SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Sustainability-Linked Financing Framework

Dubai Islamic Bank

17 June 2026

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	▪ Sustainability-linked financing sukuk
Relevant standards	▪ Guidelines for Sustainability-Linked Loans financing Bonds, ICMA and LMA, as of June 2024 (Including June 2025 Annex on FAQ)
Scope of verification	▪ Dubai Islamic Bank's Sustainability-Linked Financing Framework (as of Jun. 16, 2026) ▪ Dubai Islamic Bank's Sustainability-Linked Financing Facilities' KPIs and associated SPTs (as of Jun. 16, 2026)
Lifecycle	▪ Pre-issuance verification
Validity	▪ Valid as long as the cited Framework remains unchanged

CONTENTS

SCOPE OF WORK

Dubai Islamic Bank ("the Issuer," "the Bank" or "DIB") commissioned ISS-Corporate to assist with its Sustainability-Linked Financing Instruments (SLF Instruments)[1] by assessing three core elements to determine the sustainability quality of the instruments:

1. DIB's Sustainability-Linked Financing Framework (as of Jun. 16, 2026), benchmarked against the International Capital Market Association (ICMA) and Loan Market Association's (LMA) Guidelines for Sustainability-Linked Loans financing Bonds (SLLBG).

2. Assessment of the sustainability credentials of the key performance indicators (KPIs) selected and sustainability performance targets (SPTs) calibrated for the Sustainability-Linked Financing (SLF) Facilities that are confirmed to be related to the Impact Objective of the SLF Sukuk – whether the KPIs are material and SPTs are ambitious. The assessment does not include KPIs and SPTs deemed to be not related to the Impact Objective of the SLF Sukuk by the Issuer.

3. Overview of DIB's sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

[1] The instrument contemplated is limited to sukuk.

DUBAI ISLAMIC BANK OVERVIEW

Dubai Islamic Bank PJSC engages in the provision of Sharia-compliant banking and financial services. It operates through the following segments: Consumer Banking, Corporate Banking, Investment Banking, and Treasury. The Consumer Banking segment focuses on individual customers by providing them with Sharia-compliant accounts and deposits, and dedicated financing via Personal Finance, Home Finance, Auto Finance and Cards. The Corporate Banking business offers a suite of Sharia-compliant corporate banking products and services designed to meet the diverse needs of businesses in the UAE, and serving a wide range of clients across the public and private sectors. The Investment Banking business assists clients including sovereigns, quasi-sovereigns, large corporates, and financial institutions with every aspect of their funding requirements and acts as the financial advisor and dealmaker. The Treasury division manages the Bank's liquidity as well as funding requirements through the capital markets. Treasury also manages the Bank's Sukuk Investment book, along with enhancing business relationships with financial institutions across the globe. Treasury provides a range of Sharia-compliant products including Foreign Exchange, Profit Rate Hedging, Commodity Hedging, Fixed Income Sales (Sukuk), and Structured investment solutions. In 2025, DIB also created a dedicated Commercial Banking Division providing products and services for SMEs and Middle Market corporate clients. The company was founded on March 12,1975 and is headquartered in Dubai, United Arab Emirates.

ESG risks associated with the Issuer's industry

DIB is classified in the commercial banks and capital markets industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies[2] in this industry are sustainability impacts of lending and other financial services/products, customer and product responsibility, sustainable investment criteria, labor standards and working conditions, and business ethics.

This report focuses on the sustainability credentials of the issuance. Part III of this report provides an overview of the Issuer's overall sustainability strategy.

Rationale for issuance

Sustainability-Linked Financing Facilities will contribute towards DIB's Sustainable Finance commitment to have 15% of the group gross financing as Sustainable Finance by 2030. DIB has pledged together with other large UAE banks to mobilize over AED 1 trillion in sustainable finance by 2030. DIB has issued US$2.75bn of Sustainable Sukuk between 2022 and 2024, and US$1bn in Sustainability linked sukuk in 2025, retaining the flexibility of issuing both products in the future depending on which product reflects the balance sheet growth at any point in time.

[2] Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within this industry.

DIB's Sustainability Strategy has two pillars, "Lead by Example" and "Finance a Sustainable Future". This new framework contributes especially to the second pillar, "Finance a Sustainable Future". More specifically, in the "Finance a Sustainable Future" pillar, the framework contributes to the objective of "Significantly step up the share of our funding activities towards sustainable projects" in the priority area of "Propel Sustainable Finance".

In Q4 2024, DIB launched a comprehensive Sustainability Policy, accompanied by enhanced disclosures of key policy statements which impact DIB's ESG positioning in the market. This strategic initiative represents its unwavering commitment to responsible business practices. DIB has currently committed to:

- 15% of DIB's group gross financing as Sustainable Finance by 2030
- Net Zero in DIB's Scope 1 and 2 GHG emissions by 2030 for DIB UAE. DIB is in the process of analyzing portfolio decarbonization target setting and further portfolio level Sustainable Finance targets that align with the UAE's Net Zero 2050 plan.

ASSESSMENT SUMMARY

SECTION	EVALUATION SUMMARY[3]
Part 1: **Assessment of DIB's Sustainability-Linked Financing Framework against ICMA and LMA's SLLBG**	**The Sustainability-Linked Financing Framework reflects the recommendations of ICMA and LMA's SLLBG** The Issuer has defined a formal concept for its Sustainability-linked Financing sukuk regarding the use of proceeds, processes for project evaluation and selection, management of proceeds, and reporting.
Part 2: **Assessment of the quality of the Eligibility Criteria for KPIs and SPTs**	**The quality of the eligibility criteria for KPI selection and SPT calibration reflects the recommendations of ICMA's SLLBG.** A detailed analysis of the sustainability credibility of the KPI selection and SPT calibration is available in Part II of this report.
Part 3: **DIB's sustainability strategy**	The Issuer has disclosed its ESG pillars. Internal performance targets are set for these pillars. Progress on the sustainability strategy is being publicly reported.

[3] The evaluation is based on DIB's Sustainability-Linked Financing Framework (Jun. 16, 2026, version), on the Sustainability-Linked Financing Facilities' KPI and SPT eligibility criteria as received on Jun. 16, 2026.

SPO ASSESSMENT

PART I: REVIEW OF DIB'S SUSTAINABILITY-LINKED FINANCING FRAMEWORK

This section evaluates the alignment of DIB's Sustainability-Linked Financing Framework (as of Jun. 16, 2026) with ICMA and LMA's SLLBG.

ELEMENTS OF THE SLLBG	OPINION
1. Use of proceeds	The use of proceeds description provided by DIB's Sustainability-Linked Financing Framework **reflects** ICMA and LMA's SLLBG. The Issuer included clear eligibility criteria for selecting the underlying Sustainability-Linked Financing Facilities. DIB's Sustainability-Linked Financing Framework requires that eligible SLF Facilities are to be aligned with the most recent SLLP published corresponding to the time of approving the SLF Facilities. To avoid double counting, facilities that have both a green, social or sustainability use of proceeds and a sustainability-linked component will not be considered as an eligible SLF Facility. Furthermore, net proceeds are only allocated to the outstanding drawn parts of each eligible SLF Facility. DIB has employed Approach 1 suggested in the SLLBG.[4] ISS-Corporate has been appointed as an independent external reviewer to assess through a pre-issuance external review the alignment of the Framework's eligibility criteria with the five core components of the Loan Market Association's Sustainability-Linked Loan Principles (SLLP) through information on the evaluation process, criteria and/or thresholds in place in the Sustainability-Linked Financing Framework to assess the SLF Facilities eligible portfolio, which includes a predefined list of KPIs and accompanying ambition ranges for SPTs (Approach 1). It should be noted that the independent external review of individual eligible Sustainability-Linked Financing Facilities falls outside the agreed scope of this SPO. Accordingly, ISS-Corporate does not opine on Approach 2 of DIB's Sustainability-Linked Financing Framework, nor has any SLL been submitted for review. The Issuer has defined climate change mitigation, climate change adaptation, pollution prevention and control, empowered society and sustainable business practices as the core sustainability

[4] According to the SLLBG, issuers are provided two options to achieve an appropriate level of transparency.

ELEMENTS OF THE SLLBG	OPINION
	objectives of its eligible SLF Facilities under this Framework, in line with best market practice. DIB states that KPIs in this Framework addresses one of the Impact Objectives listed in the Framework and are classified into two different categories, including (i) Core KPI which can be used on a standalone basis, and (ii) Complementary KPI which should be used alongside a Core KPI, unless in cases where a single Core KPI is not feasible or applicable to a Client's specific business model, then DIB states that it may consider a 'Basket of Complementary KPIs' for the Client.[5] DIB states that eligibility for the Basket of Complementary KPIs is subject to formal approval by the Bank's Sustainable Finance Committee (SFC) and to be eligible, such a basket must: ▪ Demonstrate Materiality: Collectively address the most material sustainability issues of the counterparty, providing a holistic impact equivalent to a single Core KPI. ▪ Align with Impact Objectives: Be explicitly mapped to one of DIB's defined Impact Objectives. ▪ Undergo Data Validation: Assurance that each KPI in the basket is based on a consistent, verifiable methodology with historical data availability.
2. Process for sustainability-linked loan evaluation and selection	The process for SLF Facility evaluation and selection description provided by DIB's Sustainability-Linked Financing Framework **reflects** ICMA and LMA's SLLBG. The Process for SLL Evaluation and Selection is clearly defined by The evaluation and selection process of SLF Facilities and/or pair of predetermined KPIs/SPTs is defined and structured in a congruous manner. DIB has transparently disclosed the committee responsible for project evaluation, selection, monitoring, and reporting, as well as the corporate functions engaged in the process. DIB performs annual compliance tests for the selected KPIs and SPTs of each eligible SLF Facility based on the clients' annual reporting, which is externally verified. A SLF Facility passes the test only if it meets all of its SPTs for the selected KPI(s), and fails the test if at least one of the SPT of the selected KPI(s) is not met or no information is available for the assessment. In practice, the SLF

[5] It should be noted that several KPIs listed in the Framework are deemed to show no evidence on whether it aligns with the requirements of the LMA's SLLP.

ELEMENTS OF THE SLLBG	OPINION
	Facility can have KPIs other than the selected KPI(s). The SPTs related to these additional KPIs do not need to be met for the SLF Facility to be eligible. Non-compliant and non-eligible SLF Facilities are reclassified as Non-Compliant in the Sustainability-Linked Financing register until the next calibration, and can get back the compliant and eligible status if the SLF Facility passes the compliance test. The Sustainability-Linked Financing Framework defines exclusion criteria for Clients from non-Sharia compliant sectors and activities, including projects associated with alcohol, adult entertainment, gambling, tobacco, interest-based loans benefiting from penal interest. Furthermore, the Bank also includes the process to identify ESG risks related to the Client and to each eligible SLF Facility in the evaluation and selection process during DIB's credit approval process. DIB monitors ESG risks at the portfolio and client (project) levels regularly, however it is not clear on the frequency of monitoring and on how DIB mitigates the identified ESG risks related to the Client of each eligible SLF Facility. ISS-Corporate has confirmed with the Issuer that there are processes in place to ensure the KPIs and SPTs that are deemed unrelated to the SLFF Sukuk's Impact Objectives and that are not assessed in this Second Party Opinion are aligned with LMA's SLLP.
3. Management of proceeds	The management of proceeds description provided by DIB's Sustainability-Linked Financing Framework **reflects** ICMA and LMA's SLLBG. DIB clearly defines the process for the management of proceeds. The net proceeds are tracked by the Issuer in an appropriate manner, and attested to by the Issuer in a formal internal process. The net proceeds collected will be allocated fully within two years from the date of issuance, and will be at least equal to the outstanding amount drawn down as part of the Sustainability-Linked Financing Instruments, with no exceptions. The proceeds collected will be earmarked and managed on an aggregated basis (portfolio approach). The balance of the tracked net proceeds is periodically adjusted to match allocations to eligible SLF Facilities made during that period. Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.

ELEMENTS OF THE SLLBG	OPINION
4. Reporting	The allocation and impact reporting description provided by DIB's Sustainability-Linked Financing Framework **reflects** ICMA and LMA's SLLBG. DIB will publish and publicly disclose a Sustainable Finance Report on its website annually or more frequently if required by regulators throughout and during the lifetime of the Sustainability-Linked Financing instruments. DIB explains that the level of expected reporting will be at portfolio level. The reporting will include amount of net proceeds allocated, the size of the portfolio of eligible SLF Facilities and the year of origination of the eligible SLF Facilities, information on the achievement of KPIs/SPTs, the amount of unallocated proceeds, information on disqualified SLF Facilities and newly added SLF Facilities, the number of SLF Facilities included in the Sustainability-Linked Financing Register and SLF Facilities excluded from the Sustainability-Linked Financing Register, and related allocated proceeds amounts. Further, DIB commits to engage an external auditor or other third party to verify the allocation of funds from the Sustainability-Linked Financing Instruments' proceeds to eligible SLF Facilities.
5. External Review	The external review description provided by DIB's Sustainability-Linked Financing Framework **reflects** ICMA and LMA's SLLBG. DIB engaged ISS-Corporate to act as an external reviewer of this Sustainability-Linked Financing Framework. The SPO is publicly available on DIB's website. A new SPO will be provided upon any subsequent update in the list of eligible KPIs.

PART II: ELIGIBILITY OF THE SUSTAINABILITY-LINKED FINANCING FACILITIES' KPIs AND ASSOCIATED SPTs

Summary table[6]

KPI	KPI 1 ACTUAL GHG EMISSIONS (SCOPE 1 AND 2), ABSOLUTE OR INTENSITY	KPI 2 ACTUAL GHG EMISSIONS (SCOPE 1, 2 AND 3), ABSOLUTE OR INTENSITY	KPI 3 ACTUAL GHG EMISSIONS (SCOPE 1), ABSOLUTE OR INTENSITY
Relevant	Relevant	Relevant	Relevant
Core	Moderately Core Limited information to assess[7]	Moderately Core Limited information to assess[8]	Limited information to assess
Material	Partially Material	Partially Material	Material[9] Moderately Material[10]
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[11] Limited information to assess the SPT's ambition against past performance[12]		
SPT's ambition against peers	In line with peers[13] Ambitious against peers on the basis of setting a target[14] Limited information to assess the SPT's ambition against peers[15]		
SPT's ambition against international targets	In line with the Paris Agreement	In line with the Paris Agreement	In line with the Paris Agreement

[6] Given that the assessment of the KPIs and associated SPTs is done at the lender level, the identification and management of the environmental and social risks associated with the client of the SLL at transaction the transaction level is out of the review's scope.
[7] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[8] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[9] For absolute Scope 1 GHG emissions KPI.
[10] For intensity Scope 1 GHG emissions KPI.
[11] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[12] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[13] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[14] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[15] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 4 ACTUAL GHG EMISSIONS (SCOPE 3), ABSOLUTE OR INTENSITY	KPI 5 RENEWABLE ENERGY CONSUMPTION, PROCUREMENT, PURCHASE, GENERATION, OR INSTALLED CAPACITY (% OR ABSOLUTE TOTAL ENERGY / MW / MWH / CO_2 EMISSIONS AVOIDED)	KPI 6 NEW INSTALLED ZERO CARBON ELECTRICITY CAPACITY (MW)
Relevant	Relevant	Relevant	Relevant
Core	Moderately Core	Core	Core
	Limited information to assess[16]	Limited information to assess[17]	Limited information to assess[18]
Material	Moderately Material	Partially Material	Partially Material[19]
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[20] Limited information to assess the SPT's ambition against past performance[21]		
SPT's ambition against peers[22]	In line with peers[23] Ambitious against peers on the basis of setting a target[24] Limited information to assess the SPT's ambition against peers[25]		
SPT's ambition against international targets	In line with the Paris Agreement	Aligned with local, regional or international targets	Limited information to assess

[16] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[17] Ibid.
[18] Ibid.
[19] In cases where the client carves out and excludes the usage of nuclear energy and fossil fuels equipped with carbon capture, utilization or storage (CCUS).
[20] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[21] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[22] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[23] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[24] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[25] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 7 ANNUAL ENERGY SAVINGS (ABSOLUTE (KWH/MWH OR %)	KPI 8 TAXONOMY ALIGNED REVENUE OR CAPEX OR OPEX (ABSOLUTE OR PERCENTAGE OF TOTAL REVENUE OR CAPEX OR OPEX)	KPI 9 PRODUCTS OR SERVICES SUPPORTING LOW-CARBON ENERGY (ABSOLUTE OR % OF TOTAL)
Relevant	Relevant	Relevant	Relevant
Core	Moderately Core Limited information to assess[26]	Limited information to assess	Limited information to assess
Material	Partially Material	Moderately Material	Partially Material
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[27] Limited information to assess the SPT's ambition against past performance[28]		
SPT's ambition against peers[29]	In line with peers[30] Ambitious against peers on the basis of setting a target[31] Limited information to assess the SPT's ambition against peers[32]		
SPT's ambition against international targets	Limited information to assess	Limited information to assess	Limited information to assess

[26] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[27] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[28] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[29] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[30] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[31] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[32] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 10 PRODUCTS OR SERVICES SUPPORTING LOW-EMISSION TRANSPORTATION (ABSOLUTE OR % OF TOTAL)	KPI 11 ALTERNATIVE FUELS (ABSOLUTE OR % TOTAL FUELS CONSUMED)	KPI 12 GHG EMISSIONS - WELL TO WAKE ("WTW") AND TANK TO WAKE ("TTW")
Relevant	Relevant	Relevant	Relevant
Core	Moderately Core Limited information to assess[33]	Moderately Core Limited information to assess[34]	Moderately Core Limited information to assess[35]
Material	Partially Material	Partially Material	Partially Material[36] Moderately Material[37]
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[38] Limited information to assess the SPT's ambition against past performance[39]		
SPT's ambition against peers[40]	In line with peers[41] Ambitious against peers on the basis of setting a target[42] Limited information to assess the SPT's ambition against peers[43]		
SPT's ambition against international targets	Limited information to assess	Limited information to assess	In line with the Paris Agreement

[33] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[34] Ibid.
[35] Ibid.
[36] For airline companies and shipping sector.
[37] For aircraft OEMs.
[38] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[39] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[40] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[41] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[42] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[43] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 13 GREEN BUILDINGS – CERTIFICATION	KPI 14 WATER CONSUMPTION	KPI 15 INCREASE IN GRID RESILIENCE
Relevant	Relevant	Relevant	Relevant
Core	Moderately Core Limited information to assess[44]	Core Limited information to assess[45]	Moderately Core Limited information to assess[46]
Material	Moderately Material[47]	Partially Material	Moderately Material
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[48] Limited information to assess the SPT's ambition against past performance[49]		
SPT's ambition against peers[50]	In line with peers[51] Ambitious against peers on the basis of setting a target[52] Limited information to assess the SPT's ambition against peers[53]		
SPT's ambition against international targets	Limited information to assess	In line with the Paris Agreement	Limited information to assess

[44] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[45] Ibid.
[46] Ibid.
[47] Eligible green building certifications include LEED, BREEAM, Estidama Pearl Building Rating System, Global Sustainability Assessment System, Al Sa'fat, WELL, EDGE, Green Globes Green Star Africa.
[48] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[49] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[50] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[51] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[52] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[53] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 16 WATER RECYCLING/SEWAGE TREATMENT CAPACITY (ABSOLUTE OR %)	KPI 17 WATER REDUCED/REUSED/RECYCLED (ABSOLUTE OR %)	KPI 18 WASTE COLLECTED AND TREATED/ DIVERTED FROM LANDFILL (E.G., THROUGH ROBUST RECYCLING PROGRAMS) IN VOLUME OR % TERMS
Relevant	Relevant	Relevant	Relevant
Core	Core	Core	Moderately Core
	Limited information to assess[54]	Limited information to assess[55]	Limited information to assess[56]
Material	Partially Material	Moderately Material	Moderately Material
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[57] Limited information to assess the SPT's ambition against past performance[58]		
SPT's ambition against peers[59]	In line with peers[60] Ambitious against peers on the basis of setting a target[61] Limited information to assess the SPT's ambition against peers[62]		
SPT's ambition against international targets	Limited information to assess	Limited information to assess	Limited information to assess

[54] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[55] Ibid.
[56] Ibid.
[57] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[58] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[59] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[60] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[61] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[62] In case the peer group is excessively small (i.e., three or fewer peers).

KPI	KPI 19 RENEWABLE/RECYCLED RAW MATERIALS/WASTE, USED IN PRODUCTION/ASSETS /PROJECTS OR % OF WASTE RECYCLED	KPI 20 EMBODIED CARBON REDUCTION	KPI 21 ESTABLISHMENT OF RESPONSIBLE SUPPLY CHAIN PRACTICES (SUPPLIER STANDARDS, SUPPLIER CODE OF CONDUCT)
Relevant	Relevant	Relevant	Relevant
Core	Core Limited information to assess[63]	Moderately Core Limited information to assess[64]	Moderately Core Limited information to assess[65]
Material	Partially Material	Partially Material	Partially Material
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[66] Limited information to assess the SPT's ambition against past performance[67]		
SPT's ambition against peers[68]	In line with peers[69] Ambitious against peers on the basis of setting a target[70] Limited information to assess the SPT's ambition against peers[71]		
SPT's ambition against international targets	Limited information to assess	In line with international targets[72] Limited information to assess	Limited information to assess

[63] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[64] Ibid.
[65] Ibid.
[66] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[67] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[68] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[69] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[70] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[71] In case the peer group is excessively small (i.e., three or fewer peers).
[72] In cases where the SPT is at least fully aligned with WGBC targets.

KPI	KPI 22 SUPPLIERS FOLLOWING LEADING SUSTAINABILITY PRACTICES (ABSOLUTE OR %)	KPI 23 NUMBER OF CUSTOMERS AFFECTED BY DATA BREACHES	KPI 24 IMPROVEMENT IN HEALTH & SAFETY (PATIENT SAFETY - READMISSION RATES / INFECTION RATES)
Relevant	Relevant	Relevant	Relevant
Core	Limited information to assess	Moderately Core Limited information to assess[73]	Core Limited information to assess[74]
Material	Moderately Material	Partially Material	Partially Material
SPT's ambition against past performance	Ambitious against past performance based on limited evidence[75] Limited information to assess the SPT's ambition against past performance[76]		
SPT's ambition against peers[77]	In line with peers[78] Ambitious against peers on the basis of setting a target[79] Limited information to assess the SPT's ambition against peers[80]		
SPT's ambition against international targets	Limited information to assess	Limited information to assess	Limited information to assess

[73] In case the specific action plan requirements are not included in the non-exhaustive list of actions.
[74] Ibid.
[75] In cases where an annual average reduction/increment (CAGR) calculation methodology is applied.
[76] In cases where an annual average reduction/increment (CAGR) calculation methodology is not applied.
[77] In case the peer group is sufficient (more than three peers and more than 20% of them have set similar targets).
[78] In case the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets).
[79] If the client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.
[80] In case the peer group is excessively small (i.e., three or fewer peers).

0. General consideration of DIB’s KPIs and associated SPTs

Core dimension: DIB has disclosed its specific approach to assessing the Core dimension of a KPI. DIB’s understanding of a Core dimension assessment is the analysis of the client’s business operations to ensure the KPI addresses a central part of operations. This mechanism includes various steps, including 1) Mapping of the client's business operations per business area and matching the information with turnover information; 2) Assess the minimum % coverage requirement for the KPI; 3) Historical Baseline: The client must provide either baseline or historical data for 2 years; 4) International, Regional and National Benchmarking: Compare the KPI's fit with these three dimensions; 5) CAPEX "Additionality" Test: Request the Client to submit a detailed CAPEX plan and analyse it; and 6) Governance & Data Integrity: Review Client's internal data collection and governance processes for sustainability reporting. DIB also added that they would require an action plan from clients and follows up with clients annually. However, it should be noted that, beyond the requirement of action plans from clients, this approach does not align with ISS-Corporate’s methodology for assessing the Core dimension of a KPI for a specific Client, which focuses on understanding the action plans a Client will take to achieve an SPT, and whether the action plans affect key processes for a company.

It should be noted that step 2 of DIB’s Core dimension assessment is line with the general understanding of ISS-Corporate’s methodology on Material dimension.

While the above understanding of a core dimension assessment deviates from ISS-Corporate methodology, DIB defines a non-exhaustive list of actions that can be implemented by the Clients to reach the SPT and, in certain cases, the Client’s action plan may go beyond this list. DIB provides a high-level guidance for Clients to structure their action plan, differentiating them based on their level of climate/ESG strategies already in place. However, the specific action plan requirements will be added as part of each relevant contract with Clients. Consequently, if the specific action plan requirements are not included, there is **limited information to assess** the KPIs’ core dimension, since there is limited or no visibility to what extent the action plan affects the Client’s key processes and operations beyond business-as-usual.

Material dimension: DIB has demonstrated its specific approach to assessing the Material dimension of a KPI. DIB’s understanding of a Material dimension assessment is the analysis of the most material ESG factors for the company and its sector, where a KPI is required to address either a most material factor of the company or a most material factor of the company’s sector. The system that DIB employs contains various steps, including: 1) Sector Materiality: Map the client's business against the DIB Materiality Heatmap; 2) Operational Perimeter Audit: The 50% Rule: DIB verifies that the KPI covers at least 50% of the relevant operations; 3) Peer Benchmarking: DIB makes a comparison against international / regional / local peers; 4) CAPEX "Additionality" Test: Client submits a CAPEX Plan and DIB assesses if the spend is "additional" investment (Transformation) specifically allocated to hit the target, rather than standard maintenance (BAU); and 5) Strategic Alignment Test: DIB reviews the Client's annual sustainability report or comparable documents. The KPI must be cited as a Strategic Priority with an internal approval, ensuring it is not just a "side project" for the financing facility.

It is noted that step 2 of DIB's Materiality assessment approach aligns with the general understanding of ISS-Corporate's methodology, where the focus is on understanding whether the KPI covers a significant scope or area of impact of a company. However, it should be noted that DIB aims to ensure the impact of the KPIs by targeting the KPIs to cover at least 60% of operations of the clients. Further, the target operational coverage is not required for all KPIs, and there are no additional requirements beyond this condition for the KPIs unless otherwise specified by DIB. As such, beyond the application of the operational coverage, the rest of DIB's approach deviates from ISS-Corporate's methodology for assessing the Material dimension.

For information on the assessment of the Material dimension for each KPI, please refer to the Material dimension within each KPI.

SPT ambition against past performance: DIB expects Clients to engage external objective support to evaluate the ambition of SPTs, and DIB uses a two-layer model to assess the Client's situation and SPT's ambition: i) operating environment and ii) organization. This analysis considers, for instance, macroeconomic developments in the country and sector levels, regulatory changes, and structural changes in the company's operations including M&A or disposals.

DIB specifies that an SPT must demonstrate an improvement over Business-as-Usual (BAU) performance. While the average annual reduction/increment should ideally exceed historical averages, DIB may accept a moderated rate of improvement where the Client provides data-driven evidence that 'early-mover' efficiencies have already been realized, making subsequent marginal gains more technically or economically challenging.

Where the average annual improvements calculation is applied, DIB requires that the SPT demonstrates a clear Year-on-Year improvement and an ambitious SPT compound annual growth rate (CAGR) relative to its historical performances in terms of CAGR. DIB uses at least two to three years of historical data (may or may not include baseline year data). However, DIB does not specify whether historical data is required to be externally verified. DIB specifies that it does not include Clients with a baseline of zero for the past performance benchmarking due to information availability issues. In this context and compared to the baseline year, SPTs are **ambitious against past performance based on limited evidence** due to a lack of systematically verified data.

Where average annual improvements calculation is not applied, such as in cases where BAU performance is selected rather than trajectory-based (CAGR) performance, there is limited information to demonstrate the ambition of an SPT compared to the trajectory of the Client. Given such limitations, there is **limited information to assess** the ambition of the SPT against past performance when average annual improvements calculations are not applied to the assessment.

It should be noted that, the Issuer may support their clients in establishing a baseline, which could be established based on a regulatory benchmark or a peer comparison. In these cases, ISS-Corporate has no visibility into whether the baseline selected is truly appropriate or representative.

SPT ambition against peers: DIB identifies Clients' peers based on their sector (at least 50% of turnover or other similar metric from the same product(s)/services as the Client) and, if possible, leading peers in ESG practices or peers with moderate ESG practices. Furthermore, DIB will consider, to the extent possible, the Clients' ownership (e.g., publicly listed company, privately/government-owned company), organization type (e.g., limited liability company, NGO, foundation), size and geography to identify relevant peers. Then, the Bank aims to compare the SPT to a minimum of two to three peers. The peer review will be prepared by the Client(s) and then compared with the results obtained by DIB in its own peer review. To be considered ambitious, according to DIB's methodology, results must indicate that the Client aligns with at least the top 50% of peers included in the analysis. As per DIB's methodology, if peers do not have similar KPIs and associated targets, the Client will be considered more ambitious than the peers only if the Client is the first to set a target and (i) the Clients' current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%. In such a scenario, DIB will assess whether (i) the KPI addresses a key ESG issue, (ii) the KPI is innovative in tackling the relevant issue and why it is not widespread in the market, and (iii) there is another indicator tracking the same key ESG issue and widely used in the market.

In this context, per ISS-Corporate's methodology, the SPT ambition against peers is deemed **in line with peers** if the peer group is sufficient (more than three peers and more than 20% of them have issued similar targets) and results indicate that the Client aligns with at least the top 50% of peers included in the analysis.

If instead peers do not have similar SPTs but they disclose the relevant metric, the target can be deemed **ambitious against peers, on the basis of setting a target**, if the Client is the first to set a target and (i) the Client's current performance is in line with the peers' performance (top 50%) or (ii) if the target will enable the Client to be part of the top 50%.

Finally, SPT calibration can be based on a limited peer group (three or less), which could lead to **limited information to assess the SPT's ambition against peers**.

It should be noted that, the Issuer may support their clients in establishing a baseline, which could be established based on a regulatory benchmark or a peer comparison. In these cases, ISS-Corporate has no visibility into whether the baseline selected is truly appropriate or representative.

1. Actual GHG emissions (Scope 1 and 2), absolute or intensity

Sector application and KPI category: Core KPI for the following sectors: Automobile; Aviation; Education; Metals, Mining & Manufacturing; Real Estate; Technology, Media & Telecommunications; Power and Utilities (excluding Oil and Gas related businesses); Agri-Food and Forestry; Financial sector and financial market actors; Commodities; Consumer, Retail & Business Services; Diversified Industries & Services; Healthcare; Infrastructures, Concessions & Construction; Other transportation. The KPI covers at least 75% of GHG emissions (Scope 1 and 2) and covers at least 60% of total GHG emissions.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as GHG emissions reduction (Scope 1 and 2) in absolute terms or in terms of intensity. The Bank confirms that GHG accounting will be conducted in line with GHG Protocol standards. The denominators for intensity KPIs may include production data for physical intensity and revenue data for revenue intensity. If intensity is used, the Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction.

Relevant: The KPI is **Relevant** to the Client's business as it relates to the key issue faced by the above-mentioned industries, according to key ESG standards for reporting and ISS Sustainability's assessment.

Core: The KPI is deemed to be **Moderately Core**. DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or request moderate efforts, including smart energy management or waste-reduction protocols, on-site production, energy storage solutions, energy efficiency processes, building design, R&D, and low-carbon transportation alternatives to development of new technologies. To address current Scope 2 impacts, clients should utilize Renewable Energy Certificates (RECs/I-RECs), while any use of Carbon Offsets must be limited to high-quality, verified credits as a transitional tool capped at 10%.

It should be noted that DIB does not exclude Clients using Renewable Energy Certificates (RECs).

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 75% of Scope 1 and 2 GHG emissions and covers at least 60% of total GHG emissions. Furthermore, the Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction, and there is no evidence demonstrating DIB's consideration of a sizeable intensity reduction would result in an absolute GHG emissions reduction. This is given that, beyond the reduction of actual GHG emissions, a reduction in GHG emissions intensity can also be attributed to an increase in the intensity's denominator factor (e.g. revenue, unit of product, etc.). Given these limitations, the KPI is deemed **Partially Material,** since it excludes more than 5% of Scope 1 and 2 GHG emissions.

SPT ambition against international/national targets: DIB confirms that it will rely on the SBTi or an equivalent external party, the IEA Net Zero Emissions by 2050 (NZE) scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories to benchmark the ambition of the SPT.

If the SPT is aligned to a 1.5°C trajectory and externally validated by the SBTi, the IEA NZE scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories and verified by an external third party, the SPT will be assessed as **in line with the Paris Agreement.**[81]

2. Actual GHG emissions (Scope 1, 2 and 3), absolute or intensity

Sector application and KPI category: Core KPI for the following sectors: Automobile; Aviation; Education; Metals, Mining & Manufacturing; Real Estate; Technology, Media & Telecommunications; Power and Utilities; Agri-Food and Forestry; Financial sector and financial market actors; Commodities; Consumer, Retail & Business Services; Diversified Industries & Services; Healthcare; Infrastructures, Concessions & Construction; Other transportation. The KPI covers at least 75% of Scope 1 and 2 GHG emissions and at least 60% of Scope 3 GHG emissions if Scope 3 GHG emissions represent at least 40% of total GHG emissions.

For the Clients involved in the sales or distribution of natural gas and/or other fossil fuels, Scope 3 Use of Sold Product emissions must be considered in the determination of Scope 3 (category 11) irrespective of the share of these emissions compared to total Scope 1, 2 and 3 GHG emissions.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as GHG emissions reduction (Scope 1, 2 and 3) in absolute terms or in terms of intensity. DIB confirms that GHG accounting will be conducted in line with GHG Protocol standards. The denominators for intensity KPIs may include production data for physical intensity and revenue data for revenue intensity. If intensity is used, the Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction.

Relevant: The KPI is **Relevant** to the Client's business as it relates to the key issues faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment.

Core: The KPI is deemed to be **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or request moderate efforts, including smart energy management or waste-reduction protocols, scaling Alternative Fuel Substitution (AF), implementing Waste Heat Recovery (WHR), or transitioning to low-carbon cement (LC3). To address current Scope 2 impacts, clients should utilize Renewable Energy Certificates (RECs/I-RECs), while any use of Carbon Offsets must be limited to high-quality, verified credits as a transitional tool capped at 10%.

It should be noted that DIB does not exclude Clients using Renewable Energy Certificates (RECs).

[81] While a well below 2°C scenario is consistent with the Paris Agreement goal to limit warming, it is the middle range of ambition. Indeed, this scenario is consistent with a carbon budget that limits the global mean temperature rise to 1.65°C with a 50% probability. The SBTi has not accepted WB2°C since July 2021.

When the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 75% of Scope 1 and 2 GHG emissions and at least 60% of Scope 3 GHG emissions if Scope 3 GHG emissions represent at least 40% of total GHG emissions. Furthermore, the Issuer confirms that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure the intensity reductions are sizeable.

The Issuer also confirms that for Clients involved in the sale or distribution of natural gas and/or other fossil fuels,[82] the KPI must include Category 11. For sectors excluding the Oil and Gas sector, it should be noted that different sectors have different relevant Scope 3 GHG emissions Categories, which are expected to be included in the KPI to constitute a material KPI, as per the technical notes on Scope 3 GHG emissions from CDP. DIB has not demonstrated any indication of consideration for Scope 3 GHG emission Categories when involving specific sectors for this KPI.

The KPI is deemed **Partially Material** to the Client's business model and sustainability profile, as it covers less than 40% of Scope 3 GHG emissions and excludes more than 5% of Scope 1 and 2 GHG emissions, and since there is no information on the acceptance threshold for intensity reduction or evidence that DIB's "sizeable" intensity reduction results in absolute GHG emissions reduction.

SPT ambition against international/national targets: DIB confirms that it will rely on the SBTi, the IEA NZE scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories to benchmark the ambition of the SPT.

If the SPT is aligned to a 1.5°C trajectory and externally validated by the SBTi, the IEA NZE scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories and verified by an external third party, the SPT will be assessed as **in line with the Paris Agreement**.[83]

3. Actual GHG emissions (Scope 1), absolute or intensity

Sector application and KPI category: Applicable KPI for the following sectors: Cement manufacturing. The KPI covers at least 95% of Scope 1 GHG emissions.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as Scope 1 actual GHG emissions reduction in absolute terms or in terms of intensity. The Bank confirms that GHG accounting will be conducted in line with GHG Protocol standards.

[82] Companies in this sector include but are not limited to integrated oil and gas companies, integrated gas companies, exploration and production pure players, refining and marketing pure players, oil products distributors, and traditional oil and gas service companies. This excludes utility companies with ≤ 25% exposure (from a revenue perspective) to the aforementioned activities.
[83] While a well below 2°C scenario is consistent with the Paris Agreement goal to limit warming, it is the middle range of ambition. Indeed, this scenario is consistent with a carbon budget that limits the global mean temperature rise to 1.65°C with a 50% probability. The SBTi has not accepted WB2°C since July 2021.

The denominators for intensity KPIs may include production data for physical intensity and revenue data for revenue intensity. If intensity is used, the Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction.

Relevant: The actual Scope 1 GHG emissions portion of this KPI is **Relevant** to the Client's business as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment. Due to the processes that take place in the Cement industry, the majority of sector emissions relate to Scope 1 and 2, therefore considering this KPI as relevant while limiting the scope to Scope 1.

Core: The KPI is deemed **limited information to assess.** DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or request moderate efforts. The Issuer states that this includes establish a Scope 1 inventory, scaling Alternative Fuel Substitution (AF), implementing Waste Heat Recovery (WHR), or transitioning to low-carbon cement (LC3). DIB confirms that the action plan provided by the Clients will not exclude the use of carbon offsets, and does not commit to limiting the use of carbon offsets to residual GHG emissions, after reasonable abatement efforts have taken place. DIB has not defined a definition or threshold for reasonable abatement efforts, and has not set a limit to the maximum percentage of carbon offsets to be used, posing a limitation on the transparency to a Client's usage of carbon offset, which is deemed to be not an impactful action in reducing GHG emissions that affect key processes of Clients. If the percentage of carbon offsets goes beyond 10%, there is limited information to assess the actions that the Client takes for achieving the KPI and subsequent SPT.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: For actual GHG emissions, the Issuer confirms that the KPI will cover at least 95% of Scope 1 GHG emissions. In CDP's Technical Note: Relevance of Scope 3 Categories by Sector, the cement industry's estimated Scope 1 GHG emissions contribute to 79.38% of its total GHG emissions, which meets the relevant threshold for emissions target setting as laid out in SBTi Criteria C5, but does not cover Scope 2 GHG emissions. Given such, for absolute Scope 1 GHG emissions, the KPI is deemed **Material**.

For the intensity Scope 1 GHG emissions KPI, it should be noted that emission intensity reduction may not necessarily lead to an absolute reduction. The Issuer states that it will ensure that intensity reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction, and there is no evidence demonstrating DIB's consideration of a sizeable intensity reduction would result in an absolute GHG emissions reduction. This is given that, beyond the reduction of actual GHG emissions, a reduction in GHG emissions intensity can also be attributed to an increase in the intensity's denominator factor (e.g. revenue, unit of product, etc.). Given the limitations, for Scope 1 GHG emissions intensity, the KPI is deemed **Moderately Material**.

SPT ambition against international/national targets: DIB confirms that it will rely on the SBTi or an equivalent external party, the IEA Net Zero Emissions by 2050 (NZE) scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories to benchmark the ambition of the SPT.

Only if the SPT is aligned to a 1.5°C trajectory and externally validated by the SBTi, the IEA NZE scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories and verified by an external third party, the SPT will be assessed as **in line with the Paris Agreement.**[84]

4. Actual GHG emissions (Scope 3), absolute or intensity

Sector application and KPI category: Core KPI for the following sectors: Automobile, Aviation, Metals, mining and manufacturing (excluding manufacturing), Real Estate, Electricity Utilities, Agri-food and forestry, Financial sector and finance market actors, Consumer, retail and business services, Infrastructures, concessions and construction, Other transportation. The KPI covers Scope 3 GHG emissions that are at least 60% of total GHG emissions.

For oil and gas companies, Scope 3 Use of Sold Product emissions must be considered in the determination of Scope 3 (category 11) irrespective of the share of these emissions compared to total Scope 1, 2 and 3 GHG emissions.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as Scope 3 GHG emissions reduction in absolute terms or in terms of intensity. The Bank confirms that GHG accounting will be conducted in line with GHG Protocol standards. The denominators for intensity KPIs may include production data for physical intensity and revenue data for revenue intensity. Furthermore, the Issuer has established the following guardrails to link the KPI to operational decarbonization and to mitigate the impact of market price fluctuations on the revenue based KPI:

- Normalization – Intensity will be calculated using the average commodity price from the baseline year for the duration of the Sustainability-Linked Financing Facility;
- Absolute Emissions Threshold – If Absolute Scope 3 GHG emissions increase by more than 15% year-on-year by more than a certain threshold designated and agreed upon between DIB and the Client, the KPI's coupon step-down will not be triggered, regardless of revenue performance;
- Third-Party Assurance – An annual assurance/audit will verify that intensity improvements are driven by supply chain interventions rather than portfolio reweighting.

If intensity is used, the Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity

[84] While a well below 2°C scenario is consistent with the Paris Agreement goal to limit warming, it is the middle range of ambition. Indeed, this scenario is consistent with a carbon budget that limits the global mean temperature rise to 1.65°C with a 50% probability. The SBTi has not accepted WB2°C since July 2021.

reduction is sizeable. However, there is no information on the threshold of acceptance regarding the intensity reduction.

Relevant: The KPI is **relevant** to automobile, aviation, construction, financial sector and financial market actors, Consumer, retail and business services, Other transportation, Electricity utilities, Infrastructures, concessions and construction, as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment, specifically the ICMA KPI Registry. The KPI is **Relevant** for metals and mining, real estate, agri-food and forestry and diversified industries and services, as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment, specifically the SASB Standards, CDP and ISS methodology.

Core: This KPI is deemed **Moderately Core** as DIB has defined a non-exhaustive list of actions that can be implemented by the Client. Actionable items for Clients lacking historical data or bound by national supply commitments include implementing a full Scope 3 accounting infrastructure using the GHG Protocol Standard ahead of their national regional regulatory commitments verified by a 3rd Party, prioritizing Scope 3 high-impact categories such as Purchased Goods & Services and for O&G sector, Category 11 (Use of Sold Products) and mandatory requirement of an absolute or intensity reductions for scope 1 & 2 emissions. The Client must simultaneously execute capital-backed mandates for New Low-Carbon or Zero-Carbon Infrastructure and Capacity that provide a physical hedge against long-term operational risks Client. Furthermore, DIB recommends to include the adoption of circular economy models, transitioning to low-carbon raw materials, and, for Oil & Gas, a measurable CAPEX pivot toward low-carbon or zero carbon energy products to reduce downstream intensity

Materiality: The Issuer confirms that the KPI's Scope 3 GHG emissions coverage represents at least 67% of the Clients' total GHG emissions and covers at least 67% of total Scope 3 GHG emissions. The Issuer confirmed that emission intensity reduction may not necessarily lead to absolute reduction; in that case, DIB's methodology will ensure that the intensity reduction is sizeable. DIB states that for intensity targets, it will require annual assurance or audits to verify that intensity improvements are driven by supply chain interventions rather than portfolio reweighting. However, it should be noted that there is no information on the threshold of acceptance regarding the intensity reduction. For sectors excluding the Oil and Gas sector, it should be noted that different sectors have different relevant Scope 3 GHG emissions Categories, which are expected to be included in the KPI to constitute as a material KPI, as per the technical notes on Scope 3 GHG emissions from CDP. DIB has indicated for Real Estate and Building Construction sectors, Scope 3 Category 2, 11 and 12 GHG emissions must be included in the KPI, for Financial Sector and Finance Market Actors, Scope 3 Category 15 GHG emissions must be included, for Retail, Food and Manufacturing, Scope 3 Category 1 and 4 GHG emissions must be included, and for Oil and Gas sector, Scope 3 Category 11 GHG emissions are required to be covered. Therefore, the KPI is considered **Moderately Material,** since the KPI is material to the Clients' corporate value chain but not its direct operations.

It should be noted that in case an intensity target has been adopted, a reduction in GHG emissions intensity may not result in absolute GHG emissions reduction. Further, there is no information on the acceptance threshold for intensity reduction or evidence that DIB's "sizeable" intensity reduction results in absolute GHG emissions reduction. It is also to be noted that there is no visibility on the underlying absolute emissions and the future trajectory underlying the intensity target set.

SPT ambition against international/national targets: DIB confirms that it will rely on the SBTi or an equivalent external party, the IEA Net Zero Emissions by 2050 (NZE) scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories to benchmark the ambition of the SPT.

If the SPT is aligned to a 1.5°C trajectory and externally validated by the SBTi, the IEA NZE scenario and trajectories (or more ambitious scenarios), or other internationally recognized science-based trajectories and verified by an external third party, the SPT will be assessed as **in line with the Paris Agreement**, as long as they have other KPIs targeting the remaining Scopes.[85]

It is also important to note that the Issuer is involved in the O&G sector, and the SBTi does not currently accept commitments or validate targets from fossil fuel companies, as it has paused and delayed its O&G sector methodology. As stated by the SBTi, it will "no longer accept commitments or validate targets from fossil fuel companies" while it undertakes further methodological work.

5. Renewable energy consumption, procurement, purchase, generation or installed capacity (% or absolute total energy / MW / MWh)

Sector application and KPI category: Core KPI for the following sectors: Automobile; Aviation; Metals, Mining & Manufacturing; Real Estate; Technology, Media & Telecommunications; Power & Utilities; Agri-Food and Forestry; Consumer, Retail & Business Services; Healthcare; Concessions & Construction; Other transportation.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as renewable energy consumption, procurement, purchase, generation, or installed capacity, measured as a percentage of, or absolute total energy per MW / MWh. DIB confirms that the definition of renewable energy will be aligned with the eligibility criteria of any of DIB's Sustainable Finance Framework.[86]

Relevant: The KPI is **Relevant** to Automobile, Aviation, Metals, Mining & Manufacturing, Real Estate, Technology, Media & Telecommunications, Power and Utilities, Agri-Food, Consumer,

[85] While a well below 2°C scenario is consistent with the Paris Agreement goal to limit warming, it is the middle range of ambition. Indeed, this scenario is consistent with a carbon budget that limits the global mean temperature rise to 1.65°C with a 50% probability. The SBTi has not accepted WB2°C since July 2021.

[86] Under DIB's Sustainability-Linked Financing Framework, the following project categories are included under renewable energy: solar photovoltaic energy, concentrated solar power (including floating) and solar heating, green hydrogen (including green ammonia), wind energy, bioenergy, biofuels (including biogas and biomass), geothermal energy, hydroelectric energy, hydro-wave, hydro-tidal thermal energy conversion, hydro-ocean thermal energy conversion,.

Retail & Business Services, Healthcare, Concessions & Construction, and Other transportation, as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment, specifically the ICMA KPI Registry.

Core: The KPI is deemed to be **Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or request moderate efforts, including installation of on-site Solar PV, and integrating Energy Storage Systems (BESS) to manage intermittency. DIB confirms that the action plan provided by the Clients will exclude the use of carbon offsets. However, DIB does not exclude the Clients using unbundled short-term RECs.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of the Client's total energy consumption. Therefore, the KPI is considered to be **Partially Material**, since the KPI does not ensure greater coverage on the Client's energy consumption.

However, it is to be noted that renewable energy consumed/purchased is a proxy for the Client's Scope 2 GHG emissions. ISS-Corporate has no visibility on how much GHG emissions the covered operation represents out of the Client's total GHG emissions, nor do we have visibility on how much reduction will result in the increased usage/procurement of renewable energy. Furthermore, under ICMA KPI Registry, this KPI is not a core KPI for any of the sectors listed above, and is instead deemed to be a secondary KPI.

SPT ambition against international/national targets: The assessment of the SPTs is contingent on the fact that the SPT is aligned with Climate Group's RE100 initiative. As a result, the SPT is **aligned with local, regional or international targets**.

6. New Installed Zero Carbon Electricity Capacity (MW)

Sector application and KPI category: Core KPI for the following sectors: Power & Utilities, Infrastructures, concessions and construction. Complementary KPI for the following sectors: Metals & Mining, Manufacturing, Real Estate, Technology, Media & Telecommunications, Agri-food and Forestry, Consumer, Retail and Business Services.

The Issuer defines zero-carbon electricity to include renewables, and hydrogen-based electricity.[87] ISS-Corporate's methodology recognizes only **renewable energy sources** as positive contributors to climate change mitigation within the scope of this KPI.

Objective: Climate change mitigation.

[87] ISS-Corporate internal methodology only accepts the use of green hydrogen. Other forms of hydrogen are excluded from this assessment.

KPI definition: The KPI is defined as annual addition of new installed capacity for zero-carbon electricity (cumulative in MW).[88]

Relevant: The KPI is deemed as **Relevant** to all sectors of the Client's business, according to key ESG standards for reporting and ISS Sustainability's assessment, when the scope of the KPI is limited to renewables and hydrogen.

Core: The KPI is deemed to be **Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or request moderate efforts, including installation, production, or development of renewable energy, as well as transitioning to the physical execution and scaling of zero-carbon assets to achieve deep operational decarbonization integrating Energy Storage Systems (BESS) to maximize self-consumption, and, for hard to abate sectors deploying carbon-free baseload solutions like Small Modular Reactors (SMRs) or waste-to-energy plants.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: For General Corporate Purposes, DIB sets a minimum of 60% of the Client's primary operations (by energy spend or floor area). While DIB claims that this approach ensures that the KPI focuses on the client's most energy-intensive units where verifiable utility data is currently available, it does not provide any description on what is considered "general purpose" nor any indication regarding quantitative thresholds and magnitudes of impact of the KPI towards a Client in case of other than "general corporate purposes" for the KPI to be considered Material.

Therefore, this KPI is deemed as **Partially Material** to the entire corporate value chain of the Company, as per ISS methodology.

SPT ambition against international/national targets: DIB confirms that it will rely on the IEA Net Zero Emissions by 2050 (NZE) scenario and trajectories to benchmark the ambition of the SPT. However, due to the setting of this KPI, which limits it only to Zero Emissions Electricity, it should be noted that Scope 1 and Scope 3 GHG emissions are not specifically covered by the KPI, hence there is limited information to assess whether clients that adopt this KPI are aligned with "a 1.5°C scenario" specified by the IEA. Therefore, there is **limited information to assess** the alignment with international targets.

7. Annual energy savings (Absolute (kwh/mwh or %)

Sector application and KPI category: Core KPI for the following sectors: Metals, Mining & Manufacturing; Real Estate; Technology, Media & Telecommunications; Agri-Food and Forestry; Diversified Industries & Services; Healthcare; Infrastructures, Concessions & Construction. Complementary KPI for the following sectors: Automobile; Aviation.

[88] The Issuer defines zero-carbon electricity as Renewables, nuclear, hydrogen and potentially Fossil Fuels when combined with CCUS. ISS Corporate's methodology recognizes only renewable energy sources as positive contributors to climate change mitigation within the scope of this KPI.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as the reduction in electricity consumption (kWh) – cumulative and measured against a baseline.

Relevant: The KPI is **Relevant** to the Client's business as it relates to the key issue faced by the automobile (including automotive manufacturing); aviation; metals, mining & manufacturing; real estate; technology, media, and telecommunication; agri-food and forestry; diversified industries and services; healthcare; infrastructure, concessions, and construction; and other transportation sector according to key ESG standards for reporting.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. Actionable items may include but are not limited to: implementing advanced technical measures that exceed ordinary maintenance, such as deep retrofitting of building envelopes; the deployment of AI-driven Building Management Systems (BMS) for real-time load optimization; and the full-scale electrification of thermal processes like switching from gas boilers to high-efficiency industrial heat pumps.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: For General Corporate Purposes, DIB targets a minimum of 60% of the Client's primary operations (by energy spend or floor area). While DIB claims that this approach ensures that the KPI focuses on the client's most energy-intensive units where verifiable utility data is currently available, it does not provide any description on what is considered "general purpose" nor any indication regarding quantitative thresholds and magnitudes of impact of the KPI towards a Client in case of other than "general corporate purposes" for the KPI to be considered Material. Therefore, KPI 7 is considered to be **Partially Material**.

SPT ambition against international/national targets: DIB confirms that it will rely on the IEA Net Zero Emissions by 2050 (NZE) scenario and trajectories to benchmark the ambition of the SPT. However, due to the setting of this KPI, which limits it only to electricity consumption, it should be noted that Scope 1 and Scope 3 GHG emissions are not specifically covered by the KPI, hence there is limited information to assess whether clients that adopt this KPI are aligned with "a 1.5°C scenario" specified by the IEA. Therefore, there is limited information to assess the alignment with international targets.

8. Taxonomy aligned revenue or CAPEX or OPEX (Absolute or percentage of total revenue or CAPEX or OPEX)

Sector application and KPI category: Core KPI for the following sectors: automobile (including automotive manufacturing), aviation, metals, mining and manufacturing, real estate, technology, media and telecommunication, power and utilities, agri-food and forestry, financial sector and financial market actors, commodities, consumer retail and business services, diversified industries and services, healthcare, infrastructure, concessions and construction, other transportation.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as the absolute or percentage of revenue, CAPEX or OPEX aligned under UAE Taxonomy, Singapore-Asia Taxonomy, ASEAN Taxonomy for Sustainable Finance, Common Ground Taxonomy (CGT).[89] For aligned assets, the activity must meet the technical screening criteria, the Do No Significant Harm (DNSH) and Minimum Social Safeguards (MSS).

Relevant: The KPI is deemed as **Relevant** to the Client's business for all sectors. This is because it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting.[90]

Core: DIB requires its Client to have a decarbonization roadmap, a defined CAPEX allocation schedule, and annual third-party limited assurance.

The Client has indicated that eligible expenditures to support the achievement of the SPTs may include investments such as EV charging infrastructure, preliminary energy audits, and the purchase of hybrid fleet vehicles. In addition, full Taxonomy-aligned investments for high-impact projects may encompass large-scale renewable energy or low-carbon assets, including utility-scale wind or solar installations, green hydrogen production facilities, or the acquisition of EPC "A" rated real estate.

While this provides an indicative list of actions, DIB does not disclose a target-specific or time-bound list of measures at the Client level. In absence of further granularity regarding the prioritization, scale, or implementation of these measures at KPI level, particularly since the examples are specific to certain sectors and, given the KPI's broad nature, cannot exhaustively cover all relevant sectors, ISS would not be able to assess if these initiatives impact the companies' key processes and activities. As a result, there is **limited information to assess** the KPI's core dimension. Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: DIB claims that the selected KPI addresses a material and substantial portion of a client's relevant operational or activities and is considered core to the business model following the SASB definition, as it covers a minimum of 60% of the Client's primary operations. It clarifies that the denominator used to calculate the percentage of total revenue or capex or opex must align with the consolidated financial statements of the Client. In instances where the 60% coverage captures operations that are already high-performing or resilient, the Client must provide a Supplementary Gap Analysis or qualitative commitment addressing the remaining 40% of operations.

However, in absence of disclosed defined metrics and quantitative indicators to track and measure its performance and additional information on the methodology for conducting the gap analysis or assessing the qualitative commitment, where the Client's project or activities

[89] Upon the formal publication of the UAE Sustainable Finance Taxonomy Technical Screening Criteria (TSC), DIB commits to automatically adopt local standards as additional Taxonomy.
[90] It is to be noted that KPI 8 is considered relevant when the sector is included in the associated taxonomy.

are fully aligned with the associated Taxonomy (including Do not Significant Harm (DNSH) and Minimum Social Safeguards (MSS) assessment), this KPI is considered **Moderately Material** to the Client's operations.

SPT ambition against international/national targets: The assessment of the SPTs is contingent on the fact that the SPT is aligned with the UAE Energy Strategy 2050 or any relevant national or regional benchmark. DIB claims that having taxonomy aligned or eligible activities proves a direct link with the decarbonization, energy efficiency and innovation goals set in the UAE Energy Strategy 2050. Nonetheless, it does not provide any information regarding action plans and quantifiable impact. In addition, since no international standard sets a specific threshold or timeframe for the expected percentage of revenue to be Taxonomy-aligned, there is **limited Information to assess** the alignment with international targets. Therefore, in absence of such international standard setting a specific threshold and timeframe, the Client is not requested to calibrate their target against the international dimension.

9. Products or services supporting low-carbon energy (Absolute or % of total)

Sector application and KPI category: Core KPI for the following sectors: automobile, real estate, consumer, retail & business services, infrastructure, concessions & construction. Complementary KPI for the following sectors: metals and mining, commodities.

Objective: Climate Change Mitigation.

KPI definition: The KPI is defined as revenue-generating activities, capital expenditures, or operational outputs that directly facilitate the generation, transmission, storage, or efficient use of energy with substantially lower GHG emissions than the regional grid average or traditional fossil-fuel benchmarks.

DIB defines a low-carbon product as a tangible good or technology that contributes to climate change mitigation by significantly reducing greenhouse gas (GHG) emissions compared to standard market alternatives. It would be measured by one of the following: (i) Best-in-Class Performance: the product to be ranked in the top percentage (e.g., the top 15% or 20%) of energy efficiency for its sector, or (ii) Significant Percentage Thresholds: requiring a minimum reduction of 15% to 20% in carbon intensity compared to a standard benchmark. A low-carbon service is defined as an activity that enables, facilitates, or accelerates the reduction of GHG emissions for clients or within the value chain. To ensure the "low-carbon" nature of the products and services, DIB verifies low-carbon status via international standards (e.g. ISO 14067, ISO 14068, PAS 2060, etc.), third-party labels (e.g. Energy Star, LEED Platinum, Cradle-to-Cradle, EPEAT, etc.), and independent technical verifiers (DNV, Bureau Veritas, SGS, LRQA). Performance data undergoes an annual external assurance audit. KPI measurement utilizes: (A) Technical Metrics (Renewable Capacity, LCOE, EUI); (B) Financial Metrics (Green Revenue %, Low-Carbon CapEx, Sustainable R&D Spend); and (C) Product Indicators (EV Infrastructure, Green Hydrogen Output, Smart Grid Integration). It is, however, unclear to ISS-Corporate how these metrics can assist DIB in monitoring and determining its clients' performances in relation to this KPI.

Relevant: The KPI is **Relevant** to the automobile, real estate, consumer, retail & business services, infrastructure, concessions & construction, metals and mining, and commodities sectors as it relates to the key issues faced by the above-mentioned industries according to key ESG standards for reporting.

Core: The KPI is deemed **limited information to assess** given that the definition of the KPI is too broad to define any actionable items that would cover for all applicable sectors. DIB defines a non-exhaustive list of actions that can be implemented by the Client, and actionable items include scaling up products and services that facilitate the transition to low-carbon energy, primarily through fleet electrification, infrastructure development, and the adoption of sustainable alternative fuels.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer states that the KPI will cover at least 60% of the Clients' total revenue or turnover. As such, the KPI is deemed to be **Partially Material** as per ISS methodology.

SPT ambition against international/national targets: there is **limited information to assess** the ambition of the SPT against international targets. In particular, DIB states that the KPI can be benchmarked against relevant National or regional peer performance, which does not provide clear and straightforward ways to determine international/national targets, and as a consequence it is difficult to verify the ambition of the target.

10. Products or services supporting low-emission transportation (Absolute or % of total)

Sector application and KPI category: Core KPI for the following sectors: automobile (except transport OEMs), aviation. Complementary KPI for the following sectors: electric utilities, agri-food and forestry, and other transportation (except transport OEMs).

Objective: Climate Change Mitigation.

KPI definition: The KPI is defined as the financing or deployment of vehicles and infrastructure that significantly reduce carbon intensity compared to conventional internal combustion engine (ICE) standards. This is any product or service that facilitates the movement of people or goods using technologies with zero or significantly reduced tailpipe CO_2 emissions.

The measuring metrics accepted by DIB are the following:

- Absolute Metric: Total number of low-emission units (e.g., number of EVs in a fleet) or total capital expenditure (CapEx) allocated to clean transport projects.

- Percentage (%) Metric: The ratio of low-emission vehicles to the total fleet size, or the share of green transport revenue relative to total company revenue.

- Intensity Metric: CO_2 emissions per passenger-kilometer or per ton-kilometer (gCO_2/pkm or gCO_2/tkm)

Relevant: The KPI is **Relevant** to the automobile (except transport OEMs), aviation, other transportation (except transport OEMs), agri-food and forestry, electric utilities as it relates to the key issues faced by the above-mentioned industries according to key ESG standards for reporting, specifically the CDP.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. Actionable items include committing to rigorous green procurement mandates, adopting sustainable alternative fuels (SAF), and the integration of circular economy principles across their supply chains.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: the Issuer states that the KPI will cover at least 60% of the Client's Total Fleet Count (owned and leased) or 60% of the Total Transportation-Related Operating Costs/CapEx. Given the defined perimeter, the focus on the Clients' fleet or the transportation related OpEx/CapEx, the KPI is assessed as **Partially Material**.

SPT ambition against international/national targets: there is **limited information to assess** the ambition of the SPT against international targets. In particular, DIB states that the KPI can be benchmarked against relevant National or regional peer performance, which does not provide clear and straightforward ways to determine international/national targets, and as a consequence it is difficult to verify the ambition of the target.

11. Alternative Fuels (Absolute or % total fuels consumed)

Sector application and KPI category: Core KPI for the following sectors: automobile, aviation, and other transportation.

Objective: Climate Change Mitigation.

KPI definition: The KPI measures a Client's progress in transitioning from traditional high-carbon fossil fuels (like heavy fuel oil or diesel) to cleaner energy sources.[91] It can be measured in absolute metric or percentage, which are determined as follows.

[91] List of alternative fuels that are expected to be used for each of the below applicable sectors:
- Automobile - Battery Electric (BEV): Electricity from renewable sources; Green Hydrogen: Fuel cells (FCEVs), especially for heavy trucks; Bio-methane/RNG: For heavy-duty logistics.
- Aviation - Sustainable Aviation Fuel (SAF): Bio-kerosene (HEFA), Alcohol-to-Jet (AtJ); e-Kerosene: Synthetic fuel made from captured CO_2 and green hydrogen; Liquid Hydrogen: For future short-haul propulsion.
- Other Transportation - LPG/CNG: Transitionary fuels for light commercial vehicles; Ethanol Blends (E10/E85): For modified internal combustion engines.
Exclusions of Alternative Fuel Types:
- First-generation Biofuels: Often excluded if they compete with food crops or cause significant land-use change (e.g., certain palm oil-based biodiesels).
- Grey Hydrogen: Hydrogen produced from fossil fuels without Carbon Capture (CCUS) is typically excluded in favor of Green or Blue hydrogen.
- Fossil-based LNG: While often accepted as a "bridge fuel," some frameworks exclude it from long-term sustainability targets if it doesn't lead to a significant net-zero pathway.

Absolute Metric: Tracks the total volume or energy content of alternative fuels consumed (e.g., in tons or Terajoules). This is typically used by heavy industries focusing on raw displacement of carbon-intensive energy.

Percentage (%) Metric: Measures alternative fuels as a share of total fuel consumption. Formula: (Total Alternative Energy Consumed / Total Energy Consumption) x 100.

Relevant: The KPI is **Relevant** to the automobile, aviation and other transportation sectors, as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or require moderate efforts. Actionable items are listed based on the applicable sector, and include the integration of green hydrogen, sustainable aviation fuels (SAF), and advanced biofuels across both internal operations and supply chain logistics. Moreover, the use of Book-and-Claim certificates for SAF is permitted only where physical supply is unavailable, provided they are verified under recognized schemes (e.g., ISCC, RSB) and retired specifically for the Client's operations to avoid double counting, and purchased carbon offsets are capped at 10% of the total target value.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: the Issuer states that the KPI will cover at least 60% of the Total Fuel Consumption (by energy content or volume) or 60% of the Total Operational Fleet/Asset Value of the Client's portfolio. The KPI boundary includes all fuels consumed within the Client's operational control, encompassing both owned and leased assets (e.g., leased vehicle fleets, machinery). Upstream activities (Scope 3) are currently excluded from the primary 60% threshold calculation, unless otherwise specified in the individual financing facility documentation. The Client must guarantee that there will not be a higher share of fossil fuel consumption for the remaining 40% of fuel not covered by the KPI. As such, the KPI is deemed to be **Partially Material**.

SPT ambition against international/national targets: There is **limited information to assess** the ambition of the SPT against international targets. In particular, DIB states that the KPI can be benchmarked against relevant National or regional peer performance, which does not provide clear and straightforward ways to determine international/national targets, and as a consequence it is difficult to verify the ambition of the target.

12. GHG Emissions - Well to Wake ("WTW") AND Tank to Wake ("TTW")

Sector application and KPI category: Core KPI for the following sectors: aviation and shipping.

Objective: Climate Change Mitigation.

KPI definition: The KPI is defined as follows:

For Aviation:

- Aviation includes Airlines Companies, Aircraft OEMs, supplier and lessor.
- gCO_2/RTK (“Revenue Tonnes-Kilometer”) or gCO_2/RPK (“Revenue Passenger-Kilometer“) for airline companies, aircraft OEMs (“Original Equipment Manufacturer”), suppliers and lessor.
- gCO_2/ASK (“Available Seats kilometers”) for aircraft OEMs, suppliers and lessor.

For Shipping:

- Shipping includes Shipping Companies (Shipowners/Operators), Shipbuilders (Ship OEMs), Marine Equipment Manufacturers/Suppliers, and Ship Lessors (Charterers).
- gCO_2e/tonne-nm (or tonne-mile) for shipping companies, shipbuilders, suppliers, and lessors. This measures grams of equivalent per metric tonne of cargo carried per nautical mile (equivalent to the aviation RTK).
- gCO_2e/pax-nm (or passenger-mile): Specifically for passenger ships, ferries, and cruise lines (equivalent to the aviation RPK).
- gCO_2e/nm (or deadweight tonnage-nautical mile) for shipbuilders, equipment suppliers, and lessors to measure the efficiency of the vessel design or capacity, regardless of the actual payload (equivalent to the aviation ASK)

Relevant: The KPI is **Relevant** to the Client’s business as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability’s assessment.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or require moderate efforts. Actionable items include integrating advanced fleet modernization, high-impact technical retrofits, and the large-scale adoption of sustainable alternative fuels (SAF and green maritime fuels), committing dedicated CAPEX toward deep-tech innovations—such as zero-emission propulsion systems, onboard carbon capture, and shore-power infrastructure—while utilizing AI-driven operational optimization and green leasing clauses to achieve measurable reductions in both Well-to-Wake (WTW) and Tank-to-Wake (TTW) intensities.

Additionally, when the Client’s action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer states that it will target the KPI to cover the following:

For the aviation sector:

- Airlines Companies: covers at least 60% of total emissions (i.e., Scope 1 emissions related to jet fuel only (TTW) or Scope 1 emissions related to jet fuel and Scope 3 upstream emissions from fuel production (WTW)).

- Aircraft OEMs, suppliers and lessors: Covers at least 60% of total emissions and at least 2/3 of Scope 3 emissions.

Shipping:

- Shipping Companies (Owners/Operators): Covers at least 60% of total emissions, specifically Scope 1 emissions related to marine fuel only (TTW); or Scope 1 emissions related to marine fuel and Scope 3 upstream emissions from fuel production (WTW)
- Shipbuilders (OEMs), Marine Suppliers, and Lessors (Charterers): Covers at least 60% of total emissions and at least 60% of Scope 3 emissions.

Given such, for the airline companies and the shipping sector, the KPI is deemed **Partially Material** as the coverage only covers a moderate proportion of the Client's operations. For Aircraft OEMs, suppliers and lessors, the KPI is considered **Moderately Material** as the KPI does not cover a significant amount of total GHG emissions.

SPT ambition against international/national targets: DIB states that the SPT will be aligned with a 1.5°C trajectory that is externally verified by the Science Based Targets Initiative (SBTi) or an equivalent external party or IEA Net Zero Emissions by 2050 (NZE) scenarios and trajectories (or more ambitious scenarios) which are verified by an external third party. As such, it is **in line with the Paris Agreement**.[92]

13. Green Buildings – Certification (% of area or assets achieving a minimum level of certification or average certified ratings/score of the entire portfolio) or number of certified projects)

Sector application and KPI category: Core KPI for the following sectors: real estate. Complementary KPI for the following sectors: building construction.

Objective: Sustainable business practices.

KPI definition: The KPI is defined as:

i) the percentage of Gross Floor Area (GFA) or assets achieving a minimum level of green building certification,

ii) percentage of total GFA or assets achieving Nearly Zero Buildings or Zero Energy Emission Buildings status, and

iii) number of certified projects.

The KPI covers both new and existing buildings, with at least 67% of the Total GFA or 67% of the Total Asset Value of the Client's portfolio or 67% of newly developed GFA within the reporting year. Eligible green building certifications include LEED, BREEAM, Estidama Pearl Building Rating System, Global Sustainability Assessment System, Al Sa'fat, WELL, EDGE, Green Globes Green Star Africa.

[92] The benchmarking is limited to the standards listed in the framework.

It should also be noted that it is unclear whether the KPI covers both residential and commercial buildings, or only one of the two.

Relevant: The KPI is **Relevant** to the business of the real estate sector and building construction sector as it relates to the key issue faced by the real estate sector according to key ESG standards for reporting and ISS Sustainability's assessment.

Core: The KPI is deemed[93] **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or require moderate efforts. Actionable items include implementing high-impact retrofits and green certifications (e.g., LEED, BREEAM, EDGE) across their global asset portfolios, targeting Net Zero or high-efficiency standards. These can be supported by infrastructure upgrades, such as on-site renewables and waste-heat recovery.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 67% of the Total Gross Floor Area (GFA) or 67% of the Total Asset Value of the Client's portfolio or 67% of newly developed GFA within the reporting year.

It should be noted that green building certifications encompass various aspects of a building's lifecycle, or the management of a real estate portfolio. Typically, green building certifications do not require applicants to fulfill all credits to receive a result that meets the KPI requirements. This indicates that a client can achieve its KPI even if certain aspects of a green building certification are absent.

Furthermore, given that certification methodologies are not always fully disclosed to the general public, there is a lack of visibility on the comparability between different certifications. A study suggests that the correlation between ESG ratings provided by different rating agencies ranges from 0.38 to 0.71, implying potential significant variance between ratings due to differences in measurement, scope and weighting.

Therefore, the KPI is considered to be **Moderately Material** when Clients apply for the KPI through the percentage of Gross Floor Area (GFA) or assets achieving a minimum level of green building certification, or the number of certified projects against the listed green building certifications,[93] given that it covers only a partial scope of the Client's total portfolio.

SPT ambition against international/national targets: There are multiple green building certification providers in the market with different certification methodologies that can lead to different certification levels for the same company or project. Given that certification methodologies are not always fully disclosed to the general public, there is a lack of visibility on the comparability between different certifications. A study suggests that the correlation between ESG ratings provided by different rating agencies ranges from 0.38 to 0.71, implying potential significant variance between ratings due to differences in measurement, scope and weighting. In the same vein, green building certifications may also have significant variance

[93] Eligible green building certifications include LEED, BREEAM, Estidama Pearl Building Rating System, Global Sustainability Assessment System, Al Sa'fat, WELL, EDGE, Green Globes Green Star Africa.

due to their certification scope, weighting, and interpretation for measurements. While this is deliberate due to different providers holding different perspectives on certification methodologies and where the certification places its emphasis on, with each provider seeking the best way to provide the most holistic view on the sustainability performance of a company, building, or infrastructure, the differences mean that there is no internationally recognized harmonized standard to benchmark green building certifications with setting a target. Therefore, there is **limited information to assess** the level of ambition of the SPT against international targets.

14. Water consumption

Sector application and KPI category: Core KPI for the following sectors: Metals, Mining & Manufacturing (for manufacturing, only manufacturing of paper and cardboard), Real Estate, Power & Utilities (electricity), Agri-Food and Forestry (aquaculture, agricultural products, wholesale foods at distilleries), Consumer, Retail & Business Services (furniture and equipment, fashion and apparel), Healthcare (only Pharmaceuticals), Other transportation (toll roads only).

Objective: Climate change mitigation.

KPI definition: The KPI is defined as reduction in absolute (in cubic metres or liters) or intensity (consumption per unit of output or revenue or employee) terms of water consumption within scope or boundaries. The KPI also includes percentage terms, such as percentage reduction and % water consumption. DIB defines the Water Consumption KPI perimeter based on the Operational Control of Material Assets, requiring coverage of at least 60% of a Client's total water withdrawal (from municipal, ground, or desalinated sources).

Relevant: The KPI is **Relevant** to the consumer goods (only furniture & equipment, fashion & apparel), energy, Agri-food and forestry (only aquaculture, agricultural products, wholesale foods at distilleries), healthcare (only pharmaceuticals), manufacturing (only paper & cardboard), metals and mining, real estate, transportation (only toll roads), and utilities (only electricity) as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting, specifically the ICMA KPI Registry

Core: The KPI is deemed **Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or require moderate efforts. Actionable items include water intensity tracking (liters/m^2); Installing smart water meters to identify leaks, installing greywater recycling systems, Detailed assessment of water footprints and on-site treatment for circular reuse; Reducing reliance on energy-intensive desalination by prioritizing greywater recycling and groundwater monitoring, construction of on-site Graywater Recycling Plants, or Rainwater Harvesting systems, or Advanced Wastewater Treatment facilities.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of the Client's primary operational footprint, which also covers 60% of the Client's total water withdrawal for consumption. The Issuer confirms that all water withdrawal sources are included, including freshwater from municipal facilities and utilities, groundwater from wells, and processed water. The KPI specifies the net consumption of water, and not withdrawal. Therefore, the KPI is considered to be **Partially Material**.

SPT ambition against international/national targets: DIB confirms that the assessment of the SPTs is contingent on the fact that the SPT is aligned with UAE's National Water and Energy Demand Management Programme 2050 and UAE Water Security Strategy 2036, where a national-level water demand target is set out. However, it should be noted that water demand focuses on the expected volume of water required for a given period, which implies a calculation and projection-based methodology for future water demands. Water demand is hence not interchangeable with water consumption, which focuses on the actual amount of water consumed. Therefore, it would not be possible to compare this KPI's associated SPT with the aforementioned targets, given that the scope of water consumption and water demand are different.

Without a comparable water consumption target at international or national level, there is **limited information to assess** the ambition of this KPI's associated SPTs against international and national targets.

15. Increase in grid resilience

Sector application and KPI category: Core KPI for the following sectors: Power & Utilities.

Objective: Climate change mitigation.

KPI definition: The KPI is defined as increase in grid resilience. Grid infrastructure and operational resilience refer to measurable improvements in the ability of critical assets, systems and networks to withstand, adapt to and recover from climate-related physical risks, operational disruption or system stress across electricity generation, transmission and distribution systems. The KPI is measured in System Average Interruption Duration Index (SAIDI).

DIB confirmed that the definition of renewable energy will be aligned with the eligibility criteria of any of DIB's Sustainable Finance Framework,[94] the EU taxonomy technical screening criteria, national regulations or market standards such as the Climate Bonds Standard. Additionally, the Issuer confirms that nuclear and fossil fuel are excluded from the financing.

Relevant: The KPI is **Relevant** to the Client's business if it belongs to the Power and Utility sectors, as it relates to the key issue faced by the above-mentioned industries, according to key ESG standards for reporting and ISS Sustainability's assessment.

[94] Under DIB's Sustainable Finance Framework, the following project categories are included under renewable energy: solar photovoltaic energy, concentrated solar power (including floating) and solar heating, green hydrogen (including green ammonia), wind energy, bioenergy, biofuels (including biogas and biomass), geothermal energy, hydroelectric energy, hydro-wave, hydro-tidal thermal energy conversion, hydro-ocean thermal energy conversion, and nuclear.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affect its key processes and/or require moderate efforts. These include the installation of Advanced Metering Infrastructure (AMI), digital "smart" sensors providing real-time grid monitoring, on-site solar PV installations, direct-wired zero-carbon PPAs, regional battery storage systems, or decentralized energy management systems that enable automatic grid reconfiguration during failures. However, the Client does not provide any information regarding an assessment mechanism/ investment plan for the Core aspect of a KPI beyond claiming that DIB will require Clients to provide an action plan to achieve the SPT.

Materiality: DIB claims that the selected KPI addresses a material and substantial portion of a Client's relevant operational emissions or activities and is considered core to the business model, as it covers a minimum of 60% of the Client's primary operations (by energy spend or floor area). In instances where the 60% coverage captures operations that are already high-performing or resilient, the Client must provide a Supplementary Gap Analysis or qualitative commitment addressing the remaining 40% of operations. However, in the absence of defined metrics and quantitative indicators to track and measure its performance and additional information on the methodology for conducting the gap analysis or assessing the qualitative commitment, this KPI is considered **Moderately Material** to the Client's operations.

SPT ambition against international/national targets: The assessment of the SPTs is contingent on the fact that the SPT is aligned with the UAE Energy Strategy 2050 or any relevant national or regional benchmark. DIB claims that the UAE Energy Strategy 2050 has mandated a 50% clean energy mix and a 40% rise in efficiency by 2050, therefore demanding investments that improve grid stability and reduce the reliance on fossil fuels. While DIB claims that these are key components of a resilient distribution network and provides a list of actions, there is no information on the quantifiable impact. Therefore, there is **limited information to assess** the alignment with international targets for this SPT.

16. Water recycling/sewage treatment capacity (absolute or %)

Sector application and KPI category: Core KPI for the following sectors: metals, mining & manufacturing, real estate, waste and water utilities, agrifood and forestry, consumer, retail & business services (food and beverages), healthcare, concessions & construction. Complementary to technology, media & telecommunication.

Objective: Pollution Prevention and Control.

KPI definition: The KPI is defined as the recycling or treatment capacity of water or sewage, measured in absolute terms using volume-based units (e.g. cubic meters per day or year, million cubic meters, liters, or million imperial gallons per day), or percentage terms (measured as a capacity utilization rate, calculated as the actual volume of water recycled or sewage treated during the reporting period divided by the total engineered design capacity of the relevant facilities).

DIB clarifies that it focuses on the Client's physical and engineering ability to process water and wastewater to a defined quality standard within a specified time period, with the objective of preventing environmental discharge and supporting regional water security. It specifies that the KPI applies to material processing units within the Client's operations, following a "material segment" approach that prioritizes assets with the highest water-related impacts, such as on-site Sewage Treatment Plants (STPs), industrial wastewater recovery facilities, and centralized water-recycling or treatment hubs.

DIB defines the Water recycling/sewage treatment capacity KPI perimeter based on the Operational Control of Material Assets, requiring coverage of at least 60% of a Client's total Wastewater Discharge Volume, Total Gross Floor Area (GFA), or Number of Key Industrial Sites.

Relevant: The KPI is **Relevant** to utilities (waste and water), metals, mining & manufacturing, food & beverages, healthcare, technology, media & telecommunication, infrastructure, concessions & construction, real estate, agri-food and forestry as it relates to the key issue faced by the above-mentioned industry according to key ESG standards for reporting, specifically the ICMA KPI Registry.

Core: The KPI is deemed **Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. The specified measures emphasize investments in installation of automated waste sorting sensors, primary filtration screens, or grit removal upgrades in existing treatment plants or water intensity tracking (liters/m^2), Mechanical-Biological Treatment (MBT) facilities, or tertiary wastewater treatment stages (UV or Ozone), or Anaerobic Digestion units to convert sewage sludge into biogas or Purity Management Systems that ensure recycled materials or treated effluents meet high-grade industrial or environmental reuse standards.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of a Client's total operations, measured using proxies such as total wastewater discharge volume, total gross floor area (GFA), or the number of key industrial sites. The KPI primarily applies to owned and controlled facilities and generally excludes outsourced third-party providers (Scope 3), except where such contractors operate exclusively on the Client's land or account for a significant share of the Client's water impact. The KPI covers all relevant water recycling and sewage treatment stages necessary to achieve a defined specific quality standard (e.g. municipal treated sewage effluent standards), including mechanical, biological, and chemical treatment processes. Hazardous liquid waste streams are excluded, except in sectors such as healthcare or chemical manufacturing, where specialized neutralization units are included. Given the partial perimeter coverage and the exclusion of certain water-related impacts, the KPI is assessed as **Partially Material**.

SPT ambition against international/national targets: DIB confirms that the assessment of the SPTs is contingent on the fact that the SPT is aligned with UAE's National Water and Energy Demand Management Programme 2050, Water Security Strategy 2036 and UAE's Long-Term Low Emissions Development Strategy (LT-LEDS). At the national level, these strategies set overarching objectives related to water security, including increasing the reuse of treated wastewater to up to 95% by 2036, reducing pressure on freshwater resources through demanding management and infrastructure development, and expanding wastewater treatment infrastructure capacity expressed in physical volume terms (e.g. million cubic meters per day). National disclosures further reference aggregate wastewater treatment capacities, treatment plant throughput, and compliance with specified effluent quality standards, which are consistent with the KPI's focus on recycling and treatment capacity measured in volumetric units and capacity utilization rates.

However, while DIB indicates a defined list of actions that support the same governmental policy objective of expanding effective wastewater treatment and reuse, there is no information on the KPI quantifiable impact. Therefore, there is **limited information to assess the** alignment with international targets for this SPT.

17. Water reduced/reused/recycled (absolute or %)

Sector application and KPI category: Core KPI for the following sectors: metals, mining & manufacturing, technology, media & telecommunication, water utilities, healthcare, concessions & construction. Complementary to consumer, retail & business services.

Objective: Pollution Prevention and Control.

KPI definition: The KPI is defined as the volume of water saved, reused, or kept in a closed loop through the Client's operations, with the objective of reducing reliance on freshwater withdrawal. It measures the total amount of water that is successfully diverted from freshwater sources as a result of reduction, reuse, or recycling practices across the operational perimeter. The KPI may be measured using absolute, intensity-based, or percentage-based metrics, depending on the nature of the Client's activities and data availability.

In absolute terms, measurement units may include liters (L), million cubic meters (MCM), million imperial gallons (MIG), or acre-feet, the latter being used primarily in agri-food and forestry contexts to capture large-scale irrigation water diverted from freshwater sources. In relative or intensity terms, the KPI may be expressed as cubic meters of water per unit of output (e.g., per ton of product, per vehicle, or per unit of beverage), per occupied room or guest night in hospitality and real estate, per square meter of gross floor area in commercial real estate, education, and healthcare, or per employee (full-time equivalent) in service-based sectors.

The KPI may also be reported using percentage-based indicators, such as the water recycling or reuse rate (recycled water as a share of total water consumption), total recycled water divided by total water demand, or reduction in freshwater withdrawal compared to a defined historical baseline. Collectively, these measurement approaches capture the Client's ability to minimize freshwater use by increasing water efficiency, reuse, and recycling within daily operations.

Relevant: The KPI is **Relevant** to water utilities, metals, mining & manufacturing, healthcare, technology, media & telecommunication, concessions & construction as it relates to the key issue faced by the above-mentioned industry according to key ESG standards for reporting, specifically the ICMA KPI Registry.

Core: The KPI is deemed **Core** as DIB defines a non-exhaustive list of actions centred on engineering-led interventions and circular process redesigns that can be implemented by the Client and directly affects its key processes in regard to operational systems and resource flows. DIB explains that Clients are expected to implement high-impact measures such as closed-loop water recycling, wastewater cascading, AI-driven leak detection, and advanced filtration and recovery infrastructure. The aim is to achieve "Zero Waste to Landfill" certification and the elimination of single-use plastics.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of a Client's total operations. This threshold may be determined using proxies such as total freshwater withdrawal volume, total gross floor area (GFA), or the number of key industrial sites, particularly for aggregating water consumption across primary industrial, manufacturing, and commercial assets. DIB explains that in practice, this approach prioritizes Tier-1 manufacturing plants, data centres, and large-scale developments, particularly those located in water-stressed regions such as the Gulf Cooperation Council (GCC) countries.

The KPI scope includes water streams relevant to circular water management, encompassing potable and non-potable uses. These include municipal or desalinated freshwater (treated as the baseline to be reduced), greywater, blackwater or sewage, treated sewage effluent (TSE) sourced from municipalities or treated onsite, process water used in cooling, boilers, and production lines, and produced or groundwater extracted during construction or resource operations and subsequently treated for reuse. While the KPI covers operational water impacts and opportunities for reduction, reuse, and recycling, its perimeter is limited to direct operations, as the Client clarifies that upstream and downstream water impacts are difficult to quantify and monitor. In addition, the prioritization of actions is guided by a water stewardship hierarchy that emphasizes avoidance and reduction as the highest-priority outcomes, followed by internal reuse, onsite recycling through treatment, and discharge as the lowest-priority option. Given the defined perimeter, partial coverage of costumer operations, the focus on direct operational control and wastewater hierarchy, the KPI is assessed as **Moderately Material**.

SPT ambition against international/national targets: DIB confirms that the assessment of the SPTs is contingent on the fact that the SPT is aligned with UAE's National Water and Energy Demand Management Programme 2050, Water Security Strategy 2036 and UAE's Long-Term Low Emissions Development Strategy (LT-LEDS). At national level, these strategies set overarching objectives related to water security and resources efficiently, including increasing the reuse of treated wastewater to up to 95% by 2036, reducing pressure on freshwater resources through demanding management and expanding wastewater treatment and reuse infrastructure, with capacity expressed in physical volume terms (e.g. million cubic meters per day). National disclosures further reference aggregate wastewater treatment capacities, treatment plant throughput, and compliance with specified effluent quality standards, which are consistent with the KPI's focus on water recycling, reuse and treatment capacity measured in volumetric units and capacity utilization rates.

However, while DIB indicates a defined list of actions which supports the same governmental policy objective of expanding effective wastewater treatment and increasing water reuse, there is no information on the KPI quantifiable impact. Therefore, there is **limited information to assess** the alignment with international targets for this SPT.

18. Waste collected and treated/ diverted from landfill (e.g., through robust recycling programs) in volume or % terms

Sector application and KPI category: Core KPI for the following sectors: metals, mining & manufacturing, waste utilities, consumer, retail & business services (food and beverages), healthcare, infrastructure, concessions & construction. Complementary to technology, media & telecommunication.

Objective: Pollution Prevention and Control.

KPI definition: The KPI is defined as the quantity of waste effectively collected and treated through the Client's operations, with the objective of diverting waste away from final disposal in landfills. It measures the total amount of waste that is redirected toward recycling, composting, recovery, or reuse pathways, thereby preventing environmental degradation and reducing greenhouse gas emissions associated with landfill disposal, particularly methane emissions from decomposing organic waste.

Waste collected and treated refers to the total weight or volume of waste handled within the Client's operational perimeter that undergoes processing—such as sorting, cleaning, or pre-treatment—to render it suitable for secondary use. Waste diversion entails the successful removal of materials from the final disposal stream, ensuring that they are instead directed to recycling facilities, composting operations, waste-to-energy plants, or formal reuse cycles.

The KPI may be measured using absolute, relative, or percentage-based metrics, depending on the nature of the Client's operations and data availability. In absolute terms, measurement is typically expressed in weight-based units, such as metric tonnes (t) or kilograms (kg), corresponding to the total volume of waste generated and the subset of waste diverted from landfill. Total waste generated includes all hazardous and non-hazardous waste streams produced by the Client, typically documented via weighbridge receipts or digital Waste Transfer Notes (WTNs). Total diverted waste corresponds to the aggregate weight of materials sent to recycling, reuse, composting, or recovery, including waste-to-energy facilities.

The KPI may also be reported using percentage-based indicators, most commonly the waste diversion rate, calculated as the ratio of total diverted waste to total waste generated, expressed as a percentage. This metric enables assessment of the effectiveness of waste-management systems in increasing diversion performance over time and across operational boundaries.

Relevant: The KPI is **Relevant** to food & beverages, waste utilities, metals, mining & manufacturing, healthcare, technology, media & telecommunication, Infrastructures, Concessions & Construction sectors as it relates to the key issue faced by the above-mentioned industry according to key ESG standards for reporting, specifically the ICMA KPI Registry.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions centred on waste segregation at source, material recovery, and circular waste-management process redesigns that can be implemented by the Client and that directly affect key operational systems and material flows. Clients are expected to implement measures such as waste-to-value infrastructure, onsite specialized treatment facilities, AI-driven sorting systems, and cross-sector material exchanges. The objective is to achieve high waste-diversion rates, progress toward zero waste to landfill, and ensure traceable, compliant handling of all material streams.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of a Client's total operations. This threshold may be determined using proxies such as total waste generated (in tonnes), total gross floor area (GFA), or the number of key industrial sites, particularly for aggregating waste volumes across primary industrial, manufacturing, and commercial assets. In practice, this approach prioritizes Tier-1 manufacturing plants, data centres, and large-scale developments, particularly those located in water-stressed regions such as the Gulf Cooperation Council (GCC) countries.

The KPI scope includes all relevant waste streams associated with circular waste management, encompassing both non-hazardous and hazardous categories. These include municipal solid waste (treated as the baseline to be diverted), dry recyclables such as paper, plastic and metals, organic and green waste prioritized for composting or anaerobic digestion, industrial or process scrap generated during operations, construction and demolition waste arising from asset upgrades or infrastructure projects, and specialized waste streams such as electronic waste, chemical solvents, or medical waste requiring dedicated treatment. While the KPI addresses operational waste generation and opportunities for diversion, recovery and circularity, its perimeter is limited to direct operations, as the Issuer clarifies that upstream and downstream waste impacts are currently complex to quantify and remain outside of the Client's direct operational control.

In addition, the prioritization of actions under this KPI is guided by a circular economy-based waste hierarchy, which emphasizes prevention and reduction as the highest-priority outcomes, followed by reuse, recycling and composting, energy recovery, and landfill disposal as the lowest-priority option. Given the limitation in the perimeter that led to an exclusion of a consistent portion of operations and the focus on middle of the waste hierarchy, the KPI is assessed as **Moderately Material**.

SPT ambition against international/national targets: DIB confirms that the assessment of the SPTs is contingent on the fact that the SPT is aligned with UAE National Agenda for

Integrated Waste Management, the UAE Circular Economy Policy (2021–2031), the UAE Net Zero 2050 Strategy and the UAE's Long-Term Low Emissions Development Strategy (LT-LEDS). At national level, these strategies set overarching objectives related to waste reduction, landfill diversion, and resource circularity. At national and emirate levels, these strategies set quantified targets including the treatment of up to 80–85% of municipal solid waste by 2031–2035, the management of 99% of hazardous waste, and the progressive achievement of near-zero landfill disposal through recycling, recovery, and waste-to-energy infrastructure development. National and emirate-level disclosures further reference aggregate waste treatment capacity, landfill-diversion rates, and the expansion of material recovery and waste-to-energy facilities, expressed in physical terms such as tonnes of waste processed per year and diversion percentages. These policy objectives are consistent with the KPI's focus on improving waste diversion, recycling, recovery, and treatment performance through operational measures that prioritize waste segregation, certified recycling, and circular resource management.

However, while DIB indicates a defined list of actions which supports the same governmental policy objective of landfill diversion, circular material use, and waste-to-value pathways, the current KPI definition does not provide sufficient information on the quantified impact of the proposed SPTs in terms of tonnes diverted, recovery rates, or percentage reductions relative to baseline waste generation. As a result, there is **limited information to assess** the alignment with international targets for this SPT.

19. Renewable/recycled raw materials/waste, used in production/assets/projects or % of waste recycled

Sector application and KPI category: Core KPI for the following sectors: automotive manufacturing, aviation manufacturing, metals, mining & manufacturing, real estate, technology, media & telecommunications, power & utilities, agri-food and forestry, consumer, retail & business services, infrastructure, concessions & construction, healthcare, other transportation manufacturing. Complementary to other transportation subsectors.

Objective: Pollution Prevention and Control.

KPI definition: The KPI is defined to measure the inflow of sustainable materials used across the Client's production processes, assets or projects. It captures the extent to which virgin or linear raw materials are replaced by recycled, repurposed, or renewable alternatives, thereby supporting circular-economy objectives and reducing dependency on finite resources. In the GCC context, this KPI is considered particularly relevant for resource-intensive sectors such as construction, manufacturing, metals, and plastics, where material substitution plays a critical role in decoupling economic growth from resource depletion.

The scope of the KPI includes recycled materials and renewable materials consumed within clearly defined operational boundaries. Recycled materials refer to materials diverted from the waste stream and processed into secondary raw inputs, such as recycled metals, recycled plastics (e.g. rPET), or recovered construction aggregates. Renewable materials refer to materials derived from biological sources that are naturally replenished at a rate equal to or faster than their consumption, including certified timber or bio-based materials. The KPI boundary applies to specific production units, assets, or projects where material consumption occurs, such as manufacturing lines, real-estate developments, or infrastructure works.

Measurement under this KPI may be expressed using absolute or relative metrics, depending on data availability and sector applicability. Absolute measurement may include weight-based metrics (e.g. metric tonnes, kilograms, grams) or volume-based metrics (e.g. cubic metres, litres, barrels), reflecting the physical inflow of circular materials. Alternatively, performance may be expressed as the percentage of circular material inflow, calculated as the proportion of recycled or renewable materials relative to the total quantity of raw materials consumed, measured either by weight or by volume.

Relevant: The KPI is **Relevant** to the consumer goods, retail, utilities, automobile manufacturing, aviation manufacturing, metals, mining & manufacturing, healthcare, technology, media & telecommunication, concessions & construction, Agri-food, real estate, service business and other transportation sectors as it relates to the key issue faced by the above-mentioned industry according to key ESG standards for reporting, specifically the ICMA KPI Registry.

Core: The KPI is deemed **Core** as DIB defines a non-exhaustive list of actions centered on material input substitution, circular procurement, and closed-loop sourcing models that can be implemented by the Client and that directly affect key production systems, asset development practices, and resource inflows. Clients are expected to implement measures such as the replacement of virgin raw materials (aluminium, steel, plastics, and other primary raw materials) with recycled or bio-based alternatives, certified secondary material sourcing, refurbishment-first procurement policies, closed-loop partnerships and circular infrastructure such as electric arc furnaces and material recovery facilities that reintegrate materials into production cycles. The objective is to increase the proportion of circular material inputs, reduce dependency on primary resource extraction, and ensure traceable, verifiable use of recycled and renewable materials, supported where applicable by Environmental Product Declarations (EPDs) and certified sourcing schemes.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of a Client's total material footprint. This threshold may be determined using proxies such as total raw material inputs (tonnes), total procurement spend (AED/USD), or total gross floor area (GFA) for real-estate-intensive portfolios, particularly for aggregating material consumption across primary industrial, manufacturing, commercial, and logistics assets. In practice, this approach prioritizes Tier-1 manufacturing plants, regional distribution centres, and developments, particularly those located in the Gulf Cooperation Council (GCC) countries, ensuring that the KPI captures the Client's most resource-consuming activities.

The KPI scope includes all inbound circular material streams intended for use in production, infrastructure, or operational activities, encompassing recycled or secondary materials, sustainably renewable bio-based materials, repurposed or refurbished components, and alternative feedstocks derived from industrial by-products. These include, for example, recycled steel and plastics, certified timber, refurbished technical components, and supplementary cementitious materials such as fly ash or ground-granulated blast-furnace slag. Virgin fossil-based plastics, non-certified timber, and primary mined metals are excluded from the circular numerator but remain included in the total denominator when calculating circular input ratios. While the KPI captures material inflows and substitution opportunities, its perimeter is limited to direct procurement and operational inputs, equivalent to Scope 3 Category 1, as downstream material use by end-consumers falls outside the Client's direct control and traceability. By restricting the boundary to materials under the Client's direct procurement control, the Bank ensures data integrity and verifiability through Environmental Product Declarations (EPDs), purchase orders, and supplier certifications.

In addition, DIB declares that the prioritization of actions under this KPI is guided by circular-economy best practices.[95] This focuses on closed-loop material integration as the highest-priority outcome, followed by high-value substitution of virgin materials with secondary alternatives, the use of sustainably renewable resources, and material optimization through reduced material intensity. Continued reliance on virgin, linear inputs represent the lowest-priority outcome and do not generate circular credit under the KPI. The KPI is assessed as **Partially Material,** as it covers only a partial perimeter of the Client's total material footprint, focusing solely on materials under direct control and circular input categories.

SPT ambition against international/national targets: DIB confirms that the assessment of the SPTs is contingent on the fact that the SPT is aligned with the UAE Circular Economy Policy (2021–2031) and the UAE Net Zero 2050 Strategy, which establish overarching national objectives related to resource efficiency, reduced dependence on virgin raw materials, and increased circular input across priority sectors. At national level, these strategies promote a structural shift from linear "take-make-dispose" models toward circular material flows, with emphasis on increasing the use of recycled, remanufactured, and renewable materials in infrastructure, manufacturing, transportation, and construction, thereby mitigating resource depletion and embedded carbon emissions.

National and emirate-level strategies further reference measurable objectives related to material efficiency and circularity, including mandates for recycled content in construction materials, promotion of sustainable remanufacturing and reuse business models, and the development of eco-industrial clusters to maximize secondary material use. Policy disclosures and implementation roadmaps also track progress through physical metrics such as tonnes of recycled materials utilized, recycled-content percentages in material categories, and reductions in virgin material demand, which are consistent with the KPI's focus on measuring circular material inflows by weight or volume.

However, while DIB identifies a defined set of eligible actions that align with the same governmental objectives of resource decoupling, circular material sourcing, and reduced reliance on finite raw materials, the current KPI definition does not provide sufficient information on the quantified impact of the proposed SPTs, such as expected increases in

[95] Circular economy guidance is retrieved from the EU Waste Framework Directive (2008/98/EC and UNEP Circularity Platform.

recycled or renewable material input ratios, reductions in virgin material procurement, or alignment with nationally referenced recycled-content benchmarks. As a result, there is **limited information to assess** the alignment with international targets for this SPT.

20. Embodied carbon reduction

Sector application and KPI category: Core KPI for the following sectors: Real Estate. Complementary KPI for Infrastructure Concessions, and Construction (Contracting & Construction).

Objective: Pollution Prevention and Control.

KPI definition: The KPI is defined as embodied carbon reduction in terms of reduction in embodied carbon (tCO_2e) of new construction materials.

The Issuer states that it would like to calculate via employing a life cycle assessment, which identifies emissions across various project stages and multiplying material quantities by specific emission factors. However, the Issuer does not disclose its sources of emission factors, the database employed for the life cycle assessment approach, and whether the calculation will have to be verified by external third parties. Hence, there is no evidence that the calculation approach is benchmarkable against industry calculation methodology, limiting the understanding and subsequent assessment for the KPI.

The Issuer states that the KPI looks to mirror LEED and BREEAM certification structures, where points are awarded for selecting environmentally preferable products regardless of whether the benefit comes from high recycled content or low-carbon manufacturing processes. However, green building certifications such as LEED and BREEAM take into account and measure a wide variety of different topics for a building, where embodied carbon reduction constitutes only part of its criteria. This means that having a green building certification does not necessarily translate to good performance in embodied carbon reduction or a high usage of low-carbon building material, since it is possible that a green building certification is granted while these aspects of a green building are not prominent. Furthermore, there is no clarity on the methodology of said certifications, and DIB has not specified any minimum level of certification rating/performance the Clients are required to achieve to demonstrate their performance in embodied carbon reduction. There is also no visibility on the correlation between the certificate and the KPI performance/measurement, therefore limiting the assessment for this KPI.

Relevant: The KPI is **Relevant** to the real estate and contracting and construction sector as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment. Specifically, per the ICMA Registry, the percentage of sustainable materials of buildings for the real estate sector, and the proportion of low-carbon construction materials and materials incorporating recycled or by-product materials from construction for the construction sector.

Core: The KPI is deemed **Moderately Core**. DIB defines a non-exhaustive list of actions that can be implemented by the Client that looks to affect its key processes and/or request moderate efforts. Actionable items include sourcing secondary aggregates, recycled steel, or FSC-certified timber, or Recycled content in building materials (e.g., green concrete). However, the actionable items do not demonstrate a direct impact on the usage of recyclable or low-carbon building materials or reducing embodied carbon, and are only indirectly affecting certain processes of a Client which may not be crucial to the Client's operations.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: DIB states that it requires a minimum of 60% of the total volume of building materials (by weight or cost) or 60% of total Gross Floor Area (GFA) for all new construction or major renovation projects initiated during the facility term. As such, the KPI is deemed **Partially Material**.

SPT ambition against international/national targets: The assessment of the SPTs is contingent on the fact that the SPT is aligned with UAE Energy Strategy 2050, the Ministry of Industry and Advanced Technology of UAE's (MoIAT) roadmap for heavy-emitting sectors, and Emirates Green Building Council's Blueprint and targets derived from the World Green Building Council (WGBC).

It should be noted that both the UAE Energy Strategy 2050 and the MoIAT's roadmap focuses on GHG emissions reduction rather than the usage of recycled or low-carbon building materials and embodied carbon reduction, therefore are not comparable to the KPI, and hence **limited information to assess** the SPT against these national targets.

Specifically for the Emirates Green Building Council's Blueprint and targets derived from the WGBC, it is stated that WGBC has set out a vision to reduce embodied carbon in new buildings, infrastructure and renovation by 40% with significant upfront carbon reduction, and all new buildings must be net zero operational carbon by 2030, and embodied carbon in new buildings, infrastructure and renovation by 100% with significant upfront carbon reduction, and all new and existing buildings must be net zero operational carbon by 2050. If the Client's SPT is at least fully aligned with the WGBC's target, then the SPT is deemed to be **in line with international targets**. Otherwise, there is **limited information to assess** the ambition of the SPT against international targets.

21. Establishment of responsible supply chain practices (supplier standards, supplier code of conduct)

Sector application and KPI category: Complementary KPI for the following sectors: Automobile; Power and utilities; Metals, Mining & Manufacturing; Real Estate; Technology, Media & Telecommunications; Agri-Food and Forestry; Commodities; Consumer, Retail & Business Services; Infrastructures, Concessions & Construction, Aviation; Education; Financial sector and financial market actors; Diversified Industries & Services; Healthcare; Other transportation.

Objective: Sustainable business practices.

KPI definition: The KPI is defined as the establishment of responsible supply chain practices, including supplier standards and supplier code of conduct, calculated as the implementation and audit score. Implementation and audit score is defined as the percentage of suppliers that have undergone and passed a sustainability audit or self-assessment based on those supplier standards.

DIB states that supplier standards and supplier codes of conduct are required to follow internationally recognized frameworks, including the United Nations Global Compact, International Labour Organization Core Conventions regarding child labour and forced labour, Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, the Paris Agreement regarding climate-related disclosure, and ISO 14001 or SA8000 regarding environmental and social responsibility certifications. The Issuer states that there are several mandatory topics regarding responsible practices that Clients are required to include, including labour and human rights (strict prohibition of child and forced labour and the adherence to ILO Core Conventions), occupational health and safety (mandatory compliance with ISO45001 safety standards), environmental stewardship (requirements to climate change mitigation, i.e. Scope 1 and 2 GHG emissions reporting, and waste management), and ethics (requirements to anti-corruption, anti-bribery and whistleblower protection).

DIB also states that it would require third-party assurance from an independent provider to verify that the Supplier Code of Conduct is not only signed but actively enforced through regular audits and corrective action plans.

Relevant: Specifically for implementation/audit score, the KPI is **Relevant** to the Client's business in the above-listed industries as it relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting, specifically the ICMA KPI Registry.

Core: The KPI is deemed **Moderately Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. Actionable items include implementing third-party verified supplier standards and codes of conduct (e.g., IRMA, RBA, FSC) that mandate transparency, ethical labor, and environmental compliance across their global supply chains, investment in relevant areas (e.g. blockchain-enabled traceability, satellite monitoring, dedicated supplier training programs, etc.) to ensure high-integrity oversight that exceeds standard procurement practices. However, there is limited evidence to whether the actionable items would provide certainty that sustainability practices are in fact adopted by the suppliers of Clients.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of the Client's primary operations (by supplier base or procurement spend), or at least 60% requirement of the total procurement spend or total Tier 1 supplier count.

However, there is limited evidence that an adoption rate KPI for supplier practices converts to actual direct impact on enhancing the suppliers' performance regarding labour and human rights, occupational health and safety, environmental stewardship and ethics, given that adopting a practice via having a supplier standard or supplier code of conduct does not necessarily mean the suppliers will implement and abide to all items in the documents.

The Issuer states that Clients are required to maintain oversight mechanisms to ensure the applied standards are driving material impacts on suppliers, including mandatory periodic audits and implementation of formal corrective action plans. DIB also states that they require Clients to establish measures against supplier non-compliance, such as potential suspension or termination of supplier relationships. Specifically, DIB looks to enforce mandatory inclusion of sustainability clauses in all new and renewed procurement contracts between clients and suppliers, and states that suppliers' adherence to the Client's Sustainable Procurement Policy and Code of Conduct is a non-negotiable contractual obligation. DIB further explains that compliance is strictly verified by mandatory annual third-party ESG audits or assessments (e.g., EcoVadis or equivalent). DIB states that a binding Corrective Action Plan (CAP) is also included for underperforming suppliers, whereby failure to remediate identified ESG gaps within a defined 12-month window triggers formal contract review of that supplier which will be initiated by DIB's client for their underperforming suppliers.

Furthermore, the Issuer explains that, to verify the direct impact of the abovementioned requirements, DIB requires clients to provide documented evidence of implementation, including verified baseline data from suppliers and annual audit logs of procurement scoring matrices.

Therefore, the KPI is deemed to be **Partially Material**. However, it should be noted that there is limited visibility on whether an increment in supplier implementation and audit score generates direct impacts on different aspects of sustainability for the supply chain of clients, posing a limitation to the assessment.

SPT ambition against international/national targets: DIB has not listed any international or national targets that this SPT's assessment is aligned with. Furthermore, there are no available international or national targets regarding the metrics proposed for this KPI and subsequent SPT. As a consequence, there is **limited information to assess** the alignment of the SPT against international targets.

22. Suppliers following leading sustainability practices (absolute or %)

Sector application and KPI category: Complementary KPI for the following sectors: Automobile (including automotive manufacturing), Metals, Mining & Manufacturing, Real Estate, Technology, Media & Telecommunications, Agri-food and Forestry, Commodities, Consumer, Retail & Business Services, Infrastructures, Concessions & Construction, Aviation, Education, Power & Utilities, Financial Sector and Financial Market Actors, Diversified Industries & Services, Healthcare, and Other transport.

Objective: Sustainable business practices.

KPI definition: The KPI is defined as suppliers following leading sustainability practices,[96] in absolute terms or in terms of percentage, calculated as percentage or number of compliant suppliers. To measure the compliant suppliers, DIB would check whether suppliers meet the leading practices listed, compared to the overall supplier base (for %) or the increase in absolute number of suppliers following leading sustainable practices. The SPTs would be an agreed upon YoY increase in absolute of % terms, over the course of the facility tenor.

However, it should be noted that, from the examples provided by DIB regarding leading sustainable practices, leading sustainability practices do not necessarily demonstrate direct impact on enhancing a Client's sustainability performance. Global ESG ratings take into account and measure a wide variety of different topics within sustainability, where companies are not required to demonstrate high performance in all aspects to achieve a high rating or certification. Further, there is no clarity on the methodology of said ratings and certifications, therefore there is no visibility on the correlation between ratings and certifications and sustainability performance and measurement, limiting the assessment for this KPI.

Relevant: The KPI is **Relevant** to the Client's business as it relates to a key issue faced by the above-mentioned industries according to key ESG standards for reporting and ISS Sustainability's assessment.

Core: There is **limited information to assess** this KPI as DIB does not define a non-exhaustive list of actions that can be implemented by the Clients' suppliers that moderately affects its key processes and/or request moderate efforts. In particular, DIB includes as possible actions implementing ESG audits for high-risk suppliers or EcoVadis Gold/Platinum ratings, B Corp certification requirements, or setting Science Based Targets (SBTi). However, it is not clear how adopting these actions would imply significant effort for the Clients as well as the Clients' suppliers, and in extension, the suppliers' ESG performance.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer states that they will require the KPI to only cover Tier 1 suppliers of the Client and covers at least 60% of the Clients' supplier base. DIB states that it considers leading sustainable practices to be reflected via achieving EcoVadis rating of Silver, Gold and Platinum, achieving CDP score of B or higher in Climate Change or Water Security, and setting an SBTi validated target.[97] However, it should be noted that there is limited evidence that ESG ratings necessarily always generate impact on supply chains, as there is limited visibility on the

[96] Some examples of leading sustainable practices for DIB include: (i) showcasing a high-performance score from a recognized global ESG rating provider such as EcoVadis Silver, Gold, or Platinum rating (representing the top 25%, 5%, or 1% of companies). Alternatively, a CDP (Carbon Disclosure Project) score of B or higher for Climate Change or Water Security; (ii) Science-Based Commitment: a supplier can show their decarbonization journey through a globally recognized framework such as Science Based Targets initiative (SBTi) commitment or validated targets (1.5°C or Net Zero pathways).

[97] It should be noted that the assessment is based on the examples provided by DIB; any other methods for reflecting leading sustainable practices beyond the mentioned list above are out of scope and hence not assessed, due to the lack of information and relevant thresholds. Furthermore, it should be noted that a SBTi commitment without any binding commitment that a SBTi validation will be received is considered insufficient as a leading sustainable practice.

application of sustainable practices leading to varying ESG ratings, which poses a limitation to the assessment. Given such, the KPI is deemed to be **Moderately Material**.

SPT ambition against international/national targets: there is **limited information to assess** the ambition of the SPT against international targets. In particular, DIB states that the KPI can be benchmarked against the UAE Energy Strategy 2050 targets; however, the description of the KPI as "suppliers following leading sustainability practices" can hardly be framed as a way to develop robust supply chains, as required by the UAE Energy Strategy 2050, nor it can be seen as a way to prioritize sustainable manufacturing and resource efficiency across the entire value chain, as mandated by the UAE Circular Economy Policy 2021-2031.

23. Number of customers affected by data breaches

Sector application and KPI category: Core KPI for the following sectors: Education; Technology, Media & Telecommunications; Financial sector and financial market actors (consumer and commercial finance); Consumer, Retail & Business Services (Professional B2B services); Healthcare (excluding pharmaceutical manufacturing). Complimentary KPI for the following sectors: Commodities.

Objective: Sustainable business practices.

KPI definition: The KPI is defined as the annual aggregate count of unique individual Clients whose Personally Identifiable Information (PII)[98] or financial data was confirmed to have been accessed, disclosed, or compromised by an unauthorized party. This is calculated as the aggregate count of unique "Data Subject" impacted within a reporting period based on the following steps of measurement and calculation:

1. Scoping (The "Blast Radius"): Forensic teams identify the specific databases or servers compromised.
2. Database Reconciliation: Using a Client Information System (CIS) or Client Relationship Management System (CRM), the Client maps the compromised data fields to unique Client IDs.
3. Deduplication: If multiple datasets are leaked, the Client runs a deduplication script to ensure that a Client appearing in both datasets is only counted once for the KPI.
4. Classification: Records are categorized by sensitivity, and "affected" usually refers to any Client whose PII (Personally Identifiable Information) or Financial Data was involved.

The Issuer also states that all data breaches are required to be independently verified by external third parties to confirm their accuracy, which is also restricted by the UAE and Saudi Personal Data Protection Law, where Clients must notify authorities within a strictly defined window once a data breach incident occurs.

Relevant: The KPI is **relevant** to the Technology, media and telecommunications sector as it relates to the key issue faced by the above-mentioned industries according to key ESG

[98] DIB states that PII includes names, national or Emirates ID numbers, bank account details and transaction history.

standards for reporting, specifically per the ICMA Registry. Specifically per SASB Standards, the KPI is **Relevant** to Education, Financial sector and financial market actors (consumer finance and commercial finance), Consumer, retail and business services (Professional B2B services), Healthcare (except pharmaceutical manufacturers).

Core: DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. Actionable items include transitioning from static compliance to active cyber resilience by investing in high-impact technologies such as Zero-Trust Architectures, AI-driven threat hunting, and quantum-resistant cryptography to eliminate data breach impacts, centralized Security Operations Centers (SOC), ensuring alignment with regional data residency and CBUAE mandates. However, there is limited information that demonstrates these actionable items enable Clients to go beyond legal and regulatory requirements. Therefore, the KPI is deemed to be **Moderately Core**.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of the Clients' relevant operations, assets, userbase or stakeholders, measured by the percentage of total Clients or total revenue. The Issuer further explains that it sets out that compliance with recognized cybersecurity protocols[99] is mandatory to be eligible for this KPI. The Issuer requires Clients looking to apply as eligible for this KPI to submit independent audit reports and external verification for support on data breach data and compliance with recognized cybersecurity protocols. Therefore, the KPI is considered to be **Partially Material**.

SPT ambition against international/national targets: DIB has not listed any international or national targets that this SPT's assessment is aligned with. Furthermore, there are no available international or national targets regarding the metrics proposed for this KPI and subsequent SPT. As a consequence, there is **limited information to assess** the alignment of the SPT against international targets.

[99] DIB states that recognized cybersecurity protocols include:
- UAE: CBUAE Networking and Cyber Security Framework (mandatory for all banks and financial institutions), NESA Information Assurance Standards (federal standard for critical national infrastructure and government entities), Dubai Information Security Regulation (Mandatory for Dubai government entities and critical partners), Abu Dhabi Healthcare Information and Cyber Security (specific standard for the healthcare sector in Abu Dhabi).
- Saudi Arabia: SAMA Cybersecurity Framework (primary standard for banks, insurance companies and financial technology companies), NCA Essential Cybersecurity Controls (mandatory for government and private sector entities), NCA Cloud Cybersecurity Controls (specific for entities using or providing cloud services).
- Qatar: National Information Assurance (NIA) Policy (baseline standard for government and critical sectors), QFCRA Cybersecurity Rules (specific to financial sector). DIB states that critical sectors are defined based on regulatory definitions, which includes government operations, energy and utilities, finance, transport and logistics, telecommunications and healthcare.
- Oman: Oman MTCIT Cybersecurity Governance Guideline
- Bahrain: Bahrain National Cybersecurity Centre Standards (mandatory for critical sector operators). DIB states that critical sectors are defined based on regulatory definitions, which includes government and public defense, oil and gas, banking and financial institutions, electricity and water, and telecommunications.
- Kuwait: Kuwait CITRA Cybersecurity Framework (mandatory for telecommunications and critical sectors). DIB states that critical sectors are defined based on regulatory definitions, which includes telecommunications and digital service providers, energy and infrastructure operators, banking and financial services, and government platforms and public services.

24. Improvement in Health & Safety (Patient Safety - Readmission rates / Infection Rates)

Sector application and KPI category: Core KPI for the following sectors: Healthcare.

Objective: Empowered society.

KPI definition: The KPI is defined as the annual improvement of patient safety performance for clinical units such as tertiary hospitals, specialized surgical centers and acute care hubs. The KPI is measured via a selection between two distinct metrics, including i) readmission rates and ii) Healthcare-Associated Infection (HAI). Readmission rates is defined as the percentage of patients readmitted to a hospital within a specific period for the same or a related condition following an initial discharge, calculated as the percentage of the number of unplanned readmissions against the total number of discharges. HAI is defined as the incidence of new infections that patients acquire while receiving treatment for other conditions within a healthcare setting, with indicators including Central Line-Associated Bloodstream Infections (CLABSI), Catheter-Associated Urinary Tract Infections (CAUTI), Surgical Site Infections (SSI), and Clostridium difficile infections (CDI), calculated as infections per calendar year or patient days. This KPI covers at least 60% of the Client's operational boundaries, measured by total workforce, number of hospital/clinic beds, or assets.

Relevant: The KPI is **Relevant** to the Healthcare sector's business as it only relates to the key issue faced by the above-mentioned industries according to key ESG standards for reporting, specifically the SASB Standards.

Core: The KPI is deemed **Core** as DIB defines a non-exhaustive list of actions that can be implemented by the Client that moderately affects its key processes and/or request moderate efforts. Actionable items include investing in autonomous UV-C disinfection robots, remote patient monitoring kits to proactively eliminate clinical risks, high-stakes simulation training and automated quality dashboards, to ensure that a robust governance model is in place and exceeds standard hospital operational practices.

Additionally, when the Client's action plan does not specify the actionable items listed above, please refer to the core assessment under the General Consideration section above.

Materiality: The Issuer confirms that the KPI will cover at least 60% of the Clients' operational boundary measured by total number of patients. Given that the Issuer commits that the KPI covers a moderate proportion of its patients, which directly addresses the KPI's metrics of readmission rate and HAI, which are both patient specific metrics. Therefore, the KPI is considered **Partially Material**.

SPT ambition against international/national targets: DIB has not listed any international or national targets that this SPT's assessment is aligned with. Furthermore, there are no available international or national targets regarding the metrics proposed for this KPI and subsequent SPT. As a consequence, there is **limited information to assess** the alignment of the SPT against international targets.

PART III: DIB'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
Core ESG pillars	The Issuer focuses on the following topics: ▪ Propel sustainable finance ▪ Embed ESG in decision-making ▪ Promote financial inclusion ▪ Champion business ethics and customer privacy ▪ Embrace diversity and inclusion ▪ Enhance employee well-being ▪ Drive transparency and disclosure ▪ Reduce operational environmental footprint
Definition of core ESG pillars	The ESG priority areas of the Issuer have been defined through a double materiality assessment and stakeholder engagement. They build on two areas: Lead by Example and Finance a Sustainable Future, which altogether form DIB's Sustainability Strategy. The materiality matrix is published in the Sustainability Report.
ESG targets and timeline	To achieve its ESG commitments, the Issuer has set the following targets and timeline:[100] Goals for 2026-2029 ▪ Grow climate-related financial risk capability ▪ Develop portfolio decarbonization roadmap ▪ Reduce emissions in own operations and supply chain ▪ Grow Sustainable Asset Register ▪ Continue to expand sustainable products and services for consumers and corporate clients ▪ Enhance environmental and social due diligence, and engage clients in climate risk mitigation and transition planning ▪ Launch products and services for historically underrepresented and vulnerable segments Commitments for 2030

[100] Sustainability Report, Dubai Islamic Bank, 2024, page 53, available here.

TOPIC	ISSUER APPROACH
	▪ Net Zero Scope 1 and 2 emissions in own operations Be the most diverse Islamic financial institution in its markets of operation ▪ 15% of group gross financing as Sustainable Finance
SBTi Targets	The Issuer has no (verified) science-based targets.
Financial budget to achieve the ESG targets (CapEx, OpEx, Product Mix)	There is no information available on the Issuer's financial budget to achieve its ESG targets.
Association/ Collective commitments	The Issuer is a member of/signatory to: ▪ United Nations Global Compact (UNGC) since 2024.
Sustainability reporting	The Issuer reports on its ESG performance and initiatives annually. The report is prepared in line with the Global Reporting Initiative. The report is available on the Issuer's website.
Previously issued sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework	In November 2022, DIB issued its first sustainable sukuk with a volume of USD 750 million. In February 2023, the second issuance occurred with a volume of USD 1 billion, followed by another issuance of USD 1 billion in March 2024. DIB's previous Sustainable Finance Frameworks (2022, 2024) as well as the 2026 Framework have been verified by ISS-Corporate. DIB has also issued its first Sustainability-Linked Financing Facilities financing Sukuk was issued in November 2025. The respective framework was verified by ISS-Corporate.

DISCLAIMER

1. Validity of the Second Party Opinion: Valid as long as the cited Framework remains unchanged.
2. ISS-Corporate is a leading provider of robust SaaS and expert advisory services to companies, globally. ISS-Corporate's data-driven, research-backed Compass platform helps empower businesses to understand and shape the signals they send to institutional investors, regulators, lenders, and other key stakeholders. By delivering essential data, tools, and advisory services, ISS-Corporate can help businesses around the world to be more resilient, align with market demands, and proactively manage governance, compensation, sustainability, and cyber risk initiatives. ISS Corporate Solutions, Inc. ("ISS-Corporate") is a wholly owned subsidiary of Institutional Shareholder Services Inc. ("ISS") and part of the ISS STOXX GmbH group of companies. This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the "Information") is the property of ISS-Corporate or its affiliates. The Information may not be reproduced or disseminated in whole or in part without prior written permission of ISS-Corporate. ISS-Corporate MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION. ISS-Corporate provides advisory services, analytical tools and publications to companies to enable them to improve shareholder value and reduce risk through the adoption of improved corporate governance practices. The ISS STOXX Governance and Sustainability research teams, which are separate from ISS-Corporate, will not give preferential treatment to, and are under no obligation to support, any proxy proposal of a corporate issuer nor provide a favorable rating, assessment, and/or any other favorable results to a corporate issuer (whether or not that corporate issuer has purchased products or services from ISS-Corporate). No statement from an employee of ISS-Corporate should be construed as a guarantee that ISS STOXX will recommend that its clients vote in favor of any particular proxy proposal or provide a favorable rating, assessment or other favorable result.
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ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary methodology.

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

Dubai Islamic Bank commissioned ISS-Corporate to compile a Sustainability-Linked Financing Framework Second Party Opinion. The second-party opinion process includes verifying whether the Sustainability-Linked Financing Framework aligns with ICMA and LMA's SLLBG (as of June 2024) (Including June 2025 Annex on FAQ) and assessing the sustainability credentials of its Sustainability-Linked Financing instruments, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party opinion:

- Guidelines for Sustainability-Linked Loans financing Bonds, ICMA and LMA, June 2024 (Including June 2025 Annex on FAQ)

ISSUER'S RESPONSIBILITY

Dubai Islamic Bank's responsibility was to provide information and documentation on:

- Framework
- Sustainability-Linked Financing Facilities' KPIs and SPTs

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the sustainability-linked finance instruments to be issued by DIB has been conducted based on proprietary methodology and in line with the SLLBG.

The engagement with Dubai Islamic Bank took place from February to June 2026.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

About this Second Party Opinion

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan (in the case of DIB, sukuk/financing facility) from a sustainability perspective.

Please visit ISS-Corporate's website to learn more about our services for bond issuers.

For more information on SPO services, please contact SPOsales@iss-corporate.com.

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