and distribution?	Yes, Section 4.3.
21	Is total energy consumption disclosed for the latest year?	Yes, Section 4.3.

#	Indicator	Answers
22	Is total energy consumption disclosed for 1 year back?	Yes, Section 4.3.
23	Do you disclose the total renewable energy consumption, purchase, or generation, for the current year and 3 years back? (including: biomass, solar, and wind energy)	No. Total produced is 76,053 KWh from August till December 2024.
24	Do you disclose the total costs of energy consumption?	Yes, based on invoices 10,474.47 KD received for the reporting period.
25	Is there disclosure of the coverage of environmental reporting, out of revenue or business operations?	The Bank discloses environmental reporting in the Sustainability Report annually. However, it is done for the sake of transparency and regulatory requirements. Moreover, it is also aligned with international standards. In terms of % of revenue or business operations, we are yet to disclose specific metrics.
26	Has your company received external assurance in relation to your company's environmental reporting?	As of today, Warba Bank does not have external assurance in relations to environmental reporting. However, we plan to do so in the near future.
27	Do you measure and disclose the total amount of waste generated? (for the current year and at least 3 years back)	Yes, we have an existing contract with Tadwire to collect plastic paper / electronics waste from our HQ and branches.
28	Do you disclose the amount of waste used, recycled, reused, or sold? (for the current year and at least 3 years back)	Details on total waste used, recycled, and reused are not available. However, some of the details on recycled products are reflected in Section 4.3.
29	Is waste data verified by a third-party?	The Bank has an existing contract with Tadwire to collect plastic paper / electronics waste from our HQ and branches. More information is provided in Section 4.3.
30	Do you disclose your water consumption for the current year?	Yes, Section 4.3.
31	Does the company address anti-corruption through an anti-corruption policy or commitment statement?	The Bank designates a separate policy under Corporate Governance Policy specifically addressing Anti Bribery and Corruption.
32	Does the anti-corruption and bribery policy specifically include bribes in any form (including kickbacks) on any portion of contract payments or soft dollar practices?	Our Avoiding Conflict of Interest Policy addresses soft dollar practices. The Policy highlights possible conflict of interest cases for the Board of Directors (BoD) members, executive management or employees that could occur when accepting bribes, kickbacks or any other improper payments for services relating to the conduct of the business of the Bank.
33	Does the anti-corruption and bribery policy specifically include direct or indirect political contributions (i.e., monetary contributions to and spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups)?	Yes, the Policy addresses facilitation to political parties for the purpose of securing an improper advantage.
34	Does the anti-corruption and bribery policy specifically include charitable contributions and sponsorship?	Our Anti-Bribery and Corruption (ABC) Policy prohibits interaction with public officials for the purpose of securing and having improper advantage. The Policy strictly prohibits interaction with domestic/ foreign government public officials for the purpose of securing an improper advantage as well as prohibiting facilitation of payments to foreign officials, political parties or intermediaries for the purpose of expediting or securing performance of a routine governmental action.
35	Does the company disclose whether there are any confirmed cases of corruption and bribery currently and in the past 4 fiscal years? (including the total number of substantiated corruption and bribery cases, and ongoing investigations)	Our ABC Policy mandates that all records related to this Policy shall be recorded and documented.
36	Is there a separate CEO and non-executive Chairman?	Yes, the CEO and Non-executive Chairman are separated.
37	Are senior management and employees trained with regards to your company's anti-money-laundering (AML) and anti-terrorism financing policies?	Yes, Section 3.4.
38	Is there disclosure of details and track record about the Chairman and Board of Director members' expertise? (i.e., industry-specific background, or a strong financial background, or sector-relevant expertise)	Yes, our Annual Report provides details on our Chairman and Board of Directors' expertise.
39	Is the number of executive BoD directors disclosed?	Yes, the information is publicly available in our Annual Report, Sustainability Report, and website. In addition to Boursa Kuwait's website.
40	Is the number of non-executive BoD directors disclosed?	Yes, Section 3.3, and this is also disclosed to Boursa Kuwait.
41	Is the number of senior executives disclosed?	Members of the executive management are disclosed in the Annual Report along with details on their expertise and educational degree.
42	Is there an explicit definition of what determines that a Board member is independent, that is disclosed?	Yes. It can be found in our <u>Corporate Governance Manual 2024.</u> Furthermore, more information on what is defined as independent can be found in Warba Bank's BoD Charter. Warba also follows CBK, CMA, and BK guidance.
43	Is there a target share of independent directors that is disclosed?	We follow all requirements dedicated by the CMA and CBK bylaws. No specific targets from Warba Bank.
44	Is there disclosure of the number of other mandates for non-executive / independent BoD directors?	Yes. It can be found in our Corporate Governance Manual 2024. Warba also follows CBK, CMA, and BK guidance.

#	Indicator	Answers
45	Is there a disclosure of the Board election processwhether being elected individually, or elected and re-elected on an annual basis?	Yes. It can be found in our Corporate Governance Manual 2024. Warba also follows CBK, CMA, and BK guidance.
46	Is there disclosure of the average tenure of Board members?	Yes, Section 3.3.
47	Is the number of independent directors on the Board disclosed?	Yes. The Information is publicly available in our Annual Report, Sustainability Report, and website. In addition, it is on Boursa Kuwait's website.
48	Is there disclosure of whether (founding) family members, personally or through other companies or organizations, individually have more than 5% of the voting rights of your company?	BoD members have equal voting rights. There has been no disclosure of this before. CMA bylaws dictate that all shareholders are treated equally.
49	Is there disclosure concerning whether individual governmental institutions own more than 5% of the total voting rights of your company?	BoD members have equal voting rights. There has been no disclosure of this before. CMA bylaws dictate that all shareholders including government institutions are treated equally.
50	Is there disclosure concerning whether there are golden shares for government ownership in the voting rights of your company?	No golden shares for government ownership. Warba Bank follows CBK, and CMA bylaws.
51	Is there disclosure of the board structure (i.e., whether unitary, two-tier, mix, classified, staggered)	Warba Bank's Board structure is unitary.
52	Is there a Board diversity policy that clearly requires diversity factors, such as gender, race, ethnicity, country of origin, nationality, or cultural background in the Board nomination process?	Yes, Section 3.3.
53	Is the number of women on the Board disclosed?	Yes, Section 3.2, and 3.3.
54	Is there periodic self-evaluation of Board performance?	Yes, refer to the Annual Report Also, please refer to the Corporate Governance Manual: WARBA BANK   Financial Reports In addition, you can also find further information in the Sustainability Report 2023-page 44
55	Is there disclosure of attendance rate of Board / committee members (whether average attendance rate, for some individuals, or all individuals)?	Yes, Section 3.3.
56	Is there a disclosure of the minimum attendance % of all BoD members required?	Yes, Section 3.3.
57	Does your company disclose and list the predefined financial returns and/or relative financial metrics relevant to senior executives' and/or CEO variable compensation?	Warba Bank discloses CEO compensation in the <u>Annual Report</u>
58	Is there a disclosure of guidelines on deferred bonus, time vesting, and performance period for the CEO's variable compensation?	N/A
59	Do claw-back or malus provisions exist for remuneration (whether CEO, senior executives or more broadly to other high paid staff)?	Renumeration is subject to claw-back provisions as outlined in the Public Disclosure Policy under Corporate Governance Policies. (5.6.17.5).
60	Is there disclosure of the number of shares that CEO or senior executives own?	Warba stock share ownership of each member of BoD and Executive Bodies including employees deemed insiders are disclosed on its Boursa webpage.
61	Is there a disclosure of the average number of shares across other executive committee members owning shares (besides the CEO)?	Yes, through insider disclosure Information through the Governance and Disclosure Department.
62	Does your bank have a publicly available tax policy / principles / strategy in place which indicates your approach towards taxation?	Yes, Financial Statement Note 26:26 PILLAR 2 INCOME TAXES In 2021, OECD's Inclusive Framework (IF) on Base Erosion and Profit Shifting (BEPS) had agreed to a two-pillar solution in order to address tax challenges arising from digitalization of the economy. Under Pillar 2, multinational entities whose revenue exceeds EUR 750 million are liable to pay corporate income tax at a minimum effective tax rate of 15% in each jurisdiction they operate.  The jurisdictions in which the Group operates, including the State of Kuwait, have joined the IF. The Group expects to be liable for the Global Minimum Tax under Pillar 2 of the BEPS regulations starting from the year 2025.  On December 24th, 2024, the State of Kuwait enacted Law No. 157 of 2024 (the "Law"), introducing a Domestic Minimum Top-Up Tax (DMTT) effective from 2025. Under the Law, a top-up tax will be levied on taxable income at a rate equal to the difference between 15% and the entity's effective tax rate within Kuwait. Since the Executive Regulations in Kuwait are not yet issued, the Group cannot reasonably estimate the potential impact of the regulations in 2025 at this stage. The Group will continue to assess the potential impact of adopting the Pillar 2 tax regulations on the consolidated financial statements.
63	Does your company have a publicly available tax policy covering the following elements?  A) commitment to compliance with the spirit as well as the letter of the tax laws and regulations in the countries in which the company operates, B) commitment not to transfer value created to low tax jurisdictions, C) commitment not to use tax structures without commercial substance, D) commitment to undertake transfer pricing using the arm's length principle, E) commitment not to use secrecy jurisdictions or so-called "tax havens" for tax avoidance, F) an approval process of the tax policy by the BoD.	Yes, Financial Statement Note 26: 26 PILLAR 2 INCOME TAXES In 2021, OECD's Inclusive Framework (IF) on Base Erosion and Profit Shifting (BEPS) had agreed to a two-pillar solution in order to address tax challenges arising from digitalization of the economy. Under Pillar 2, multinational entities whose revenue exceeds EUR 750 million are liable to pay corporate income tax at a minimum effective tax rate of 15% in each jurisdiction they operate. The jurisdictions in which the Group operates, including the State of Kuwait, have joined the IF. The Group expects to be liable for the Global Minimum Tax under Pillar 2 of the BEPS regulations starting from the year 2025. On December 24th, 2024, the State of Kuwait enacted Law No. 157 of 2024 (the "Law"), introducing a Domestic Minimum Top-Up Tax (DMTT) effective from 2025. Under the Law, a top-up tax will be levied on taxable income at a rate equal to the difference between 15% and the entity's effective tax rate within Kuwait. Since the Executive Regulations in Kuwait are not yet issued, the Group cannot reasonably estimate the potential impact of the regulations in 2025 at this stage. The Group will continue to assess the potential impact of adopting the Pillar 2 tax regulations on the consolidated financial statements.

#	Indicator	Answers
64	Is there a disclosure of the number of BoD members with risk management expertise?	Yes, Section 3.4.
65	Is regular risk management education for non-executive BoD directors ensured?	Yes, Section 3.4.
66	Is the risk management function structurally independent of the business lines?	Yes.
67	Is there disclosure of the strategies your company pursues in order to promote and enhance an effective risk culture throughout the organization? (i.e., financial incentives, focused training, inclusion of risk management criteria in HR review process, etc.)	Yes, partial through compensation in the Annual Report.
68	Is there disclosure of the financial incentives and metrics that incorporate risk management metrics, for line managers?	All C-Level Scorecards contain negative KPIs related to CBK Compliance, Audit and Risk Related findings. Some Retail Banking Group (RBG) and Investment Banking Group (IBG) employees have the same.
69	Is there disclosure of focus training conducted on risk management principles?	Yes, Section 7.6.3 Selected Risk Training.
70	Is there inclusion of risk management criteria in the HR review process for employee evaluations?	Yes, for chiefs, it is part of their remit to cascade risk management issues to staff. While for C-Level employees, this is reflected in their KPIs.
71	Are there measures allowing individual employees to proactively identify and report potential risks throughout the organization?	Yes, outlined in the Employee Handbook.
72	Are there measures allowing continuous improvement in risk management practices through the involvement of employees in structured feedback process?	Yes.
73	Does the company disclose the number of fines and settlements (excluding legal fees) incurred in the last four fiscal years related to anti-trust/anti-competitive practices?	Penalties are disclosed in AGM meetings irrespective of the subject matter.
74	Is there disclosure of the specific (a) BoD member(s) and (b) committee(s) that oversee(s) cybersecurity?	Yes, the BRC and BoD participate in oversight.
75	Is there disclosure of the Board and executive management oversight over security / cybersecurity and related strategy and review, including specific Board and Executive positions?	As per CBK instructions (CBK CSF) 4.1.1 - 4.1.9, clear cyber security governance instructions are documented. As per (CBK CSF) clear cyber security strategy instructions are documented. As per Law 4.1.9, information security updates the board on a regular basis. This is done every quarter via the BRC.
76	Have you implemented policies and procedures for all employees in order to ensure that they are aware of threat issues and the importance of information security/cybersecurity? Including: A) information security / cybersecurity policy internally available to all employees, B) information security / cybersecurity awareness training conducted, C) clear escalation process which employees can follow in the event an employee notices something suspicious is in place, and D) information security / cybersecurity is part of the employee performance evaluation (e.g. disciplinary action).	Yes, Section 4.2.
77	Do you have business continuity / contingency plans and incident response procedures in place?	Yes, through the Business Continuity Policy.
78	Do you often test your business continuity / contingency plans and incident response procedures?	Yes, existing procedures are outlined in the Business Continuity Policy.
79	Is your IT infrastructure and information security management system certified to ISO 27001, NIST or similar?	Yes, Section 4.2.
80	Is there disclosure of the % of IT infrastructure that has been certified?	All (100%) IT infrastructure is certified.
81	Do you conduct third-party vulnerability analysis including simulated hacker attacks?	Yes, internal and external efforts are made to simulate attacks.
82	Do you disclose whether there are any breaches of information security or other cybersecurity incidents?	Yes, as part of crisis communication procedures.
83	Do you disclose the number of breaches of information security or other cybersecurity incidents?	Yes, as part of crisis communication procedures.
84	Do you have insurance cover for security breaches or other cybersecurity incidents?	A brief overview of cyber insurance and risk mitigation is found under Section 4.2.
85	Do you disclose the maximum value of the insurance policy over breaches or other cybersecurity incidents?	No, we do not disclose the insurance policy value publicly; this is documented and disclosed internally. However, a brief overview of cyber insurance and risk mitigation is found under Section 4.2.
86	Do you measure incidents to your IT infrastructure for which you had to pay penalties or for which you suffered revenue losses (e.g., interruption of access to data centers for cloud-based applications or temporary site shutdowns)?	Yes, financial loss measures are part of the incident reporting.
87	Do you disclose the number of incidents to your IT infrastructure for which you had to pay penalties or for which you suffered revenue losses (e.g., interruption of access to data centers for cloud-based applications or temporary site shutdowns)?	Financial loss measures are part of the incident reporting. However, such details are not available.

#	Indicator	Answers
88	Do you disclose the financial impact caused by incidents to your IT infrastructure for which you had to pay penalties or for which you suffered revenue losses (e.g., interruption of access to data centers for cloud-based applications or temporary site shutdowns)? (including currency used)	Financial loss measures are part of the incident reporting. However, such details are not available.
89	Is there an effective data privacy and security policy? Including:  *commitment to require third parties with whom the data is shared to comply with the company's policy,  *a statement addressing the issue but it does not qualify as a policy,  *commitment to implement leading data protection standards,  *commitment to obtain user data through lawful and transparent means with explicit consent of the data subject where required,  *clear terms involving the collection, use, sharing and retention of user data including data transferred to third parties,  *commitment to notify the data subjects in a timely manner in case of policy changes or data breach,  *the company has a formal policy that is either completely or partially applied to operations  *commitment to collect and process user data that is limited to the stated purpose.	Yes, the Bank confirms that all the listed items are covered in the IT Group procedures.
90	Is there disclosure about what mechanisms are in place to ensure effective implementation of your company's privacy policy?	Yes, Section 4.2.
91	Is there disclosure about what mechanisms are in place to ensure effective implementation of your company's privacy policy? Specifically: B) designated person or department responsible for privacy issues	Yes, Section 4.2.
92	Is there disclosure about what mechanisms are in place to ensure effective implementation of your company's privacy policy? Specifically: C) privacy policy system embedded in group-wide risk / compliance management	Yes, Section 4.2.
93	Is there disclosure about what mechanisms are in place to ensure effective implementation of your company's privacy policy? Specifically: D) disciplinary actions in case of breach (i.e., zero tolerance policy)	Yes, Section 4.2.
94	Is there disclosure about what mechanisms are in place to ensure effective implementation of your company's privacy policy? Specifically: E) audit of privacy policy compliance, disclosing further whether third-party audits or internal audit of the privacy policy compliance s conducted.	Yes, audits are conducted in Warba Bank depending on the scope of each audit which require to plan for its risk assessment, annual reviewing for policies and procedures, schedule and conduct vulnerability assessments for related information assets & penetration testing for systems, continuously analyzing log of related systems, reporting (changes, findings, incidents, corrective actions, exceptions and compensating controls), and remediating & implementing required improvements, along with the indirect securing functions like training, screening, physical security, etc. that ensure continuous improvement and robust security after each audit activity.
95	Does your company inform customers about privacy protection issues?	Yes, through the Mobile App, and we have a clear Privacy Policy in place about not sharing customer information outside the Bank.
96	Is there disclosure of the % of users whose customer data is used for secondary purposes?	The percentage of users whose customer data is used for secondary purposes is not available. However, we provide simple customer information for CX evaluation: number, name, and category.  As per our standard practice, we do not provide any entity with any banking information about the customer. We only share the customer's name and phone number for the sole purpose of conducting surveys to assess their satisfaction with the service provided by the Bank.  This information is not used for any other purpose beyond measuring customer experience.
97	Do you disclose the total number of substantiated complaints received concerning breaches of customer privacy in the last financial year?	Yes, Section 4.2.
98	Do you disclose the total number of substantiated complaints received concerning breaches of customer privacy in the last financial year, with categorization into complaints received from regulatory bodies and those from other outside parties.	Yes, Section 4.2.
99	Does your company integrate ESG aspects in its wholesale/corporate/investment banking business? Including: A) credit / lending, and B) advisory and/or origination	Yes, Section 5.2, 5.4 outlines our practices in integrating ESG aspects for these topics.
100	Does your company integrate ESG aspects into its approach for financing large-scale projects? Including: A) Equator Principles, B) monitoring compliance, C) review, and D) transparency.	Plans to integrate are mentioned in Section 5.4.
101	Does your bank ensure compliance with Equator Principles (EP) or with another internal/external ESG framework?	Not yet. We are planning on becoming a signatory to sustainability-related frameworks in the upcoming years.
102	Does your bank offer products or services which provide an added social value compared to standard products/services (e.g., special services/ products for underprivileged social groups or regions, or with a special focus on developing countries, such as affordable current account, microfinance projects etc.)?	Yes, Section 5.2.
103	Does your company offer ESG products and/or services within its asset management business segment, or consider ESG aspects in asset management? (i.e., sustainable investment products within asset management business segment)	Yes, Section 5.2.

#	Indicator	Answers
104	Does your company integrate ESG aspects in its retail banking business?	Continuously Promoting Digital Services: Reducing paper usage and energy consumption associated with traditional branch operations for most transactions. Encouraging Online Account Opening: Added more accounts in July 2024 that can be opened online, cutting down on paper usage. Recycled Plastic Credit & Prepaid Cards: We issue credit and prepaid cards made from recycled plastic, helping lower the carbon footprint and waste.
105	Does your company offer ESG products and/or services within its wholesale/corporate/investment banking business segment?	Support for SMEs: A portion of our CBG portfolio's financing is dedicated to supporting small and medium-sized enterprises (SMEs), which play a crucial role in driving economic growth.  Yes - we are active lenders in the green financing space.  DCM offers Sukuk Issuers supportive ESG-friendly solutions by extending its underwriting commitment in ESG-friendly Sukuk, promoting the reduction of carbon footprint, the raising of the social awareness bar and the support of sustainability across the Sukuk space. Furthermore, DCM at Warba Bank promotes ESG-friendly solutions to its internal asset managers and PB Clients by giving them access to ESG-friendly Sukuk liquidity in secondary markets.  Continuously promoting Digital Services: Reducing paper usage and energy consumption associated with traditional branch operations for most transactions.  Encouraging Online Account Opening: Added more accounts in July 2024 that can be opened online cutting down on paper usage.  Recycled Plastic Credit & Prepaid Cards: We issue credit and prepaid cards made from recycled plastic, helping lower the carbon footprint and waste.
106	Does your company offer ESG products and/or services within its wholesale/corporate/investment banking business segment? Specifically: A) climate specific financing and green / ESG credit lines	IBG currently offers investment opportunities, some of which are listed in Section 5.2 to demonstrate a few ESG-related eligible projects.
107	Does your company offer ESG products and/or services within its wholesale/corporate/investment banking business segment? Specifically: C) green / sustainable infrastructure finance Details include: 1) monetary value per product/service category, 2) total value of green and/or sustainable infrastructure projects financed, 3) total value of infrastructure finance, and 4) percentage of green / sustainable infrastructure finance vs. total value of infrastructure finance.	IBG currently offers investment opportunities, some of which are listed in Section 5.2 to demonstrate a few ESG-related eligible projects. However, practices have not yet advanced to track more details on the related topic.
108	Does your company offer ESG products and/or services within its wholesale/corporate/investment banking business segment? Specifically: D) advisory services on ESG topics	DCM offers Sukuk Issuers supportive ESG-friendly solutions by extending its underwriting commitment in ESG-friendly Sukuk, promoting the reduction of carbon footprint, the raising of the social awareness bar and the support of sustainability across the Sukuk space. Furthermore, DCM at Warba Bank promotes ESG-friendly solutions to its internal asset managers and PB Clients by giving them access to ESG-friendly Sukuk liquidity in secondary markets.
109	Does your company offer ESG products and/or services within its retail banking segment? Including: A) green / ESG credit lines and mortgages, B) sustainable investment products in retail banking segment, and C) advisory services on ESG topics.	Yes, details on the current sustainable finance products and services offered are in Section 5.2.
110	Do you report the components of the Basel III Leverage ratio for 2 years? Including: Basel III Tier 1 Capital, Basel III Total exposure (on and off-balance sheet exposure), and Basel III Leverage Ratio.	Yes, based on CBK approval.
111	Are you providing access to financial services (e.g., lending schemes, accounts) for low-income social groups?	Yes, Section 5.3.
112	Are you providing access to financial services (e.g., lending schemes, accounts) for disabled people (e.g., cheques in braille, talking ATMs).	Yes, Section 5.3.
113	Promoting the use of mobile phone banking for disadvantaged social groups to increase access to banking services?	Yes, Section 5.3.
114	Are you providing microfinance to small-sized businesses or to underprivileged social groups, or providing finance or know-how to microfinance institutions?	Yes, Section 5.3.
115	Does the bank have an effective code of ethics program? (i.e., commitment to address major ethics risks, incident investigation and corrective actions, operating guidelines, managerial responsibility for business ethics issues, ethical risks assessments, and measures to deter non-compliance and reduce exposure to unethical opportunities)	Yes, Section 3.3.
116	Does the company have mechanisms in place to ensure effective implementation of the company's codes of conduct (e.g., compliance system)?	Yes, Section 3.3.
117	Is there disclosure that responsibilities, accountabilities, and reporting lines are systemically defined in all divisions and group companies?	Yes, Section 3.3.
118	Is there disclosure of dedicated help desks, focal points, ombudsman, or hotlines concerning the code of conduct?	Yes, Section 3.4.
119	Is there disclosure of compliance linked to employee remuneration?	Through Basel 3 and the Annual Report
120	Is there a compliance system certified / audited / verified by third party?	No, but ICR external auditor reviews compliance and governance division.

#	Indicator	Answers
121	Does the group-wide code of conduct policy specifically include: corruption and bribery?	Yes, Section 3.4.
122	Does the group-wide code of conduct policy specifically include: discrimination?	Yes, Section 3.3.
123	Does the group-wide code of conduct policy specifically include: confidentiality of information?	Yes, Section 3.3. Confidentiality of information is also reflected in Section 4.2.
124	Does the group-wide code of conduct policy specifically include: conflicts of interest?	Yes, Section 3.3. Furthermore, a dedicated policy specifically addressing conflicts of interest is available to all employees.
125	Does the group-wide code of conduct policy specifically include: anti money-laundering (AML) and/or insider trading / dealing?	Yes, Section 3.3.
126	Does the group-wide code of conduct policy specifically include: environment, health, and safety (HSE)?	Yes, the Code of Business Conduct and Ethics Policy prioritizes health and safety, placing the highest value on the well-being of its employees. (2.7.19).
127	Does the group-wide code of conduct policy specifically include: whistleblowing?	Yes, the Code of Business Conduct and Ethics Policy includes provisions on whistleblowing protection 2.7.16. Additionally, a dedicated policy specifically addressing whistleblowing is available under the Corporate Governance Policies.
128	Is there disclosure of the % of employees covered by the code of conduct?	Yes, Section 3.3.
129	Is there disclosure of the % of employees' written or digital acknowledgment of code of conduct?	New joiners are to sign an acknowledgement of the Code of Business Conduct and Ethics, which is done through HR (Onboarding Team). Therefore, acknowledgement records are maintained by HR rather than C&GD.
130	Is there disclosure of the % of employees trained in the code of conduct?	Regulatory Awareness through KAYAN App, which is accessible to all employees, serves as a training tool for employees on the Code of Conduct.
131	Is there a policy that addresses child labor rights?	Yes. Our Human Rights Statement follows Kuwait Labor Law No 6 2010 Section 3, and child labor laws. The Statement is publicly available: https://warbabank.blob.core.windows.net/files/Library/Assets/Gallery/files/Human%20Rights%20Statement%20-%20Warba%20Bank.pdf
132	Does the company have a policy to ensure the respect of human rights in general?	Yes, Section 3.2, and via the public <u>link</u>
133	Do you disclose a human rights policy that includes a statement of commitment to respect human rights in accordance with internationally accepted standards?	Yes, Section 3.2, and via the public <u>link</u>
134	Do you disclose a human rights statement of commitment that addresses forced labor	Yes, Section 3.2, and via the public link
135	Do you disclose a human rights statement of commitment that addresses: discrimination?	Yes, Section 3.2, and via the public <u>link</u>
136	Does the human rights policy cover requirements from the company's own operations (employees, direct activities, products, or services)?	Yes, Section 3.2, and via the public <u>link</u>
137	Does the human rights policy cover the requirements from the company's suppliers?	Yes, Section 3.2, and via the public <u>link</u>
138	Does the human rights policy cover the requirements from the company's partners?	Yes, Section 3.2, and via the public <u>link</u>
139	Have you conducted a human rights assessment of potential human rights issues across your past activities in the past 3 years?	No human rights violations have occurred in the past three years. Our HR Policy ensures human rights practices are reflected in all its activities. For more information visit Section 3.2.
140	Do you publicly report on human rights mitigation and remediation actions?	Yes, but there were no cases in 2024 that required mitigation and remediation actions. If it occurs, it will be disclosed.
141	Has your company conducted a materiality analysis to identify the most important material issues (economic, environmental, or social) for your company's performance?	Yes, Section 2.1.
142	Do you publicly disclose details of your materiality analysis, including information on how you conduct the materiality analysis process and your progress towards your targets or metrics?	Yes, Section 2.1 and in line with the GRI Standards.
143	Has your company disclosed materiality analysis results, including the relevant material issues, business case, business impacts, business strategies, long-term target / metric, and target year?	Yes. This information is disclosed annually in Warba Bank's Sustainability Report.

#	Indicator	Answers
144	Does your company value the positive/negative ESG externalized impacts of its business operations, products, and services on stakeholders?	Yes, Section 6.1.
145	Does the company disclose the total amount of corporate or group donations / community investments made to different parties, including charities and registered not-for-profits organizations, with currency?	Yes, this is sent to the Kuwait Banking Association (KBA).
146	Does your company have a group-wide strategy that provides guidance to your corporate citizenship/philanthropic activities?	Yes, under our Corporate Communication Policy CSR priorities are outlined, and aligned with overall corporate strategy.
147	Does your company have a group-wide strategy that provides guidance to your corporate citizenship/philanthropic activities, and is aligned with the overall corporate strategy?	Yes, under our Corporate Communication Policy CSR priorities are outlined, and aligned with overall corporate strategy.
148	Does your company have a group-wide strategy that provides guidance to your corporate citizenship/philanthropic activities, and is aligned with the 17 UN Sustainable Development Goals?	Yes, relevant SDGs are found in Section 1.1.
149	Do you disclose the following as part of your corporate citizenship policy: priorities?	Yes, we disclose. CSR is under the Corporate Communication Policy. Priorities are identified within the Corporate Communication Policy.
150	Does your company report on the different types of corporate and/or philanthropic contributions?	Yes, Section 6.1.
151	Has your company conducted external assurance in relation to your company's sustainability / ESG / social reporting?	Not yet. However, we are pursuing GRI for this year's 2024 Sustainability Report.
152	Does the company address non-discrimination / equal opportunity in general?	Yes, this is covered by HR Policy, and the newly released Diversity & Inclusion Policy, and Employee Handbook. Additionally, general principles for customer protection at the Bank cover these topics. For more information visit Section 3.2.
153	Is the reporting boundary specified?	Yes, it is disclosed in our annual Sustainability Report.
154	Does the reporting boundary specify whether companies covered are full ownership, or have a percentage of financial control through a % of voting rights?	Yes, ownership structure is disclosed in the Annual Report, and Sustainability Report. For more information visit Section 1.2 on ownership structure.
155	Are extra-financial reporting aligned with public financial accounting boundaries?	Yes, extra-financial reporting is aligned with public financial accounting boundaries. In other words, the reporting boundaries of the Annual Report and Sustainability Report are the same.
156	Does the company have a public group-wide non-discrimination and anti-harassment policy? Including: *List of the types of discrimination the company is committed to eliminate *Reference to the ILO conventions *Commitment to ensure equal opportunity	Yes, this is covered by HR Policy, and the newly released Diversity & Inclusion Policy, and Employee Handbook. Additionally, general principles for customer protection at the Bank cover these topics.
157	Do you have explicit statements prohibiting sexual harassment?	Yes, Section 3.2.
158	Do you have explicit statements prohibiting non-sexual harassment?	Yes, Section 3.2.
159	Do you have a zero-tolerance policy for discrimination?	Yes, Section 3.2.
160	Do you conduct trainings for all employees on discrimination and harassment in the workplace?	Yes, Section 3.2.
161	Do you have defined escalation process for reporting incidents?	Yes., Section 3.2. There are three types of incidents. The incidents that are related to the Code of Conduct are directly reported to CHRO. The incidents related to whistle blower are being handled by the Chairman directly as per CBK Instructions. The incidents related to operations are being handled by Operation Risk. Based on Operation Risk review the escalation can go up to an investigation committee.
162	Do you have corrective or disciplinary action taken in case of discriminatory behavior or harassment?	Section 3.2
163	Do you disclose the number of incidents of discrimination and harassment reviewed?	No incidents in 2024.
164	Does the bank disclose having an effective total turnover rate (%)? (current year)	Yes, Details shared with the CBK and KBA.
165	Does the company disclose the turnover rate (%) of full-time voluntary turnover? (current year)	Yes, Details shared with the CBK and KBA.
166	Does the company disclose the total turnover rate (%)? (at least 3 years back)	Yes, Details shared with the CBK and KBA.

#	Indicator	Answers
167	Does the company disclose the turnover rate (%) of full-time voluntary turnover? (3 years back)	Yes, Details shared with the CBK and KBA.
168	Do you disclose the % data coverage of turnover rate information out of total full-time employees (FTEs)? (current year)	Yes, 100% covered.
169	Do you disclose the % data coverage of turnover rate information out of total full-time employees (FTEs)? (3 years back)	Yes, 100% covered.
170	Is employee turnover data categorized into: age group?	N/A
171	Is employee turnover data categorized into: gender?	Yes, annually through the Sustainability Report.
172	Is employee turnover data categorized into: race, ethnicity, nationality, country of origin or cultural background?	Yes, at the Bank this is categorized under nationality.
173	Does your company have individual performance appraisals used for individual performance-related compensation?	Yes, Section 3.1.
174	Do you disclose the % of employees going through the following type of performance appraisal: management by objectives (systematic use of agreed measurable targets by line superior)?	Yes, Section 3.1.
175	Do you disclose the % of employees going through the following type of performance appraisal: Formal comparative ranking of employees within one employee category?	We disclose the percentage of employees undergoing formal comparative ranking within specific employee categories only to relevant stakeholders who would benefit from such reports. These stakeholders include internal teams and departments that utilize this data for case studies and performance analysis. Additionally, similar comparative evaluations are conducted internally, where employees are often grouped based on their objectives to facilitate targeted performance management and development.
176	Does your company disclose the percentage of actively engaged employees based on your company's scaled employee engagement surveys? (current year)	Yes, Section 3.2. Additionally, 80%. The Satisfaction NPS score was 66 in 2024, which was a total increase of 25 points compared to 2023, when the eNPS score was 41.
177	Does your company disclose the current target percentage of actively engaged employees based on your company's scaled employee engagement surveys?	Yes, it was disclosed to executive management targeting to improve OHI which is part of their annual KPI. For 2024 the target was a 1-point increase, and actually a 2-point increase was achieved.
178	Is employee engagement data publicly reported?	Yes, part of our Annual Institutional Capabilities, and Sustainability Report.
179	Do you disclose the methodology applied for employee engagement surveys?	Yes, Section 3.2 provides a high-level overview of methodology for employee engagement surveys.
180	Do you disclose the total number of employees as reported by the company?	Yes, details are disclosed to CBK and KBA and through our Sustainability Report annually.
181	Do you disclose the number of new employee hires (for the current year)?	Yes, details are disclosed to CBK and KBA and through our Sustainability Report annually.
182	Do you disclose the number of new employee hires (for 3 years back)?	Yes, details are disclosed to CBK and KBA and through our Sustainability Report annually.
183	Do you disclose the % of open positions filled by internal candidates (internal hires) (current year)?	We give priority to internal hires to fill vacancies if available. We do not disclose the number. However, the number of vacancies filled within the organization in 2024 was 42.
184	Do you categorize new hires and internal hires data into: management level (i.e., junior/low level, middle, senior/top level management)?	Yes, details are shared with CBK and KBA. This is also disclosed in our Sustainability Report annually. For more information, see Section 3.1.
185	Do you categorize new hires and internal hires data into: race, ethnicity, nationality, country of origin or cultural background?	Yes, details are shared with CBK and KBA. This is also disclosed in the Sustainability Report annually. For more information, see Section 3.1.
186	Is the annual compensation of the Chief Executive Officer disclosed?	Yes, refer to the Annual Report, Compensations of the Bank's Highest Paid Executives section.
187	Is the median or means of annual compensation of all other employees disclosed? (besides the highest paid individual in the company)	Yes, refer to the Annual Report, Compensations of the Bank's Highest Paid Executives section.
188	Do you disclose the % coverage of training and development data out of total full-time employees (FTEs)	Yes, Section 3.2.
189	Does the bank disclose the average training hours provided per employee?	Yes, Section 3.2.
190	Does the company disclose the average amount spent per employee on training and development?	Yes, Section 3.2.
191	Do you break down the training and development data by age group	Our policy does not allow preferencing based on "age" and we only perform this data breakdown to ensure diversity and equal opportunities.
192	Do you break down the training and development data by gender	Our policy does not allow preferencing based on "gender" and we only perform this to ensure diversity while conducting internal reviews to ensure equal opportunities.

#	Indicator	Answers
193	Do you break down the training and development data by management level (e.g., junior/low level, middle, senior/top level management)	Yes, based on training objectives and materials, we define the targeted group level internally, especially for the Leadership Programs.
194	Do you break down the training and development data by race, ethnicity, nationality, country of origin, cultural background	Yes, we prioritize nationals to enhance middle management nationalization and technical skills, as well meet external regulatory requirements.
195	Do you break down the training and development data by type of training	Yes, technical / leadership / soft skill / certification / general / mandatory.
196	Do you disclose information about development programs, including name and description of the program	Yes, some of our development programs are highlighted in our annual Sustainability Report. For more information see Section 3.1.
197	Do you disclose information about development programs, including description of program objective or business benefits	Yes, some of our development programs are highlighted in our annual Sustainability Report. For more information see Section 3.1.
198	Does the company disclose the percentage of global staff with a disability / special need?	We disclose staff with special needs, not classified as global / local staff.
199	Does the company disclose the percentage of women in the global workforce?	Yes, Section 3.1.
200	Do you disclose the % data coverage of special needs employees out of total full-time employees (FTEs)?	Yes, we disclose. For this year, the Bank has 1 employee with special needs.
201	Do you disclose the % of employees (out of total full-time employees) under 30 years old?	Yes, Section 3.1.
202	Do you disclose the % of employees (out of total full-time employees) between 30 - 50 years old?	Yes, Section 3.1.
203	Do you disclose the % of employees (out of total full-time employees) over 50 years old?	Yes, Section 3.1.
204	Do you disclose the % coverage of age groups data out of total full-time employees (FTEs)?	Yes, Section 3.1.
205	Do you disclose the % share of each race, ethnicity, and nationality in the workforce? (i.e., Asian, Black, or African, Hispanic, or Latino, White, Indigenous or Native, etc.)	Yes, the Bank discloses nationality as local or foreign. For more information visit Section 3.1.
206	Do you disclose the % share of each race, ethnicity, and nationality in the management positions, including junior, middle, and senior management, out of total management? (i.e., Asian, Black, or African, Hispanic, or Latino, White, Indigenous or Native, etc.)	Yes, the Bank discloses nationality as local or foreign. For more information visit Section 3.1.
207	Do you disclose the % coverage of race, nationality, and ethnicity data as % of full-time employees (FTEs)?	Yes, the Bank discloses nationality as local or foreign. For more information visit Section 3.1.
208	Does your bank disclose the percentage of females in all management's positions (including junior, middle, and senior management) out of total management workforce?	Yes, details are shared with CBK and KBA and Sustainability Report annually. For more information visit Section 3.1.
209	Do you monitor gender related indicators?	Yes, this is internally monitored by the Bank.
210	Do you disclose the % of gender data reported as a % out of full-time employees (FTEs)?	Yes, details are shared with CBK and KBA and Sustainability Report annually. For more information visit Section 3.1.
211	Do you disclose the public target of the % share of women in the workforce, with a target year?	We report to the regulators the achievements and incremental changes of percentages without targets.
212	Does your bank ensure effective management (e.g., execution of mitigation and prevention measures) of health risks/ issues?	Through "a must" periodic HSE Inspections, risk is addressed, hence a healthy and safe environment for all Warba Bank's employees and visitors are maintained.
213	Do you disclose a target with a target year for the share of women in all management positions (including junior, middle, and top management) as a % out of total management positions?	We report the achievements and incremental changes of percentages without targets.
214	Do you disclose the % share of women in junior management positioni.e., first level of management (as % of total junior management positions)	Yes, details are shared with CBK and KBA and Sustainability Report annually. For more information visit Section 3.1.
215	Do you disclose the target and target year for the % share of women in junior management positioni.e., first level of management (as % of total junior management positions)	We report the achievements and incremental changes of percentages without targets.
216	Do you disclose the % share of women in top management positions, i.e., maximum two levels away from the CEO or comparable positions (as % of total top management positions)	We report the achievements and incremental changes of percentages without targets.
217	Do you disclose the target and target year for the % share of women in top management positions, i.e., maximum two levels away from the CEO or comparable positions (as % of total top management positions)	We report the achievements and incremental changes of percentages without targets.
218	Do you ensure effective occupational health and safety (OHS) oversight through: Prioritization and action plans with quantified targets for business unit managers?	Yes, Section 3.4.

#	Indicator	Answers
219	Do you ensure effective occupational health and safety (OHS) oversight through: Discussion of health issues/risks' documentation between human resources and managers' business units on a regular basis, and between OHS department and the executive management/board of directors on at least a quarterly basis.	Yes, Section 3.4.
220	Do you ensure effective occupational health and safety (OHS) oversight through: Evaluation of progress in reducing/preventing health issues/risks against targets	Yes, Section 3.4.
221	Do you ensure effective occupational health and safety (OHS) oversight through: Internal inspections, consultations by OHS specialists	Yes, Section 3.4.
222	Do you ensure effective occupational health and safety (OHS) oversight through: Independent external verification of health, safety, and well-being	Yes, Section 3.4.
223	Do you ensure effective occupational health and safety (OHS) oversight through: Targets embedded in performance appraisal and remuneration of management, e.g., responsible line managers, responsible member of executive management and CEO.	Through the Organizational Health Index KPI. We also use internal surveys for general services assessments.
224	Does your company record absentee rates for employees and contractors for the past four years? (expressed as % of total days scheduled)	Records are internally available, and analysis is conducted whenever required.
225	Does your company provide special training and/or measures to improve employees' health and well-being?	Yes, Section 3.2.
226	Does your company provide flexible working hours to employees?	Yes, Section 3.2.
227	Does your company provide working from home arrangements?	Yes, Section 3.2.
228	Does your company provide paid maternity leave in excess of legally required minimum?	Yes, Section 3.2.
229	Does your company provide paternity leave in excess of legally required minimum?	Yes, Section 3.2.
230	Is there disclosure of the total revenue?	Yes, in the Annual Report and the Sustainability Report. For more information visit Section 1.2.
231	Does your company measure customer satisfaction with the unit "% of satisfied customers out of total number of customers responding to the survey"?	Yes, we measure customer satisfaction as the "% of satisfied customers out of the total number of survey respondents." This is done through monthly satisfaction surveys, where we ask customers to rate their experience with our services. The percentage is calculated by dividing the number of satisfied responses by the total responses received and multiplying by 100. This approach helps us monitor and improve service quality effectively. More information is located in Section 6.1.
232	Does your company monitor and set quantitative targets to improve customer satisfaction and are targets and results communicated externally?	Yes, Section 6.1.
233	Is there disclosure of the % of satisfied customer respondents out of total number of respondents to the customer satisfaction survey? (for the past 4 years)	Yes, Section 6.1.
234	Is there disclosure of the target % of satisfied customer respondents out of total number of respondents to the customer satisfaction survey? (for the current year)	Yes, Section 6.1.
235	Is there disclosure of the total revenue broken up among business activities?	No. However, there is a Note on Financial Statement that provides Net Operating Income and Net Profit broken down by Segment Activities.
236	Is there disclosure of the % of revenue from the business activity over total revenues?	No. However, there is a Note on Financial Statement that provides Net Operating Income and Net Profit broken down by Segment Activities.

## 7.3 IFRS S1 and S2

S1/S2	Topics	Answers
S1	Does the company disclose about the governance body(s) (which can include a board, committee, or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities?	Yes, Section 3.4 and 3.5.
S1	Does the company disclose the management's role in governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related risks and opportunities?	Yes, this information can be found in our annual Sustainability Report. Furthermore, you can find our <u>Sustainable Finance Framework</u> which includes a section that specifically mentions Warba Bank's ESG Governance and Risk Management (1.2): A summary of the roles and responsibilities of the BoD, BRC, and ALCO is in Section 3.5
S2	Does the company describe the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities?	Yes, this information can be found in our annual Sustainability Report. Furthermore, you can find our <u>Sustainable Finance Framework</u> on our website which includes a section that specifically mentions Warba Bank's ESG Governance and Risk Management (1.2).  More information on the BoD, BRC, and ALCO roles is in Section 3.5.
S2	Does the company describe management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities?	Yes, this information can be found in our annual Sustainability Report. Furthermore, you can find our <u>Sustainable Finance Framework</u> on our website, which includes a section that specifically mentions Warba Bank's ESG Governance and Risk Management (1.2).  More information on the BoD, BRC, and ALCO roles is in Section 3.5.
S1	Does the company disclose the sustainability-related risks and opportunities that could reasonably be expected to affect its prospects?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities covering all business operations and the entire risk management framework which could reasonably be expected to affect its prospects.
S1	Does the company disclose the current and anticipated effects of those sustainability-related risks and opportunities on its business model and value chain?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. Current and anticipated effects of those sustainability-related risks and opportunities on the Bank's business model and value chain will be provided through upcoming stress testing and ICAAP model executions.
S1	Does the company disclose the effects of those sustainability-related risks and opportunities on its strategy and decision-making?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. Once identified, the effects of those sustainability-related risks and opportunities may require the Bank to adjust, enhance, and develop processes, procedures, and practices. In addition, informing the Board of Directors and senior management to understand the trade-off between risk and reward and incorporate this understanding in the formulation and execution of the bank strategy.
S1	Does the company disclose the effects of those sustainability-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and their anticipated effects on its financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into its financial planning?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company disclose the resilience of its strategy and its business model to those sustainability-related risks?	Not disclosed yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The resilience of the Bank's strategy and its business model to sustainability-related risks will be determined by gathering and analyzing data through multiple ways such as ESG Corporate Scorecard, stress testing, and ICAAP model executions.
S1	Does the company describe sustainability-related risks and opportunities that could reasonably be expected to affect its prospects?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities covering all business operations and the entire risk management framework which could reasonably be expected to affect its prospects. General definitions have been developed which might be changed and enhanced over time.
S1	Does the company specify the time horizons—short, medium, or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur?	No disclosure yet. The Bank intends to gather sustainability data from stress testing, ICAAP model executions, and other methods to specify time horizons of sustainability-related risks and opportunities.
S1	Does the company explain how the entity defines 'short term, 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by it for strategic decision-making?	No disclosure yet. Further development on the matter will be determined over time while enhancing the Bank's risk management framework, business practices, and operations in relation to sustainability.

S1/S2	Topics	Answers
S1	Does the company provide a description of the current and anticipated effects of sustainability-related risks and opportunities on its business model and value chain?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. Current and anticipated effects of those sustainability-related risks and opportunities on the Bank's business model and value chain will be provided in the future.
S1	Does the company describe where in its business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities, and types of assets)?	No disclosure yet. Description of the matter will be developed/determined through the collection of sustainability data from various sources.
S1	Does the company disclose how it has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The Bank will ensure that the tolerance for sustainability-related risks and opportunities is reflected in its risk strategy. In addition, the Bank will leverage ESG Corporate Scorecard to gather sustainability data to inform risk strategy. Finally, the Bank understands that emerging sustainability-related risks may require it to adjust, enhance, and develop processes, procedures, and practices.
S1	Does the company disclose the progress against plans it has disclosed in previous reporting periods, including quantitative and qualitative information?	Yes, the Bank discloses progress and developments on the sustainability aspects, including quantitative and qualitative information through annual sustainability reporting, press releases, analyst calls, and Boursa Kuwait disclosures.
S1	Does the company disclose the trade-offs between sustainability-related risks and opportunities that it considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community)?	No disclosure yet. The Bank is still advancing its internal sustainability practices and has not arrived at integrating this topic into current practice.
S2	Does the company disclose the effects of climate-related risks and opportunities on its financial position, financial performance, and cash flows for the reporting period (current financial effects)?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into its financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company disclose the anticipated effects of sustainability-related risks and opportunities on its financial position, financial performance, and cash flows over the short, medium, and long term, taking into consideration how sustainability-related risks and opportunities are included in its financial planning (anticipated financial effects)?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company describe how sustainability-related risks and opportunities have affected the financial position, financial performance, and cash flows for the reporting period?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact on the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company describe the sustainability-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact on the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company describe how it expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration: i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans it is not contractually committed to; and ii) its planned sources of funding to implement its strategy	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact on the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.

S1/S2	Topics	Answers
S1	Does the company describe how it expects its financial performance and cash flows to change over the short, medium, and long term, given its strategy to manage sustainability-related risks and opportunities?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how sustainability-related risks and opportunities are likely to impact on the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S1	Does the company disclose information that enables users of general-purpose financial reports to understand the capacity to adjust to the uncertainties arising from sustainability-related risks?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. The Bank intends to disclose its sustainability performance with public reporting activities which will enable users of general-purpose financial reports to understand the capacity to adjust to the uncertainties arising from sustainability-related risks.
S1	Does the company disclose a qualitative and, if applicable, quantitative assessment of the resilience of the strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address sustainability-related risks and opportunities. Future qualitative and, if applicable, quantitative assessment of the resilience of the strategy and business model in relation to sustainability-related risks will be provided through upcoming stress testing, ICAAP model executions, and other methods.
S2	Does the company disclose climate-related risks and opportunities that could reasonably be expected to affect its prospects?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities covering all business operations and the entire risk management framework which could reasonably be expected to affect its prospects. The Bank is developing a description of climate-related risk and classifying it as either physical or transitional, a description of the impact associated with the climate risk, looking into the financial implications of the climate-related risk before actions are taken, methods used to manage the climate-related risk, and cost of actions taken to manage the climate-related risk.
S2	Does the company disclose the current and anticipated effects of those climate-related risks and opportunities on its business model and value chain?	Not yet disclosed. The Bank has not yet formally disclosed the current or anticipated effects of climate-related risks and opportunities on its business model and value chain. However, the Bank acknowledges the material relevance of climate-related risks and is taking steps to understand and integrate these impacts into core risk and strategy assessments. The Bank currently covers climate-related risks, including corporate credit risk exposures related to greenhouse gas intensity and transition risk. This is integrated into the Bank's ICAAP model. These efforts are expected to contribute to future insights into how climate-related risks may impact customer segments, financing activity, sectoral exposure, and geographical concentration — key elements of the Bank's value chain and business model. No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. Once identified, the effects of those climate-related risks and opportunities may require the Bank to adjust, enhance, and develop processes, procedures, and practices. In addition, informing the Board of Directors and senior management to understand the trade-off between risk and reward and incorporate this understanding in the formulation and execution of the Bank strategy. Warba Bank's climate-related transition involves monitoring, reduction, and mitigation, developing a roadmap, and long-term sustainability.
S2	Does the company disclose the effects of those climate-related risks and opportunities on its strategy and decision-making, including information about its climate-related transition plan?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing sustainability-related risks, including physical and transitional climate risks that may impact the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company disclose the effects of those climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and their anticipated effects on its financial position, financial performance and cash flows over the short, medium and long term (while taking into consideration how those climate-related risks and opportunities have been factored into its financial planning)?	Not disclosed yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The resilience of the Bank's strategy and its business model to climate-related risks will be determined by gathering and analyzing data through multiple ways such as ESG Corporate Scorecard, stress testing, and ICAAP model executions.
S2	Does the company disclose the climate resilience of its strategy and business model to climate-related changes, developments, and uncertainties, taking into consideration its identified climate-related risks and opportunities?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities covering all business operations and the entire risk management framework which could reasonably be expected to affect its prospects. The Bank is developing a description of climate-related risk and classifying it as either physical or transitional, a description of the impact associated with the climate risk, looking into the financial implications of the climate-related risk before actions are taken, methods used to manage the climate-related risk, and cost of actions taken to manage the climate-related risk.
S2	Does the company describe climate-related risks and opportunities that could reasonably be expected to affect its prospects?	Not disclosed yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The Bank is planning on identifying and assessing climate-related risks and they will be grouped under climate-related physical risks or climate-related transition risks.
S2	Does the company explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk?	No disclosure yet. The Bank intends to gather climate data from stress testing, ICAAP model executions, and other methods to specify time horizons of sustainability-related and climate-related risks and opportunities.
S2	Does the company specify, for each climate-related risk and opportunity it has identified, over which time horizons—short, medium, or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur?	No disclosure yet. Further development on the matter will be determined over time while enhancing the Bank's risk management framework, business practices, and operations in relation to climate.

S1/S2	Topics	Answers
S2	Does the company explain how it defines 'short term,' medium term' and 'long term' and how these definitions are linked to the planning horizons it uses for strategic decision-making?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. Current and anticipated effects of those climate-related risks and opportunities on the Bank's business model and value chain will be provided through upcoming stress testing and ICAAP model executions.
S2	Does the company describe the current and anticipated effects of climate-related risks and opportunities on its business model and value chain? Does the company describe where climate-related risks and opportunities are concentrated in its business model and value chain? (for example, geographical areas, facilities, and types of assets)  Does the company disclose:  (a) information about how it has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how it plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation?  (b) information about how it is resourcing, and plans to resource, the activities disclosed?  (c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods?	No disclosure yet. Description of the matter will be developed/determined through the collection of climate-related data from various sources.
S2	Does the company disclose the effects of climate-related risks and opportunities on its financial position, financial performance, and cash flows for the reporting period (current financial effects)?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The Bank will ensure that the tolerance for climate-related risks and opportunities is reflected in its risk strategy. The Bank will leverage the ESG Corporate Scorecard to gather sustainability data to inform risk strategy. Furthermore, the Bank understands that emerging climate-related risks may require the Bank to adjust, enhance, and develop processes, procedures, and practices. Warba Bank may use science-based targets and other metrics in the future to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. The Bank will integrate sustainability considerations into the Bank's financing structures, investment, and financing decisions, risk frameworks, to foster responsible banking practices that align with best practices. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank discloses progress and developments on the sustainability aspects, including quantitative and qualitative information through annual sustainability reporting, press releases, analyst calls, and Boursa Kuwait disclosures.
S2	Does the company disclose the anticipated effects of climate-related risks and opportunities on its financial position, financial performance, and cash flows over the short, medium, and long term (while taking into consideration how climate-related risks and opportunities are included in its financial planning (anticipated financial effects)?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company disclose how climate-related risks and opportunities have affected its financial position, financial performance, and cash flows for the reporting period?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company disclose the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company disclose how it expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:  (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the company is not contractually committed to; and (ii) its planned sources of funding to implement its strategy?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact the Bank's future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on its financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company disclose how it expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation)?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.

S1/S2	Topics	Answers
S2	Does the company disclose information that enables users of general-purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments, and uncertainties, taking into consideration its identified climate-related risks and opportunities?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The following are the latest developments. The Bank is looking into the development of mechanisms to better understand how climate-related risks and opportunities are likely to impact its future financial position and for this to be reflected in its income statement, cash flow statement, and balance sheet. The Bank is working on systematically identifying and assessing climate-related risks that may impact on the Bank's financial stability. In addition, the Bank is interested in assessing the materiality of sustainability factors into the Bank's financing structures, investment, and financial decisions, and evaluation of the potential financial risks and impacts on the Bank's overall portfolio.
S2	Does the company use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with its circumstances?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The Bank intends to disclose its sustainability performance with public reporting activities which will enable users of general-purpose financial reports to understand the resilience of the Bank's strategy and business model to climate-related changes, developments, and uncertainties, taking into consideration its identified climate-related risks and opportunities. In addition, future qualitative and, if applicable, quantitative assessment of the resilience of the strategy and business model in relation to climate-related risks will be provided through upcoming stress testing, ICAAP model executions, and other methods. No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The Bank intends to use climate-related scenario analysis in upcoming years to assess its climate resilience using approaches that commensurate with its circumstances. The Bank will leverage climate change scenarios published by reputable sources such the International Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS).
S2	Does the company disclose: (a) its assessment of its climate resilience as at the reporting date (b) how and when the climate-related scenario analysis was carried out	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. The Bank's assessment of its climate resilience will be determined by gathering and analyzing data through multiple ways such as ESG Corporate Scorecard, stress testing, and ICAAP model executions. The Bank intends to use climate-related scenario analysis in upcoming years to assess its climate resilience using approaches that commensurate with its circumstances.
S2	Does the company disclose its absolute gross greenhouse gas emissions (Scope 1) generated during the reporting period, expressed as metric tonnes of CO2 equivalent?	Yes, Section 4.3.
S2	Does the company disclose its absolute gross greenhouse gas emissions (Scope 2) generated during the reporting period, expressed as metric tonnes of CO2 equivalent?	Yes, Section 4.3.
S2	Does the company disclose its absolute gross greenhouse gas emissions (Scope 2) generated during the reporting period, expressed as metric tonnes of CO2 equivalent?	Yes, Section 4.3 provides the total GHG emissions for Scope 2, in comparison to last year.
S2	Does the company measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdiction authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	Yes, Warba Bank discloses its GHG emissions in reference to the GHG Protocol. More information on methodology can be found in Section 4.3
S2	Does the company disclose the approach it uses to measure its greenhouse gas emissions including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	<ol> <li>and 3) Yes, Section 4.3.</li> <li>Measurements, methodology, and assumptions made where applicable, are in Section 4.3.</li> </ol>
S2	Does the company disclose for each climate-related target: (a) the metric used to set the target (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) any milestones and interim targets; (g) if the target is quantitative, whether it is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. Warba Bank may use science-based targets and other metrics in the future to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.

S1/S2	Topics	Answers
S2	Does the company disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:  (a) whether the target and the methodology for setting the target has been validated by a third party;  (b) the entity's processes for reviewing the target;  (c) the metrics used to monitor progress towards reaching the target; and  (d) any revisions to the target and an explanation for those revisions?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. Warba Bank aims to gather climate-related data to inform future setting, reviewing, and monitoring of climate-related targets.
S2	Does the company disclose information about its performance against each climate-related target and an analysis of trends or changes in its performance?	No disclosure yet. The Bank's risk management framework recently adopted policies that aim to identify, assess, mitigate, and address climate-related risks and opportunities. Warba Bank aims to gather climate-related data to inform future setting, reviewing, and monitoring of climate-related targets.
S2	Does the company disclose for each greenhouse gas emissions target disclosed:  (a) which greenhouse gases are covered by the target.  (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.  (c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the company discloses a net greenhouse gas emissions target, it is also required to separately disclose its associated gross greenhouse gas emissions target  (d) whether the target was derived using a sectoral decarbonization approach.  (e) the company's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.	No disclosure on targets yet. Warba Bank does disclose greenhouse gas emissions (Scope 1, 2, and 3) annually. However, we do not have specific targets in place. As Warba Bank started collecting data in 2022 we wanted to have at least three years of data before setting targets.

#### Additional ESG Disclosures 7.4.1 **SASB**

#	Topics	Answers
1	Please provide description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis.	Section 5.2
2	Description of the approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Stress test results are considered an integral factor for capital planning and business strategy.
3	1.1 Number of unique consumers with an active credit card account	12,394
4	1.2 Number of unique consumers with an active pre-paid debit card account	8,948
5	2.1 Number of credit card accounts	14,829
6	2.2 Number of pre-paid debit card accounts	10,157
7	1.1 Number of checking and savings accounts by segment: (a) personal and (b) small business	Personal accounts 965 SME clients 194
8	1.2 Value of checking and savings accounts by segment: (a) personal and (b) small business	Personal KD 26,227,671 SME KD 7,539,501
9	2.1 Number of loans by segment: (a) personal, (b) small business, and (c) corporate	Personal 282 SME 121 Corporate 379

#	Topics	Answers
10	2.2 Value of loans by segment: (a) personal, (b) small business, and (c) corporate	Personal KD 671,320,035 SME KD 39,351,710 Corporate KD 1,920,907,068
11	1.1 Number of unique consumers with an active credit card account	0
12	1.2 Number of unique consumers with an active pre-paid debit card account	148
13	2.1 Number of credit card accounts	0
14	2.2 Number of pre-paid debit card accounts	279
15	Percentage of total remuneration for covered employees that is variable and linked to the number of products and services sold	Such remuneration is applied to the BEYOND segment staff and represents 5 to 6% of total CBG incentives & bonuses.
16	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products.	None
17	Number of account holders whose information is used for secondary purposes.	None
18	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	N/A
19	Operations in business segments with high/moderate/low levels of employee specialization, education and qualification needs	Section 3.1
20	Operations in business segments with high/moderate/low levels of compensation per employee	Section 3.1
21	Number of data breaches	0
22	Percentage involving personally identifiable information (PII)	0
23	Number of account holders affected	0
24	Number of complaints received from outside parties and substantiated by the company	0
25	Number of complaints from regulatory bodies	0

# 7.4.2 Other ESG Performance

#	Topics	Answers
1	The company has formal management systems in place to assess ESG risks in financing activities.	Section 3.4
2	The company's management system assesses ESG risks in financing activities.	Section 3.4
3	The company oversees ESG risk management in its financing activities.	Section 3.5
4	The company's board engages in climate-related risk management.	Section 3.2
5	The company conducts climate-related risk analysis.	Section 3.2
6	The company is involved in green bonds.	Section 5.2
7	The company is developing sustainability-related financial products.	Section 5.4
8	The company has been involved in controversial investment controversies, if any.	None
9	The company is involved in lending or underwriting activities.	CBG's main activity is to extend Islamic Sharia-compliant financing. Financing is extended to businesses under multiple economic sectors. Moreover, CBG also owns a financing portfolio of high-net-worth individuals operating in the real estate and Investment sectors. RBG is involved in the following:  1. Express Financing 2. Auto Cash 3. Consumer Financing 4. Construction Financing 5. Alwafi Financing 6. Medical Financing 7. Medical Courses & Programs Financing 8. Buy-Out 9. Auto Financing
10	The company has a debt collection policy.	Section 3.4
11	The company provides employee training on consumer financial protection.	Section 3.1
12	The company has fair advertising policies and procedures for financial products.	Section 6.1
13	The company has financial education initiatives and stakeholder outreach programs.	Section 6.1
14	The company offers loan modification options.	Section 5
15	The company oversees the complaint resolution process.	Section 6.1
16	The company handles financial product complaints according to a set process.	Section 6.1
17	The company oversees financial product or service reviews.	The Bank's CBG constantly seeks feedback from customers on their requirements and concerns regarding our products and service, which are identified and discussed during our periodic customer visits. Moreover, there is a third-party survey conducted on a yearly basis to arrive at wider reviews from clients. On the other hand, CBG reviews the existing portfolio periodically to identify opportunities. This is completed with the support of SFWG and then audited by a third-party external reviewer.

#	Topics	Answers
"		
18	The company is involved in high-risk lending, insurance, or investment products.	The Bank's CBG does not participate in high risk lending due to the small size of the bank. However, CBG would accommodate higher risk SME accounts to support their business activities. The Bank is not involved in high-risk lending or investment products, and all transactions are gone through thoroughly to be as risk averse as possible.
19	The company monitors complaint growth.	6.25%
20	The company has product safety controversies, if any.	There is a SIA retail committee responsible for oversight on the retail banking current and new product / service reviews. Once the concept is endorsed by SIA retail, it then goes to SIA governance, which contains the internal regulatory departments within the Bank to provide their feedback and endorsement (internal process based on RSM discussion meeting).
21	The company has a talent pipeline development strategy.	Section 3.1
22	The company has formal grievance reporting or escalation procedures.	Yes, Section 3.2
23	The company monitors employee satisfaction regularly.	Section 3.2
24	The company has a variable component to pay.	Section 7.1
25	The company offers non-compensation benefits and work/life balance initiatives.	Section 3.1
26	The company conducts regular performance appraisals and feedback processes.	Section 3.1
27	The company provides job-specific development training programs.	Section 3.1
28	The company has leadership training and talent management programs.	Section 3.1
29	The company reports on its annual employee turnover percentage.	23.38%
30	The company has received external recognition as an employer of choice over the last three years, if applicable.	Section on Awards and Recognition
31	The company has discrimination and workforce diversity controversies, if any.	No controversies occurred for this reporting year.
32	A percentage of the company's operations are in business segments with high/moderate/low levels of employee specialization, education, and qualification needs.	High 11.563% Moderate 72.808% Low 15.629%
33	A percentage of the company's operations are in business segments with high/moderate/low levels of compensation per employee.	High 20.525% Moderate 70.044% Low 9.431%
34	The company is involved in microfinance or microinsurance, if any.	Section 5.3
35	The company has product innovations for small and medium-sized businesses.	Section 5.3
36	The company has innovations in mobile or online distribution channels.	Section 4.1 and 5.1
37	The company's points of service include branches, ATMs, and self-service options.	Section 1.2
38	The company has innovations in alternative branchless distribution channels.	Section 4.1
39	The company is involved in outreach programs and initiatives, such as financial literacy or public-private partnerships.	Section 6.1.
40	Loans for small and medium-sized enterprises (SMEs) account for a percentage of total lending.	Section 5.3
41	Loans to small and medium-sized enterprises (SMEs) have a year-on-year growth rate.	Section 5.2
42	The company is engaged in business with underserved communities, including rural development.	Section 5.3
43	The company ensures no restricted or discriminatory access to products and services.	Section 5.3

#	Topics	Answers
44	The company's business or assets mix include property and casualty insurance, life and health insurance, reinsurance, asset management, and other services.	Section 5
45	A percentage of the company's operations are in countries with high/moderate/low levels of opportunity to provide increased financial access.	Warba Bank currently only operates in Kuwait.
46	The company has a publicly available data protection policy.	Section 4.2
47	The company provides rights to individuals regarding control of their data.	Section 4.2
48	The company has a data breach/incident response plan.	Section 4.2
49	The company conducts regular audits of information security policies and systems.	Yes, in line with the Information Technology Policy.
50	The company has access control and protection for personal/sensitive data.	Section 4.2
51	The company manages the transfer of personal data to third parties and requires consent.	Section 4.2
52	The company works to minimize data collection and retention with respect to data and IT.	Section 4.2
53	The company's data protection and/or privacy programs cover suppliers and business partners.	Yes, Section 4.2
54	The company offers training to employees on data security and privacy-related risks and procedures.	Yes, through cybersecurity training, and the Employee Handbook is shared with all new joiners.
55	The company is certified to widely recognized standards such as ISO 27001, TRUSTe, Privacy Mark, SSAE16 soc2 standards.	ISO 27001:2022 Certification: Provides a solid foundation management system for the Bank's information security. PCI-DSS V4.0 Compliance: Ensures robust protection for cardholder data within the Bank's information assets. SWIFT CSP Compliance: Strengthens information security within SWIFT's environment in the Bank to mitigate financial risks.
56	The company has privacy-enhancing technologies and initiatives.	Section 4.2
57	The company has privacy and data security controversies, if any.	Section 4.2
58	The company's non-executive chair is classified as not independent of management or other interests.	Yes
59	The company has a combined CEO/chair.	No
60	If the chair is non-independent, the company has failed to designate a non-executive lead director or independent deputy chairman.	No
61	Less than a majority of directors are independent of other interests.	No. Based on the Bank's governance disclosures, a majority of the Board of Directors are classified as non-executive and independent, in line with regulatory requirements and best practice. More information is in Section 3.3.
62	Thirty percent or more of the board of directors comprises executive directors.	The Bank's Board of Directors primarily comprises non-executive members and independents. More information is in Section 3.3.
63	The management board includes eight or more executive directors.	No
64	The board is composed entirely of directors who do not meet the criteria for independence from management.	No. Section 3.3.
65	There have been disclosed related-party transactions (RPTs) in the last two financial years.	Disclosure of financial statements and transactions are published in the Bank's Annual Financial Statements
66	Any of the board members are flagged for concerns such as conflicts of interest or related-party transactions.	In the event of any conflict of interest or related-party transactions, the concerned board member is required to disclose the matter and exits the meeting room during the discussion and voting on the respective agenda item.
67	Non-executive board members serve on the boards of three or more additional issuers.	No
68	Executive board members serve on the boards of two or more additional issuers.	N/A
69	A board member received a negative or withheld shareholder vote in excess of 10% in the most recently reported election.	No
70	The board of directors or supervisory board includes a high number of directors, suggesting obstacles to effective oversight and decision-making.	No
71	There are four or fewer directors on the board of directors or supervisory board.	No, the Bank has 11 Board members listed in Section 3.3.

#	Topics	Answers
72	Members of the board failed to attend at least 75% of all board and committee meetings.	No, Section 3.3
73	More than 30% of the board is composed of currently active corporate CEOs from other companies.	No
74	The board fails to include any female directors.	The Board includes two female Board members.
75	The board fails to include at least 30% female directors.	Yes
76	The company lacks a standing nomination committee.	The Board Nomination and Remuneration Committee (BNRC) is established at the Bank.
77	The nomination committee chair is not independent of management or other interests.	No information available.
78	Less than a majority of the nomination committee members are independent of management and other interests.	No information available.
79	The company or material subsidiary is currently in receivership, under bankruptcy protection, or facing liquidation.	No
80	Concerns have been raised about the going-concern assumption, or the company may be facing financing difficulties.	No
81	There is evidence of governance failures at the company.	No
82	The company's auditor has come into investigation into issues related to its work on the audit.	No
83	The governance body responsible for overseeing business ethics and corruption issues is identified.	Yes, as outlined in the Bank's Corporate Governance Policies, through the Code of Business Conduct and Ethics Policy and the Antibribery and Corruption Policy, the governance bodies involved and responsible for overseeing these issues are clearly identified.
84	The company has a policy on bribery and anti-corruption in place.	Section 3.4
85	The scope of the bribery and anti-corruption policy in place of suppliers is provided.	Section 3.4 and 4.4
86	The company has disclosed a whistleblower policy that protects whistleblowers from retaliation.	Yes, Section 3.2 and 3.4
87	The company provides employee training on anti-corruption and business ethics standards.	New hires are provided onboarding sessions, with both face-to-face and online versions available, in our Employee Handbook and General Principles for customer protection at the Bank, while existing staff acknowledge changes digitally on the HR platform.
88	The company conducts audits related to anti-corruption and business ethics.	Section 4.2
89	The company has a policy on anti-money laundering and know your customer.	Section 3.4
90	The company has exposure to business activities or geographies facing a higher incidence of corruption.	Section 3.4
91	The company is involved in anticompetitive and business ethics controversies.	None
92	A shareholder or shareholder bloc controls more than 30% of the voting shares or can elect more than 50% of the company's board.	No
93	The company's ownership structure or governance arrangements suggest special concerns for minority public shareholders.	Yes, the breakdown of shareholders is shown in Section 1.2.
94	The company is widely held, with no principal shareholders or large blocs of shares.	No
95	The company is involved in cross-shareholdings with other companies.	No
96	The company is traded as a tracking stock or a similar trading-based entity.	The Bank is listed on Boursa Kuwait.
97	At least 5% of the group's revenue comes from Variable Interest Entities (VIEs) where the company has no or minimal voting stake.	No
98	The company has issued more than one class of equity shares, and these classes carry unequal voting rights.	No

#	Topics	Answers
99	The company's capital structure includes a single share class where voting rights vary based on the duration of ownership or extra voting rights are granted via "loyalty shares."	No
100	The company's voting rights are capped at a certain percentage, no matter how many shares the investor owns.	No
101	The company's voting rights are different for foreign or non-resident shareholders.	No
102	The company's capital and ownership structures include a "golden share" provision, or equivalent provision in national or state laws, or the government has the right to nominate government representatives to the board.	Yes, through the Kuwait Investment Authority (KIA), the government have the right to nominate government representatives to the Board through their seat.
103	The company has adopted a takeover defense such as a poison pill, shareholder rights plan, or equivalent provision.	No
104	The board has the unilateral right to amend the company's bylaws or Articles of Association without shareholder approval.	No
105	Shareholders lack the right to requisition an extraordinary general meeting (EGM), or the threshold required to request an EGM exceeds 10% of the voting rights.	No
106	Shareholders are limited in their ability to make changes at the company due to provisions in the governing documents.	No
107	The company has failed to implement regular say-on-pay votes.	No
108	The company has failed to implement confidential voting, barring reasonable exceptions.	No
109	The company does not allow qualified shareholders to nominate directors for election at the annual general meeting, and such nominees are not included in the meeting agenda circulated to shareholders.	Yes, through disclosure.
110	Shareholder-elected directors do not stand for re-election at intervals of one year or less.	Yes, each BoD member is elected for three years.
111	The company has a classified or staggered board in combination with other limitations on shareholder rights, which further limit shareholders' ability to affect the makeup of the board.	No
112	The company has failed to use or adopt binding majority voting in the election of directors, with immediate resignation required if a director does not receive a majority of the votes cast.	No
113	The company, with a controlling shareholder, uses a plurality vote standard for director elections but does not allow cumulative voting (whether as the default election standard or at the request of shareholders).	No
114	Shareholders lack the right to remove individual directors without cause.	Yes, the shareholders have the right to remove a director with cause Article 27 ("the general committee can remove the chairman or other board members based on the signed request of shareholder that have 25% of the company's capital", and Article 40 "it's within the ordinary general committee specialty to elect or remove board members" of the Articles of Association, and Article 193 and 211 of the Companies Act 2016).
115	The CEO holds shares with a value below 5x their salary.	Confidential
116	The company has failed to adopt effective stock ownership guidelines or an equity retention policy for the CEO.	In this regard, the Bank is committed to the following guidelines: The Central Bank of Kuwait regulations stating that its approval must be obtained if the ownership percentage reaches 5% percent or more, whether the person is a Board member or not. Corporate governance conditions specifically for the independent members stating that the ownership of any independent member with any of his first-degree relatives together, directly, or indirectly, must not exceed 1%. Article 193 of Companies Law states that any Board member except for independent members must own, or the person/entity he represents owns, a number of shares in the company.
117	The number of shares held by the CEO has decreased year over year by 10% or more (after adjustments for any corporate actions).	Warba stock share ownership of each member of BoD and Executive Bodies including employees deemed insiders are disclosed on Boursa Webpage.
118	The company has incorporated links to sustainability performance in its current executive pay policies.	No
119	Where the company offers variable or incentive pay, it has adopted a clawback policy applicable to both the annual and long-term incentives, which would recoup incentive pay based on accounts that were restated at a later date.	Yes, Section 3.1
120	There has been public criticism from stakeholders of golden hellos provided by the company to its CEO or other senior executives. (Note: Golden Hellos are defined as substantial payments made by an employer to a sought-after recruit.)	No

#	Topics	Answers
121	For the most recently reported period, the company received a negative vote in excess of 10% on its pay policies and practices.	No
122	The company discloses specific pay totals for its top executives, including the CEO.	Yes, in the Annual Report 2024.
123	Unvested equity awards are still eligible for vesting when the CEO's employment is terminated.	No, as per policy, only the deferred bonus is payable.
124	The company is involved in ongoing tax-related controversies, if any.	The Bank is currently assessing its exposure to the additional income taxes under Pillar 2 regulations with the consultant. A reasonable estimate of the additional tax cannot be provided at this stage.



#### 7.4.3 Additional Environmental and GHG Disclosures

\*This figure has been restated from the Bank's 2023 Sustainability Report due to a change in EFs from 2023 to 2024.

\*\*Water Consumption: Data for water consumption was only available for 4 locations due to lack of accessible data for rented facilities. This reflects indirect emissions from upstream activities of sourcing water consumed and paid for by Warba Bank across its four locations - Jaber Al Ali, Jaber Al Ahmad, Al Shuhada, and Hawalli branches, estimated based on volume of water consumed during the reporting period. Appropriate emission factors were referenced from DEFRA - Water Supply (ghg-conversion-factors-2023-condensed-set-update.xlsx). Due to inconsistencies across the number of branches with available data between 2024-2023, we did not conduct a year-on-year comparison on consumption and emissions pertaining to water usage. However, for the future, Warba Bank is planning to implement mechanisms to more closely monitor utilities for each location.

\*\*\* Mobile Combustion: The 2023 data on emissions was restated from last year due to discrepancies between provided volumes and fuel prices. 2023's methodology consisted of calculating emissions based on expenditure, while 2024's methodology consisted of calculating emissions based on volume. Therefore, 2023 data was recalculated based on volume provided instead of expenditure. The restated figure also incorporates the changes in emissions factors from last year.

\*\*\*\* Employee Commute: Calculations for employee commute only account for 273 employees surveyed for estimated distance and frequency of travel between their city of residence and their work location. For calculating tCO2e emissions, all vehicles were assumed to be average passenger cars and were estimated to commute to work every workday of the year, amounting to 260 days out of the entire reporting period. Based on these calculations, the median was calculated to estimate for the remaining employees.

Employee commute data for 2023 was recalculated due to a change in methodology based on estimated distances collected from last year's report. Additionally, to conduct more accurate comparisons between 2023 and 2024, the median was recalculated for last year to estimate for the remaining employees who did not complete the survey.

\*\*\*\*\* In 2024, distance-based emission factors replaced the 2023 volume-based approach. Additionally, the significant reduction in courier trips justifies the observed 55% decrease in emissions. Estimation of indirect emissions associated with courier services is based on distance travelled by average passenger cars between the Bank's HQs and 18 branches and excludes the showroom due to unavailability of data for this location.

Business Travel: Indirect emissions from 184 international round trips taken by employees in third-party aircrafts for business purposes estimated based on the mode of transport and distance travelled for each trip.

Fugitive Emissions – Leakage: Direct emissions from the leakage of refrigerants from HVAC systems controlled and operated by the Bank estimated based on the EPA's screening method, in which leakage amount is estimated based on the average operational leak rate and refrigerant capacity corresponding to the type of HVAC equipment in place, multiplied by the GWP corresponding to the type of refrigerants charged.

Recycling: We partner with a third-party recycling company, Tadwire, that provides recycling certificates of listed items received, recycled and processed by the company. They ensure maximum material recovery, within a secure chain of custody procedures, and is in accordance with local international regulations and compliances, under the authorization of Kuwait's EPA.

# 7.5 Boursa Kuwait

Metric	Calculation	Disclosure / Page Number
Environmental		
GHG Emissions	E1.1) Total amount, in CO2 equivalents, for Scope 1 (if applicable)	Section 4.3
	E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	Section 4.3
	E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	Section 4.3
Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	Section 4.3
	E2.2) Total non-GHG emissions per output scaling factor	N/A
Energy Usage	E3.1) Total amount of energy directly consumed	Section 4.3, and Section 7.4.3
	E3.2) Total amount of energy indirectly consumed	Section 4.3, and Section 7.4.3
Energy Intensity	Total direct energy usage per output scaling factor	Section 4.3
Energy Mix	Percentage: Energy usage by generation type	Section 4.3. Disclosed per type of energy source, not in percentage format.
Water Usage	E6.1) Total amount of water consumed	Section 4.3, and Section 7.4.3
	E6.2) Total amount of water reclaimed	N/A
Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/ No	Yes, Section 4.3
	E7.2) Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No	Yes, waste management and energy management are covered within our Environmental Policy.
	E7.3) Does your company use a recognized energy management system? Yes/No	No
Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Yes, more information in Sections 3.4 and 3.5 on climate-related risks.
Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes, Section 2.1 and 3.3 highlight oversight and management of sustainability issues.
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	N/A

Metric	Calculation	Disclosure / Page Number
Social		
Gender Pay Ratio	Ratio: Median male compensation to median female compensation	N/A
Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees	Section 3.1
	S3.2) Percentage: Year-over-year change for part-time employees	Section 3.1
	S3.3) Percentage: Year-over-year change for contractors and/or consultants	Section 3.1, labeled as "outsourced employees" at the Bank.
Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	Section 3.1
	S4.2) Percentage: Entry- and mid-level positions held by men and women	Section 3.1
	S4.3) Percentage: Senior- and executive-level positions held by men and women	Section 3.1
Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	Section 3.1
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	Section 3.1
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes, Section 3.2 and 3.3
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	Yes, Section 3.4
Child and Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Yes, Section 3.2
	S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Yes, Section 4.4. Also covered in the publicly available: Human Rights Statement – Warba Bank
Human Rights	S10.1) Does your company follow human rights policy? Yes/No	Yes, Human Rights Statement – Warba Bank
	S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Yes, Human Rights Statement – Warba Bank
Nationalization	S11.1) Percentage of national employees	Section 3.1
	S11.2) Direct and indirect local job creation	Section 6.1 highlights the indirect economic impact of the Bank's initiatives.

Metric	Calculation	Disclosure / Page Number
Governance		
Board Diversity	G1.1) Percentage: Total board seats occupied by men and women	Section 3.1
	G1.2) Percentage: Committee chairs occupied by men and women	Section 3.3
Board Independence	G2.1) Does your company prohibit its CEO from serving as board chair? Yes/No	N/A
	G2.2) Percentage: Total Board seats occupied by independents	Section 3.3
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	Yes, Section 4.4
	G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	100%
Ethics and Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Yes
	G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	N/A
Data Privacy	G7.1) Does your company follow a Data Privacy policy? Yes/No	Yes, Section 4.2
	G7.2) Has your company taken steps to comply with GDPR rules? Yes/No	N/A
Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No	Yes
	G8.2) Is sustainability data included in your regulatory filings? Yes/No	No
Disclosure Practices	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	Yes
	G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Yes
	G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	No
External Assurance (Recommended)	Are your sustainability disclosures assured or validated by a third party? Yes/No	No

### 7.6 Additional Information

### 7.6.1 Details on Community Initiatives for 2024

#	Name of initiative	Description	Cost in KD
1	A strategic Environmental Initiatives agreement with Scientific Center	Introduce children to environmental concepts and encourage them to appreciate the importance of protecting our planet. Provide opportunities for children to actively engage with environmental topics through interactive experiments and educational activities. Foster a deeper understanding of ecosystems, biodiversity, and the interconnectedness of living organisms within the environment. Promote sustainable behaviors and inspire children to take action to preserve and protect the environment. Encourage curiosity and inquiry-based learning, empowering children to explore scientific and environmental principles and environmental issues.	20,000
2	Kuwait International Award for memorizing and reciting the Holy Quran	Honoring the 1st place winning in the 10th reading of the Holy Quran.	1,000
3	Supporting SMEs business	Sponsored a special event that promotes technology, innovation, and startup.  Launched BEYOND account to SMEs.	30,000
4	Cancer Awareness campaigns	Launched two health campaigns that targeted males and females about a healthy lifestyle, with Wara Hospital.	1,000
5	Game Edition tournament	A gaming initiative to bolster the Bank's focus on both youth and gaming. Enhance the engagements with gaming community in Kuwait.	5,000
6	Super Run "Kids" marathon	Helping children build fitness and healthy habits for life.	7,500
7	Cyber Security campaign in collaboration with Ministry of Interior	Increasing the understanding of cyber threats. Empowering the public to be safer and more secure online.	1,000
8	Ocean Minded Camp	Educational program that helped the children learn about sustainable living.	1,000
9	The Kuwait National Robotics Competition (KNRC)	KNRC brings together students from across the country to compete in innovative robotics.	10,500
10	Blood Donation – staff	Donated 65 bags of blood.	1,000
11	Kuwait Association of Surgeons	To educate the public through a campaign aiming to promote the prevention of emergencies.	5,000
12	"الخير مو محكوم بشهر"	The main message was that we as "Kuwaitis" always dedicate ourselves to acts of kindness and self-discipline. The second message is a reminder to carry these good habits throughout the year.	20,000
13	SAD competition – during Ramadan	We aim to serve the Holy Quran and facilitate its recitation and memorization. Encourage the public to read the Holy Quran and help them to memorize it.	12,000
14	Down Syndrome Marathon	Highlights the capabilities and achievements of individuals with Down syndrome. Showcases that people with Down syndrome can achieve remarkable athletic goals just like anyone else.	2,500
15	Anti-Drug social media campaign	Spread awareness over the harmful effects of drug addiction and abuse. Educating people about drug addiction disorders.	1,000
16	Safety at sea	Distributed life jackets, first aid kits and water flasks in two islands in Kuwait.	5,000
17	"Plant it for Free" initiative	Planting and greening areas of Kuwait is considered part of Warba Bank's efforts to enhance awareness of the importance of preserving the environment.  Warba seeks to be a role model in enhancing contributions towards the environment and achieving a sustainable development impact.  Distributed more than 500 moringa seedlings.	5,000
18	World Earth Day	Warba Bank held an awareness event about the sustainability project and how to preserve the environment. Awareness workshops for the kids to help them understand the meaning of sustainability and environment.	10,000

#### 7.6.2 | Details on Sponsored Entities and **Total Contributions for 2024**

Name of Sponsored Entity	Amount Contributed (KD)
Sponsored Down Syndrome Marathon in collaboration with Alsayer Group and Sponsored a lecture for the Down syndrome families held in Kuwait National Library	1,350
Participated in KIPIC Ahmadi Sports Day	3,675.9
Sponsored GUST University in collaboration with the MKTG Club	1,350
Auto Land Expo	6,000
Total	12,376

#### 7.6.4 | Additional Employee **Advances Data**

Employee Advances Data	2024
Number of Staff Receiving Education Assistance	152
Number of Staff Receiving Salary Advances	90
Number of Staff Receiving Personal Advances	0

## 7.6.3 | Selected Risk Training

	Selected Risk Management Training
Risk N	Management Leader Program
Finan	cial Risk Management
Mark	et & Liquidity Risk Management in Banks
Risk (	Governance, Risk Culture and Risk Based Audits
Credi	t Risk Management in Banks
Risk E	Based Approach to ESG
Fraud	l Risk Training
Certi	fied Operational Risk Practitioner
Risk I	Management Certificate (RMC)
PRMI	A Associate Professional Risk Manager-Virtual Training





VVarba Bank

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Committed Towards
A Sustainable Tomorrow