DIB Sustainable Finance Framework

2026

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Glossary

BNRSC	DIB's Board Nomination, Remuneration, and Sustainability Committee (BNRSC)
CBI	Climate Bonds Initiative
Committee(s)	DIB's Management Sustainability Committee (MSC) and Board Nomination, Remuneration, and Sustainability Committee (BNRSC)
DIB	Dubai Islamic Bank
Framework	DIB Sustainable Finance Framework, also abbreviated as "SFF"
GBP	Green Bond Principles
GLP	Green Loan Principles
GSS	Guidance on Green, Social, and Sustainability (GSS) Sukuk, as administered by the International Capital Market Association (ICMA)
ICMA	International Capital Market Association
LMA	Loan Market Association
MSC	DIB's Management Sustainability Committee (MSC)
Principles	GBPs, SBPs, SBGs, GLPs and SLPs
SBG	Sustainability Bond Guidelines
SBP	Social Bond Principles
SFC	DIB's Sustainable Finance Committee
SFF	DIB Sustainable Finance Framework, also abbreviated as "Framework"
SLP	Social Loan Principles
SPO	Second Party Opinion
UBF	United Arab Emirates Banks Federation

1. Introduction

Dubai Islamic Bank P.J.S.C. ("DIB", "Bank") is among the largest Islamic banks in the world, offering an ever-increasing range of innovative Sharia-compliant products and services to retail, corporate and institutional clients since 1975. Driven by the vision to be the most progressive Islamic financial institution in the world, our purpose is to instill simplicity and convenience in all our offerings through a personal and engaging experience aligned to global sustainable practices for a better future.

DIB has five core values, which constitute our "I CARE" approach:

I: Inclusive – Accessible to all, and most importantly, without bias.

C: Collaborative – Connected together as a team to deliver banking with ease.

A: Agile - Deliver faster solutions and provide happy experiences.

R: Responsible - Fair, transparent and accountable in making responsible decisions.

E: Engaged - Passionate and committed to deliver fulfilling journeys.

Our values, Sharia compliance, Corporate Sustainability and Sustainable Finance are an integral part of DIB's operations. We continue implementing our Sustainability Strategy which builds on two pillars: Lead by Example and Finance a Sustainable Future. These two pillars have eight priority areas with objectives and KPIs in line with Sharia principles[1].

DIB has established a dedicated and growing Sustainability Department with the aim of supporting the integration of ESG into everything we do, and to reach our overarching strategic vision to "Own the ESG Space".

We aim to:

- Embed ESG at the heart and core of our business strategy,
- Outperform our peers in the ESG space,
- Become a role model for sustainable finance in the region, and
- Shape and influence the ESG policy agenda in the markets we operate in.

In 2024, DIB has committed to the United Nations Global Compact (UNGC). As a participant, we are committed to meet responsibilities in four areas: environment, human rights, labour practices and anti-corruption.

1 The eight Priority Areas with respective objectives are: Embrace Diversity & Inclusion, Enhance Employee Wellbeing, Drive Transparency & Disclosure, Reduce Operational Environmental Footprint, Champion Business Ethics and Customer Privacy, Propel Sustainable Finance, Promote Financial Inclusion, and Embed ESG in Decision Making. Read more from our Sustainability Report https://www.dib.ae/sustainability/info-hub?category=all&year=2024

DIB actively collaborates with key institutions to advance Sustainable Finance in the region. These partnerships include:

- UAE Banks Federation (UBF): Working with industry peers to establish best practices and promote Sustainable Finance initiatives
- Emirates Institute for Banking and Financial Studies (EIBFS): Partnering to enhance knowledge and expertise of our employees in Sustainable Finance within the Banking sector
- Dubai Sustainable Finance Working Group (DSFWG): DIB is an active member.

Sustainable Finance

Sharia-compliant Sustainable Finance covers three broad impact areas, namely; the environment, society and governance (ESG). This Sustainable Finance Framework, the Sustainability Linked Financing Framework and the Responsible Investment Framework are pillars for DIB's Sustainable Finance, covering e.g. issuance of financial instruments, use of liquidity, provision of finance and investment products for our clients.

Sharia compliance and objectives of our Sustainability Strategy are fundamental pillars of our business strategy. To translate these into action, our Sustainability Strategy provides a systematic approach to integrating sustainability across our operations.

We have embedded ESG as part of our governance structure with dedicated committees, roles and responsibilities. Consideration of ESG is incorporated into the three defense lines, namely business, risk management and internal audit.

DIB is committed to promoting Sharia-compliant Sustainable Finance. We first established our Sustainable Finance Framework (SFF) in 2022, and renewed it in 2024. By 2024, DIB had successfully issued three Sustainable Sukuk totaling USD 2.75bn which are fully allocated. Our inaugural Sustainability-Linked Finance Facilities financing Sukuk (USD 1bn) was issued in November 2025, and it is fully allocated.

We are actively researching ways to enhance the sustainability of our balance sheet to reflect our commitment to Sustainable Finance. Next to our two Sustainable Finance Frameworks, the Responsible Investment Framework is our latest commitment to excel in this space.

DIB already offers a range of ESG products within its Consumer Banking portfolio such as EVOLVE[2] and Nest[3]. Sustainability-Linked Finance for corporates is our key focus area.

2 Auto Finance Product for Electric Cars

3 Sustainable Home Finance Product

As the world's first Islamic bank, DIB continues to set the benchmark for the industry. We maintain our leading market share in the UAE's Sustainable Sukuk market, with our total Sustainable Finance volume consistently outpacing the regional growth average for Sharia-compliant ESG instruments. Beyond pure-play green assets, DIB is a regional pioneer in Sustainability-Linked Financing, providing structured Sharia-compliant solutions that support high-emitting sectors in the region to reach their decarbonisation milestones through measurable, time-bound targets.

Since 2024, DIB is implementing a systematic approach to Sustainable Finance in Corporate and Investment Banking. This involves identifying and analysing ESG risk factors at both the client and transaction (project) levels for large and mid-size corporate clients by leveraging leading international practices. Examples of ESG risk factor areas include climate change, health and safety, as well as governance quality. DIB monitors ESG risks at the portfolio and client (project) levels regularly.

Climate change mitigation is among DIB's focus areas, in alignment with the global agenda. The UAE Net Zero 2050 strategic initiative aligns with the Paris Agreement, which calls on countries to prepare long-term strategies to reduce greenhouse gas (GHG) emissions and limit the rise in global temperature to 1.5 C compared to pre-industrial levels. Following the framework developed by the United Arab Emirates Ministry of Climate Change and Environment (MOCCAE)'s "UAE Sustainable Finance Framework 2021 – 2031" and the DIB ESG strategy, we have currently committed to:

- 15% of group gross financing as Sustainable Finance by 2030
- Net Zero in our scope 1and 2 emissions by 2030 for DIB UAE.

In 2025, we started collecting ESG readiness data from our largest clients with the aim to understand their current status and support them with transition.

DIB has in 2026 a process in place to manage and mitigate project-level ESG risks. Where material risks are identified, they are treated as per DIB's Group Risk Policy.

The results of DIB's financed emissions baseline and progress towards our targets are disclosed in DIB's Sustainability Report, the year 2025 being the first disclosure year[4]. The baseline results will inform our ongoing strategic analysis of portfolio decarbonisation, ensuring our long-term trajectory remains aligned with the UAE's Net Zero 2050 plan.

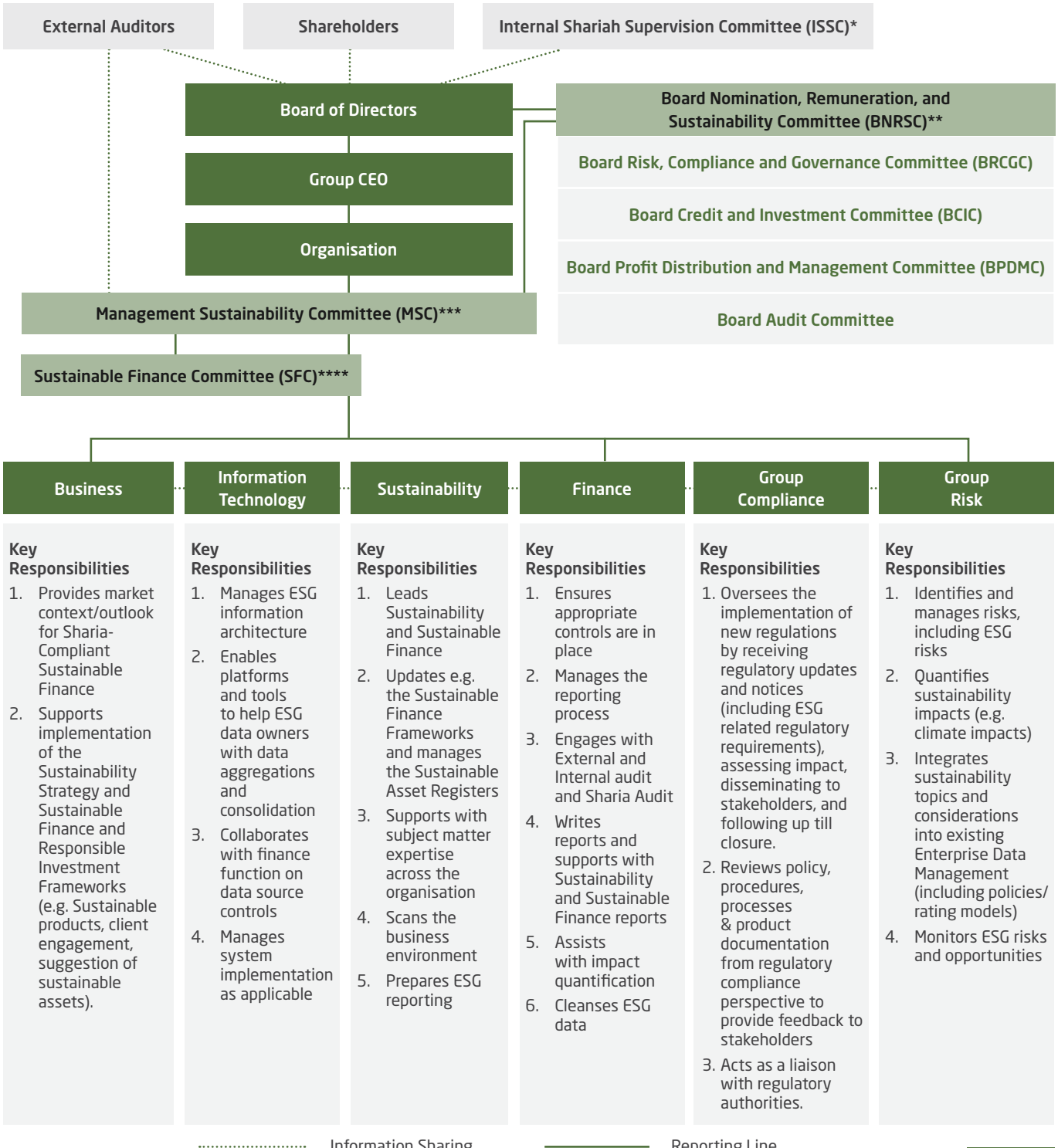
In Sustainable Finance and Corporate Sustainability development work, including our frameworks, policies, processes, practices and reporting, we make use of global leading practices, including but not limited to International Capital Market Association (ICMA), Loan Market Association (LMA), Climate Bonds Initiative (CBI), International Sustainability Standards Board (ISSB), Circular Carbon Economy (CCE), International Finance Corporation (IFC) Sustainability Framework, as well as regulation such as the EU Taxonomy, Sustainable Finance Disclosure Regulation (SFDR) and Corporate Sustainability Reporting Directive (CSRD), as well as Kenya Green Finance Taxonomy, and Pakistan Green Taxonomy to the extent they are in compliance with Sharia rules and principles.

DIB is continually improving ESG ratings through expanded disclosure and management of material ESG topics.

4 https://www.dib.ae/sustainability/info-hub?category=all&year=2024

2. ESG Governance

DIB's governance and operating model aims to integrate ESG across the bank's operations and portfolio to ensure credible implementation of our Sustainability Strategy and effective oversight as presented in Graph 1.



* ISSC Key Responsibilities	** BNRSC Key Responsibilities	*** MSC Key Responsibilities	**** SFC Key Responsibilities
1 Provides Sharia rulings on all Sustainability, Sustainable Finance and Responsible Investment initiatives. 2 Supervision covers business, products, transactions, risk management and documentation.	1 Reviews Sustainability Strategy and monitors its implementation and progress. 2 Reviews and proposes to the Board sustainability related policies, strategic commitments and targets. 3 Reviews and recommends strategic sustainability initiatives, strategic partnerships and plans. 4 Considers, endorses and monitors e.g. the effectiveness of sustainability considerations and measures to be embedded in the strategy, operating model and policies, organisation structure, roles and responsibilities, rewards system, risk management processes, portfolios and products. 5 Oversees and ensures transparent, accurate, credible and consistent sustainability disclosures.	1 Facilitates the implementation of the bank's Sustainability Strategy and supporting initiatives. 2 Considers and assesses the alignment of the bank's Sustainability Strategy, initiatives and outcomes with the bank's strategic vision and objectives with respect to sustainability, national priorities and stakeholder expectations. 3 Oversees the implementation of DIB's Sustainability Strategy and tracks progress. 4 Identifies and recommends to the BNRSC sustainability related policies, strategic commitments, targets, strategic initiatives and partnerships. 5 Drives and embeds sustainability across the bank's operations. 6 Reviews all sustainability related disclosures and recommends these to the BNRSC.	1 Reviews and qualifies new Sustainable Finance and Responsible Investments meeting the criteria of one of DIB's Frameworks. 2 Oversees and approves the allocation of proceeds to the Eligible Assets and Facilities.

Graph 1. DIB's ESG related governance and key responsibilities.

DIB's ESG related governance is organised as follows:

- A specialised Sustainability Department organised into three leadership verticals - Strategy & Partnerships, Sustainable Finance, Innovation, & Regulatory Excellence, and Commercial Growth to ensure dedicated execution of the Bank's ESG mandates.
- The Sustainability Department is led by the Chief Sustainability Officer, who is the Chair of the Sustainable Finance Committee (SFC), and Vice-Chair of Management Sustainability Committee (MSC).
  - SFC members represent Sustainability, Finance, Credit and Risk Departments
  - MSC is comprised of the leaders of each business area and organisational units.
- The Chief Sustainability Officer reports to the Chief Financial Officer, who is also a member of the MSC. The Group CEO is the Chair of the MSC.
- The MSC reports to the Board Nomination, Remuneration, and Sustainability Committee (BNRSC). The BNRSC has three members including the independent chair, all of which are DIB board members. The BNRSC reports to the Board of Directors.
- In accordance with the bank's governance framework, DIB's Internal Sharia Supervision Committee (ISSC) oversees all activities to ensure that DIB fully aligns with the Sharia Principles, in all its activities, including Sustainable Finance.

DIB is currently identifying sustainability Champions across the business areas and organisational units to drive sustainability initiatives aligned with our Sustainability Strategy.

3. Sustainable Finance Framework

This Framework serves Green, Social or Sustainable Sukuk and other Sharia-compliant Sustainable Financial instrument issuances and allocation of the use of proceeds from these instruments and other financings[5] to Eligible projects under this Framework. These fund Eligible Sharia-compliant Sustainable Projects that conform to the International Capital Market Association (ICMA) Green Bond Principles (GBP) 2025, Social Bond Principles (SBP) 2025, Sustainability Bond Guidelines (SBG) 2021, the Loan Market Association (LMA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLPs) 2025, and the Guidance on Green, Social, and Sustainability (GSS) Sukuk (2024) to the extent they are in conformity with Sharia rules and principles. This Framework also takes inspiration from the taxonomies in the EU, Kenya and Pakistan, as well as the taxonomy by the CBI.

Sukuk issued under this Framework may take the form of public transactions or private placements, in registered format, and of senior unsecured or subordinated issuances. Such Sukuk and financing entered into under this Framework will be standard recourse-to-the-issuer obligations. All DIB's financing instruments, including Sustainable Financial instruments, and other financings, comply with principles of Sharia and the respective local regulations[6]. In case of new regulations, DIB will take appropriate action to become fully compliant.

Under this framework, the proceeds of a Green Sukuk issuance will be allocated to Green projects exclusively, and Social Sukuk to Social projects. The proceeds of a Sustainable Sukuk and other financings can be allocated to both Green and Social projects. The financing of Eligible Projects contributes to the UN Sustainable Development Goals (SDG) and especially to the specified sub-targets provided these are in line with the principles of Sharia (Table 1).

Exclusions and assessment of ESG risks

Sharia principles are fully integrated in DIB's operations. This means that by nature, we exclude from all our operations non-Sharia compliant sectors and activities including but not limited to:

- Alcohol,
- Adult Entertainment,
- Gambling,
- Tobacco,
- Interest-based loans, and
- Benefitting from penal interest.

5 DIB may allocate general liquidity (cash and equivalents, sukuk and short-term deposits, etc.) to Eligible projects.

6 E.g. The Chairman of the Authority's Board of Directors' Resolution No. (21/Chairman) of 2023 Concerning the regulation of green and sustainability related bonds and sukuk and the UAE Central Bank Higher Shari'ah Authority HSA Notice no. 5885.2023 Guiding Principles Regarding Islamic Sustainable Finance.

The use of proceeds of DIB's Sustainable Sukuk (and Green and Social Sukuk, if any) further exclude the following activities:

- Coal or gas fired power generation and distribution assets,
- Coal mining and transportation,
- Fossil fuel-related exploration and distribution,
- Conflict minerals,
- Extractive industries and mining,
- Military contracting and weapons, and
- Activities involving modern slavery, or forced labour.

Any potential temporary allocations are also subject to these exclusions.

All financing provided by DIB adheres to Know Your Customer (KYC) and Anti-Money Laundering (AML) regulations established by relevant authorities. These KYC and AML requirements vary depending on the client category. Since 2024, DIB has implemented a systematic approach to identifying and analysing ESG risk factors at both the client and transaction (project) levels. This applies to large and mid-size corporate clients and leverages best practices from international standards.

Section 3.2 Process for project evaluation and selection details how projects qualify for eligibility under this framework after KYC/AML and ESG assessments are conducted.

3.1 Use of proceeds

DIB will allocate an amount at least equivalent to the net proceeds of the Sharia-compliant Sustainable Financial Instruments issued under this Framework to finance and/or re-finance, in whole or in part, Green and Social projects and businesses[7] across their full life-cycle which adhere to the Eligibility Criteria (Table 1) unless otherwise defined.

The full life-cycle both in Green and Social projects, including related land acquisition, can comprise of activities such as:

- Research and Development (R&D), with a clear and close practical link to the project/technology in question (early stage R&D projects are not typically eligible).
- Construction, manufacture, production, installation, transmission and distribution, operation, transport, lease, rent, procurement and similar activities.
- Expansion, scale-up, replication, and similar activities to widen or repeat/re-do the project in question.
- Improvement, maintenance, renovation, reparation, retrofit and refurbishment, and similar activities that prolong the life-cycle of the asset in question.
- Demolition and re-use.

The proceeds are typically used for components (e.g. equipment, machinery and services) that are specifically needed for the project. Operational expenditures such as salaries are eligible if they are an integral part of the project (e.g. installation costs, in Social projects the salary costs may play a crucial role).

Eligible projects and finance that DIB in the United Arab Emirates has on its balance sheet form DIB's Sustainable Asset Register. Table 1 lists the Eligible Categories, Assets and Criteria.

A maximum 3-year look-back period is applied for financed and refinanced projects. DIB expects each issuance under this framework to be fully allocated within 2 years from the date of issuance.

7 If more than 90% of the client's business revenue comes from activities that align with the Sustainable Finance Eligibility Criteria, DIB may classify the client's general-purpose financing as Eligible under this SFF.

Table 1. Eligible Green and Social project categories and criteria.

Clean Energy		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Solar photovoltaic energy, concentrated solar power (including floating) and solar heating	• Minimum 85% of power generation derived from solar sources	 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
Green hydrogen (incl. green ammonia)	• Production of hydrogen, hydrogen-based synthetic fuels, or ammonia through electrolysis powered by renewable energy sources • Ammonia recovery from waste water, from non-fossil fuel operations	
Wind energy	• Onshore and offshore	 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Bioenergy	• Only second-generation biofuels (i.e. raw materials are residues from other processes[8]) and related activities	
Biofuels (incl. biogas and biomass)	• Only second-generation biofuels (i.e. raw materials are residues from other processes[8]), e.g. used cooking oil. Raw materials: - Are residues from other processes (e.g. agricultural and forestry residues), and - Do not compete with food production, and - Do not deplete carbon pools	
Geothermal energy	• Direct emissions / emissions intensity is below 100g CO_2e / kWh	
Hydroelectric energy	• Run-of-river plants with a capacity of less than or 1000 MW, and • No artificial reservoirs, or • Life-cycle emissions below 50g CO_2e/kWh, or • Power density greater than 10 W/m^2, or • Refurbishments which do not increase the reservoir size	
Hydro – wave	-	
Hydro – tidal thermal energy conversion	-	
Hydro – ocean thermal energy conversion	-	

8 Wood-based raw materials must come from certified sources (Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PFEC)).

Clean Energy		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Combined Heat & Power systems	• Combined Heat and Power (CHP) / cogeneration: - Biomass/bioenergy[9], waste-to-energy, waste heat with direct emissions less than 100g CO_2e/kWh as per CBI Taxonomy - Biogas, geothermal, solar/CSP, hydrogen with direct emissions less than 100g CO_2e/kWh as per CBI Taxonomy	 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Nuclear	• Host country to have a membership of the International Atomic Energy Agency (IAEA) in which the project is located, and • Ratification of major nuclear safety conventions such as the Convention on Nuclear Safety and the Convention on the Physical Protection of Nuclear Materials, and • Ratification of major nuclear waste management conventions such as the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, and • Ratification of the Non-Proliferation Treaty (NPT) and the International Convention for the Suppression of Acts of Nuclear Terrorism, and • National safety agency (NSA) for nuclear activities that follows the recommendations of the IAEA.	

9 This will strictly exclude first-generation biomass & bioenergy

Energy Efficiency

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Energy storage	• Storage for energy produced from renewable sources, or • Storage for energy-efficient district cooling systems that are powered by: - Minimum 50% renewable / waste heat, or - Minimum 75% co-generated heat, or - Minimum 50% combination renewable / waste energy and co-generated heat[10], or • Battery energy storage systems (BESS) mechanical storage[11], or thermal storage[12] energised from renewable or hybrid systems or low carbon electricity of 100g CO_2e / kWh	 7.3 By 2030, double the global rate of improvement in energy efficiency  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
District cooling systems	• Reduction of energy consumption by at least 20%	
Electric heat pumps	• Refrigerant threshold: Global Warming Potential (GWP) value does not exceed 675	
Operational improvements	• Reduction of energy consumption by at least 20%, or • Water recycling resulting in at least 20% reduction in water use	
Upgrade in grid infrastructure to improve electricity transmission efficiency and reduce transmission losses[13]	• Energy efficiency improvement of at least 20%, or • Transmission to the system grid makes use of electricity produced by renewable sources, or - With system grids, 67% of newly connected generation capacity is below 100g CO_2e / kWh, or - The average system grid emissions factor is below 100g CO_2e/kWh (rolling five year period)	
Investment in smart energy grids, energy meters and energy management	-	

10 This activity is aligned with the technical screening criteria of the EU taxonomy activity "4.15 District heating/cooling distribution"

11 90% or above of the input energy for the mechanical storage is renewable or average net carbon intensity of the electricity generated from hybrid/low carbon energy source needs to be less than 100g CO_2e/kWh.

12 Thermal storages include Sensible Heat Thermal Storage (water tanks, molten salts, rocks/gravel, concrete) without changing its phase, latent Heat Thermal Storage (through phase change / PCM) (paraffin-based PCMs, salt hydrates, fatty acids), thermochemical Energy Storage (adsorption / desorption storage, chemical heat storage materials), Molten Salt Storage / Specialised thermal storage (molten nitrate salts), Ice or Chilled Water Storage (Cooling storage) (ice tanks, chilled water tanks), Underground Thermal Energy Storage (UTES) including Aquifer Thermal Energy Storage (ATES), Borehole Thermal Energy Storage (BTES), Cavern Thermal Energy Storage (CTES), and Pit Thermal Energy Storage (PTES).

13 This activity is aligned with the Electrical Grids and Storage Criteria by the CBI (March 2022)

Energy Efficiency		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Digital infrastructure and solutions	The activity is aligned with one of the following: • 5G and telecommunications infrastructure with a minimum of 20% energy savings • Server virtualisation, cloud optimisation and remote data management of mobile networks, mobile network updates, and other digital solutions and projects reducing energy consumption by minimum 20% • ESG data platforms which include: - Carbon & energy intelligence - Climate risk & resilience modelling - Global compliance & reporting automation - Social & supply chain oversight • General projects relating to Sustainable Digitalisation based on leading sectoral practices and impact assessment driving minimum 20% energy efficiency: - Cloud first efficiency & virtualisation - Smart building & industrial automation - AI enabled grid & energy orchestration • IT hardware (laptops, servers, networking gear) with EPEAT Gold certification or Energy Star rating of 8.0 or higher.	 7.3 By 2030, double the global rate of improvement in energy efficiency  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
LED and other energy efficient lighting	• Reduction of energy consumption by at least 20% compared to the average of national energy consumption	
Technologies reducing emissions	• Sterilisation systems that reduce facility emissions by 20%	
Ecolabels	• Certified sustainable & high-efficiency products	

Clean Transportation

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Zero tailpipe emission vehicles (e.g. electric, hydrogen, fuel cell)	• All zero tailpipe emission vehicles are eligible • Examples include vehicles such as bicycles and motorbikes; passenger cars, buses and light commercial vehicles; trucks, forklifts and cranes; aircrafts[14] (private aircrafts are excluded).	 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.  7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Hybrid electric vehicles	• Hybrid electric vehicles and buses (<50 g CO_2e/km)	
Rail and freight transportation	• Until 2030, all low-emission rail transportation emitting less than 50g CO_2/ passenger-km • For freight transportation[15] - <21g CO_2 / tonne-km up till 2030 - <18g CO_2 / tonne-km from 2030 up till 2050.	
Best-in-Class aircrafts	• Aircrafts (such as A320neo or B737Max), fulfilling the Best-in-Class criteria set by - the International Civil Aviation Organization 2031, or - the EU Taxonomy Technical Screening Criteria[16]	
Low carbon shipping	• Cargo and passenger ships (mainly from electric, hybrid, or alternative fuel[17] technologies) with emissions intensity thresholds below those set in the International Maritime Organization's (IMO) GHG Strategy, or rating of C or higher threshold for energy efficient ships	

14 Project eligibility is aligned with the manufacturing specifications set out in EU Taxonomy activities "3.21 Manufacturing of aircraft", or "6.18 Leasing of aircraft" ensuring these assets meet internationally recognised efficiency thresholds

15 This activity is aligned with the Low Carbon Transport Criteria by the CBI (April 2023)

16 Project eligibility is aligned with the manufacturing specifications set out in EU Taxonomy activities "3.21 Manufacturing of aircraft", or "6.18 Leasing of aircraft" ensuring these assets meet internationally recognised efficiency thresholds

17 Vessel will comply with the 30% Energy Efficiency Design Index (EEDI) threshold, as set by the International Maritime Organization (IMO) for new vessels

Clean Transportation

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Clean transportation infrastructure and supporting services	• Charging infrastructure and related repair & spare parts • Train, metro and tram networks including station upgrades necessary to achieve and maintain clean transportation, etc. • Projects supporting transfer to emissions-free fuels and transport (e.g. new technologies, products and services)	 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.  7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Walking and bicycle infrastructure and supporting services	• Upgrades and expansion of walking and cycle paths	
Water transportation	• All emissions-free watercraft (e.g. solar, electric, hydrogen, ammonia, motorless), or • Complies with all CBI criteria and exclusions for emission intensity thresholds – top 15% of fleet performance, or • Dual fuel[18] assets with a minimum of 20% GHG reduction compared to 2008 baseline CBI shipping criteria, or • Vessels emitting less than - <21.5g CO_2 / tonne-km (standard for large bulk/container) or maintaining an IMO CII rating of A or B (until 2030) - <14.3g CO_2 / tonne-km (2030 onwards), or • Green hydrogen fuel cell, or • Green Ammonia-fueled engines, or • Fully electric (battery-powered) vessels, or • Nuclear propulsion (Small Modular Reactors - SMRs), or • IMO CII A rated vessels	

18 Excludes use of LNG for dual fuel assets

Green Buildings[19]

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Energy efficient buildings	• Top 15% energy efficient buildings from the national or regional building stock[20]	 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.  7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. 7.3 By 2030, double the global rate of improvement in energy efficiency.  13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
LEED	• All LEED certification levels	
BREEAM	• All BREAAM certification levels	
Estidama Pearl Building Rating System	• 2 Pearls and above	
Global Sustainability Assessment System (GSAS)	• "4 star" and above	
Al Sa'fat	• Golden and Platinum	
WELL	• Golden and Platinum	
EDGE	• All EDGE certification levels	
Green Globes	• All certification levels	
Green Star Africa	• "4 star" and above (for Kenya only)	
Buildings and communities classified as 'Green' or 'Sustainable' by local authorities or other certifications	• Other local, national or regional certifications by authorities • Other certifications assessed on a case-by-case basis	
Renovation, refurbishment and retrofit	• At least 20% energy reduction in annual Primary or Final Energy Demand	
Data Centres	• Data centres with a power usage effectiveness (PUE) of below 1.5 • Alignment with the BCA-IMDA Green Mark for Data Centres (Platinum or Gold Plus) or SS 564 Green Data Centres standards,	

19 Eligible assets must have received or expect to receive certification according to third party-verified building standards. Upon completion of construction, if the anticipated certification is not awarded, the asset will be removed from DIB's sustainable finance asset register.

20 Measured by: Energy Use Intensity (EUI): kWh/m^2/year, or Site Energy Intensity: kWh/m^2/year, or Source Energy Intensity: kWh/m^2/year (source-adjusted) or Carbon intensity: kgCO_2e/m^2/year. DIB uses a uniform established methodology to identify the top 15% region/country and/or external benchmarks for the assessment or will rely on external consultants.

Pollution Prevention and Control		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Waste collection and storage for recycling, material recovery and / or waste minimising purposes	• Conversion ratios exceed 50%, and • Landfill and incineration is excluded	 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.  11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.  3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
Biological treatment facilities (including anaerobic digestion and composting facilities)	• Anaerobic produce is used for energy / fuel production, or as a fertiliser, or • Compost produced is used as fertiliser / soil improver	
Waste to energy plants	• Recyclables are sorted, and • Bottom ash produced in combustion process is recovered and managed	
CO_2 capturing technologies	• CO_2 must be permanently and safely stored, and • Must be climate neutral (more CO_2 captured than generated), and • Direct air capture, or • CCUS projects with dedicated geological storage or storage of CO_2 in concrete, or • CCUS in industrial facilities.	

Sustainable Water and Wastewater Management

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Sustainable infrastructure and supply for clean and/ or drinking water, and for wastewater treatment[21]	• Nature-based Solutions addressing protection, restoration, and extension of water resources management by accredited body (e.g. UNEP & IUCN), or • Sustainable infrastructure, management and distribution of water may include treatment, drainage systems, river training, gravity fed canal systems, pumped canal, water distribution systems, or • Other relevant projects may include: - Rainwater harvesting and other water recycling systems - Water metering activities to support water conservation and water-use efficiency	 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
Water and wastewater treatment plants (WWTP) including reuse of WWTP effluents	• Water-use efficiency increases by at least 20%	
Sewer systems, pumping stations and water saving products	• Water-use efficiency increases by at least 20%	
Water leakage prevention	• Operational improvement projects that decrease leakage by at least 20% based on Infrastructure Leakage Index (ILI) with the target ILI of 1.5	
Irrigation	• Existing irrigation networks/systems are modernised from flood to sprinkler or drip irrigation systems, and • Irrigation water is not drinking water, and • Irrigation is renewable energy-powered	
Water desalination	• Waste management plan is in place, and • Carbon intensity of less than 100g CO_2e / kWh over the residual asset life - the asset may be partially powered by renewables or use waste heat	

21 DIB will assess water projects related to climate change adaptation with a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated for the project, to define the contribution of the proposed investment on climate risks and to evaluate the alignment of the project with local, regional, national strategies and climate adaptation plans

Biodiversity		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Afforestation and reforestation	• Detrimental impacts are not caused by the customer, and • Forests are certified by recognised bodies such as the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PFEC), Regenerative Organic Certified (ROC), Rainforest Alliance[22], or • Forests are not used for wood production but can be used for carbon credit generation, ensuring one of the following: - Alignment with the ICVCM Core Carbon Principles (CCPs) for permanence and additionality - Compliance with CORSIA (or equivalent high-integrity international standards) for lifecycle greenhouse gas savings if credits are traded - Compliance with National Carbon Market Regulations of the host country.	 14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution. 14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.  15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements. 15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.
Conservation & restoration of natural habitats	• Detrimental impacts being remediated are not caused by the customer, and • Conservation and restoration of natural landscapes, biodiverse lands, high conservation value forests and marine areas and systems, or • Conservation and restoration of biodiversity in urban areas such as parks and green rooftops, or • Soil remediation or remediating contaminated soil / land, or • Restoration of ecosystems that adhere to one of the following: - Utilise native species and follow the IUCN Global Standard for Nature-based Solutions (NbS). - Are validated for carbon credit generation under recognized high-integrity standards (e.g., Verra CCB or Gold Standard or ART TREES).	
Marine resources	• Detrimental impacts being remediated are not caused by the customer, and • Conservation and restoration of coastal and marine areas	

22 Examples include but not limited to: supporting the financing of the production of certified wood, supporting forest owners to finance applications for FSC, etc., and, supporting the acquisition of certified wood by construction companies

Circular Economy

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Circular business models[23]	The activity is aligned with one of the following: • Circular Design and Inputs - Recycled, repurposed, or bio-based materials that align with the IFC Harmonized Circular Economy Finance Guidelines for resource efficiency, or - Bio-based products certified by the Roundtable on Sustainable Biomaterials (RSB), ISCC PLUS, or equivalent standards recognized by national environmental authorities, (e.g. NEMA in Kenya or SEPA in Pakistan), or - Plastics where ≥90% of feedstock is recycled[24] or renewable, with a documented strategy to eliminate single-use consumer products in line with local waste reduction targets (e.g. UAE Circular Economy Policy 2031), or - Closed-loop e-waste programs where 100% of decommissioned hardware is recycled, or refurbished. - Design for Recyclability: e.g. re-tooling of production lines for mono-materials and PE-free barriers and modular/dis-assemblable designs; textiles, electronics or construction, enabling a 90% recovery rate. • Product-as-a-Service (PaaS) and Life Extension - Product-as-a-Service for zero-emission assets[25] • Direct second-hand sales and repurchase models • Bio-based Technologies and materials with: Innovation in bio-based materials (e.g. biopolymers) that comply with international sustainability criteria (such as RED II[26] principles). for GHG emissions savings. • Resource Recovery - Reusable or highly recyclable packaging certified by the Forest Stewardship Council (FSC), PEFC, or local sustainable forestry initiatives • Material Recovery from end-of-life products that align with the IFC Resource Recovery definitions or national guidelines for waste mitigation.	 11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels.  9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

23 Eligible circular business models are the design and introduction of recyclable, reusable, or refurbished materials, components and products, or circular products, tools and services, or certified eco-efficient products.

24 DIB confirms that recycled plastics do not undergo pyrolysis.

25 Zero-emission assets include 1. Zero-Emission Transportation (Mobility-as-a-Service) such as Battery Electric Vehicles (BEVs), Electric Two/Three-Wheelers, Electric Buses & Coaches, Smart chargers and battery swapping stations, etc. 2. Renewable Energy Generation & Storage (Energy-as-a-Service) such as Solar PV systems, BESS, Small-scale wind turbines, Green Hydrogen Electrolyzers, etc. 3. Energy-Efficient Machinery & Equipment such as Industrial Electrified Machinery, high efficiency HVAC Systems, Data Centre Cooling/Server Equipment, etc. 4. Circular Economy & Waste Management Assets such as Industrial Rental Equipment, Waste Management & Recycling Machinery, Reusable Packaging Assets, etc. 5. Smart Infrastructure, IoT Sensors & Tracking Systems

26 DIB confirms that under RED II (Renewable Energy Directive II), the "generation" of the feedstock is a critical eligibility factor referring to 2nd generation (e.g.: agricultural residues), 3rd generation / 4th generation (e.g. algae).

Sustainable Industries		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Sustainable industrial processes in high emitting sectors such as cement	The activity is aligned with one of the following: • Technical screening criteria (with respective footnotes) of the EU taxonomy activity "3.7 Manufacture of cement" • Cement Criteria Document by the CBI (April 2023) • Decarbonization measures with a 10% reduction in clinker-to-cement ratio over the life of the financing relative to the facility's specific three-year historical baseline, which serves as the primary mechanism to steer regional assets toward the GCCA 2050 Roadmap targets • Waste Heat Recovery (WHR[27]) systems or co-processing of Waste (alternative fuels) that meet local environmental standards • Carbon Capture, Utilization, and Storage (CCUS)[28]	 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Sustainable industrial processes in high emitting sectors such as iron, steel and aluminium	**Iron and steel** The activity is aligned with one of the following: • Technical screening criteria (with respective footnotes) of the EU Taxonomy activity "3.9 Manufacture of iron and steel" • Steel Criteria Document by the CBI (February 2024), the IFC Harmonised Circular Economy Finance Guidelines or the Kenya Green Finance Taxonomy 2025 for primary and secondary steel production • Circular inputs & scrap recirculation: Projects must verify circularity by requiring a minimum scrap-to-product output of 90% for steel and 70% for iron foundries, aligning with the IFC's material recirculation benchmarks • Sustainable bio-reductants: To mitigate environmental and food security risks, any biogas or bio-reductant used in these processes must be sourced exclusively from non-food-based organic waste or agricultural residues. All biochar must be certified by the International Biochar Initiative (IBI), ISCC PLUS, or equivalent to ensure the pyrolysis process captures waste gases and meets high-integrity environmental safeguards. • Retrofits (BF-BOF/EAF): Projects achieving greater than or equal to 15% reduction in carbon intensity relative to a 3-year historical baseline via Waste Heat Recovery (WHR), sustainable biochar substitution, or greater than or equal to 90% CCS in line with the Circular Carbon Economy (CCE) framework. • Transition innovation & national leadership: solutions reaching an absolute emission intensity below 1.3 crude steel (or a 20% improvement over the national sectoral average), such as renewable-powered direct electrolysis or smelting reduction with CCS	

27 Aligned with the CBI criteria for cement

28 All CCUS activities must utilise technologies that ensure permanent carbon removal (e.g., mineralization in building materials) or secure geological storage in accordance with regional regulations. Capture Efficiency of at least 90% is aimed at, which is the current industry benchmark for "efficient" CCS.

Sustainable Industries

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Sustainable industrial processes in high emitting sectors such as iron, steel and aluminium	**Iron and steel (cont.)** • Future-ready DRI/EAF infrastructure: new or existing facilities that are "hydrogen-ready" (evidenced by an OEM technical statement confirming a min. 30% blending capability with a roadmap to 100%, aligned with IEA Iron & Steel Roadmap benchmarks). Eligibility is contingent upon sourcing greater than or equal to 50% low-carbon power • Innovation in low-carbon solutions such as direct electrolysis powered by renewable energy or smelting reduction that uses carbon capture and storage[29] • Direct electrolysis: Molten Oxide Electrolysis (MOE) or aqueous electrolysis for iron/aluminum production powered by 100% renewable energy • Hydrogen-ready infrastructure: specialised burners and shaft furnaces designed for ≥50% hydrogen blending, with a verified path to 100% green hydrogen • Advanced carbon capture units: modular capture systems for industrial exhausts targeting ≥90% capture efficiency **Aluminum** • Financing is restricted to projects meeting at least one of the following technical categories, subject to the Mandatory Safeguards outlined below: • Best-in-class performance (new or existing): - Facilities achieving an absolute emission intensity below 1.5tCO_2e/t (Scope 1 and 2), such as those utilising inert anode technologies or renewable-powered smelting (e.g. solar-to-aluminum) - Secondary aluminum production (recycling) utilising greater than or equal to 90% scrap metal feedstock and achieving a documented greater than or equal to 20% energy saving compared to the regional primary production baseline. • Verifiable transition & retrofits: - Smelter efficiency: Projects achieving a greater than or equal to 15% reduction in carbon intensity relative to a 3-year historical baseline via Waste Heat Recovery (WHR), potline optimisation, or high-efficiency motor upgrades - Clean energy integration: Facilities sourcing greater than or equal to 50% low-carbon power aligned with the International Aluminium Institute (IAI) 1.5°C scenario.	 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

29 The projects must achieve a minimum 90% carbon capture efficiency

Sustainable Industries

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Sustainable industrial processes in high emitting sectors such as iron, steel and aluminium	**Mandatory customer-level safeguards:** • To satisfy international transition finance guidelines and mitigate regional environmental risks, all customers must comply with the following: a) Net Zero Commitment: The customer must provide a Board-approved Commitment to reach Net Zero by or around 2050, including documented 2030 energy or emission intensity targets; b) Water Stewardship: DIB will perform an internal Water Stress Assessment. If a project is identified in a high-stress area, the customer must provide a Water Mitigation Plan to ensure zero competition with municipal drinking water; c) Waste Management: Primary producers (refineries/smelters) must provide a documented Bauxite Residue (Red Mud) management plan to mitigate local biodiversity and soil risks. (This is waived for secondary/scrap recyclers).	 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Sustainable industrial processes in high emitting sectors such as chemicals	Financing is restricted to projects meeting at least one of the following technical categories, subject to the Mandatory Safeguards outlined below: **Best-in-Class Absolute Performance** • Low-carbon manufacture of organic/inorganic chemicals: - Facilities must achieve an absolute GHG emission intensity (Scope 1 and 2) within the top 10% of the global or regional sector, or align with the EU Taxonomy threshold of 0.704 for High-Value Chemicals (HVCs) or 1.133 for Ammonia. • Circular resource efficiency: - Alignment with the IFC Harmonized Circular Economy Finance Guidelines (2025) for manufacturing processes utilizing greater than or equal to 50% recycled or bio-based feedstocks (e.g. bio-methanol or recycled plastics) verified via ISCC PLUS or RSB standards. • Alignment with CBI Basic Chemicals Criteria **Transition Pathways & Retrofits (defined list of technologies)** Utilising the following science-based technology pathways: • Decarbonisation technologies (Ref: IEA Net Zero Roadmap): - Electrification: conversion of fossil-fueled steam crackers or boilers to renewable-powered electric heating. - Green Hydrogen Integration: substitution of fossil-based hydrogen with electrolytic green hydrogen for ammonia or methanol synthesis. - CCUS (Carbon Capture, Utilisation, and Storage): Implementation of CCS at point-source emissions (min. 90% capture rate) or CCU where is permanently mineralised or used in durable chemical products. - Waste-to-Energy & Feedstocks: utilisation of secondary production residues or non-food agricultural waste (e.g., lignin-based chemicals) to replace virgin fossil-based carbon, ensuring no competition with local food security.	

Sustainable Industries

Eligible Assets	Eligibility Criteria	SDGs and sub-targets
Sustainable industrial processes in high emitting sectors such as chemicals	**Mandatory customer-level safeguards:** Customers must provide a Board-approved commitment outlining documented 2030 emission or energy intensity targets; eligibility for circular projects further requires third-party feedstock certification (e.g., ISCC PLUS or RSB) to verify the exclusive use of non-food-based organic waste and agricultural residues, ensuring no competition with regional food or water security.	 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Sustainable industrial processes in high emitting sectors such as plastic	Financing is restricted to projects meeting at least one of the following technical performance pathways, subject to the Mandatory Safeguards below: • Low-carbon feedstock transition: - Production of plastics derived from mechanical/ molecularly recycled waste or sustainably sourced bio-based materials[30]. - All bio-based inputs must be certified by ISCC PLUS, or Cradle to Cradle (Bronze or higher) or Blue Angel/ Nordic Swan) or mandating greater than or equal to 50% sustainable content and a verified greater than or equal to 20% GHG reduction compared to the fossil-fuel baseline. • Industrial Re-tooling (de-risking single-use plastics): Dedicated CAPEX for the procurement of specialized machinery required to pivot industrial production away from single-use plastics toward multi-use/durable goods (min. 5-year lifecycle) or compostable alternatives (meeting EN 13432 or ASTM D6400). • Advanced Recycling Technology: integration of chemical/ molecular recycling processes that demonstrate a greater than or equal to 25% lower carbon footprint than virgin plastic production, verified via an ISO 14040/44 Lifecycle Assessment (LCA). • Adherence to the Technical Screening Criteria (TSC) of the Kenya Green Finance Taxonomy (KGFT) 2025 regarding plastic manufacturing and waste mitigation. **Mandatory customer-level safeguards:** Customers must provide a Board-approved commitment to a 2050 Net Zero Roadmap outlining documented 2030 waste-reduction or carbon-intensity targets to ensure the project is a strategic bridge to a low-carbon industrial model. Furthermore, eligibility is contingent upon the exclusive use of non-food-based organic waste or agricultural residues for bio-based feedstocks.	

30 DIB confirms this excludes pyrolysis-based chemical recycling and single use plastics

Climate Change Adaptation		
Eligible Assets	**Eligibility Criteria**	**SDGs and sub-targets**
Increasing the resilience of ecosystems[31]	• Climate observation and early warning systems, or • Resilient infrastructure (water, power, transport, and communication) ensuring ease of repairs and reliability of service, or • Reducing or avoiding weather-related damage (e.g. flood management with focus on Nature-based Solutions), bridges to address higher levels of flooding, systems infrastructure for extreme climate hazards), or • Projects across sectors supporting the resilience of ecosystems (e.g. in agriculture, seed varieties tolerating heat and drought), or • Development and/or use of information and communications technology solutions for the purpose of collecting, transmitting, storing, and using data to facilitate climate adaption and resilience	 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

31 DIB will assess projects under climate change adaptation with a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated for the project, to define the contribution of the proposed investment on climate risks and to evaluate the alignment of the project with local, regional, national strategies and climate adaptation plans.

Employment Generation

Eligible Assets & Target Population	Eligibility Criteria	SDGs and sub-targets
Micro, Small and Medium Enterprises	• Micro, Small and Medium Enterprises (MSMEs) financing as per national definitions	 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
Women-owned businesses	• Women-owned MSMEs (at least 51% owned by one or more women)	
MSMEs whose economic activities have been affected by pandemics and natural disasters	• Micro, Small and Medium enterprises (MSMEs) as per national definitions[32]	

Affordable and Social Housing

Eligible Assets & Target Population	Eligibility Criteria	SDGs and sub-targets Eligible Assets
Government-supported affordable Sharia-compliant house financing schemes	• UAE nationals meeting the criteria for government-supported affordable house financing schemes[33]	 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.
Social housing	• Social housing or provision of financing to social housing institutions that provide housing with reduced rates. Target groups include elderly, people with intellectual or development disabilities young students, people with a higher risk of poverty, social exclusion, discrimination and violence, or • Residential projects where at least 75% of units are reserved for households with an income below 60% of the Area Median Income (AMI)	

32 MSMEs as defined per the national definition laid out in UAE Central Bank Circular No. 1/2021 dated 26/02/2021 under Article 1, point a. & b. definition of SME.

33 Examples include e.g. Sheikh Zayed Housing Program and Mohammed bin Rashid Housing Establishment

Essential Infrastructure		
Eligible Assets & Target Population	**Eligibility Criteria**	**SDGs and sub-targets**
Basic Infrastructure for rural, excluded, marginalised, under-served or vulnerable groups	Projects for rural, excluded, marginalised, under-served or vulnerable groups including: • Water: Clean water production and storage projects[34] • Energy: Access to renewable energy (regions with a power connection rate below 50%) • Telecommunications: Access to telecommunications (e.g. broadband, internet coverage or mobile phones)	 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.  6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

34 Water desalination projects are excluded.

Essential Services

Eligible Assets & Target Population	Eligibility Criteria	SDGs and sub-targets
Education, vocational / professional training	• Education (public, not-for-profit or private with the majority of students with subsidised education or training): - Construction and operation of schools, universities, university campuses, vocational training facilities and other educational purpose facilities - Vocational training - Other educational activities (e.g. sports, culture, art, languages), or • School/curriculum/education program towards people with disabilities	 4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education. 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.  3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
Student interest-free loans, student and adult education interest-free loans or Sharia-compliant financings	• Student interest-free loans or Sharia-compliant financings, or • Student education interest-free loans for low- and mid-income parents, or • Interest-free loans for reskilling and upskilling of adults	
Health care and elderly care	• Health care: Construction and operation of hospitals and health care centers (public, not-for-profit or private with the majority of patients with free or subsidised health care services) • Private hospitals that allocate at least 20% of their operational capacity to public-sector referred patients or those under subsidised government health schemes • Elderly care: Construction and operation of elderly homes and nurseries with healthcare services (public, not-for-profit or private with the majority of customers with free or subsidised elderly care services) • Enabling access to health care (e.g. remote / in-person health care) • Provision of health care services (e.g. health care machinery and equipment, prevention and treatment of diseases and epidemics for the above)	
Emergency services	• Emergency services such as firefighting, or • Enabling access to emergency services, or • Provision of emergency services (e.g. firefighting equipment)	

Empowered Society		
Eligible Assets & Target Population	**Eligibility Criteria**	**SDGs and sub-targets**
Advancement of International Human Rights (including Labour Rights and Children's Rights)	• Organisations and non-governmental organisations (NGOs) which are not-for-profit: projects focusing on the advancement of International Human Rights (including Labour Rights and Children's Rights)[35]	 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
Reduction of inequalities	Finance relating to the reduction of inequalities such as: • Enabling disabled people to access and use products and services (removing architectural barriers with ramps, steps, tactile indicators, etc.) • Developing products and services tailored for low-income customers (e.g. mobile-based money transfer services for unbanked consumers) and other vulnerable groups. • Life support to people with disabilities • Organisations and non-governmental organisations (NGOs) which are not-for-profit: projects on reduction of inequalities	 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

35 To the extent these are not in conflict with the principles of Sharia

Food Security		
Eligible Assets & Target Population	**Eligibility Criteria**	**SDGs and sub-targets**
Agricultural structures and practices	• Organic agriculture (International Federation of Organic Agriculture Movements IFOAM and Regenerative Organic Certified ROC) • Hydroponics and aeroponics in food production • Integrated cropland-livestock-forestry systems that utilize sustainable forestry management plans for smallholders[36] • Climate smart farm inputs, such as Rainforest Alliance certified biological crop protection	 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.
Aquaculture[37]	• Certified aquaculture (e.g. Friend of the Sea certification, Aquaculture Stewardship Council (ASC), Best Aquaculture Practices (BAP), Marine Stewardship Council, Certified Global G.A.P for Aquaculture Integrated Farm Assurance for Aquaculture)	 14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution. 14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.

36 Smallholders are small-scale farmers, pastoralists, forest keepers, or fishers who manage areas ranging from less than one hectare to 10 hectares.

37 DIB requires all qualifying customers to (i) submit a detailed annual impact report disclosing specific environmental and social performance metrics, or (ii) demonstrate internal exclusion criteria and screening processes that strictly mitigate risks related to fisheries in accordance with international best practices for sustainable fisheries.

Sustainable Digitalisation		
Eligible Assets & Target Population	**Eligibility Criteria**	**SDGs and sub-targets**
Sustainable Digitalisation	• Finance relating to Sustainable Digitalisation projects based on leading sectoral practices and impact assessment, or • Digital solutions reducing emissions, or • Digital solutions using green coding (documented decrease of energy use), or • Secure digital solutions	 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

3.2 Process for project evaluation and selection

Qualification of projects for Eligibility follows the client and transaction (project) level ESG risk assessment (described in the beginning of Chapter 3).

In brief, the DIB process is comprised of five steps: I. Identification, Screening & Analysis, II. Presentation & Approval, III. Sustainable Asset Register, IV. Internal Reporting, and V. External Reporting & Assurance (Graph 2).

I. IDENTIFICATION, SCREENING & ANALYSIS	II. PRESENTATION & APPROVAL	III. SUSTAINABLE ASSET REGISTER	IV. INTERNAL REPORTING	V. EXTERNAL REPORTING & ASSURANCE
A. DIB Business Areas identify and screen potentially Eligible financing from their portfolios B. Suggestion of new Eligible financing is sent monthly to the Sustainable Finance Committee (SFC) for analysis.	C. In the monthly SFC meeting, the Business Areas present their suggestions on new Eligible financing. D. SFC approves Eligible financing.	E. New Eligible financing is added to DIB's Sustainable Asset Register. Assets older than the three-year look-back period are reclassified**.	**MONTHLY:** F. The Sustainable Asset Register is circulated in the organisation monthly. **QUARTERLY:** G. The Sustainable Asset Register is reported to the Management Sustainability Committee (MSC) and Board Nomination, Remuneration, and Sustainability Committee (BNRSC) on a quarterly basis for endorsement.	**ANNUALLY*:** H. DIB publishes a Sustainable Finance Report yearly on its web pages which is built from the Sustainable Asset (and the Sustainability-Linked Finance) Registers. I. DIB's Sustainable Finance Report is subject to limited assurance by a qualified third party.

* Annually or more frequently if required by regulators

** Assets older than the three-year look-back period are not allocated against outstanding Sustainable Finance Instruments but they continue to be tracked in the Sustainable Asset Register

Graph 2. DIB's process for project evaluation and selection.

All approved financing is checked for Eligibility under the Sustainable Finance Framework. The Business Areas are responsible for sending the potentially new Eligible assets to the Sustainable Finance Committee (SFC) on a monthly basis (Graph 2., Step I.). The SFC members are:

- Chair: Chief Sustainability Officer
- Vice Chair and member: Vice President, Sustainable Finance, Innovation & Regulatory Excellence (Sustainability)
- Members: Vice President, Sustainable Finance Commercial Growth, Head of Financial Control, Head of Corporate Credit and Head of Wholesale Credit Policy and Portfolio Management

In the monthly SFC meetings, Business Areas present the suggested new Eligible Assets to the SFC for approval and the SFC approves them (Graph 2., Step II.) based on the mandate it has obtained from the Management Sustainability Committee (MSC). The MSC members represent the leaders across the different Units:

- Chair: Group CEO
- Vice Chair and member: Chief Sustainability Officer
- Members: Chief Financial Officer, Chief Operating Officer, Group Chief Risk Officer, Chief of International Business & RE Investments, Chief of Investment Banking, Chief of Corporate Banking, Chief of Commercial Banking, Chief Consumer Banking Officer, Chief of Treasury, Chief Credit Officer, Chief Digital Officer, Head of Human Resources, Head of Organisational Effectiveness, and Chief of Center of Customer Excellence.

Then, the Sustainable Asset Register is updated to include the new assets deemed Eligible, and assets older than the three-year look-back period are reclassified. (Graph 2., Step III.).

3.3 Management of proceeds

The net proceeds of each DIB Sustainable Financing Instrument are tracked internally in an equivalent manner as depositing them into separate sustainability-related funding accounts and earmarked for allocation towards the Eligible projects and finance using the Sustainable Asset Register. The Eligible projects and finance per Eligible Category are digitally tagged in DIB's systems.

The Sustainable Asset Register (Graph 2., step III.) includes relevant information that enables DIB to closely monitor:

- Allocation of proceeds based on portfolio approach (e.g. list of Eligible sustainable projects per Eligible Category, amount allocated, etc., as well as information on the amount of unallocated proceeds). Financing with several tranches (e.g. Green, Social and conventional) is tracked.
- Sustainable Financing Instrument (e.g. type, name, ISIN, maturity)

Any proceeds temporarily unallocated will be invested according to the Bank's standard treasury processes into cash or cash equivalents.

3.4 Reporting

To ensure transparency and accountability, DIB implements a comprehensive internal sustainability reporting process:

- On a monthly basis, DIB circulates the Sustainable Asset Register to relevant unit leaders (Graph 2, step IV.). This ensures that departments can provide accurate, timely data, and allows for informed decision-making at the department level.
- On a quarterly basis, DIB reports on the Sustainable Asset Register to the MSC and BNRSC (Graph 2., Step IV.).

Externally, DIB publishes an annual Sustainable Finance Report annually, or more frequently if required by regulators. The reports are published on the Sustainability and Investor Relations web page until full allocation of the net proceeds of any Sustainable Financing Instrument issued, or until the Sustainable Financing Instrument is no longer outstanding. The Sustainable Finance Report is subject to a limited assurance by a qualified external third-party (Graph 2, step V.).

Allocation reporting

The Sustainable Finance Report will contain the following information at its minimum:

- Sustainable Financing Instrument issuance dates and maturity of the portfolio
- Geographic distribution of the assets
- Amount of proceeds allocated to Eligible Sustainable Project categories
- Amount of unallocated proceeds
- Selected examples of projects financed (if client consents to disclosure)
- The size of the identified Eligible Loan Portfolio, per Eligible Project Category.

Impact reporting

DIB's Sustainable Finance Report will include information on the impact of the entire Sustainable Asset and Sustainability-Linked Finance portfolios that qualify under our frameworks, serving to enhance both DIB's and investors' understanding of the impacts of our portfolio.

The reporting builds on the ICMA Harmonized Framework for Impact Reporting[38] and DIB's proprietary impact reporting metrics (Table 2). We may also make use of selected international impact indicators such as the EU Taxonomy, Sustainable Finance Disclosure Regulation (SFDR) and Corporate Sustainability Reporting Directive (CSRD). We link our impact reporting to the Sustainable Development Goals (SDGs) and sub-targets we consider to be the most relevant for us.

38 ICMA Handbook - Harmonised Framework for Impact Reporting and ICMA Handbook - Harmonised Framework for Impact Reporting for Social Bonds

DIB strives for maximum transparency and discloses calculation methodologies and key assumptions used. The completeness of impact reporting is subject to the availability and quality of information.

Table 2. Eligible Categories and Potential Impact Reporting Metrics.

Eligible Categories	Potential Impact Reporting Metrics
Green Project Categories	
Clean energy	• Capacity of renewable / clean energy plant(s) constructed or rehabilitated in MW • Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy) • Annual GHG emissions reduced/avoided in tonnes of CO_2 equivalent • Economic value generated (turnover, profit)
Energy Efficiency	• Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy savings) • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Energy storage capacity constructed / installed in MWh • Economic value generated (turnover, profit)
Clean Transportation	• Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Number and type of clean transportation infrastructure financed • Passenger-kilometres (i.e. the transport of one passenger over one kilometre) and/or passengers or tonne-kilometres (i.e. the transport of one tonne over one kilometre) • Length (km) of connecting infrastructure supported • Economic value generated (turnover, profit)
Green Buildings	• Energy efficiency gains in MWh or % versus baseline/building code • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Number of financings to certified buildings • Economic value generated (turnover, profit)
Pollution Prevention and Control	• Waste reduced/reused/recycled/avoided (tonnes) before and after the project • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Volume of waste collected and disposed or treated (tons) • Number and type of pollution prevention and control projects financed • Economic value generated (turnover, profit)
Sustainable Water and Wastewater Management	• Annual reduction in water use in m^3 or % • Annual amount of wastewater avoided, treated or reused before and after the project in m^3 • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Economic value generated (turnover, profit)

Eligible Categories	Potential Impact Reporting Metrics
Green Project Categories	
Biodiversity	• Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) as a result of newly planted forests • Managed area in km^2 • Economic value generated (turnover, profit)
Circular Economy	• Material recovery rate in % • Number and type of circular economy projects financed • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) • Economic value generated (turnover, profit)
Sustainable Industries	• Number and type of sustainable industry projects financed • Annual GHG emissions reduced/avoided (tonnes of CO_2 equivalent) before and after the project • Economic value generated (turnover, profit)
Climate Change Adaptation	• Area protected (m^2) from floods/drought/erosion • Number of people and companies benefitting from the measures taken • Number of innovations (e.g. seed varieties developed, patents) • Economic value generated (turnover, profit)

Eligible Categories	Potential Impact Reporting Metrics
Social Project Categories	
Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises	• Number and amount of financing to Micro, Small and Medium Enterprises (MSMEs) / women-owned MSMEs / MSMEs affected by pandemics • Economic value generated (turnover, profit)
Affordable and Social Housing	**Affordable Housing** • Number of housing units constructed / financed • Number of people benefitting from subsidised housing (average family size of country * number of financings) **Social Housing** • Number of people benefitting from social housing • Number of new/renovated social housing units financed
Essential Infrastructure	• Number of people with access to clean water/ renewable energy/ telecom services • Economic value generated (turnover, profit)
Essential Services	• Number of students/patients/elderly/disabled benefitting from the project • Number of student/adult education interest-free loans/financings • Number of eligible educational (incl. disabled people), health care, elderly care and emergency services financed • Economic value generated (turnover, profit)
Empowered Society	• Number of people benefitting from the project • Number and type of projects financed
Food Security	• Number and type of food security projects financed • Economic value generated (turnover, profit)
Sustainable Digitalisation	• Number and type of sustainable digitalisation projects financed • Economic value generated (turnover, profit)

4. External review

DIB engages with external reviewers to ensure our Sustainable Finance Framework, financing instruments issued under this framework[39], related financing and reporting on the funds follows global leading practices. All external reviews are available on DIB's and Sustainability and Investor Relations web pages:

- https://www.dib.ae/sustainability
- https://www.dib.ae/about-us/investor-relations

DIB has obtained a Second Party Opinion (SPO) for this Framework from Institutional Shareholder Services (ISS) Corporate Solutions Inc (ISS-Corporate) to ensure alignment with the latest GBP, SBP, SBG, GLP, SLP and GSS[40].

For reporting on the allocation of the net proceeds and impact, DIB obtains a yearly or more frequently if required limited assurance by a qualified provider, starting one year after funding and until full allocation and maturity of our Sukuk proceeds. Assurance ensures the alignment of fund allocation and impacts, and the related reporting as specified in this Framework.

39 As of March 2026, DIB has issued three Sustainable Sukuk.

40 The International Capital Market Association (ICMA) Green Bond Principles (GBP) 2025, Social Bond Principles (SBP) 2025, Sustainability Bond Guidelines (SBG) 2021, the Loan Market Association (LMA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLPs) 2025, and the Guidance on Green, Social, and Sustainability (GSS) Sukuk, as administered by the International Capital Market Association (ICMA) (2024)

5. Framework review and updates

5.1 Annual review

The SFC will conduct an annual review of the Sustainable Finance Framework to ensure alignment with the latest global best practices.

5.2 Approval process for updates

If updates are proposed, a three-step approval process will be followed. First, the MSC will approve the proposed updates. Second, a qualified external provider will conduct a new Second-Party Opinion (SPO) on the revised framework. At last, the framework will be approved by the Board Nomination, Remuneration, and Sustainability Committee (BNRSC) and the Board. ISSC approval shall be required for any updates and amendments to this document.

5.3 Framework ownership

The Board Nomination, Remuneration, and Sustainability Committee (BNRSC) is the ultimate owner of the Sustainable Finance Framework.

5.4 Transparency and future updates

DIB is committed to maintaining or enhancing the current level of transparency and reporting disclosures in any future version of this Framework. This includes ongoing engagement with external reviewers as outline above. Any updated Framework will be published on DIB's Sustainability and Investor Relations web pages, superseding the previous version.

Annexure I – Sharia Principles and Compliance

Sharia Principles:

1. Guided by the principles of Sharia, DIB integrates Islamic finance principles into modern banking practices.
2. As an Islamic bank, DIB adheres to the highest ethical standards. Transparency, justice, and avoiding practices and activities prohibited by Sharia are core values in DIB's approach.
3. DIB strictly avoids Riba (interest). Instead, it engages in trade and investment activities to generate Halal profits. This means DIB does not accept deposits or provide loans based on interest.
4. Dubai Islamic Bank ensures accuracy, transparency, and clarity in all transactions, including those related to Sustainable Islamic Finance. DIB is committed to adopting leading sustainability standards and disclosing them to its clients.

Sharia Compliance:

Reference to the below issued Notices and Resolution by Higher Sharia Authority of Central Bank of UAE:

- Notice No. 5727.2021 re The Interpretation of AAOIFI Shari'ah Standards.
- Notice No. 2123.2020 Standard Re-Shari'ah Governance For Islamic Financial Institutions.
- Notice No. 1198.2021 re Standards re Risk Management Requirements for Islamic Banks
- Notice No. 1906.2024 Standard and Guidance Note Re Shari'ah Compliance Function at Islamic Financial Institution.
- Notice No. 5885.2023 re The Higher Shari'ah Authority Resolution re The Guiding Principles Regarding Islamic Sustainable Finance

1. DIB ensures Sharia compliance by offering products and services that adhere to Sharia rules and principles as documented in the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) Sharia'a standards and Central Bank of UAE - Higher Sharia Authority's (CBUAE-HSA) resolutions.
2. DIB adheres to Sharia principles in all its objectives, strategy, policy level documents such as code of conduct, operations, products and activities.
3. All DIB products and services require approval from its Internal Sharia Supervisory Committee (ISSC) which comprises of highly reputable scholars and experts in Islamic jurisprudence (Fiqh) and Islamic commercial law (Fiqh al-Muamalat).
4. All DIB documents such as contracts and agreements, and related terms and conditions including schedule of charges and marketing materials are required to be reviewed and approved to ensure alignment with Sharia principles and requirements as per the Sharia Governance Framework.
5. DIB incorporates into its overall risk management framework the Sharia non-compliance risk - its identification, assessment, mitigation and management. This ensures adequate controls are in place to mitigate the risk of Sharia non-compliance.

6 DIB implements a robust Sharia governance framework with regular Sharia-based internal control assessments to maintain the highest standards of Sharia compliance.

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