

NBK and Mabanee sign Kuwait's first green financing agreement

Milestone agreement supports sustainable development of Sabah Al-Ahmad Project (S3)



Sulaiman K Al-Fulaij

- NBK leads the transition to a green economy, empowering clients to embrace sustainable business models
- This agreement is a milestone that underscores the Bank's leadership in responsible banking and its pivotal role in advancing Kuwait Vision 2035



Tareq A Al-Adsani

- The agreement embodies the shared vision of two leading institutions committed to shaping a more sustainable future for Kuwait and the wider region
- Marking a significant milestone in Mabanee's journey to develop real estate projects that meet the highest international environmental standards

KUWAIT: In a landmark achievement underscoring its leadership in sustainable finance and reaffirming its strong commitment to advancing sustainability and responsible environmental practices, National Bank of Kuwait (NBK) and Mabanee Company (Mabanee), one of the region's largest real estate developers, have successfully signed Kuwait's first green financing agreement. Under this agreement, the Bank will extend a loan of KD 25 million to Mabanee.

Mabanee will utilize the loan to finance the Sabah Al-Ahmad Project (S3), an ambitious development targeting LEED Gold Certification for Building Design and Construction (LEED BD+C) from the US Green Building Council, the world's leading authority on sustainable building standards. Reaffirming the shared commitment of NBK and Mabanee to advancing real estate projects aligned with the highest international environmental standards, this financing has been structured in accordance with the Green Loan Principles (GLP) published in 2023 by the Loan Market Association (LMA), providing a global framework to ensure that funding is channeled towards projects with a positive environmental impact.

This milestone also falls within the framework of NBK's ESG strategy, which is dedicated to supporting the transition towards a low-carbon economy and fostering innovation in the real estate sector through sustainable financing solutions. It comes at a time of mounting global and local focus on ESG standards, where sus-

tainability has evolved from being a choice into a strategic imperative for driving long-term growth.

Highlighting the significance of this agreement, Sulaiman K Al-Fulaij, Chief -Domestic Corporate Banking Group at NBK said: "At NBK, we take pride in being the first institution in Kuwait to extend a green loan in line with the LMA principles. This milestone underscores our strong commitment to driving environmental transformation across diverse sectors, while further cementing our leadership in responsible banking. It also highlights our effective contribution to the pillars of Kuwait Vision 2035, particularly in fostering a sustainable living environment and advancing a sustainable diversified economy, while reinforcing the private sector's role as a key driver of growth."

He explained that by supporting the S3 project, NBK is reinforcing its role as a responsible financial institution committed to balancing economic growth with environmental preservation. He also emphasized that this agreement goes beyond financing; it represents a strategic investment in the future of generations to come. It sends a powerful message that NBK is at the forefront of the transition to a green economy, actively inspiring its clients to embrace sustainable business models in line with global environmental and economic trends. "Through strategic financing of the green building sector, NBK is positioning itself as a key driver of Kuwait's sustainable transformation, while supporting the nation's environmental

ambitions and contributing meaningfully to regional and global climate goals," he stated. He further emphasized that the Bank remains a catalyst for positive change, consistently driving initiatives that leave a lasting imprint on the community. This reflects NBK's steadfast commitment to advancing sustainability practices and supporting Kuwait's carbon neutrality ambition.

Meanwhile, Tareq A Al-Adsani, Deputy Chief Executive Officer at Mabanee emphasized the significance of signing this agreement with NBK, noting that it reflects the alignment of visions between two pioneering institutions driven by a shared ambition to shape a meaningful impact on the future of Kuwait and the wider region. "Securing the first green loan in Kuwait from NBK represents a significant milestone in our journey to develop real estate projects that meet the highest international environmental standards. S3 Project is not merely a real estate venture, but a manifestation of our vision to create a responsible and sustainable urban environment that prioritizes human health and enhances quality of life," Al-Adsani added.

"At Mabanee, we regard sustainability as a necessity, not a choice. That is why we are committed to embedding green design principles and energy efficiency across every stage of our project development," Al-Adsani concluded.

Located in Sabah Al-Ahmad City, S3 is a landmark mixed-use development spanning 40,121 square meters, with 23,200 square meters dedicated to retail com-

ponents. The project will feature a hotel, a shopping mall, retail outlets, restaurants and cafés, cinemas, a supermarket, family entertainment zones, and a multi-storey car park with capacity for over 500 vehicles. The development also integrates green spaces and landscaped parks, creating a vibrant and sustainable destination. NBK's financing of this project reflects the Bank's ongoing commitment to offering sustainable financing solutions that enable clients to transition towards more responsible and future-focused business models. The Bank has been at the forefront of introducing green products and services across the Group, including green mortgage loans, sustainability-linked financing, low-emission housing loans, as well as personal loans for electric and hybrid vehicle purchases.

In recognition of its leadership and excellence in advancing sustainable finance, NBK was recently named "Best Bank for Sustainable Finance in Kuwait for 2025" according to the fifth annual survey on Sustainable Finance conducted by the renowned Global Finance Magazine. This accolade underscores the Bank's unwavering commitment to embedding sustainability standards across its operations and corporate culture. NBK has pledged to grow its sustainable assets to \$10 billion by 2030 and has successfully issued its inaugural \$500 million green bond, reinforcing its role as a key enabler of the transition to a low-carbon economy that protects both the environment and society.