



بنك دبي الإسلامي
Dubai Islamic Bank

DIB Sukuk Limited

(incorporated in the Cayman Islands with limited liability)

U.S.\$7,500,000,000

Trust Certificate Issuance Programme

Under the U.S.\$7,500,000,000 trust certificate issuance programme described in this Base Prospectus (the **Programme**), DIB Sukuk Limited (in its capacities as issuer and as trustee, the **Trustee**), subject to compliance with all applicable laws, regulations and directives, may from time to time issue trust certificates (the **Certificates**) in any currency agreed between the Trustee and the relevant Dealer (as defined below).

Certificates may only be issued in registered form. The maximum aggregate face amount of all Certificates from time to time outstanding under the Programme will not exceed U.S.\$7,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

Each Series (as defined in the Conditions) of Certificates issued under the Programme will be constituted by (i) an amended and restated master trust deed (the **Master Trust Deed**) dated 31 January 2024 entered into between the Trustee, Dubai Islamic Bank PJSC (**DIB**) and Deutsche Trustee Company Limited as delegate of the Trustee (the **Delegate**, which expression shall include any co-Delegate or any successor) and (ii) a supplemental trust deed (the **Supplemental Trust Deed** and, together with the Master Trust Deed, each a **Trust Deed**) in relation to the relevant Tranche (as defined in the Conditions). Certificates of each Series confer on the holders of the Certificates from time to time (the **Certificateholders**) the right to receive certain payments (as more particularly described herein) arising from a *pro rata* ownership interest in the assets of a trust declared by the Trustee in relation to the relevant Series (the **Trust**) over the Trust Assets (as defined below).

The Certificates may be issued on a continuing basis to one or more of the Dealers (each a **Dealer** and together the **Dealers**) specified under “Overview of the Programme” and any additional Dealer appointed under the Programme from time to time by the Trustee and DIB, which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Certificates.

The Certificates will be limited recourse obligations of the Trustee. An investment in Certificates issued under the Programme involves certain risks. For a discussion of these risks, see “Risk Factors”.

This Base Prospectus has been approved as a base prospectus by the Central Bank of Ireland (the **Irish Central Bank**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). The Irish Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Irish Central Bank should not be considered as an endorsement of the Trustee or DIB or of the quality of the Certificates. Investors should make their own assessment as to the suitability of investing in the Certificates.

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (**Euronext Dublin**) for Certificates issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the **Official List**) and to trading on the regulated market (the **Euronext Dublin Regulated Market**) of Euronext Dublin. The Euronext Dublin Regulated Market is a regulated market for the purposes of Directive 2014/65/EU (**MiFID II**). Such approval relates only to the Certificates which are to be admitted to trading on the Euronext Dublin Regulated Market or on another regulated market for the purposes of MiFID II and/or which are to be offered to the public in any member state of the European Economic Area (the **EEA**) in circumstances that require the publication of a prospectus.

This Base Prospectus has been approved by the Dubai Financial Services Authority (the **DFSA**) under Rule 2.6 of the DFSA’s Markets Rules (the **Markets Rules**) and is therefore an approved prospectus for the purposes of Article 14 of the DIFC Law No.1 of 2012 (the **Markets Law**). Application has also been made to the DFSA for Certificates issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of securities (the **DFSA Official List**) maintained by the DFSA and to Nasdaq Dubai for such Certificates to be admitted to trading on Nasdaq Dubai.

The DFSA does not accept any responsibility for the content of the information included in this Base Prospectus, including the accuracy or completeness of such information. The liability for the content of this Base Prospectus lies with the Trustee and DIB. The DFSA has also not assessed the suitability of the Certificates to which this Base Prospectus relates to any particular investor or type of investor and has not determined whether they are Sharia compliant. If you do not understand the contents of this Base Prospectus or are unsure whether the Certificates to which this Base Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.

References in this Base Prospectus to the Certificates being **listed** (and all related references) shall mean that such Certificates have been (a) admitted to listing on the Official List and admitted to trading on the Euronext Dublin Regulated Market or, as the case may be, another MiFID regulated market and/or (b) admitted to listing on the DFSA Official List and admitted to trading on Nasdaq Dubai.

The Programme provides that Certificates may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Trustee, DIB and the relevant Dealer. The Trustee may also issue unlisted Certificates and/or Certificates not admitted to trading on any market.

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Certificates which are to be admitted to trading on a regulated market in the EEA. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

Notice of the aggregate face amount of Certificates, profit (if any) payable in respect of the Certificates, the issue price of the Certificates and certain other information which is applicable to each Tranche will be set out in a final terms document (the **applicable Final Terms**) which will be delivered to the Irish Central Bank and, with respect to Certificates to be listed on Euronext Dublin and, with respect to Certificates to be listed on Nasdaq Dubai, the DFSA and Nasdaq Dubai. Copies of Final Terms in relation to Certificates to be listed on (i) Euronext Dublin will also be published on the website of the Irish Central Bank and (ii) Nasdaq Dubai will also be published on the website of the DFSA.

The Certificates have not been nor will be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) nor with any securities regulatory authority of any state or other jurisdiction of the United States and the Certificates may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Accordingly, Certificates may be offered or sold solely to persons who are not U.S. persons (as defined in Regulation S) outside the United States in reliance on Regulation S. Each purchaser of the Certificates is hereby notified that the offer and sale of Certificates to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S.

DIB has been assigned long term ratings of “A” by Fitch Ratings Limited (**Fitch**) with a “stable” outlook and “A3” by Moody’s Investors Service Cyprus Ltd. (**Moody’s**) with a “stable” outlook. Fitch is established in the United Kingdom (**UK**) and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK CRA Regulation**). Fitch is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The rating issued by Fitch has been endorsed by Fitch Ratings Ireland Limited. Fitch Ratings Ireland Limited is established in the European Union and registered under the CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Moody’s is established in the European Union and is registered under the CRA Regulation. As such, Moody’s is included in the list of credit rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. The rating issued by Moody’s has been endorsed by Moody’s Investors Service Ltd. Moody’s Investors Service Ltd. is established in the UK and is registered under the UK CRA Regulation.

A Series to be issued under the Programme may be rated or unrated. Where a Series is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The transaction structure relating to the Certificates (as described in this Base Prospectus) has been approved by the Internal Sharia Supervisory Committee of DIB and the Sharia Committee of Dar al Sharia Islamic Finance Consultancy LLC and the Global Shariah Supervisory Committee of Standard Chartered Bank as, in their view, complying with Sharia principles as applicable to, and interpreted by, them. Prospective Certificateholders should not rely on such approvals in deciding whether to make an investment in the Certificates and should consult their own Sharia advisers as to whether the proposed transaction described in the approvals referred to above, including tradability of the Certificates in the secondary market, is in compliance with Sharia principles (including, without limitation, their individual standards of compliance relating thereto) (see “*Risk Factors–Additional risk factors–No assurance can be given as to Sharia rules*”). None of the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents (each as defined herein) makes any representation as to the Sharia compliance of any Certificates and/or any trading thereof (including, without limitation, any future trading of the Certificates on the secondary market) and none of the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents shall be liable to any Certificateholder or any other person in respect thereof. Prospective investors are reminded that, as with any Sharia views, differences in opinion are possible and different Sharia standards may be applied by different advisers.

Amounts payable on Certificates in respect of which the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable will be calculated by reference to one of EURIBOR, SHIBOR, HIBOR, SIBOR, KLIBOR, EIBOR, SAIBOR, BBSW, PRIBOR, CNH HIBOR, TLREF, TIBOR, SOFR and SONIA, as specified in the applicable Final Terms. As at the date of this Base Prospectus, the administrators of EURIBOR, SIBOR, and PRIBOR are included in the register of administrators of ESMA under Article 36 of Regulation (EU) No. 2016/1011 (the **EU Benchmarks Regulation**). As at the date of this Base Prospectus, the administrators of SHIBOR, HIBOR, KLIBOR, EIBOR, SAIBOR, BBSW, CNH HIBOR, TLREF, TIBOR, SOFR and SONIA are not included in ESMA’s register of administrators under the EU Benchmarks Regulation. As far as the Trustee is aware, SHIBOR, KLIBOR, EIBOR, SOFR and SONIA do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that regulation. As far as the Trustee is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that the Treasury Markets Association of Banks, Refinitiv Benchmark Services (UK) Limited, the Banks Association of Turkey, Thompson Reuters and the JBA TIBOR Administration, are not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Arranger

Dubai Islamic Bank

Dealers

Dubai Islamic Bank

Standard Chartered Bank

The date of this Base Prospectus is 31 January 2024.

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation. This Base Prospectus complies with the requirements in Part 2 of the Markets Law and Chapter 2 of the Markets Rules.

Each of the Trustee and DIB accepts responsibility for the information contained in this Base Prospectus and the applicable Final Terms for each Tranche issued under the Programme. To the best of their knowledge, the information contained in this Base Prospectus is in accordance with the facts and that this Base Prospectus makes no omission likely to affect its import.

Certain information under the headings “*Risk Factors*”, “*Description of the Group*” and “*The United Arab Emirates Banking Sector and Regulations*” has been extracted from information provided by or obtained from independent third party sources and, in each case, the relevant source of such information is specified where it appears under those headings.

Each of the Trustee and DIB confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant sources referred to, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and, in relation to any Tranche of Certificates, should be read and construed together with the applicable Final Terms.

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the Irish Central Bank.

No person is or has been authorised by the Trustee or DIB to give any information or to make any representation not contained in or not consistent with this Base Prospectus in connection with the Programme or the Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Trustee, DIB, the Arranger, the Dealers (as defined under “*Overview of the Programme*”), the Delegate, the Agents (each as defined herein) or any other person. Neither the delivery of this document nor any sale of any Certificates shall, under any circumstances, constitute a representation or create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Delegate and the Dealers expressly do not undertake to review the financial condition or affairs of the Trustee or DIB at any point, including during the life of the Programme, or to advise any investor in Certificates issued under the Programme of any information coming to their attention.

None of the Arranger, the Dealers, the Delegate, the Agents or their respective directors, affiliates, advisers or agents has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of them as to the accuracy, adequacy, reasonableness or completeness of the information contained in this Base Prospectus or any other information provided by DIB in connection with the Programme and no responsibility or liability is accepted for the acts or omissions of DIB or any other person in connection with the Programme or the issue and offering of Certificates thereunder.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF CERTIFICATES GENERALLY

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Certificates is (i) intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents that any recipient of this Base Prospectus should purchase any Certificates. Each investor contemplating purchasing any Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Trustee and DIB. None of the Dealers, the Trustee, the Delegate, the Agents or their respective directors, affiliates, advisers or agents accepts any liability in relation to the information contained in this Base Prospectus or any other information provided by the Trustee and DIB in connection with the Programme.

The Certificates of any Series may not be a suitable investment for all investors. Each prospective investor in Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the relevant Certificates, the merits and risks of investing in the relevant Certificates and the information contained in this Base Prospectus or any applicable supplement;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Certificates and the impact the relevant Certificates will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Certificates, including where the currency of payment is different from the prospective investor's currency;
- (d) understands thoroughly the terms of the relevant Certificates and is familiar with the behaviour of financial markets;
- (e) is able to evaluate the compliance of the Certificates with Sharia principles (including without limitation, their individual standards of compliance relating thereto); and
- (f) is able to evaluate possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should consult its legal advisers to determine whether and to what extent (1) Certificates are legal investments for it, (2) Certificates can be used as collateral for various types of financing and (3) other restrictions apply to its purchase or pledge of any Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Certificates under any applicable risk-based capital or similar rules.

No comment is made or advice given by the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents in respect of taxation matters relating to any Certificates or the legality of the purchase of the Certificates by an investor under any applicable law.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, SHARIA ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF ANY CERTIFICATES.

None of the Arranger, the Dealers, the Delegate, the Agents or their respective directors, affiliates, advisers or agents makes any representation or provides any assurance as to the suitability of any Sustainable Certificates (as defined herein), including the listing or admission to trading thereof on any dedicated "green", "environmental", "sustainable", "social" or other equivalently-labelled segment of any stock exchange or securities market, or to fulfil any green, social, environmental or sustainability criteria or guidelines with which any prospective investors are required, or intend, to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental or sustainability impact of any projects or uses, the subject of or related to, the Framework (as defined herein). None of the Arranger, the Dealers, the Delegate, the Agents or their respective directors, affiliates, advisers or agents has undertaken, nor are they responsible for, any assessment of the eligibility criteria for Eligible Sustainable Projects (as defined herein), any verification of whether the Eligible Sustainable Projects meet such criteria, the monitoring of the use of proceeds of any Sustainable Certificates (or amounts equal thereto) or the allocation of the proceeds by DIB to particular Eligible Sustainable Projects. Prospective investors should have regard to the information set out in "*Description of the Bank – Sustainable Finance Framework*" and seek advice from their independent financial adviser or other professional adviser regarding their purchase of Sustainable Certificates before deciding to

invest and determine for itself the relevance of such information together with any other investigation it deems necessary for the purposes of an investment in Sustainable Certificates.

Prospective investors should also refer to the Framework which DIB may publish from time to time, any second party opinion delivered in respect thereof, and any public reporting by or on behalf of DIB in respect of the application of the proceeds of any issue of Sustainable Certificates for further information. Any such framework and/or second party opinion and/or public reporting will not be incorporated by reference in this Base Prospectus. None of the Arranger, the Dealers, the Delegate, the Agents or their respective directors, affiliates, advisers or agents makes any representation as to the suitability or contents of the Framework (as defined herein), any second party opinion delivered in respect thereof or any public reporting by or on behalf of DIB in respect of the application of the proceeds of any issue of Sustainable Certificates, all of which are not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Certificates may be restricted by law in certain jurisdictions. None of the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or their respective directors, affiliates, advisers or agents represents that this Base Prospectus may be lawfully distributed, or that any Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents which is intended to permit a public offering of any Certificates or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Certificates may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of the Certificates. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Certificates in the United States, the EEA, the UK, the Cayman Islands, Japan, the United Arab Emirates (excluding the Abu Dhabi Global Market (**ADGM**) and the Dubai International Financial Centre (**DIFC**)), the ADGM, the DIFC, the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the State of Kuwait, Singapore, Hong Kong, Malaysia and the People's Republic of China, see "*Subscription and Sale*".

None of the Trustee, DIB, the Arranger, the Dealers, the Delegate or their respective directors, affiliates, advisers or agents makes any representation to any investor in the Certificates regarding the legality of its investment under any applicable laws. Any investor in the Certificates should be able to bear the economic risk of an investment in the Certificates for an indefinite period of time.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

PRESENTATION OF FINANCIAL INFORMATION

The financial statements relating to the Group included in this document are as follows:

- the audited consolidated financial statements as at and for the year ended 31 December 2023 together with comparative financial information for the year ended 31 December 2022 (the **2023 Financial Statements**); and
- the audited consolidated financial statements as at and for the year ended 31 December 2022 together with comparative financial information for the year ended 31 December 2021 (the **2022 Financial Statements** and, together with the 2023 Financial Statements, the **Financial Statements**).

The Group's financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the 12-month period ended on 31 December of such year. The Financial Statements have been prepared in accordance with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board (the **IASB**). The Financial Statements were audited in accordance with International

Standards on Auditing by Deloitte & Touche (M.E.), without qualification as stated in their audit reports appearing therein..

The Group publishes its financial statements in dirham (as defined below).

PRESENTATION OF OTHER INFORMATION

In this document, references to:

- **Abu Dhabi** and **Dubai** are to the Emirate of Abu Dhabi and the Emirate of Dubai, respectively;
- **Central Bank** are to the central bank of the UAE;
- **GCC** are to the Gulf Co-operation Council;
- **Group** are to DIB and its consolidated subsidiaries and associates taken as a whole;
- **MENA region** are to the Middle East and North Africa region;
- **UAE** are to the United Arab Emirates;
- **U.S.\$** and **U.S. dollars** are to the lawful currency of the United States;
- **euro** are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- **dirham** and **AED** are to the lawful currency of the UAE; and
- a **billion** are to a thousand million.

The dirham has been pegged to the U.S. dollar since 22 November 1980. The mid-point between the official buying and selling rates for the dirham is a fixed rate of AED 3.6725 = U.S.\$1.00. All U.S. dollar translations of dirham amounts appearing in this Base Prospectus have been translated at this fixed exchange rate. Such translations should not be construed as representations that dirham amounts have been or could be converted into U.S. dollars at this or any other rate of exchange.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments. For the purposes of calculating certain figures and percentages, the underlying numbers used have been extracted from the relevant financial statements rather than the rounded numbers contained in this Base Prospectus. Accordingly figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Information contained in any website referred to herein does not form part of this Base Prospectus.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

ALTERNATIVE PERFORMANCE MEASURES

A number of the financial measures presented by DIB in “*Selected financial information – Key business ratios*” in this Base Prospectus are not defined in IFRS. However, DIB believes that these measures provide useful supplementary information to both investors and DIB’s management, as they facilitate the evaluation of company performance. It is to be noted that, since not all companies calculate financial measurements in the same manner, these are not always comparable to measurements used by other companies. Accordingly, these financial measures should not be seen as a substitute for measures defined in IFRS.

VOLCKER RULE

The Volcker Rule, which became effective on 1 April 2014, but was subject to a conformance period for certain entities that concluded on 21 July 2015, generally prohibits “banking entities” (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund”, and (iii) entering into certain relationships with “covered funds”. The general effects of the Volcker Rule remain uncertain; any prospective investor in the Certificates and any entity that is a “banking entity” as defined under the Volcker Rule which is considering an investment in the Certificates should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by “banking entities” in the Certificates is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Certificates. No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Certificates, and accordingly none of the Trustee, DIB, the Arranger, the Delegate, the Agents or the Dealers, or any of their respective directors, affiliates, advisers or agents makes any representation regarding (a) the status of the Trustee under the Volcker Rule (including whether it is a “covered fund” for their purposes) or (b) the ability of any purchaser to acquire or hold the Certificates, now or at any time in the future.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Certificates will include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Certificates will include a legend entitled “UK MiFIR product governance” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME

Unless otherwise stated in the applicable Final Terms all Certificates issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Singapore

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be “forward-looking statements”. Forward-looking statements include statements concerning DIB’s plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words “anticipates”, “estimates”, “expects”, “believes”, “intends”, “plans”, “aims”, “seeks”, “may”, “will”, “should” and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections entitled “*Risk Factors*”, “*Description of the Group*” and “*Risk Management*” and other sections of this Base Prospectus. DIB has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although DIB believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties materialise, including those identified below or which DIB has otherwise identified in this Base Prospectus, or if any of DIB’s underlying assumptions prove to be incomplete or inaccurate, DIB’s actual results of operation may vary from those expected, estimated or predicted. Investors are therefore strongly advised to read the sections “*Risk Factors*”, “*Description of the Group*”, “*Risk Management*” and “*The United Arab Emirates Banking Sector and Regulations*”, which include a more detailed description of the factors that might have an impact on DIB’s business development and on the industry sector in which DIB operates.

These forward-looking statements speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws, DIB expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any forward-looking statement is based. Given the uncertainties of forward-looking statements, DIB cannot assure prospective investors that projected results or events will be achieved and DIB cautions potential investors not to place undue reliance on these statements.

NOTICE TO UK RESIDENTS

Any Certificates to be issued under the Programme which do not constitute “alternative finance investment bonds” (AFIBs) within the meaning of Article 77A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001/544, as amended, will represent interests in a collective investment scheme (as defined in the Financial Services and Markets Act 2000, as amended (the FSMA)) which has not been authorised, recognised or otherwise approved by the United Kingdom Financial Conduct Authority (the FCA). Accordingly, this Base Prospectus is not being distributed to, and must not be passed on to, the general public in the UK.

The distribution in the UK of this Base Prospectus, any Final Terms and any other marketing materials relating to the Certificates is being addressed to, or directed at: (A) if the distribution of the Certificates (whether or not such Certificates are AFIBs) is being effected by a person who is not an authorised person under the FSMA, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the *Financial Promotion Order*); (ii) persons falling within any of the categories of persons described in Article 49 (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order; and (B) if the Certificates are not AFIBs and the distribution is effected by a person who is an authorised person under the FSMA, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the *Promotion of CISs Order*); (ii) persons falling within any of the categories of person described in Article 22 (High net worth companies, unincorporated associations, etc.) of the Promotion of CISs Order; and (iii) any other person to whom it may otherwise be lawfully promoted. Persons of

any other description in the UK may not receive and should not act or rely on this Base Prospectus, any Final Terms or any other marketing materials in relation to any Certificates.

Prospective investors in the UK in any Certificates are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to an investment in such Certificates and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

Any prospective investor intending to invest in any investment described in this Base Prospectus should consult its professional adviser and ensure that it fully understands all the risks associated with making such an investment and that it has sufficient financial resources to sustain any loss that may arise from such investment.

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS

No invitation, whether directly or indirectly, may be made to any member of the public of the Cayman Islands to subscribe for any Certificates to be issued under this Programme and this Base Prospectus shall not be construed as an invitation to the public of the Cayman Islands to subscribe for any such Certificates.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Saudi Arabian Capital Market Authority (the *Capital Market Authority*).

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial advisor.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Certificates issued in connection with this Base Prospectus and related offering documents may only be offered in registered form to existing accountholders and accredited investors as defined by the Central Bank of Bahrain (the *CBB*) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in any other currency or such other amount as the CBB may determine.

This Base Prospectus does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Certificates may be offered, sold or made the subject of an invitation for subscription or purchase, nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Prospectus or related offering documents and it has not in any way considered the merits of the securities to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of Certificates will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to or made available to the public generally.

NOTICE TO RESIDENTS OF MALAYSIA

Any Certificates to be issued under the Programme may not be offered for subscription or purchase and no invitation to subscribe for or purchase such Certificates in Malaysia may be made, directly or indirectly, and this Base Prospectus or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories of person set out in Part I of Schedule 6 or Section 229(1)(b), Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia (*CMSA*), as may be amended and/or varied from time to time and subject to any amendments to the applicable laws from time to time.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Trustee or DIB and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Prospectus.

STABILISATION

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF CERTIFICATES, THE DEALER OR DEALERS (IF ANY) NAMED AS STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE CERTIFICATES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE ISSUE DATE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF THE CERTIFICATES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF THE CERTIFICATES. ANY STABILISATION ACTION MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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OVERVIEW OF THE PROGRAMME

The following is an overview of the principal features of the Programme. This overview does not contain all of the information that an investor should consider before investing in Certificates and is qualified in its entirety by the remainder of this Base Prospectus and the applicable Final Terms. Each investor should read the entire Base Prospectus and the applicable Final Terms carefully, especially the risks of investing in Certificates issued under the Programme discussed under “Risk Factors”.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No. 2019/980.

Words and expressions defined elsewhere in this Base Prospectus shall have the same meanings in this overview.

Issuer and Trustee:	DIB Sukuk Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands with registered number 268522 and its registered office at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands. The Trustee has been incorporated solely for the purpose of participating in the transactions contemplated by the Transaction Documents (as defined below) to which it is a party.
Legal Entity Identifier (LEI) of the Trustee:	549300U3ZMUHC2JQLL56
Legal Entity Identifier (LEI) of DIB:	5493003E7YRAQY3JGW88
Seller and Service Agent:	Dubai Islamic Bank PJSC
Risk Factors:	There are certain factors that may affect the Trustee’s ability to fulfil its obligations under Certificates issued under the Programme, and DIB’s obligations under the Transaction Documents to which it is a party. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Certificates issued under the Programme. All of these factors are set out under “Risk Factors” above.
Ownership of the Trustee:	The authorised share capital of the Trustee is U.S.\$50,000 consisting of 50,000 shares of U.S.\$1 each, of which 250 shares are fully paid up and issued. The Trustee’s entire issued share capital is held by MaplesFS Limited on trust for charitable purposes.
Administration of the Trustee:	The affairs of the Trustee are managed by MaplesFS Limited (the Trustee Administrator), who will provide, amongst other things, certain administrative services for and on behalf of the Trustee pursuant to an Amended and Restated Corporate Services Agreement dated 22 February 2021 between the Trustee and the Trustee Administrator (the Corporate Services Agreement). The Trustee Administrator’s registered office is P.O. Box 1093, Queensgate House, Grand Cayman KY1 1102, Cayman Islands.
Arranger:	Dubai Islamic Bank PJSC
Dealers:	Dubai Islamic Bank PJSC Standard Chartered Bank

and any other Dealer appointed from time to time either generally in respect of the Programme or in relation to a particular Tranche of Certificates.

Delegate: Deutsche Trustee Company Limited

Pursuant to the Master Trust Deed, the Trustee shall delegate to the Delegate certain of the present and future duties, powers, trusts, authorities and discretions vested in the Trustee by certain provisions of the Master Trust Deed. In particular, the Delegate shall be entitled to (and, in certain circumstances, shall, subject to being indemnified and/or secured and/or pre-funded to its satisfaction, be obliged to) take enforcement action in the name of the Trustee against the Seller and/or the Service Agent and/or DIB following a Dissolution Event.

Principal Paying Agent and Transfer Agent: Deutsche Bank AG, London Branch

Registrar: Deutsche Bank Luxembourg S.A.

Certain Restrictions: Each Series denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”). The proceeds of each Series will not be accepted in the UK except in compliance with applicable law, including article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

Programme Size: Up to U.S.\$7,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Trustee and DIB may increase the size of the Programme in accordance with the terms of the Programme Agreement.

Issuance in Series: The Certificates will be issued in Series. Each Series may comprise one or more Tranches issued on different Issue Dates. The Certificates of each Series will have the same terms and conditions (which will be completed in the applicable Final Terms) or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts thereon and the date from which Periodic Distribution Amounts start to accrue.

Distribution: Certificates may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies: Subject to any applicable legal or regulatory restrictions, Certificates may be denominated in any currency agreed between the Trustee, DIB and the relevant Dealer.

Maturities: The Certificates will have such maturities as may be agreed between the Trustee, DIB and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Trustee or the relevant Specified Currency.

Issue Price: Certificates may be issued at any price on a fully paid basis, as specified in the applicable Final Terms. The price and amount of Certificates to be

issued under the Programme will be determined by the Trustee, DIB and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Form of Certificates:

The Certificates will be issued in registered form as described in “*Form of the Certificates*”. The Certificates of each Tranche will be represented on issue by ownership interests in a Global Certificate which will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg. Ownership interests in each Global Certificate will be shown on, and transfers thereof will only be effected through, records maintained by each relevant clearing system and its participants. See “*Form of the Certificates*”. Definitive Certificates evidencing holdings of Certificates will be issued in exchange for ownership interests in a Global Certificate only in limited circumstances.

Clearance and Settlement:

Holders of the Certificates must hold their interest in the relevant Global Certificate in book-entry form through Euroclear or Clearstream, Luxembourg. Transfers within and between Euroclear and Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearance systems.

Face Amount of Certificates:

The Certificates will be issued in such face amounts as may be agreed between the Trustee, DIB and the relevant Dealer save that the minimum face amount of each Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Certain Restrictions*” above, and save that: (i) the minimum face amount of each Certificate admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Certificates are issued in a currency other than euro, the equivalent amount in such currency); and (ii) the minimum face amount of each Certificate listed on the DFSA Official List will be U.S.\$100,000 (or, if the Certificates are issued in a currency other than U.S. dollars, the equivalent amount in such currency, as calculated on the Issue Date of such Tranche).

Status of the Certificates:

Each Certificate will evidence an undivided ownership interest of the Certificateholders in the Trust Assets of the relevant Series, will be a direct, unsubordinated, unsecured and limited recourse obligation of the Trustee and will rank *pari passu*, without any preference or priority, with all other Certificates of the relevant Series issued under the Programme.

Trust Assets:

The Trust Assets of the relevant Series will be all of the Trustee’s rights, title, interest and benefit, present and future, in, to and under (i) the relevant Portfolio, (ii) the Transaction Documents (other than (A) in relation to any representations given to the Trustee by DIB pursuant to any of the Transaction Documents and any rights which have been expressly waived by the Trustee in any of the Transaction Documents and (B) the covenant given to the Trustee pursuant to Clause 13.1 of the Master Trust Deed), (iii) all monies standing to the credit of the relevant Transaction Account from time to time, and all proceeds of the foregoing listed (i) to (iii) (the **Trust Assets**), and such Trust Assets will be held upon trust absolutely for the Certificateholders *pro rata* according to the face amount of Certificates held by each Certificateholder for the relevant Series.

Periodic Distributions:	Certificateholders are entitled to receive Periodic Distribution Amounts, out of the amounts transferred to the Transaction Account pursuant to the terms of the Service Agency Agreement and the other Transaction Documents, calculated on the basis specified in the applicable Final Terms.
Redemption of Certificates:	Unless the Certificates are previously redeemed or purchased and cancelled, the Certificates shall be redeemed by the Trustee at the relevant Dissolution Amount and on the relevant Scheduled Dissolution Date specified in the applicable Final Terms and the Trust in relation to the relevant Series will be dissolved by the Trustee.
Dissolution Events:	Upon the occurrence of any Dissolution Event, the Certificates may be redeemed in full on the Dissolution Date at the relevant Dissolution Amount, together with any due but unpaid Periodic Distribution Amount and the relevant Return Accumulation Period may be adjusted accordingly. See Condition 14.
Early Dissolution for Tax Reasons:	Where (i) DIB has determined that the Trustee has or will become obliged to pay any additional amounts in respect of the Certificates pursuant to Condition 11 or (ii) DIB has or will become obliged to pay any additional amounts under the Service Agency Agreement, the Purchase Undertaking and/or the Sale Undertaking, in each case as a result of a change in the laws of a Relevant Jurisdiction (as defined in the Conditions) and such obligation cannot be avoided by the Trustee or DIB, as applicable, taking reasonable measures available to it, the Trustee may, following receipt of an exercise notice from DIB pursuant to the Sale Undertaking, redeem the Certificates in whole but not in part at an amount equal to the relevant Early Dissolution Amount (Tax) together with any due but unpaid Periodic Distribution Amounts on the relevant Dissolution Date and, if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable, the Dissolution Date must be a Periodic Distribution Date.
Optional Dissolution Right:	If so specified in the applicable Final Terms, the Trustee may, following receipt of an exercise notice from DIB pursuant to the Sale Undertaking, redeem in whole but not in part the Certificates of the relevant Series at the relevant Optional Dissolution Amount (Call) on the relevant Optional Dissolution Date and, if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable, the Optional Dissolution Date must be a Periodic Distribution Date. If applicable to the relevant Series, the Optional Dissolution Date(s) will be specified in the applicable Final Terms. For Sharia reasons, the Optional Dissolution (Call) and the Certificateholder Put Option cannot both be specified as applicable in any single Series.
Certificateholder Put Option:	If so specified in the applicable Final Terms, Certificateholders may elect to redeem their Certificates on any Certificateholder Put Option Date(s) specified in the applicable Final Terms at an amount equal to the relevant Optional Dissolution Amount (Certificateholder Put) together with any due but unpaid Periodic Distribution Amounts in accordance with Condition 10.4. Following the payment by DIB of the relevant exercise price under the Purchase Undertaking, the Trustee will redeem the relevant Certificates on the relevant Certificateholder Put Option Date.

For Sharia reasons, the Certificateholder Put Option and Optional Dissolution (Call) cannot both be specified as applicable in any single Series.

Cancellation of Certificates held by DIB and/or any of its Subsidiaries:

Pursuant to Condition 13, DIB and/or any of its Subsidiaries may at any time purchase Certificates in the open market or otherwise. If DIB wishes to cancel such Certificates purchased by it and/or any of its Subsidiaries, DIB will deliver those Certificates to the Principal Paying Agent for cancellation.

Asset Substitution:

The Service Agent may substitute Assets in accordance with the relevant provisions of the Service Agency Agreement and the Sale Undertaking, provided that no Dissolution Event has occurred and is continuing, the substitute assets are Assets and the Value of such substitute assets shall have an aggregate Value which is not less than the aggregate Value of the Assets to be so substituted.

Withholding Tax:

All payments by DIB under, or pursuant to, the Purchase Undertaking and Sale Undertaking and all payments by the Service Agent under the Service Agency Agreement shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction unless the withholding is required by law. In the event that any such withholding or deduction is made, DIB and/or the Service Agent, as the case may be, will be required to pay additional amounts so that the Trustee will receive the full amounts that it would have received in the absence of such withholding or deduction.

All payments in respect of Certificates by the Trustee shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction. In the event that any such withholding or deduction is made, the Trustee will, save in the limited circumstances provided in Condition 11, be required to pay additional amounts so that the holders of the Certificates will receive the full amounts that they would have received in the absence of such withholding or deduction.

Negative Pledge:

The Purchase Undertaking contains a negative pledge given by DIB. See “*Summary of the Principal Transaction Documents – Purchase Undertaking*”.

Cross Default:

The Purchase Undertaking contains a cross default provision in relation to DIB. See “*Summary of the Principal Transaction Documents – Purchase Undertaking*”.

Trustee Covenants:

The Trustee has agreed to certain restrictive covenants as set out in Condition 5.

Ratings:

DIB has been assigned long term ratings of “A” by Fitch with a “stable” outlook and “A3” by Moody’s with a “stable” outlook.

A Series to be issued under the Programme may be rated or unrated. Where a Series of Certificates is to be rated, its rating will be specified in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Certificateholder Meetings: A summary of the provisions for convening meetings of Certificateholders of each Series to consider matters relating to their interests as such is set out in Condition 18.

Tax Considerations: See “*Taxation*” for a description of certain tax considerations applicable to the Certificates.

Listing and Admission to Trading: Application has been made for Certificates issued under the Programme to be listed on the Official List and admitted to trading on the Euronext Dublin Regulated Market.

Application has also been made to the DFSA for Certificates issued under this Programme during the period of 12 months after the date hereof to be admitted to the DFSA Official List and to Nasdaq Dubai for such Certificates to be admitted to trading on Nasdaq Dubai.

Certificates may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Trustee, DIB and the relevant Dealer in relation to the Series. Certificates which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Certificates are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Transaction Documents: The Transaction Documents in respect of a Series shall comprise the Master Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Master Purchase Agreement, each Supplemental Purchase Contract, the Service Agency Agreement, the Purchase Undertaking and the Sale Undertaking.

Governing Law and Dispute Resolution: The Certificates of each Series and any non-contractual obligations arising out of or in connection with the Certificates of each Series will be governed by, and construed in accordance with, English law.

The Master Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Service Agency Agreement, the Purchase Undertaking, the Sale Undertaking and any non-contractual obligations arising out of or in connection with the same will be governed by English law. In respect of any dispute under any such agreement or deed to which it is a party, DIB has consented to arbitration in London under the Rules. Any dispute may also be referred to the courts in England or the courts of the DIFC (who shall have exclusive jurisdiction to settle any dispute arising from such documents).

Each of the Master Purchase Agreement, each Supplemental Purchase Contract, each Sale Agreement entered into under the Purchase Undertaking and each Sale Agreement or Transfer Agreement entered into under the Sale Undertaking will be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. In respect of any dispute under any such agreement to which it is a party, DIB has agreed to submit to the exclusive jurisdiction of the Dubai courts.

The Corporate Services Agreement is governed by the laws of the Cayman Islands and is subject to the non-exclusive jurisdiction of the courts of the Cayman Islands.

Waiver of Immunity:

To the extent that DIB may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, DIB will agree in the Transaction Documents to which it is a party not to claim and will irrevocably and unconditionally waive such immunity in relation to any legal proceedings. Further, DIB will irrevocably and unconditionally consent to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any legal proceedings.

Limited Recourse:

Each Certificate represents solely an undivided ownership interest in the relevant Trust Assets. No payment of any amount whatsoever shall be made in respect of the Certificates except to the extent that funds for that purpose are available for the relevant Trust Assets.

Certificateholders will otherwise have no recourse to any assets of the Trustee or DIB in respect of any shortfall in the expected amounts due under the relevant Trust Assets to the extent the Trust Assets have been exhausted, following which all obligations of the Trustee shall be extinguished.

Selling Restrictions:

There are restrictions on the distribution of this Base Prospectus and the offer or sale of Certificates in the United States, the EEA, the UK, the Cayman Islands, Japan, the United Arab Emirates (excluding the ADGM and the DIFC), the ADGM, the DIFC, Kingdom of Saudi Arabia, Kingdom of Bahrain, the State of Kuwait, Singapore, Hong Kong, Malaysia and the People's Republic of China.

United States Selling Restrictions:

Regulation S, Category 2.

RISK FACTORS

The purchase of any Certificates may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and merits of an investment in the Certificates. Before making an investment decision, prospective purchasers of Certificates should consider carefully, in light of their own financial circumstances and investment objectives, all of the information in this Base Prospectus.

Each of the Trustee and DIB believes that the factors described below represent the principal risks inherent in investing in Certificates, but the inability of the Trustee to pay any amounts on or in connection with any Certificate may occur for other reasons and neither the Trustee nor DIB represents that the statements below regarding the risks of holding any Certificate are exhaustive. There may also be other considerations, including some which may not be presently known to the Trustee or DIB or which the Trustee or DIB currently deems immaterial, that may impact any investment in Certificates.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Words and expressions defined in “Structure Diagram and Cashflows”, “Form of the Certificates” and “Terms and Conditions of the Certificates” shall have the same meanings in this section.

FACTORS THAT MAY AFFECT THE TRUSTEE’S ABILITY TO FULFIL ITS OBLIGATIONS UNDER CERTIFICATES ISSUED UNDER THE PROGRAMME

The Trustee will not engage in any business activity other than the issuance of Certificates under the Programme, the acquisition of the Trust Assets as described herein, acting in the capacity as Trustee and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Trustee’s only material assets, which will be held on trust for Certificateholders, will be the Trust Assets relating to each Series of Certificates, including its right to receive payments under the relevant Transaction Documents. The ability of the Trustee to pay amounts due on the Certificates of each Series will primarily be dependent upon receipt by the Trustee of all amounts due from DIB under the relevant Transaction Documents. Therefore the Trustee is subject to all the risks to which DIB is subject to the extent that such risks could limit DIB’s ability to satisfy in full and on a timely basis their respective obligations under the Transaction Documents to which they are a party. See “*Risk Factors – Factors that may affect DIB’s ability to fulfil its obligations under the Transaction Documents to which it is a party*” below for a further description of these risks.

FACTORS THAT MAY AFFECT DIB’S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE TRANSACTION DOCUMENTS TO WHICH IT IS A PARTY

RISKS RELATING TO THE GROUP

The Group’s business, financial condition, results of operations and prospects are and will continue to be affected by economic conditions

DIB, in common with other financial institutions, is susceptible to changes in the macro-economic environment and the performance of financial markets generally. In 2020 and to a lesser extent in 2021, the macro-economic environment (both globally and within the UAE) was materially adversely affected by the coronavirus disease 2019 (known as **COVID-19**) and the measures implemented around the world to try to contain it. The impact of COVID-19, coupled with a sustained fall in oil prices as demand fell in response to the COVID containment measures implemented, included significant volatility in financial markets and reduced global liquidity and investment, and resulted in significantly reduced economic growth in the GCC and globally in 2020. These factors particularly impacted the Group’s assessment of its expected credit losses and resulted in comparatively high impairment charges, net of AED 4,552 million in 2020.

The UAE’s economy generally recovered in 2021 as COVID containment measures were progressively relaxed and oil prices improved towards the end of the year. Reflecting this, the Group’s impairment charges,

net reduced to AED 2,448 million in 2021, although they still remained 38.8 per cent. above the level in 2019. In 2022, the Russian invasion of Ukraine in February and the international sanctions imposed in response to it resulted in a sharp increase in oil prices, which also benefitted the UAE economy and banking sector. As a result, the Group's impairment charges, net reduced to AED 2,103 million in 2022, although they still remained 19.2 per cent. above the level in 2019. In 2023, changes in the sanctions regime applied to Russia at the end of 2022 contributed to lower oil prices in 2023 compared to 2022. Inflation, both globally and in the UAE, which had increased towards the end of 2022 remained high during 2023 and, in consequence, interest rates around the world generally increased. It is possible that recent events in the Red Sea area could result in higher, or more volatile, oil prices in 2024.

Notwithstanding recent economic improvements, the Group remains exposed to a future economic downturn, whether caused by a sustained downturn in oil prices or other factors, which could negatively impact many of its customers and result in lower demand for its services as well as increased impairment charges, which would negatively affect its financial position and profitability.

The Group is exposed to credit risk

Risks arising from adverse changes in the credit quality and recoverability of financing, investment securities and amounts due from counterparties are inherent in a wide range of the Group's businesses, principally in its lending and investment activities. In particular, the Group is exposed to the risk that borrowers may not repay their financing according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. This risk is heightened in times of economic downturn, as was evidenced by the increase in the Group's impairment charges, net in 2020. The Group continuously reviews and analyses its loan portfolio and credit risks, and the Group's provision for credit losses is based on, among other things, its analysis of current and historical delinquency rates and Islamic financing asset management and the valuation of the underlying assets, as well as numerous other management assumptions. However, these internal analyses and assumptions may give rise to inaccurate predictions of credit performance, particularly in a volatile economic climate.

Credit losses could also arise from a deterioration in the credit quality of specific borrowers, issuers and other counterparties of the Group, or from a general deterioration in local or global economic conditions, or from systemic risks within financial systems, any or all of which could affect the recoverability and value of the Group's assets and require an increase in the Group's provisions for the impairment of Islamic financing, investment securities and other credit exposures.

As at 31 December 2023, the Group had provisions for impairment in relation to its Islamic financing and investing assets amounting to AED 8,903 million compared to provisions for impairment in relation to its Islamic financing and investing assets amounting to AED 8,793 million as at 31 December 2022 and AED 8,926 million as at 31 December 2021. Any failure by the Group to maintain the quality of its assets through effective risk management policies could lead to higher Islamic financing loss provisioning and result in higher levels of defaults and write-offs. In addition, the Central Bank may, at any time, amend or supplement its guidelines and require additional provisions to be made in respect of the Group's Islamic financing and investing assets if it determines (acting in its role as the prudential regulator for the UAE banking sector) that it is appropriate to do so. If any additional provisions were required to be made, then depending on the exact quantum and timing, such provisions could have an adverse impact on the Group's results of operations and financial condition.

The Group's Islamic financing and investing activities, its investments in sukuk and its customers' deposits have significant concentrations

Concentrations in the Group's financing, investing and deposit portfolios subject it to risks of default by its larger customers, to significant exposure to the UAE economy and to particular sectors of the UAE economy (including the real estate sector, see "*The Group is exposed to adverse changes in the real estate market in the UAE*") that may underperform and to withdrawal of large deposits (see "*The Group is subject to the risk that liquidity may not always be readily available or may only be available at significant cost*"). The Group's financing and investment portfolios show country, industry and customer concentrations.

The Group's consolidated portfolio of Islamic financing and investing assets, net of impairment provisions, constituted 63 per cent. of its consolidated total assets, or AED 199,453 million, as at 31 December 2023. As at the same date, 91 per cent. of the Group's Islamic financing and investing assets, before impairment provisions, were concentrated in the UAE. In addition, the Group's investments in sukuk, net of impairment provisions, constituted a further 22 per cent. of its consolidated total assets, or AED 68,172 million, as at 31 December 2023. As at the same date, 35 per cent. of the Group's investments in sukuk (before provision for impairment) were also concentrated in the UAE.

The Group's customers' deposits are geographically concentrated, with 97 per cent. of its customers' deposits being UAE deposits as at 31 December 2023.

As a result, any deterioration in general economic conditions in the UAE or any failure by the Group to manage effectively its geographic risk concentration, or a default by any of the Group's larger financing and investment counterparties could lead to a deterioration in the credit quality of the Group's financing and investing portfolios. See “- *The Group's business, financial condition, results of operations and prospects are and will continue to be affected by economic conditions*” above.

A significant decrease in the quality of the Group's Islamic financing and investing assets could materially adversely affect its business

The Group's IFRS stage 3 Islamic financing and investing assets (including purchased or originated credit impaired (POCI) assets), which together comprise its **impaired financing and investing assets**, were AED 11,497 million as at 31 December 2023 compared to AED 12,986 million as at 31 December 2022 and AED 13,784 million as at 31 December 2021. The Group's impaired ratio (defined as the ratio of its impaired financing and investing assets to the aggregate of gross Islamic financing and investing assets and investments in bilateral sukuk) amounted to 5.4 per cent. as at 31 December 2023 compared to 6.5 per cent. as at 31 December 2022 and 6.8 per cent. as at 31 December 2021.

The Group's IFRS stage 1, stage 2 and stage 3 (including POCI) expected credit loss amounted to AED 951 million, AED 1,273 million and AED 6,677 million, respectively, as at 31 December 2023 compared to AED 983 million, AED 1,117 million and AED 6,693 million, respectively, as at 31 December 2022 and AED 962 million, AED 1,022 million and AED 6,943 million, respectively, as at 31 December 2021. The Group's stage 2 expected credit loss as a percentage of its stage 2 gross exposure was 8.9 per cent. as at 31 December 2023, 7.2 per cent. as at 31 December 2022 and 5.2 per cent. as at 31 December 2021. The Group's stage 3 (including POCI) expected credit loss as a percentage of its stage 3 gross exposure was 58.1 per cent. as at 31 December 2023, 51.5 per cent. as at 31 December 2022 and 50.4 per cent. as at 31 December 2021.

Any significant deterioration in the Group's Islamic financing and investing assets in future periods could result in increased provisions for impairment and thus materially adversely affect its business.

The Group is exposed to adverse changes in the real estate market in the UAE

As at 31 December 2023, the Group's gross maximum exposure to credit risk (before taking into account collateral or other credit enhancements held) to customers operating in the real estate sector was AED 57,221 million, or 17 per cent. of its total gross maximum exposure to credit risk. In addition, the Group's gross maximum exposure to credit risk to consumer home finance customers and customers operating in the contracting sector was AED 24,258 million and AED 7,558 million, respectively, equal to 7 per cent. and 2 per cent., respectively, of its total gross maximum exposure to credit risk. The Group is exposed to the consumer home finance sector both directly and through its subsidiary, Tamweel P.S.C. (**Tamweel**), whose core business is the provision of Sharia-compliant home financing solutions within the UAE.

The Group has a secondary exposure to the real estate market where its Islamic financing and investing assets which are not advanced to customers in the sectors described above are secured by real estate collateral.

Any significant downturn in the UAE real estate market, which is cyclical, could weaken the credit quality of the Group's real estate and contracting clients resulting in increased provisions for impairment and reduced profitability and would also be likely to reduce the value of the real estate collateral securing the Group's

consumer home financing or any of its other Islamic financing and investing assets secured by real estate collateral, again potentially resulting in increased provisions for impairment and therefore reduced profitability.

The Group has significant credit-related contingent liabilities and commitments that may lead to substantial potential losses

As part of the Group's lending and trade-related activities, the Group provides guarantees and letters of credit, which are commitments to make payments on behalf of customers contingent upon the failure of the customer to satisfy its obligations supported by the commitment, and also makes irrevocable commitments to make financing available to customers. Although these commitments are contingent and therefore off-balance sheet, they nonetheless subject the Group to related credit risk. Credit-related commitments are subject to the same credit approval and compliance procedures as financing advanced to customers and commitments to extend financing are contingent on customers maintaining specific credit standards. As at 31 December 2023, the Group had AED 28,598 million of credit-related contingent liabilities and commitments outstanding, being 9 per cent. of its total assets plus credit-related contingent liabilities and commitments. Although the Group anticipates that only a portion of its obligations in respect of these commitments will be triggered, it may become obliged to make payments in respect of a greater portion of such commitments than originally anticipated, which could have a material adverse effect on its business, results of operations and financial condition.

The Group could be adversely affected by the weakness or the perceived weakness of other financial institutions and counterparties, which could result in significant systemic liquidity problems, losses or defaults

Against the backdrop of constraints on liquidity and the high cost of funds in the interbank market, and given the high level of interdependence between financial institutions that became most evident following the bankruptcy of Lehman Brothers in 2008, the Group is subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial institutions. Within the financial services industry, the default of any one institution could lead to significant losses, and potentially defaults, by other institutions. As was experienced globally in 2008 and 2009, concerns about, or a default by, one institution could also lead to significant liquidity problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions is closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by the Group or other institutions. This risk, often referred to as "systemic risk", may also adversely affect other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, with whom the Group interacts on a daily basis. Systemic risk, should it materialise, could have a material adverse effect on the Group's ability to raise new funding and on its business and prospects.

The Group is subject to the risk that liquidity may not always be readily available or may only be available at significant cost

Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stressed circumstances. Liquidity risks could arise from the inability of the Group to anticipate and provide for unforeseen decreases or changes in funding sources which could have adverse consequences on the Group's ability to meet its obligations when they fall due.

The Group's customers' deposits, which are its principal source of funding, constituted 83 per cent. of its total liabilities, or AED 222,054 million, as at 31 December 2023, of which the majority were located in the UAE. As is the normal practice in the UAE banking industry, the Group accepts deposits from its customers which are mainly short-term and generally low cost in nature, to meet most of its funding needs. The availability of deposits is subject to fluctuation due to factors outside the Group's control, including possible loss of confidence and competitive pressures, and this could result in a significant outflow of deposits within a short period of time which may adversely impact the Group's financial position and its ability to meet Central Bank regulations relating to liquidity. Any such loss of deposits could require the Group to seek additional sources

of funding (whether in the form of deposits or wholesale funding), which may not be available to the Group on commercially acceptable terms or at all. Any failure to obtain replacement funding would be likely to negatively impact the Group's ability to maintain or grow its Islamic financing portfolio or otherwise increase its overall cost of funding, each of which could have a material adverse effect on its business. Accordingly, there is a risk, which is heightened in periods where liquidity is constrained, that, if a significant number of the Group's customers did not choose to roll over their deposits at any time, the Group could experience difficulties in repaying those deposits.

An inability on the Group's part to access funds or to access the markets from which it raises funds may lead to the Group being unable to finance its operations adequately. A dislocated credit environment compounds the risk that the Group will not be able to access funds on favourable commercial terms (including profit payable thereon). These and other factors could also lead creditors to form a negative view of the Group's liquidity, which could result in less favourable credit ratings, higher borrowing costs and less accessible funds.

In addition, there are timing differences between the cash payments the Group owes on its liabilities and the cash payments due to it on its financing advanced and investments made. The Group's ability to overcome these cash mismatches may be adversely affected if the fixed income markets were to experience significant liquidity problems. Also, under certain market conditions, the Group could be unable to sell additional products or be unable to sell its portfolio investments in sufficient amounts to raise the cash required to fulfil its obligations under the Transaction Documents to which it is a party when due.

There can be no assurance that the Group will be able to obtain additional funding as and when required or at prices that will not affect the Group's ability to compete effectively and, if the Group is forced to sell assets to meet its funding requirements, it may suffer material losses as a result. In extreme cases, if the Group is unable to secure funding to meet its liquidity needs, through customers' deposits, interbank financing, capital markets or asset sales, this would have a material adverse effect on the Group's business and prospects and could, potentially, result in its insolvency.

The Group is highly regulated and changes to applicable laws or regulations, the interpretation or enforcement of such laws or regulations or the failure to comply with such laws or regulations could have an adverse impact on the Group's business

The Group is subject to prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure their compliance with economic, social and other objectives and limit their exposure to risk. Some of these controls are described further in "*The United Arab Emirates Banking Sector and Regulations*". These regulations include UAE federal laws and regulations (particularly those of the UAE federal government and the Central Bank), as well as the laws and regulations of the other countries in which the Group operates. In particular (but without limitation), the Group is subject to restrictions on credit limits in respect of real estate and construction financing, major shareholders and large exposures to a single customer or group of connected customers (based on the Group's customers' deposits and/or capital and reserves, as prescribed by the Central Bank).

These regulations may limit the Group's ability to increase its Islamic financing portfolio or raise capital or may increase its cost of doing business. For example, since 1 January 2019, DIB, as a domestic systemically important bank, has been required to maintain an additional 50 basis points of capital which is to be met in its entirety by Common Equity Tier 1 capital.

Any future changes in laws or in Central Bank regulations or policy and/or the way they are interpreted or enforced may affect the Group's reserves, revenue and performance and may have a material adverse effect on its business, results of operations, financial condition and prospects, including its ability to compete successfully in the geographies where it operates. Furthermore, non-compliance with regulatory guidelines could expose the Group to potential liabilities and fines. Although the Group works closely with its regulators and continually monitors its compliance with Central Bank regulations and policy, future changes in regulation, fiscal or other policies cannot be predicted and are beyond its control.

The Group's financial condition and results of operations could be adversely affected by market risks, including volatility in profit rates, prices of securities and foreign exchange rates

The Group's financial condition and results of operations could be affected by market risks that are outside its control, including, without limitation, volatility in profit rates, prices of securities and foreign exchange rates. Fluctuations in profit rates could adversely affect the Group's financial condition and results of operations in many ways. In particular, an increase in profit rates generally may decrease the value of the Group's fixed-income Islamic financing and investing assets and its investments in sukuk and may raise the Group's funding costs. As a result, the Group may experience a reduction in its net income. For an illustration of the possible scale of this risk, see note 47.4.2 to each of the Financial Statements which contain sensitivity analyses in relation to changes in profit rates. Profit rates are sensitive to many factors beyond the Group's control, including the policies of central banks, such as the Central Bank and, given the fixed exchange rate between the dirham and the U.S. dollar, the U.S. Federal Reserve, political factors and domestic and international economic conditions.

The Group's financial condition and results of operations may also be affected by changes in the market value of its equity investment securities. The Group earns dividend income on these securities, realises gains and losses on the sale of securities and records unrealised gains and losses resulting from the fair valuation of these securities at each balance sheet date in its statement of comprehensive income. The level of the Group's income from its equity investment securities depends on numerous factors beyond the Group's control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility.

Adverse movements in foreign exchange rates may also adversely impact the revenue and financial condition of the Group's depositors and borrowers, including those who are financed in, or make deposits in, foreign currencies or whose businesses have foreign currency exposures, which, in turn, may impact the Group's deposit base and the quality of its exposures to certain borrowers. For an illustration of the possible scale of this risk, see note 47.4.3 to each of the Financial Statements which includes tables summarising the Group's exposure to foreign currency exchange rate risk as at 31 December in each of 2023, 2022 and 2021. In general, the Group aims to advance foreign currency financing on terms that are generally similar to its foreign currency funding, thereby naturally hedging its exposure. Where this is not possible, it generally relies on derivative instruments to match the currencies of its assets and liabilities. Any open currency position is maintained within the limits set by the Central Bank. However, where the Group is not hedged, it is exposed to fluctuations in foreign exchange rates and any hedging strategy that it uses may not always be effective. Adverse movements in foreign exchange rates also may impact the income recorded by the Group in dirham from its subsidiaries with different reporting currencies, see note 47.4.4 to each of the Financial Statements.

The Group depends on complex information technology systems, the failure, ineffectiveness or disruption of which could have a material adverse effect on the Group

The Group is dependent on sophisticated information technology (IT) systems, the failure, ineffectiveness or disruption of which could materially adversely affect its business.

The proper functioning of the Group's financial control, risk management, credit analysis and reporting, accounting, customer service and other IT systems, as well as the communication networks between its branches and main data processing centres, are critical to its business and ability to compete effectively. The Group's business activities would be materially disrupted if there is a partial or complete failure of any of these IT systems or communications networks. Such failures can be caused by a variety of factors, many of which are wholly or partially outside the Group's control including natural disasters, extended power outages and computer viruses or other malicious intrusions, see "*— The Group's business is dependent on its IT systems which are subject to potential cyber-attack*" below.

The proper functioning of the Group's IT systems also depends on accurate and reliable data and other system input, which are subject to human errors. Any failure or delay in recording or processing the Group's transaction data could subject it to claims for losses and regulatory fines and penalties.

The Group relies on third party service providers for certain aspects of its business operations. Any interruption or deterioration in the performance of these third parties or failures of their information systems and technology could impair the quality of the Group's operations and could impact its reputation.

The Group has implemented and tested business continuity plans and processes as well as disaster recovery procedures, but there can be no assurance that these safeguards will be fully effective, and any failure may have a material adverse effect on the Group's business and reputation.

The Group's business is dependent on its IT systems which are subject to potential cyber-attack

DIB recognises the importance of technology in building the Group's business capabilities and achieving its objectives of growth, expansion and competitive market positioning. Technology is at the core of the Group's strategy and for that reason a digital technology roadmap is embedded within its business plans.

However, in common with other financial institutions globally, the threat to the security of the Group's information and customer data from security breaches and cyber-attacks presents a real and growing risk to its business. Activists, rogue states and cyber criminals are among those targeting IT systems around the world. Risks to technology and cyber-security evolve and change rapidly and require continued focus, monitoring and investment in preventative measures. Given the increasing sophistication and scope of potential cyber-attack, it is possible that future attacks may lead to significant breaches of security.

A failure to adequately manage cyber-security risk and continually monitor, review and update current processes in response to new threats could have a material adverse effect on the Group, including disruption to its business, unauthorised disclosure of confidential information, significant financial and/or legal exposure and damage to its reputation.

The Group's ability to manage operational risks is dependent upon its internal control system, which might not be fully effective in all circumstances

Operational risks and losses can result from fraud, error by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements or conduct of business rules, failure of internal systems, equipment and external systems (including those of the Group's counterparties or vendors) and the occurrence of natural disasters. The Group has a detailed operational risk framework which defines the roles and responsibilities of individuals and units across different Group functions that are involved in performing operational risk management tasks. The operational risk management framework aims to ensure that operational risks areas across its business are properly identified, monitored, managed and reported.

The Group's ability to manage operational risk, including its ability to comply with all applicable regulations, is largely dependent on its maintenance of compliance, audit and reporting systems and procedures, and its ability to attract and retain personnel qualified to manage and monitor such systems and procedures. Although the Group is subject to external audit and oversight by regulatory authorities, including regular examination activity, and performs regular internal audits to monitor and test its compliance systems, the Group cannot be certain that these systems and procedures will be fully effective in all circumstances, particularly in the case of deliberate employee misconduct or other frauds perpetrated against the Group. In the case of actual or alleged non-compliance with applicable regulations, the Group could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits for damages, which could have a material adverse effect on the Group's business.

The Group's risk management policies and procedures may not be effective in all circumstances and may leave it exposed to unidentified or unanticipated risks

The Group's risk management strategies and internal controls may not be effective in all circumstances and may leave the Group exposed to unidentified or unanticipated risks. There can be no assurance that the Group's risk management and internal control policies and procedures will adequately control, or protect the Group against, all credit, liquidity, market, operational and other risks. In addition, certain risks may not be accurately quantified by the Group's risk management systems. Some of the Group's methods of managing risk are based

upon the use of historical market data which, as evidenced by events caused by the global financial crisis and the COVID-19 pandemic, may not always accurately predict future risk exposures, which could be significantly greater than historical measures indicate. In addition, certain risks could be greater than the Group's empirical data would otherwise indicate.

Other risk management methods depend upon evaluation of information regarding the markets in which the Group operates, its clients or other matters that are publicly available or information otherwise accessible to the Group. This information may not be accurate, complete, up-to-date or properly evaluated in all cases. Any material deficiency in the Group's risk management or other internal control policies or procedures may expose it to significant credit, liquidity, market or operational risk, which may in turn have a material adverse effect on the Group's business.

The Group's business may be influenced by DIB's principal shareholder

DIB's principal shareholder is the Government of Dubai, which directly and indirectly held 27.97 per cent. of DIB's share capital as at 31 December 2023. By virtue of this shareholding, the Government of Dubai has the ability to appoint the chairman of DIB's Board of Directors (the **Board**) and influence the Group's business through its influence on the Board and its ability to control certain actions that require 75 per cent. shareholder approval. If circumstances were to arise where the interests of the Government of Dubai or any future major shareholder conflict with the interests of the Certificateholders, the Certificateholders could be disadvantaged.

A negative change in DIB's credit ratings could limit its ability to raise funding and may increase its borrowing costs

DIB is rated A by Fitch with a "stable" outlook and A3 by Moody's with a "stable" outlook. These ratings, which are intended to measure DIB's ability to meet its debt obligations as they mature, are an important factor in determining DIB's cost of wholesale funding.

According to Fitch's 30 October 2023 report on DIB, DIB's rating depends on Fitch's assessment of government support available to DIB. In addition, a material deterioration in DIB's asset quality metrics, affecting DIB's capitalisation or profitability, could also impact its rating. According to Moody's 24 October 2023 credit opinion on DIB, downward pressure on DIB's ratings could develop if (1) the UAE government rating is downgraded, which would lead to reduced support capacity; (2) Moody's reassesses the willingness of the UAE government to provide support; or (3) there is a significant deterioration in DIB's operating environment, which would lead Moody's to expect a weakening of DIB's financial metrics, particularly its solvency profile.

A downgrade of any of DIB's credit ratings, or a negative change in outlook, may limit the Group's ability to raise wholesale funding and increase its cost of wholesale funding, which could adversely affect its business, financial condition, results of operations and prospects. A downgrade of any of DIB's credit ratings (or announcement of a negative change in ratings outlook) may also limit the Group's ability to raise capital. Moreover, actual or anticipated changes in DIB's credit rating could adversely affect the price at which the Certificates are traded in the secondary market.

The Group may become subject to increasingly intense competition

The Group faces competition in all of its business areas from locally incorporated and foreign banks, including new digital banking platforms offered by many major UAE banks, operating in the UAE. The Group also faces competition from both Islamic banks and conventional banks. According to the Central Bank's data, there were, as at 31 December 2023, 61 different banks (comprising 23 locally incorporated banks and 38 foreign banks (of which 11 were wholesale banks)) licensed to operate inside the UAE (excluding the DIFC). There are also an increasing number of institutions offering Islamic financial products and services within the UAE. As at 31 December 2023, there were eight Islamic banks, in addition to a number of other financial institutions, offering Islamic products and solutions. Other financial institutions may also consider offering Shari'a-compliant products in the future.

The financial institutions market in the UAE has generally been a relatively protected market with high regulatory and other barriers to entry for foreign financial institutions. However, to the extent that these barriers are removed or eased in the future, either voluntarily or as a result of the UAE's obligations to the World Trade Organisation, the GCC or any other similar entities, this would create a more competitive environment for the Group and other domestic financial institutions and could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

Any alteration to, or abolition of, the foreign exchange “peg” of the dirham at a fixed exchange rate to the U.S. dollar will expose the Group to U.S. dollar foreign exchange movements against the dirham

The Group maintains its accounts, and reports its results, in dirham. The dirham has been pegged at a fixed exchange rate to the U.S. dollar since 22 November 1980. However, there can be no assurance that the dirham will not be de-pegged in the future or that the existing peg will not be adjusted in a manner that adversely affects the Group's results of operations and financial condition. Any such de-pegging or adjustment, particularly if the dirham weakens against the U.S. dollar as a result, could have an adverse effect on the Group's business, results of operations, financial condition and prospects. For example, the 2023 Financial Statements, in note 47.4.3, contain a sensitivity analysis that shows that a 2 per cent. change in the exchange rate of the U.S. dollar against the dirham (with all other variables held constant) in 2023 would have impacted the Group's statement of profit or loss (due to the changes in the fair values of currency sensitive non-trading monetary assets and liabilities) by AED 911 million.

The Group is party to litigation related to the terrorist attacks on New York City on 11 September 2001

In 2002, DIB was named as a defendant in eight civil lawsuits filed in various federal district courts in the United States that relate to the terrorist attacks on 11 September 2001. The plaintiffs in these lawsuits include victims of the terrorist attacks, the families or estates of deceased victims, the leaseholders of the World Trade Center properties, and certain insurance companies that suffered losses as a result of the attacks. In total, the lawsuits named hundreds of defendants. The defendants included, among other entities and organisations, Islamic charities, other major financial institutions in the Middle East and individuals. The complaints filed in these lawsuits made allegations against DIB, including that DIB provided material support and assistance to Al Qaeda and that it knew or should have known it was aiding and abetting, and enabling the terrorists that perpetrated the attacks. The plaintiffs have not enumerated all of their alleged damages that they are seeking to recover in these cases.

In December 2003, the United States Judicial Panel on Multi-District Litigation consolidated the actions against DIB and the other defendants in the Federal District Court in the Southern District of New York (the **New York Federal Court**). In May 2005, DIB filed a motion to dismiss all eight actions with the New York Federal Court. In June 2010, the New York Federal Court denied DIB's motion to dismiss due to the allegations by the plaintiffs that DIB intentionally and knowingly provided support to Al Qaeda.

On 9 March 2023, the New York Federal Court issued a judgment holding that all claims against DIB were dismissed. The Court held that the “facts are materially different from the allegations on which this Court premised personal jurisdiction in 2010”, and concluded that the New York Federal Court had no personal jurisdiction over DIB.

The Plaintiffs have filed an appeal to the United States Second Circuit of Appeals, which will be heard in due course.

DIB believes that it has meritorious defences to all claims and will continue to defend itself vigorously during any appeals process.

Changes in applicable tax legislation may adversely affect the Group

In December 2022, the Ministry of Finance of the United Arab Emirates (the **MoF**) released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses (the **Corporate Tax Law**) to enact a new corporate tax regime in the UAE. The new regime became effective for accounting periods beginning on or after 1 June 2023. As the Group's accounting year ends on 31 December, the effective implementation date

for the Group was 1 January 2024, with the first corporate tax return to be filed by it on or before 30 September 2025 in respect of calendar 2024. The Corporate Tax Law sets a rate of 9 per cent. to be applied to taxable income exceeding a specified threshold, although this is still subject to a cabinet decision. The Group may also be subject to the application of a global minimum tax rate of 15 per cent., which is dependent on the implementation of the Organisation for Economic Co-operation and Development's (OECD) Base Erosion Profit Shifting - Pillar Two rules by the countries where the Group operates and a top-up tax regime by the MoF. The Group is currently assessing the impact of these laws and regulations and will apply the requirements as they come into effect. As the Group does not currently pay any corporate tax in the UAE, these rules will negatively impact its net profit in future periods.

The Group conducts the majority of its business in a region which is subject to political, economic and related considerations

As at 31 December 2023, 79 per cent. of the Group's total assets were located in the UAE. Given that the Group has the majority of its operations in the UAE, its operations have previously been and may continue to be affected by economic and political developments impacting the UAE, in particular, the level of economic activity in the UAE.

DIB's business is, and will continue to be, affected by economic and political developments in or affecting the UAE and the MENA region and investors' reactions to developments in one country may affect securities of issuers in other markets, including the UAE. Following the significant fall in global crude oil prices in the middle of 2014, the UAE and other major oil and gas producing countries in the region experienced slower economic growth, increased budget deficits and lower public spending. Similar effects were experienced in 2020 following the sustained decline in oil prices for much of that year.

Although Dubai and the UAE enjoy domestic political stability and generally healthy international relations, as they are located in the MENA region, there is a risk that regional geopolitical instability could impact them. In particular, since early 2011 there has been political unrest in a range of countries in the MENA region, including Algeria, Bahrain, Egypt, Iran, Iraq, Libya, Oman, Saudi Arabia, Syria, Tunisia, Turkey and Yemen. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict (including the multinational conflict with Islamic State (also known as Daesh, ISIS or ISIL) and the war in Palestine between Israel and Hamas) and has given rise to increased political uncertainty across the region. In addition, DIB's wholly-owned subsidiary, DIB Pakistan Ltd., and its associate, the Bank of Khartoum, are, in common with all other industries in the Islamic Republic of Pakistan and Sudan, respectively, affected by ongoing political uncertainty, including an ongoing conflict between rival factions of the military government in Sudan that commenced in April 2023.

There have been numerous terrorist attacks affecting GCC countries, including Saudi Arabia which has experienced oil tanker sabotage and drone strikes on a crude oil pipeline in May 2019, apparent drone attacks on the Abqaiq processing facility and the Khurais oil field in September 2019, an explosion caused by a projectile which resulted in a fire in a fuel tank at a Saudi Aramco petroleum products distribution terminal in Jeddah in November 2020, a drone attack on a Saudi Aramco refinery in Riyadh in March 2021 and attacks on Saudi Aramco refineries in Riyadh and Yasref and petroleum products distribution terminals in the Jeddah and Jizan regions in March 2022. There have also been airborne attacks targeted at UAE oil infrastructure in recent years.

In 2019, tensions in the Gulf region increased following the seizure by Iran of a British tanker in July 2019 and, more broadly, due to several incidents with oil tankers in the Straits of Hormuz. Further, in January 2020 the United States carried out a military strike which killed a senior Iranian military commander, leading to retaliatory Iranian strikes at a U.S. base in Iraq. Towards the end of 2023 and into 2024, tensions in the Gulf region again increased following numerous incidents, including a drone strike in December 2023 on a chemical tanker in the Indian ocean claimed by the United States to have been fired from Iran, the seizure of another oil tanker by Iran and strikes against Al Houthi bases in Yemen conducted by U.S. and British military aircraft.

Whilst DIB's business has not been directly impacted by any political unrest to date, it is not possible to predict the occurrence of events or circumstances such as war or hostilities, or the impact of such occurrences, and no

assurance can be given that DIB would be able to sustain its current profit levels if adverse political events or circumstances were to occur in the UAE or any other country in which it had material operations at the time.

Investors should also note that the Group's business and financial performance could be adversely affected by political, economic or related developments both within and outside the MENA region because of interrelationships within the global financial markets.

The economic and/or political factors which could adversely affect the Group's business, financial condition, results of operations and prospects include:

- regional political instability, including government or military regime change, riots or other forms of civil disturbance or violence, including through acts of terrorism;
- military strikes or the outbreak of war or other hostilities involving nations in the region;
- a material curtailment of the industrial and economic infrastructure development that is currently underway across the MENA region;
- a material increase in costs of funds in the UAE resulting from a material reduction in liquidity in the UAE financial markets;
- government intervention, including expropriation or nationalisation of assets or increased levels of protectionism;
- an increase in inflation and the cost of living;
- cancellation of contractual rights, expropriation of assets and/or inability to repatriate profits and/or dividends;
- increased government regulations, or adverse governmental activities, with respect to price, import and export controls, the environment, customs and immigration, capital transfers, foreign exchange and currency controls, labour policies and land and water use and foreign ownership;
- arbitrary, inconsistent or unlawful government action;
- changing tax regimes, including the imposition of taxes in tax favourable jurisdictions such as the UAE;
- difficulties and delays in obtaining governmental and other approvals for operations or renewing existing ones; and
- inability to repatriate profits or dividends.

There can be no assurance that either the economic performance of, or political stability in, the countries in which the Group currently operates, or may in the future operate, can or will be sustained. To the extent that economic growth or performance in these countries or the MENA region as a whole slows or begins to decline, or political conditions deteriorate materially in any of those countries, the Group's business, financial condition, results of operations and prospects may be adversely affected.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH CERTIFICATES ISSUED UNDER THE PROGRAMME

Risks relating to the Assets

Ownership of the Assets

In order to comply with the requirements of Sharia, an ownership interest in the Assets comprised within the relevant Portfolio will pass to the Trustee under the relevant Purchase Agreement. The Trustee will declare a trust in respect of such Portfolio and the other Trust Assets in favour of the Certificateholders of the relevant Series pursuant to the relevant Trust Deed. Accordingly, Certificateholders will, through the ownership

interest of the Trustee, have an undivided ownership interest in the relevant Portfolio (see “- *Transfer, possession, custody or control of the Assets*” below).

No investigation or enquiry will be made and no due diligence will be conducted in respect of any Assets comprised within any Portfolio. Such Assets will be selected by DIB and the Certificateholders, the Trustee and the Delegate will have no ability to influence such selection. Only limited representations will be obtained from DIB in respect of the Assets of any Series. In particular, the precise terms of the Assets will not be known (including whether there are any restrictions on transfer or any further obligations required to be performed by DIB to give effect to the transfer of the Assets). No steps are intended to be taken to perfect the transfer of the ownership interest (including registration) in the Assets with any relevant regulatory authority in the UAE or otherwise give notice to any lessee or obligor in respect thereof.

Transfer, possession, custody or control of the Assets

No investigation has been or will be made by (i) the Trustee, DIB, the Arranger, the Dealers or the Delegate as to whether any interest in any Assets may be transferred as a matter of the law governing the contracts (if any) underlying such Assets, the law of the jurisdiction where such assets are located or any other relevant law; or (ii) the Trustee, the Arranger, the Dealers or the Delegate as to whether DIB has or will continue to have actual or constructive possession, custody or control of any Assets. In addition, no investigation will be made by the Trustee, DIB, the Arranger, the Dealers or the Delegate to determine if any Supplemental Purchase Contract will have the effect of transferring an interest in the relevant Assets.

Limitations relating to the indemnity provisions under the Purchase Undertaking and the Master Trust Deed

DIB has undertaken in the Purchase Undertaking and the Master Trust Deed that:

- (a) if, at the time of delivery of an exercise notice in accordance with the provisions of the Purchase Undertaking, Dubai Islamic Bank PJSC remains in actual or constructive possession, custody or control of all or any part of the Assets comprising the Portfolio; and
- (b) if, following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the Portfolio Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, title, interest, benefits and entitlements of the Trustee in, to and under the Portfolio or any of the Assets comprising the Portfolio or for any other reason, and thereby resulting in DIB's failure to comply with its obligations under the Purchase Undertaking,

DIB shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the Portfolio Exercise Price.

Subject to the satisfaction of the conditions in (a) and (b) as described above, if DIB fails to pay the Portfolio Exercise Price in accordance with the Purchase Undertaking, the Delegate (on behalf of the Certificateholders) may, subject to the matters set out in Condition 14 and the terms of the Master Trust Deed, seek to enforce, *inter alia*, the provisions of the Purchase Undertaking and the Master Trust Deed against DIB by commencing arbitral or legal proceedings. See “- *Risk factors relating to enforcement*”.

However, prospective investors should note that, in the event that Dubai Islamic Bank PJSC does not remain in actual or constructive possession, custody or control of all or any part of the Assets comprising the Portfolio at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the condition in (a) as described above will not be satisfied and, therefore, no amounts will be payable by DIB under the separate indemnity provisions. For the avoidance of doubt, no investigation has been or will be made by the Trustee, the Arranger, the Dealers, or the Agents as to whether Dubai Islamic Bank PJSC has or will remain in actual or constructive possession, custody or control of any of the Assets.

Accordingly, in such event, the Delegate (on behalf of the Certificateholders) may be required to establish that there has been a breach of contract by DIB in order to prove for damages. Such breach of contract may be due

to (i) a breach by DIB of the requirement to purchase the Trustee's rights, title, interests, benefits and entitlements in, to and under the Portfolio on the relevant Scheduled Dissolution Date or Dissolution Date pursuant to the provisions of the Purchase Undertaking; and/or (ii) a breach by DIB (acting in its capacity as Service Agent pursuant to the provisions of the Service Agency Agreement) of its undertaking to maintain actual or constructive possession, custody or control of all of the Assets comprising the Portfolio, provided that (i) it is legally possible for the Service Agent to so maintain; and (ii) such maintenance shall not result in a breach of the terms of the relevant Asset Contracts.

As a result, the Delegate (on behalf of the Certificateholders) may not be able to recover, or may face significant challenges in recovering, an amount equal to the Portfolio Exercise Price, and in turn, the amount payable to the Certificateholders upon redemption.

Risks Relating to the Certificates

The Certificates are limited recourse obligations

Certificates to be issued under the Programme are not debt obligations of the Trustee. Instead, the Certificates represent an undivided ownership interest solely in the relevant Trust Assets. Recourse to the Trustee in respect of each Series is limited to the Trust Assets of that Series and proceeds of such Trust Assets are the sole source of payments on the relevant Certificates. Upon the occurrence of a Dissolution Event, the sole rights of each of the Delegate and, through the Delegate, the Certificateholders of the relevant Series will be against DIB to perform its obligations under the Transaction Documents to which it is a party. Certificateholders will have no recourse to any assets of the Trustee or DIB in respect of any shortfall in the expected amounts due under the relevant Trust Assets. DIB is obliged to make certain payments under the Transaction Documents to which it is a party directly to the Trustee, and the Delegate will have direct recourse against DIB to recover such payments due to the Trustee pursuant to the Transaction Documents to which it is a party. In the absence of default by the Delegate, investors have no direct recourse to DIB and there is no assurance that the net proceeds of the realisation of any enforcement action with respect to the Trust Assets (which, as described above, will be by way of enforcing DIB's and the Trustee's respective obligations under the Transaction Documents to which they are a party) will be sufficient to make all payments due in respect of the relevant Certificates. After enforcing or realising the rights in respect of the Trust Assets of a Series (in the manner described above) and distributing the net proceeds of such Trust Assets in accordance with Condition 4.2, the obligations of the Trustee in respect of the Certificates of the relevant Series shall be satisfied and neither the Delegate nor any Certificateholder may take any further steps against the Trustee to recover any further sums in respect of such Certificates and the right to receive any such sums unpaid shall be extinguished. Furthermore, under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents (which includes the Purchase Undertaking). The sole right of the Trustee, the Delegate and the Certificateholders against DIB shall be to enforce the obligation of DIB to perform its obligations under the Transaction Documents to which it is a party.

Absence of secondary market/limited liquidity

There is no assurance that a secondary market for the Certificates of any Series will develop or, if it does develop, that it will provide the Certificateholders with liquidity of investment or that it will continue for the life of those Certificates. Accordingly, a Certificateholder may not be able to find a buyer to buy its Certificates readily or at prices that will enable the Certificateholder to realise a desired yield. The market value of Certificates may fluctuate and a lack of liquidity, in particular, can have a material adverse effect on the market value of the Certificates. Accordingly, the purchase of Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the relevant Certificates and the financial and other risks associated with an investment in the relevant Certificates. An investor in Certificates must be prepared to hold the relevant Certificates for an indefinite period of time or until their maturity. Application has been made for the listing of certain Series to be issued under the Programme on Euronext Dublin and/or Nasdaq Dubai, as the case may be, but there can be no assurance that any such listing will occur or will enhance the liquidity of the Certificates of the relevant Series.

The Certificates may be subject to early redemption

In the event that the amount payable on the Certificates of any Series is required to be increased to include additional amounts in certain circumstances and/or DIB is required to pay additional amounts pursuant to certain Transaction Documents, in each case as a result of certain changes affecting taxation in the Cayman Islands (in the case of the Trustee) or the UAE (in the case of DIB), or in each case any political subdivision or any authority thereof or therein having power to tax, the Trustee may redeem all but not some only of the Certificates upon giving notice in accordance with the Terms and Conditions of the relevant Certificates.

If so provided in the applicable Final Terms, a Tranche may be redeemed early at the option of the Trustee. Any such early redemption feature of any Certificate is likely to limit its market value. During any period when the Trustee may elect to redeem Certificates, the market value of those Certificates generally will not rise substantially above the dissolution amount payable. This also may be true prior to any redemption period. The Trustee may be expected to redeem Certificates when DIB's cost of borrowing is lower than the profit rate on the Certificates. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective profit rate as high as the profit rate on the Certificates being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider re-investment risk in light of other investments available at that time.

The regulation and reform of "benchmarks" may adversely affect the value of Certificates linked to or referencing such "benchmarks"

Profit rates and indices which are deemed to be "benchmarks" (including, EURIBOR) are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Certificates referencing such a benchmark.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) amongst other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Certificates linked to, or referencing, a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks: (a) discouraging market participants from continuing to administer or contribute to a benchmark; (b) triggering changes in the rules or methodologies used in the benchmark; and/or (c) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Certificates linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark. On 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

On 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk free rates recommended the new Euro short-term rate (**€STR**) as the new risk free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The Conditions provide that, where the applicable Final Terms specifies that Condition 7.6(1) is applicable, there are certain fallback arrangements in the event that an original Reference Rate and/or any page on which an original Reference Rate may be published, (or any other successor service) becomes unavailable or a Benchmark Event otherwise occurs. Such fallback arrangements include the possibility that the Rate (or the relevant component part thereof) could be set by reference to a Successor Rate or an Alternative Reference Rate, with or without the application of an Adjustment Spread, and may include amendments to the Conditions, the Master Trust Deed and/or any other Transaction Document to ensure the proper operation of the successor or replacement benchmark, all as determined by an Independent Adviser, acting in good faith and following consultation with the Trustee and DIB, or DIB (acting in good faith and in a commercially reasonable manner), as applicable, and without the requirement for the consent or sanction of Certificateholders. An Adjustment Spread, if applied, is a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread which (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks/supervisory authorities), or (b) (if no such recommendation has been made, or in the case of an Alternative Reference Rate) the Independent Adviser (following consultation with the Trustee and DIB) determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the original Reference Rate, or (c) (if the Independent Adviser (following consultation with the Trustee and DIB) determines that no such spread, formula or methodology is customarily applied) the Independent Adviser (following consultation with the Trustee and DIB) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate, as the case may be, or (d) (if the Independent Adviser (following consultation with the Trustee and DIB) determines that there is no such industry standard) the Independent Adviser (following consultation with the Trustee and DIB) or DIB (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate. Accordingly, the application of an Adjustment Spread may result in the Certificates performing differently (which may include payment of a lower Rate) than they would do if the original Reference Rate were to continue to apply in its current form. If no Adjustment Spread can be determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Rate (or the relevant component part thereof). The use of a Successor Rate or Alternative Reference Rate (including with or without the application of an Adjustment Spread) may still result in any Certificates linked to or referencing an original Reference Rate performing differently (which may include payment of a lower Rate) than they would if the original Reference Rate were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the ultimate fallback for the purposes of the calculation of the Rate (or the relevant component part thereof) for the relevant immediately following Return Accumulation Period may result in the use of a Rate (or the relevant component part thereof) equal to the sum of the Margin and the rate (or as the case may be) the arithmetic mean last determined in relation to the Certificates in respect of a preceding Return Accumulation Period. Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

The Conditions provide that, where the applicable Final Terms specifies that Condition 7.6(2) is applicable, if the Trustee and DIB determines that a Benchmark Transition Event and its related Benchmark Replacement Date has occurred, the then-current Benchmark will be replaced by a Benchmark Replacement (determined by the Trustee and DIB in accordance with the Conditions) for all purposes relating to the relevant Certificates in respect of all determinations on such date and for all determinations on all subsequent dates. The Trustee and DIB will have to exercise its discretion to determine (or to elect not to determine) a Benchmark Replacement and, if applicable, a Benchmark Replacement Adjustment, in a situation in which it is presented with a conflict of interest.

Prospective investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Certificates in making any investment decision with respect to any Certificates linked to or referencing a benchmark.

The market continues to develop in relation to risk free rates (including overnight rates) which are possible reference rates for Floating Rate Certificates

Investors should be aware that the market continues to develop in relation to risk free rates, such as the Secured Overnight Financing Rate (SOFR) and SONIA, as reference rates in the capital markets for sterling or U.S. dollar bonds, as applicable, and their adoption as alternatives to the relevant interbank offered rates. This relates to the development both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such risk free rates. In addition, market participants and relevant working groups are exploring alternative reference rates based on risk free rates, including term SOFR and SONIA reference rates (which seek to measure the market's forward expectation of an average SOFR and SONIA over a designated term). For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index.

The continued development of risk free reference rates for the Eurobond markets, as well as the continued development of SOFR and SONIA based rates and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Certificates.

The substance of the calculation of, and the adoption of market infrastructure for the issuing and trading of Eurobonds referencing, SOFR and SONIA continues to develop. In particular, investors should be aware that several different SOFR methodologies have been used in instruments referencing SOFR issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance.

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to Floating Rate Certificates that reference a risk free rate issued under this Base Prospectus.

The development of risk free rates for the Eurobond markets could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Certificates that reference a risk free rate issued under the Programme from time to time. In addition, the manner of adoption or application of risk free rates

in the Eurobond markets may differ materially compared with the application and adoption of risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Certificates referencing such risk free rates.

The use of risk free rates as reference rates in the international debt capital markets is nascent, and may be subject to change and development in terms of the methodology used to calculate such rates, the development of rates based on risk free rates and the development and adoption of market infrastructure for the issuance and trading of sukuk referencing risk free rates. In particular, investors should be aware that several different methodologies have been used in sukuk linked to such risk free rates issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance. In addition, the methodology for determining any overnight rate index used to determine the profit rate in respect of certain Certificates could change during the life of such Certificates.

Certificates referencing risk free rates may also have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for sukuk referencing such risk free rates, such as the spread over the index reflected in profit rate provisions, may evolve over time, and trading prices of such Certificates may be lower than those of later-issued indexed debt securities as a result. Further, if the relevant risk free rates do not prove to be widely used in securities like the Certificates, the trading price of such Certificates linked to such risk free rates may be lower than those of Certificates referencing indices that are more widely used. Investors in such Certificates may not be able to sell such Certificates at all or may not be able to sell such Certificates at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Certain administrators of risk free rates have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of certain risk free rates. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk free rates.

Prospective investors should consider these matters when making their investment decision with respect to any Certificates which reference SONIA or SOFR.

Risk free rates differ from interbank offered rates in a number of material respects and have a limited history

Risk free rates may differ from interbank offered rates in a number of material respects, including (without limitation) by, in most cases, being backwards looking, calculated on a compounded or weighted average basis and risk free overnight rates, whereas such interbank offered rates are generally expressed on the basis of a forward looking term and include a risk element based on interbank lending. As such, investors should be aware that interbank offered rates and any risk free rates may behave materially differently as interest reference rates for the Certificates.

Profit on Certificates which reference a backwards looking risk free rate is only capable of being determined immediately prior to or on the relevant Periodic Distribution Date. It may be difficult for investors in Certificates which reference such risk free rates to reliably estimate the amount of profit which will be payable on such Certificates and some investors may be unable or unwilling to trade such Certificates without changes to their IT systems, both of which could adversely impact the liquidity of such Certificates. Further, in contrast to Certificates referencing interbank offered rates, if the Certificates become due and payable as a result of a Dissolution Event under Condition 14, the Rate payable shall be determined on the date the Certificates became due and payable and shall not be reset thereafter. In addition, the manner of adoption or application of such risk free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such risk free rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Certificates. The use of risk free rates as a reference

rate for Eurobonds is nascent, and may be subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing such risk free rates.

SONIA and SOFR are, in the case of SONIA, recently reformed and in the case of SOFR, newly established risk free rates. Therefore, such risk free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Certificates may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. For example, since publication of SOFR began, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

The administrators of SOFR or SONIA may make changes that could change the value of SOFR or SONIA or discontinue SOFR or SONIA

As SOFR and SONIA are published and calculated by third parties based on data received from other sources, the Trustee and DIB have no control over their determination, calculation or publication. There can be no guarantee that SOFR and/or SONIA will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Certificates linked to or which reference SOFR or SONIA (or that any applicable benchmark fallback provisions provided for in the Conditions will provide a rate which is economically equivalent for Certificateholders). Each of the Federal Reserve, Bank of New York or the Bank of England (or their respective successors), as the administrators of SOFR or SONIA, respectively, may make methodological or other changes that could change the value of SOFR or SONIA and/or a related index, including changes related to the method by which each of SOFR or SONIA is calculated, eligibility criteria applicable to the transactions used to calculate SOFR or SONIA or timing related to the publication of SOFR or SONIA and/or a related index. In addition, each such administrator may alter, discontinue or suspend calculation or dissemination of SOFR or SONIA or a related index (in which case a fallback method of determining the profit rate on the Certificates will apply). Each administrator has no obligation to consider the interests of Certificateholders when calculating, adjusting, converting, revising or discontinuing SOFR or SONIA or a related index. Any of the foregoing could have a material adverse effect on the value or liquidity of, and return on, any Certificates which reference SOFR or SONIA.

DIB may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Reference Rate in accordance with the Conditions

Where, in respect of any given Return Accumulation Period, DIB is unable to appoint an Independent Adviser or the Independent Adviser appointed by DIB has failed to determine a Successor Rate or, failing which, an Alternative Reference Rate, prior to the relevant IA Determination Cut-Off Date, DIB (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, failing which an Alternative Reference Rate and, in either case, an Adjustment Spread in accordance with the Conditions, provided that in respect of any subsequent Return Accumulation Period it will continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Periodic Distribution Determination Date and/or to determine a Successor Rate or Alternative Reference Rate to apply to the next succeeding and any subsequent Return Accumulation Period, as necessary.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is duly determined, the Rate for the next succeeding Return Accumulation Period will be equal to the Rate last determined in relation to the Certificates in respect of the immediately preceding Return Accumulation Period (through substituting, where applicable, the Margin relating to that last preceding Return Accumulation Period). This may result in Certificates linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate) than they would do if the relevant benchmark were to continue to apply. Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

Risks relating to Certificates denominated in Renminbi

A description of risks which may be relevant to an investor in Certificates denominated in Renminbi (**Renminbi Certificates**) are set out below.

Renminbi is not completely freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Certificates

Renminbi is not completely freely convertible at present. The government of the PRC (the **PRC Government**) continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. Currently, participating banks in Hong Kong and a number of other jurisdictions (the **Applicable Jurisdictions**) have been permitted to engage in the settlement of current account trade transactions in Renminbi. However, remittance of Renminbi by foreign investors into and outside of the PRC for purposes such as capital contributions, known as capital account items, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities or the relevant banks on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although, starting from 1 October 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund (the **IMF**) and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People's Bank of China (**PBOC**) in 2018, there is no assurance that the PRC Government will liberalise its control over cross-border remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside of the PRC. In the event that funds cannot be repatriated outside of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Trustee to source Renminbi to finance its obligations under Certificates denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Certificates and the Trustee's ability to source Renminbi outside the PRC to service Renminbi Certificates

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

While PBOC has established Renminbi clearing and settlement mechanics for participating banks in the Applicable Jurisdictions through settlement agreements (the **Settlement Agreements**) on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (each a **RMB Clearing Bank**) and these RMB Clearing Banks have been permitted to engage in the settlement of Renminbi trade transactions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

The offshore Renminbi market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreements will not be terminated or amended so as to have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Certificates. To the extent the Trustee is required to source Renminbi in the offshore market to

service its Renminbi Certificates, there is no assurance that the Trustee will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described in the Conditions applicable to the Renminbi Certificates, the Trustee can make payments in U.S. dollars.

Investment in the Renminbi Certificates is subject to exchange rate risks

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The Trustee will make all payments of profit and dissolution amounts with respect to the Renminbi Certificates in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of the investment made by a holder of the Renminbi Certificates in U.S. dollar or other applicable foreign currency will decline.

In the event that access to Renminbi becomes restricted to the extent that, by reason of RMB Inconvertibility, RMB Non-transferability or RMB Illiquidity (as defined in the Conditions), the Trustee is unable, or it is impractical for it, to pay profit or any dissolution amount in Renminbi, the Conditions allow the Trustee to make payment in U.S. dollars at the prevailing spot rate of exchange, all as provided in more detail in the Conditions. As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of a Certificateholder's investment in U.S. dollar or other foreign currency terms will decline.

Payments with respect to the Renminbi Certificates may be made only in the manner designated in the Renminbi Certificates

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

All payments to investors in respect of the Renminbi Certificates will be made solely (i) for so long as the Renminbi Certificates are represented by global certificates held with the common depositary for Clearstream Banking S.A. (**Clearstream, Luxembourg**) and Euroclear Bank SA/NV (**Euroclear**) or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong or (ii) for so long as the Renminbi Certificates are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Other than described in the Conditions, the Trustee cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

There may be PRC tax consequences with respect to investment in the Renminbi Certificates

In considering whether to invest in the Renminbi Certificates, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the Certificateholder's investment in the Renminbi Certificates may be materially and adversely affected if the Certificateholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Certificates.

Risk factors relating to enforcement

Investors may experience difficulties in enforcing arbitration awards and foreign judgments in Dubai

The payments under the Certificates are dependent upon DIB making payments to the Trustee in the manner contemplated under the Transaction Documents. If DIB fails to do so, it may be necessary to bring an action against DIB to enforce its obligations and/or to claim damages, as appropriate, which may be costly and time consuming.

Furthermore, to the extent that the enforcement of remedies must be pursued in the UAE, it should be borne in mind that there is limited scope for self-help remedies under UAE law and that generally enforcement of remedies in the UAE must be pursued through the courts.

The parties to the Transaction Documents have agreed to refer any unresolved dispute in relation to the Transaction Documents to arbitration under the Arbitration Rules of the London Court of International Arbitration (the **LCIA**) (the **Rules**) with an arbitral tribunal with its seat in London. In addition, subject to the exercise of an option to litigate given to certain parties, the courts of England or the DIFC courts, at the option of the Delegate, are stated to have exclusive jurisdiction to settle any disputes in respect of the Transaction Documents (other than the Master Purchase Agreement and the Sale Undertaking). Notwithstanding that an arbitral award may be obtained from an arbitral tribunal in London or that a judgment may be obtained in an English court, there is no assurance that DIB has, or would at the relevant time have, assets in the UK against which such arbitral award or judgment could be enforced, and it is therefore likely that proceedings would need to be commenced for the enforcement of any such award or judgment in Dubai (where the substantial majority of DIB's assets are located).

The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the **New York Convention**) entered into force in the UAE on 19 November 2006. Accordingly, it is expected that an arbitral award obtained in a London-seated arbitration should be enforceable in Dubai in accordance with the terms of the New York Convention. In this regard, it should be noted that recognition and enforcement of an arbitral award may be refused by the Dubai courts on the grounds set out in Article V of the New York Convention.

However, there is no established track record to demonstrate how the provisions of the New York Convention will be applied by the Dubai courts in practice and whether the Dubai courts will enforce a foreign arbitral award in accordance with the New York Convention (or any other applicable multilateral or bilateral enforcement treaties). This is reinforced by the lack of a system of binding judicial precedent in the UAE and the independent existence of different Emirates within the UAE, some with their own court systems, whose rulings may have no more than persuasive force cross border. Although there are examples of foreign arbitral awards being enforced in the UAE under the New York Convention, there are other cases where the enforcement of foreign arbitral awards have been refused.

Federal Decree Law No. 42 of 2022 regarding the Law of Civil Procedure (the **Civil Procedure Law**) also governs the enforcement of foreign arbitral awards in the UAE. Article 223 of the Civil Procedure Law provides that arbitral awards issued in a foreign state may be enforced in the UAE subject to the conditions provided under Article 222 of the Civil Procedure Law. Article 225 of the Civil Procedure Law provides that the rules on enforcement of foreign arbitral awards shall not prejudice the provisions of treaties for the enforcement of foreign judgments, orders and instruments with foreign states, which, by virtue of the operation of Article 223 of the Civil Procedure Law, should also apply in respect of arbitral awards, and accordingly include the New York Convention. However, there is no established track record to demonstrate how the Dubai courts will apply the Civil Procedure Law alongside the provisions of such treaties in practice. In addition, Federal Law No. 6 of 2018 (the **UAE Arbitration Law**) provides certain conditions to the enforcement of domestic arbitral awards in the UAE. There is no established track record to demonstrate how the Dubai courts will apply the UAE Arbitration Law in practice and there is a risk that, notwithstanding the Civil Procedure Law or the terms of applicable enforcement treaties, the Dubai courts may also apply such conditions to the enforcement of foreign arbitral awards in the UAE. Accordingly, there is a risk that an arbitral award obtained in a London-seated arbitration will be refused enforcement by the Dubai courts.

Where an English judgment has been obtained, there is no assurance that DIB has or would at the relevant time have assets in the UK against which such a judgment could be enforced. DIB is incorporated in and has its operations and the majority of its assets located in the UAE. A judgment or order of a foreign court may be enforced in the UAE, subject to the conditions provided under Article 222 of the Civil Procedure Law. However, there is no established track record to demonstrate how the Dubai courts will apply the Civil Procedure Law in practice.

Under current UAE federal law, the courts in the UAE are unlikely to enforce an English court judgment without re-examining the merits of the claim and may not observe the parties' choice of English law as the

governing law of the relevant Transaction Documents or the Certificates. In the UAE, foreign law is required to be established as a question of fact and the interpretation of English law by a court in the UAE may not accord with the interpretation of an English court. In principle, courts in the UAE recognise the choice of foreign law if they are satisfied that an appropriate connection exists between the relevant transaction agreement and the foreign law which has been chosen. They will not however, honour any provision of foreign law which is contrary to public policy, order or morals in the UAE, or to any mandatory law of, or applicable in, the UAE.

The UAE is a civil law jurisdiction and judicial precedents in Dubai have no binding effect on subsequent decisions. In addition, court decisions in Dubai are generally not recorded. These factors create greater judicial uncertainty than would be expected in other jurisdictions.

In the case of any dispute under the Conditions and/or the relevant Transaction Documents, which at the option of the Delegate has been referred to the DIFC courts under Article 7 of Law No. 16 of 2011 (as defined below), any final and unappealable judgment, order or award made by the DIFC courts in favour of the Delegate (on behalf of the Certificateholders) must, upon application by the Delegate to the Dubai Court of Execution, be enforced against DIB by the Dubai Court of Execution without that court being able to reconsider the merits of the case provided that the conditions specified in Article 7(2) of Law No. 16 of 2011 are satisfied and the procedure for enforcement described in Article 7(3) of Law No. 16 of 2011 is adhered to.

Dubai Law No. 16 of 2011 on Amending Some Provisions of Law No. 12 of 2004 Concerning the DIFC Courts (**Law No. 16 of 2011**) came into force in Dubai on 31 October 2011 and extended the jurisdiction of the DIFC courts to include all civil and commercial disputes where the parties to the relevant dispute have expressly agreed to submit to the jurisdiction of the DIFC courts, even where such parties are unconnected to the DIFC. None of the Trustee, DIB or the Delegate are connected to the DIFC.

Prospective investors should note however that, as at the date of this Base Prospectus, Law No. 16 of 2011 remains relatively untested and there is therefore no certainty as to how the DIFC courts intend to exercise their jurisdiction under this law should any party dispute the right of the DIFC courts to hear a particular dispute where any party is unconnected to the DIFC, nor is there any certainty that the Dubai Court of Execution will enforce the judgment of the DIFC courts without reconsidering the merits of the case.

Compliance with UAE bankruptcy law may affect DIB's ability to perform its obligations under the Transaction Documents to which it is a party

In the event of DIB's insolvency, UAE bankruptcy law may adversely affect DIB's ability to perform its obligations under the Transaction Documents to which it is a party and, in turn, affect the Trustee's ability to perform its obligations in respect of the Certificates. There is little precedent to predict how claims by or on behalf of the Certificateholders and/or the Delegate would be resolved, and therefore there can be no assurance that Certificateholders will receive payment of their claims in full or at all in these circumstances.

A court may not grant an order for specific performance

In the event that DIB fails to perform its obligations under any Transaction Document to which it is a party, the potential remedies available to the Trustee and the Delegate include (i) obtaining an order for specific performance of DIB's obligations, or (ii) a claim for damages.

There is no assurance that a court will provide an order for specific performance, as this is generally a matter for the discretion of the relevant court. The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors, including an obligation on the Trustee and the Delegate to mitigate any loss arising as a result of such breach. No assurance is provided on the level of damages which a court may award in the event of a failure by DIB to perform its obligations set out in the Transaction Documents to which it is a party.

Change of law

The structure of each issue of Certificates under the Programme is based on English law, the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE and administrative practices in effect as at

the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to, or interpretation of, English, Dubai or UAE law or administrative practices in such jurisdiction after the date of this Base Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Trustee to make payments under the Certificates or of DIB, to comply with its obligations under the Transaction Documents to which it is a party.

Additional risk factors

DIB's waiver of immunity may not be effective under UAE law

DIB has waived its rights in relation to sovereign immunity under the Transaction Documents to which it is a party however, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it under the Transaction Documents to which it is a party are valid and binding under the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE.

Reliance on Euroclear and Clearstream, Luxembourg procedures

The Certificates of each Series will be represented on issue by a Global Certificate that will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Certificate, investors will not be entitled to receive Certificates in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the ownership interests in Global Certificates. While the Certificates of any Series are represented by a Global Certificate, investors will be able to trade their ownership interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Certificates of any Series are represented by a Global Certificate, the Trustee will discharge its payment obligations under the Certificates by making payments through the relevant clearing systems. A holder of an ownership interest in a Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the relevant Certificates. The Trustee has no responsibility or liability for the records relating to, or payments made in respect of, ownership interests in any Global Certificate.

Holders of ownership interests in a Global Certificate will not have a direct right to vote in respect of the relevant Certificates. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

No assurance can be given as to Sharia rules

The Internal Sharia Supervisory Committee of DIB and the Sharia Committee of Dar al Sharia Islamic Finance Consultancy LLC and the Global Shariah Supervisory Committee of Standard Chartered Bank have each confirmed that the Transaction Documents are, in their view, compliant with the principles of Sharia, as applicable to, and interpreted by, them. However, there can be no assurance that the Transaction Documents or any issue and trading of the Certificates will be deemed to be Sharia-compliant by any other Sharia board or Sharia scholars or that they would deem the issue or trading of any Certificates (including, without limitation, any future trading of the Certificates on the secondary market) to be Sharia compliant. None of the Trustee, DIB, the Arranger, the Dealers, the Delegate or the Agents makes any representation as to the Sharia compliance of the Certificates and/or any trading thereof or that they would deem the issue or trading of any Certificates (including, without limitation, any future trading of the Certificates on the secondary market) to be Sharia compliant, the Transaction Documents or the above pronouncements and prospective investors are reminded that, as with any Sharia views, differences in opinion are possible and different Sharia standards may be applied by different Sharia boards. In addition, none of the Arranger, the Dealers, the Delegate or the Agents will have any responsibility for monitoring or ensuring compliance with any Sharia principles of debt trading nor shall it be liable to any Certificateholder or any other person in respect thereof. Prospective investors should not rely on the above pronouncements in deciding whether to make an investment in the Certificates and are advised to obtain their own independent Sharia advice as to whether the Transaction Documents, the Certificates and the issue and trading of the Certificates will comply with Sharia standards (including, without limitation, their individual standards of compliance and make their own determination as to the future tradability (including, without limitation, in compliance with Sharia principles of debt trading) of

the Certificates on any secondary market. Questions as to the Sharia permissibility of the Transaction Documents or the issue and the trading of the Certificates may limit the liquidity and adversely affect the market value of the Certificates.

In addition, prospective investors are reminded that the enforcement of any obligations of any of the parties under the Transaction Documents would, if in dispute, either be the subject of arbitration (or, in the case of the Purchase Undertaking, court proceedings) under English law or court proceedings under the laws of (i) Dubai and, to the extent applicable in Dubai, the federal laws of the UAE or (ii) England and Wales. In such circumstances, the arbitrator or, as the case may be, judge may apply the relevant law of the Transaction Document in determining the obligation of the parties.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Certificates. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency being included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Certificates changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Certificates may have a different regulatory treatment, which may impact the value of the Certificates and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade

In relation to any issue of Certificates which have a denomination consisting of the minimum Specified Denomination (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Certificates may be traded in amounts in excess of such minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a Certificateholder who, as a result of trading such amounts, holds a face amount of less than the minimum Specified Denomination would need to purchase an additional amount of Certificates such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Certificates. Certificateholders should

be aware that Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If a Certificateholder holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time such Certificateholder may not receive a definitive Certificate in respect of such holding (should definitive Certificates be printed) and would need to purchase a face amount of Certificates such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a definitive Certificate.

If definitive Certificates are issued, holders should be aware that definitive Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The use of proceeds of the Certificates of any Series identified as Sustainable Certificates in the applicable Final Terms may not meet investor expectations or requirements or be suitable for an investor's investment criteria

DIB intends to use an amount at least equal to the net proceeds from the issue of the Certificates of each Series identified as Sustainable Certificates (**Sustainable Certificates**) in the applicable Final Terms (the **equivalent amount**) in achieving objectives set out in the DIB's Sustainable Finance Framework. See "*Use of Proceeds*".

DIB will exercise its judgement and sole discretion in determining the businesses and projects that will be financed by the equivalent amount. If the use of the proceeds of Sustainable Certificates is a factor in any potential investor's decision to invest in Sustainable Certificates, that investor should carefully consider the disclosure in "*Use of Proceeds*" and consult with its legal or other advisers before making an investment in Sustainable Certificates. In particular, no assurance is given by the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or any other person that the use of the equivalent amount for any Eligible Sustainable Projects (as defined in "*Use of Proceeds*" below) will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. In addition, the Sustainable Finance Framework is subject to change at any time without notice.

Furthermore, notwithstanding DIB's intention stated above, potential investors should be aware that DIB has no contractual obligation to use the equivalent amount as stated in, or to provide the reports described in, "*Use of Proceeds*". Any failure by DIB to use the equivalent amount as stated or to provide the reports will not constitute a Dissolution Event under Condition 14 with respect to the Sustainable Certificates but may affect the value and/or the trading price of the Sustainable Certificates and/or have adverse consequences for certain investors with portfolio mandates to invest in sustainable assets.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "sustainable" or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as "sustainable" or such other equivalent label and no assurance can be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not change significantly.

The EU's regulation on the establishment of a framework to facilitate sustainable investment (the **EU Taxonomy**), which is subject to a phased implementation, may provide some definition for such topics in the European Union. However, the full scope and applicability of the EU Taxonomy, as well as exactly when it will take effect, remains uncertain. Accordingly, no assurance is or can be given (whether by the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or any other person) to investors that: (a) any projects or uses the subject of, or related to, any Eligible Sustainable Projects will meet any or all investor expectations regarding such "sustainable" or other equivalently labelled performance objectives; (b) any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Sustainable Projects; or (c) the Sustainable Finance Framework will be aligned with the EU Taxonomy or any other sustainability framework or guidelines.

No assurance or representation is given (including, for the avoidance of doubt, by the Arranger, any of the Dealers or the Delegate) as to the suitability or reliability for any purpose whatsoever of any opinion or

certification of any third party (whether or not solicited by DIB) which may be made available in connection with the issue of the Sustainable Certificates and in particular with any of the businesses and projects funded with the equivalent amount to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus and none of the Arranger, any of the Dealers, the Delegate or their respective directors, affiliates, advisers or agents makes any representation as to the suitability or contents thereof.

Any such opinion or certification is not, nor should it be deemed to be, a recommendation by the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or any other person to buy, sell or hold Sustainable Certificates. Any such opinion or certification is only current as at the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in Sustainable Certificates. The providers of such opinions and certifications are not currently subject to any specific regulatory or other regime or oversight.

If Sustainable Certificates are at any time listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with the proceeds from any Sustainable Certificates. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Trustee, DIB, the Dealers, the Delegate, the Agents or any other person that any such listing or admission to trading will be obtained in respect of any Sustainable Certificates or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Certificates concerned.

While it is DIB’s intention to apply the equivalent amount and obtain and publish the relevant reports and opinions in, or substantially in, the manner described in “*Use of Proceeds*”, there can be no assurance (whether by the Trustee, DIB, the Arranger, the Dealers, the Delegate, the Agents or any other person) that DIB will be able to do this. Nor can there be any assurance that any Eligible Sustainable Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by DIB.

Any such event as described in the last sentence of the preceding paragraph or failure by DIB to apply the equivalent amount for any Eligible Sustainable Projects or to obtain and publish any such reports and opinions, will not give rise to any claim in contract of a holder of Sustainable Certificates against the Trustee, DIB, any Dealer, the Delegate, the Agents or any other person. The withdrawal of any such report or opinion, or any report, assessment, opinion or certification attesting that DIB is not complying in whole or in part with any matters for which that report, assessment, opinion or certification is reporting, assessing, opining or certifying, and/or any Sustainable Certificates no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of the Sustainable Certificates concerned and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The net proceeds of the issue of any Sustainable Certificates which, from time to time, are not allocated as funding for Eligible Sustainable Projects are intended by DIB to be invested according to its standard liquidity policy into cash or cash equivalents with detail recorded in the register of Sustainable Financing Instruments maintained by DIB. There can be no assurance that the Sustainable Certificates or any proceeds therefrom will not be used to absorb any and all losses of DIB, regardless of whether or not such losses stem from green, sustainable or other assets, in the same way as DIB’s other instruments not classified as Sustainable Certificates which may be called upon to cover all losses on the balance sheet.

Consents to variation of Transaction Documents and other matters

The Conditions of the Certificates contain provisions for calling meetings of Certificateholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or by way of electronic consents. These provisions permit defined majorities to bind all Certificateholders including Certificateholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Certificateholders who voted in a manner contrary to the majority.

The Master Trust Deed contains provisions permitting the Delegate from time to time and at any time without any consent or sanction of the Certificateholders to make any modification to the Master Trust Deed if, in the opinion of the Delegate, such modification (a) is of a formal, minor or technical nature, or (b) is made to correct a manifest error, or (c) is not materially prejudicial to the interests of the relevant Certificateholders and is other than in respect of a Reserved Matter (as defined in the Master Trust Deed). Unless the Delegate otherwise agrees, any such modification shall as soon as practicable thereafter be notified to the relevant Certificateholders and shall in any event be binding upon the relevant Certificateholders.

Exchange rate risks and exchange controls

The Trustee will make all payments on the Certificates. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls which could adversely affect an applicable exchange rate. The Trustee does not have any control over the factors that generally affect these risks, such as economic, financial and political events and the supply and demand for applicable currencies. In recent years, exchange rates between certain currencies have been volatile and volatility between such currencies or with other currencies may be expected in the future. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Certificates, (2) the Investor's Currency equivalent value of the principal payable on the Certificates and (3) the Investor's Currency equivalent market value of the Certificates.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate as well as the availability of a specified foreign currency at the time of any payment of any Periodic Distribution Amount or Dissolution Amount on a Certificate. As a result, investors may receive less amounts under the Certificates than expected, or no such amounts. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Certificate may not be available at such Certificate's maturity.

Risk factors relating to taxation

Taxation risks on payments

Payments made by DIB to the Trustee under the Transaction Documents and payments by the Trustee in respect of the Certificates could become subject to taxation. The Service Agency Agreement requires the Service Agent, each of the Purchase Undertaking and the Sale Undertaking requires DIB, and the Master Trust Deed requires DIB to pay additional amounts in the event that any withholding or deduction is required by applicable law to be made in respect of payments made by it to the Trustee which are intended to fund Periodic Distribution Amounts and Dissolution Amounts. Condition 11 provides that the Trustee is required to pay additional amounts in respect of any such withholding or deduction imposed by Cayman Islands law in certain circumstances. In the event that the Trustee fails to pay any such additional amounts in respect of any such withholding or deduction on payments due in respect of the Certificates to Certificateholders, DIB has unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Trustee (for the benefit of the Certificateholders) an amount equal to the liabilities of the Trustee in respect of any and all additional amounts required to be paid in respect of the Certificates

pursuant to Condition 11 in respect of any withholding or deduction in respect of any tax as set out in that Condition.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published shall be incorporated in, and form part of, this Base Prospectus:

- (a) the auditors' report and audited consolidated financial statements of DIB as at and for the financial year ended 31 December 2023 (available at: https://www.dib.ae/docs/default-source/financial-reports/dib-fs-2023-fy-english.pdf?sfvrsn=4cda11a_2);
- (b) the auditors' report and audited consolidated financial statements of DIB as at and for the financial year ended 31 December 2022 (available at: https://www.dib.ae/docs/default-source/financial-reports/dib_fs_e_25_01_2023.pdf?sfvrsn=2811d886_5);
- (c) the Terms and Conditions of the Certificates contained on pages 54 to 82 (inclusive) in the base prospectus dated 2 February 2017 prepared by the Trustee and DIB in connection with the Programme (available at: https://www.ise.ie/debt_documents/Base%20Prospectus_14dea23f-94b7-4980-845d-f585e59b1e06.PDF);
- (d) the Terms and Conditions of the Certificates contained on pages 55 to 83 (inclusive) in the base prospectus dated 7 November 2017 prepared by the Trustee and DIB in connection with the Programme (available at: https://www.ise.ie/debt_documents/Final%20Base%20Prospectus%2007.11_e7d435b6-9d4b-4222-a1ec-2798366a5349.PDF);
- (e) the Terms and Conditions of the Certificates contained on pages 45 to 77 (inclusive) in the base prospectus dated 7 November 2019 prepared by the Trustee and DIB in connection with the Programme (available at: https://www.ise.ie/debt_documents/Base%20Prospectus_25a43365-3d1e-4ae4-9447-cdb98624c336.PDF);
- (f) the Terms and Conditions of the Certificates contained on pages 50 to 82 (inclusive) in the base prospectus dated 14 June 2021 prepared by the Trustee and DIB in connection with the Programme (available at: <https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202106/63f42d25-ba58-48d2-8f1d-a0a28bc08fd2.PDF>); and
- (g) the Terms and Conditions of the Certificates contained on pages 49 to 81 (inclusive) in the base prospectus dated 16 November 2022 prepared by the Trustee and DIB in connection with the Programme (available at: <https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/202211/a86714d7-2e1b-4d7b-a52a-dc7e9ede6ae7.PDF>).

Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the Irish Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

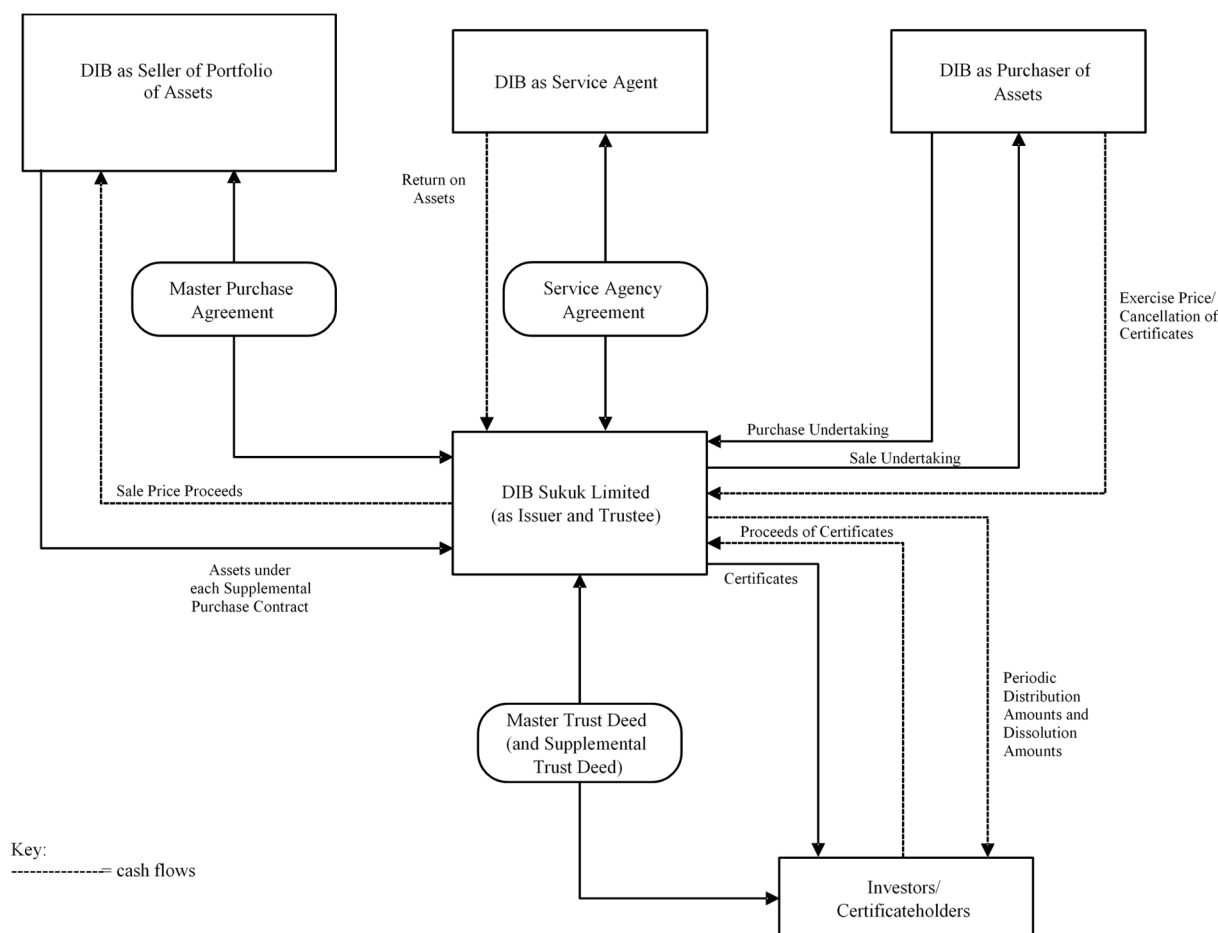
Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

The Trustee and DIB will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Certificates, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Certificates.

STRUCTURE DIAGRAM AND CASHFLOWS

Set out below is a simplified structure diagram and description of the principal cash flows underlying each Series issued. Prospective investors are referred to the terms and conditions of the Certificates and the detailed descriptions of the relevant Transaction Documents and the Terms and Conditions of the Certificates set out elsewhere in this Base Prospectus for a fuller description of certain cashflows and for an explanation of the meaning of certain capitalised terms used below.

Structure Diagram



Principal cash flows

Payments by the Certificateholders and the Trustee

On the Issue Date of the first Tranche of any Series, the Trustee (in its capacity as purchaser, the **Purchaser**) will use the proceeds for the relevant Series to purchase from DIB (in its capacity as seller, the **Seller**) a portfolio (the **Initial Portfolio**) of (i) real estate assets (**Real Estate Ijara Assets**) (including the related real estate *ijara* contracts and all rights thereunder; provided, however, that such real estate asset is in existence on the date on which it enters the relevant Initial Portfolio), (ii) non-real estate Ijara assets (each such asset, a **Non-Real Estate Ijara Asset** and, together with the Real Estate Ijara Assets, each an **Ijara Asset**) (including the related non-real estate *ijara* contracts and all rights thereunder; provided, however, that such non-real estate asset is in existence on the date on which it enters the relevant Initial Portfolio); and (iii) any asset, other than an Ijara Asset, which is an income generating asset (including, without limitation, any *sukuk* or trust certificates) (A) that has associated with it underlying tangible assets and all of such underlying assets are comprised of tangible assets and (B) which is originated, held or owned by DIB in accordance with the Sharia principles laid down by DIB's Internal Sharia Supervisory Committee (including any agreements or documents relating to such asset) (each such asset, an **Other Tangible Asset** and, together with the Ijara Assets, each a **Tangible Asset** or an **Asset**).

In the case of any subsequent Tranche of Certificates of a Series, the relevant Certificateholders will pay the issue price (as set out in the applicable Final Terms) in respect of the issuance of additional Certificates to the Trustee, and the Trustee will use such proceeds to purchase from DIB the relevant Additional Portfolio pursuant to the terms of the Master Purchase Agreement.

The Assets which comprise the portfolio from time to time are together referred to in this Base Prospectus as the **Portfolio**. The Trustee will appoint DIB (in its capacity as service agent, the **Service Agent**) to service each Portfolio under the terms of the Service Agency Agreement.

Periodic Distribution Payments

Prior to each Periodic Distribution Date, the Service Agent will pay to the Trustee (by way of a payment into the relevant Transaction Account) an amount reflecting returns generated (other than returns in the nature of sale, capital or principal payments) by the relevant Portfolio (**Portfolio Income Revenues**) during the relevant Distribution Period, which is intended to be sufficient to fund the Periodic Distribution Amounts payable by the Trustee under the relevant Series and shall be applied by the Trustee for that purpose.

In the event that the Portfolio Income Revenues to be paid by the Service Agent into the relevant Transaction Account on any Distribution Determination Date are greater than the Required Amount (as defined below) (having first paid (i) any Liquidity Facility and/or (ii) any Service Agency Liability Amounts for the relevant Distribution Period) for the relevant Series on the immediately following Periodic Distribution Date, the amount of any excess shall be retained by the Service Agent as a reserve and credited to a separate ledger account (in respect of each Series, the **Income Reserve Collection Account**) maintained by the Service Agent.

If there is a shortfall on any Distribution Determination Date (after transfer of the Portfolio Income Revenues into the relevant Transaction Account as described above) between (i) the amounts standing to the credit of the relevant Transaction Account and (ii) an amount (the **Required Amount**) equal to the aggregate of the Periodic Distribution Amounts and any other amounts payable by the Trustee in respect of the relevant Certificates on the immediately following Periodic Distribution Date (a **Shortfall**), the Service Agent shall first apply the amounts standing to the credit of the relevant Income Reserve Collection Account (if any) towards such Shortfall by transferring into the relevant Transaction Account from such Income Reserve Collection Account on that Distribution Determination Date an amount equal to the Shortfall (or such lesser amount as is then standing to the credit of such Income Reserve Collection Account). If, having applied such amounts standing to the credit of the relevant Reserve Collection Account (if any) and after payment to the relevant Transaction Account of all other amounts payable pursuant to any other Transaction Document, any part of the Shortfall still remains, the Service Agent may either:

- (a) provide Sharia compliant funding to the Trustee itself; or
- (b) procure Sharia compliant funding from a third party to be paid to the Trustee,

in each case in the amount required to ensure that there is no Shortfall and on terms that such funding is payable from Portfolio Income Revenues in the future or Portfolio Revenues on the date on which the Certificates of the relevant Series are redeemed in full (each a **Liquidity Facility**).

Dissolution Payments

On each Scheduled Dissolution Date, the Trustee will have the right under the Purchase Undertaking to require DIB to purchase all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio. The exercise price payable by DIB is intended to fund the Final Dissolution Amount payable by the Trustee under the relevant Certificates.

The Trust in relation to any Series may be dissolved prior to the relevant Scheduled Dissolution Date for the following reasons: (i) redemption following a Dissolution Event, (ii) an early redemption for tax reasons, (iii) if so specified in the applicable Final Terms, at the option of the Trustee (following the receipt of an exercise notice from DIB in accordance with the terms of the Sale Undertaking) on an Optional Dissolution Date and (iv) if so specified in the applicable Final Terms, at the option of the Certificateholders on any Certificateholder Put Option Date.

In the case of sub-paragraphs (i) to (iii) above inclusive, the amounts payable by the Trustee on the due date for dissolution will be funded in a similar manner as for the payment of the Final Dissolution Amount. Upon the exercise by Certificateholders of the option described in sub-paragraph (iv), the Trustee will redeem the relevant Certificates on the Certificateholder Put Option Date at the Optional Dissolution Amount (Certificateholder Put). Any such redemption shall be funded through the exercise by the Trustee of its right under the Purchase Undertaking to require DIB to purchase all of the Trustee's rights, title, interests, benefits and entitlements in, to and under a portion of the relevant Portfolio at the relevant exercise price.

FORM OF THE CERTIFICATES

The Certificates of each Series will be in registered form. Certificates will be issued outside the United States to persons who are not U.S. persons in reliance on Regulation S.

Each Tranche of Certificates will initially be represented by a global certificate in registered form (a **Global Certificate**). Global Certificates will be deposited with a common depository for Euroclear and Clearstream, Luxembourg and will be registered in the name of a nominee for the common depository. Persons holding ownership interests in Global Certificates will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Certificates in fully registered form.

Payments of any amount in respect of each Global Certificate will, in the absence of any provision to the contrary, be made to the person shown on the relevant Register (as defined in Condition 1.2) as the registered holder of the relevant Global Certificate. None of the Trustee, the Delegate, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

Payment of any amounts in respect of Certificates in definitive form will, in the absence of any provision to the contrary, be made to the persons shown on the relevant Register on the relevant Record Date (as defined in Condition 8.1) immediately preceding the due date for payment in the manner provided in the Conditions.

Interests in a Global Certificate will be exchangeable (free of charge), in whole but not in part, for definitive Certificates only upon the occurrence of an Exchange Event. The Trustee will promptly give notice to Certificateholders in accordance with Condition 17 if an Exchange Event occurs. For these purposes, **Exchange Event** means that (i) a Dissolution Event (as defined in Condition 14) has occurred and is continuing, or (ii) the Trustee has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system satisfactory to the Trustee is available. In the event of the occurrence of an Exchange Event, any of the Trustee or Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Certificate) may give notice to the Registrar requesting exchange.

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Trustee will, at its own cost (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar within 15 days following the request for exchange for completion and dispatch to the relevant Certificateholders. A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Trustee and the Registrar may require to complete, execute and deliver such Definitive Certificates.

General

For so long as any of the Certificates is represented by a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Certificates in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Certificates standing to the account of any person shall be conclusive and binding for all purposes (save in the case of manifest error) shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Certificates for all purposes other than with respect to any payment on such face amount of such Certificates, for which purpose the registered holder of the relevant Global Certificate shall be treated by the Trustee, the Delegate and their respective agents as the holder of such face amount of such Certificates in accordance with and subject to the terms of the relevant Global Certificate and the expressions **Certificateholder** and **holder of Certificates** and related expressions shall be construed accordingly.

Pursuant to the Agency Agreement (as defined herein), the Principal Paying Agent shall arrange that, where a further Tranche is issued which is intended to form a single Series with an existing Tranche at a point after the Issue Date of the further Tranche, the Certificates of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Certificates of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche issued under the Programme.

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET] – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Certificates has led to the conclusion that: (i) the target market for the Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Certificates (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET] – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Certificates has led to the conclusion that: (i) the target market for the Certificates is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**), only; and (ii) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Certificates (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”) - [Notice to be included if classification of the Certificates is not “prescribed capital markets products”, pursuant to Section 309B of the SFA.]]

[Date]

DIB SUKUK LIMITED

Legal Entity Identifier (LEI): 549300U3ZMUHC2JQLL56

Issue of [Aggregate Face Amount of Tranche] [Title of Certificates] [to be consolidated and form a single series with the existing [Aggregate Face Amount of Tranche] [Title of Certificates] issued on [] (the *Original Certificates*)]¹

**under the
U.S.\$7,500,000,000
Trust Certificate Issuance Programme**

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 31 January 2024 [and the Supplement to the Base Prospectus dated [] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) (the **Base Prospectus**). This document constitutes the Final Terms of the Certificates described herein [for the purposes of the Prospectus Regulation]² and must be read in conjunction with the Base Prospectus, in order to obtain all the relevant information. The Base Prospectus has been published on the websites of Euronext Dublin at <https://live.euronext.com/> and Nasdaq Dubai at <http://www.nasdaqdubai.com>.

¹ Include only for an issue of further Certificates in accordance with Condition 20.

² All references to the Prospectus Regulation, including this reference, to be included only if the Certificates are to be admitted to listing on the official list, and to trading on the regulated market, of Euronext Dublin or other regulated market for the purposes of MiFID II.

The Base Prospectus is available for viewing during usual business hours at the registered office of the Trustee at P.O. Box 1093, Queensgate House, George Town, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from the specified office of the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated [original date]. This document constitutes the Final Terms of the Certificates described herein [for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**)]³ and must be read in conjunction with the base prospectus dated 31 January 2024 [and the Supplement to the Base Prospectus dated [] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**) including the Conditions incorporated by reference in the Base Prospectus, in order to obtain all the relevant information. The Base Prospectus has been published on the websites of Euronext Dublin at <https://live.euronext.com/> and Nasdaq Dubai at <http://www.nasdaqdubai.com>. The Base Prospectus is available for viewing during usual business hours at the registered office of the Trustee at P.O. Box 1093, Queensgate House, George Town, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from the specified office of the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.]

[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]

[If the Certificates have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1. Trustee: DIB Sukuk Limited
2. Service Agent: Dubai Islamic Bank PJSC (**DIB**)
3. Series Number: []
 - (a) Tranche Number: []
 - (b) Date on which the Certificates will be consolidated and form a single Series: [The Certificates will be consolidated and form a single Series with [identify earlier Tranche(s)] on [insert date/ the Issue Date]] [Not Applicable]
4. Specified Currency: []
5. Aggregate Face Amount: []
 - (a) Series []
 - (b) Tranche []
6. Issue Price: [] per cent. of the Aggregate Face Amount [plus specified currency [] in respect of [] days of accrued Periodic Distribution Amounts from (and including) the issue date of the Original Certificates to (but excluding) the Issue Date]⁴

³ All references to the Prospectus Regulation, including this reference, to be included only if the Certificates are to be admitted to listing on the official list, and to trading on the regulated market, of Euronext Dublin or other regulated market for the purposes of MiFID II.

⁴ Include only for an issue of further Certificates in accordance with Condition 20.

7. (a) Specified Denominations: []
(this means the minimum integral face amount in which transfers can be made)
(N.B. If an issue of Certificates is (i) NOT admitted to trading on an EEA regulated market; and (ii) only offered in the EEA in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the €100,000 minimum denomination is not required.)
(N.B. If an issue of Certificates is NOT listed on Nasdaq Dubai, the U.S.\$100,000 minimum denomination is not required.)
- (b) Calculation Amount (in relation to the calculation of the Periodic Distribution Amount whilst the Certificates are in global form, see Conditions): []
(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
8. (a) Issue Date: []
- (b) Return Accrual Commencement Date: [Issue Date][specify other]
9. Scheduled Dissolution Date: [Specify date or (for Floating Rate Certificates) Periodic Distribution Date falling in or nearest to the relevant month and year.]
(Note that for Renminbi denominated Fixed Rate Certificates where the Periodic Distribution Dates and the Periodic Distribution Amount to be paid on such Periodic Distribution Dates are subject to modification in accordance with a Business Day Convention, it will be necessary to use the following wording: "Periodic Distribution Date falling in or nearest to [specify month and year]")
10. Periodic Distribution Amount Basis: [[] per cent. Fixed Periodic Distribution Amount] [[] month [EURIBOR/SHIBOR/HIBOR/SIBOR/KLIBOR/EIBOR/SAIBOR/BBSW/PRIBOR/CNH HIBOR/TLREF/TIBOR] +/- [] per cent. Floating Periodic Distribution Amount]
 (see paragraph [17]/[18] below)
11. Dissolution Basis: Subject to any purchase and cancellation or early redemption, the Certificates will be redeemed on the Scheduled Dissolution Date at [] per cent. of their Aggregate Face Amount
12. Change of Periodic Distribution Basis: [Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 17 and 18 below and identify these] [Not Applicable]
13. Put/Call Options: [Not Applicable]
 [Certificateholder Put Option]
 [Optional Dissolution (Call)]
 [(see paragraph [19]/[20] below)]

14. Status: Unsubordinated
15. Date of Trustee's board approval and date of DIB's board approval for issuance of Certificates: [] and [], respectively

PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS PAYABLE

16. Notice periods for Condition 10.2: Minimum period: [30] days
Maximum period: [60] days
17. Fixed Periodic Distribution Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Rate[s]: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Periodic Distribution Date]
- (b) Periodic Distribution Date(s): [[] in each year up to and including the Scheduled Dissolution Date]
- (NB: This will need to be amended in the case of long or short return accumulation periods)*
- (For Renminbi denominated Fixed Rate Certificates where the Periodic Distribution Dates and the Periodic Distribution Amount to be paid on such Periodic Distribution Dates are subject to modification, specify a Business Day Convention in paragraph 17(g) below (which is expected to be the Modified Following Business Day Convention) and add the words “, subject to adjustment in accordance with the Business Day Convention. For these purposes, “Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong and []” after “Scheduled Dissolution Date” in this subparagraph (b))*
- (c) Fixed Amount(s) for Certificates in definitive form (and in relation to Certificates in global form, see Conditions): [] per Calculation Amount

(For Renminbi denominated Fixed Rate Certificates where the Periodic Distribution Dates and the Periodic Distribution Amount to be paid on such Periodic Distribution Dates are subject to modification in accordance with a Business Day Convention, the following alternative wording is appropriate: “Each Fixed Amount shall be calculated by multiplying the product of the Rate and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the

nearest CNY0.01, CNY0.005 being rounded upwards”).)

- (d) Broken Amount(s) for Certificates in [[] per Calculation Amount, payable on the definitive form (and in relation to Periodic Distribution Date falling [in/on] []) Certificates in global form, see [Not Applicable] Conditions):

(Insert particulars of any initial or final broken Periodic Distribution Amounts which do not correspond with the Fixed Amount(s) specified under paragraph 17(c))

- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or Actual/365 (Fixed) (Applicable for Renminbi denominated Fixed Rate Certificates)]

- (f) Determination Date(s): [[] in each year/Not Applicable]

(Insert regular periodic distribution dates, ignoring issue date or scheduled dissolution date in the case of a long or short first or last return accumulation period N.B. This will need to be amended in the case of regular periodic distribution dates which are not of equal duration

N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))

- (g) Business Day Convention (for the purposes of Condition 6.3): [Not Applicable] [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]

18. Floating Periodic Distribution Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Specified Periodic Distribution Dates: [] [Not Applicable]

(Specified Period and Specified Periodic Distribution Dates are alternatives. If the Business Day Convention is the Floating Rate Convention, insert “Not Applicable”)

- (b) Specified Period: [] [Not Applicable]

(Specified Period and Specified Periodic Distribution Dates are alternatives. A Specified Period, rather than Specified Periodic Distribution Dates, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert “Not Applicable”)

- (c) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / [Not Applicable]]

- (d) Additional Business Centre(s): [Not Applicable/*give details*]
- (e) Manner in which the Rate(s) is/are to be determined: [Screen Rate Determination not referencing SOFR or SONIA/Screen Rate Determination referencing SOFR or SONIA]
- (f) Party responsible for calculating the Rate and Return Accumulation Amount (if not the Principal Paying Agent) [[] (the **Calculation Agent**)/Not Applicable]
- (g) Screen Rate Determination not referencing SOFR or SONIA: [Applicable/Not Applicable]
- (i) Reference Rate: [] month
[EURIBOR/SHIBOR/HIBOR/SIBOR/KLIBOR/EIBOR/SAIBOR/BBSW/PRIBOR/CNH HIBOR/TLREF/TIBOR]
- (ii) Periodic Distribution Determination Date: []
(The second day on which T2 is open prior to the start of each Return Accumulation Period if EURIBOR)
- (iii) Relevant Screen Page: [] *(In the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (iv) Relevant Financial Centre: []
- (v) Relevant Time: []
- (h) Screen Rate Determination referencing SOFR or SONIA: [Applicable/Not Applicable]
- (i) Reference Rate: [SOFR/SONIA]
- (ii) Periodic Distribution Determination Date(s): [[]/The date falling [] Business Days prior to the first day of each Return Accumulation Period/First day of each Return Accumulation Period]/[The [] [*first, second, third etc.*] Business Day immediately preceding the Periodic Distribution Date for each Return Accumulation Period (or immediately preceding such earlier date, if any, on which the Certificates are due and payable).][*provide details*]/[The Periodic Distribution Date at the end of each Return Accumulation Period; provided that the Periodic Distribution Determination Date with respect to the last Return Accumulation Period prior to the Scheduled Dissolution Date or the date fixed for redemption will be the Rate Cut-off Date - *Include this wording for Payment Delay only*]]
- (iii) Calculation Method: [Weighted Average/Compounded Daily/SOFR Index/SONIA Index]

- (iv) Observation Method: [Lag/Lock-out/Observation Shift/Payment Delay/Not Applicable]
- (v) Observation Look-Back Period: [[]/Not Applicable]
- (vi) Effective Periodic Distribution Payment Date: [The date falling [] Business Days following each Periodic Distribution Date, provided that the Effective Periodic Distribution Date with respect to the last Applicable Period will be the Scheduled Date or, if the Trustee elects to redeem the Certificates before the Scheduled Dissolution Date, the date fixed for redemption - *used for Payment Delay only*]/ Not Applicable]
- (vii) Rate Cut-off Date: [The date falling [] Business Days prior to the Scheduled Dissolution Date or the date fixed for redemption, as applicable – *used for Payment Delay only*]/[Not Applicable]
- (viii) Relevant Number: [insert number being [two] or greater][Not Applicable]
- (ix) D: [365/360/[]]
- (i) Margin: [+/-][] per cent. per annum
- (j) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
30E/360 (ISDA)
(*See Condition 7 for alternatives*)
- (k) Benchmark Replacement fallback: [Condition 7.6(1) is applicable/Condition 7.6(2) is applicable]

PROVISIONS RELATING TO DISSOLUTION

19. Optional Dissolution (Call): [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub paragraphs of this paragraph. N.B. For Sharia reasons, Optional Dissolution (Call) and Certificateholder Put Option cannot both be specified as applicable for a particular Series)*
- (a) Optional Dissolution Amount (Call): [[] per Calculation Amount]
- (b) Optional Dissolution Amount (Call) [] per cent. Percentage:

- (c) Optional Dissolution Date: [Any Periodic Distribution Date] [*specify other*]
(N.B. If the Floating Periodic Distribution Provisions are applicable, the Optional Dissolution Date must be a Periodic Distribution Date)
- (d) Notice periods Minimum period: [30] days
Maximum period: [60] days
[]
(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and the Principal Paying Agent or Delegate)
20. Certificateholder Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph. N.B. For Sharia reasons, Certificateholder Put Option and Optional Dissolution (Call) cannot both be specified as applicable for a particular Series)
- (a) Optional Dissolution Amount [[] per Calculation Amount]
(Certificateholder Put):
- (b) Optional Dissolution Amount [] per cent.
(Certificateholder Put) Percentage:
- (c) Certificateholder Put Option Date(s): []
- (d) Notice Periods Minimum period: [15] days
Maximum period: [30] days
[]
(N.B. When setting notice periods, the Trustee is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Trustee and the Principal Paying Agent or Delegate)
21. Final Dissolution Amount: [[] per Calculation Amount] [*Note: this must be par*]

22. Early Dissolution Amount (Tax): [[] per Calculation Amount] [*Note: this must be par*]
23. Dissolution Amount pursuant to Condition 14: [] per Calculation Amount [*Note: this must be par*]

GENERAL PROVISIONS APPLICABLE TO THE CERTIFICATES

24. Form of Certificates: Global Certificate exchangeable for Certificates in definitive registered form in the limited circumstances specified in the Global Certificate
25. Additional Financial Centres: [Not Applicable/*give details*]

(Note that this paragraph relates to the date of payment and not Return Accumulation Period end dates, to which sub-paragraph 18(d) relates)
26. Details of Transaction Account: DIB Sukuk Limited Transaction Account No: [] with [] for Series No.: []

THIRD PARTY INFORMATION

[[*Relevant third party information*] has been extracted from [*specify source*]. Each of the Trustee and DIB confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of

DIB SUKUK LIMITED

By:.....

Duly authorised

Signed on behalf of

DUBAI ISLAMIC BANK PJSC

By:.....

Duly authorised

By:.....

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application [[has been]/[will be]] made by the Trustee (or on its behalf) for the Certificates to be admitted to trading on [Euronext Dublin's regulated market and to be listed on the official list of Euronext Dublin][*Nasdaq Dubai or specify relevant regulated market and, if relevant, listing on an official list (for example, the Official List maintained by the Dubai Financial Services Authority)*] with effect from [].]

[Application is expected to be made by the Trustee (or on its behalf) for the Certificates to be admitted to trading on [Euronext Dublin's regulated market and to be listed on the official list of Euronext Dublin][*Nasdaq Dubai or specify relevant regulated market and, if relevant, listing on an official list (for example, the Official List maintained by the Dubai Financial Services Authority)*] with effect from [].]

[Not Applicable.]

(Where documenting a fungible issue, it needs to be indicated that the original Certificates are already admitted to trading.)

- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings:

[The Certificates to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Certificates of this type issued under the Programme generally]:

[Fitch Ratings Limited (**Fitch**): []]

[Moody's Investors Service Cyprus Ltd. (**Moody's**): []]

[[Fitch] is established in the UK and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.]

[[Moody's] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealer], so far as each of the Trustee and DIB is aware, no person involved in the issue of the Certificates has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the

Trustee and the DIB and their affiliates in the ordinary course of business – *Amend as appropriate if there are other interests.*]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]

4. **[PROFIT OR RETURN (Fixed Rate Certificates only)]**

Indication of profit or return: []

The profit or return is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future profit or return.]

5. **SUSTAINABLE CERTIFICATES AND REASONS FOR THE OFFER**

(i) Sustainable Certificates: [Yes]/[No]

(ii) Reasons for the offer: [See “Use of Proceeds” in the Base Prospectus]/[]

6. **OPERATIONAL INFORMATION**

(i) ISIN: []/[Until the Certificates are consolidated, become fungible with and form a single series with the Original Certificates, the Certificates will have the temporary ISIN []. After that, the Certificates will have the same ISIN as the Original Certificates, which is [].]

(ii) Common Code: []/[Until the Certificates are consolidated, become fungible with and form a single series with the Original Certificates, the Certificates will have the temporary ISIN []. After that, the Certificates will have the same ISIN as the Original Certificates, which is [].]

(iii) CFI: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available]]

(iv) FISN: [[See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]/[Not Available]]

- (v) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): []
- (viii) Stabilisation Manager(s): []

7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/give names]
- (iii) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (iv) U.S. Selling Restrictions: Regulation S, Category 2
- (v) Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable/Not Applicable]

(Delete this line item where Certificates are not offered into Singapore.)

Include this line item where Certificates are offered into Singapore. Indicate "Applicable" if Certificates are offered to Institutional Investors and Accredited Investors in Singapore only. Indicate "Not Applicable" if Certificates are also offered to investors other than Institutional Investors and Accredited Investors in Singapore.)

TERMS AND CONDITIONS OF THE CERTIFICATES

The following is the text of the Terms and Conditions of the Certificates which (subject to modification and except for the text in italics) will be endorsed on each Certificate in definitive form issued under the Programme and will apply to each Global Certificate.

DIB Sukuk Limited (in its capacities as issuer and trustee, the **Trustee**) has established a programme (the **Programme**) for the issuance of up to U.S.\$7,500,000,000 in aggregate face amount of trust certificates. In these Terms and Conditions (the **Conditions**), references to **Certificates** shall be references to the trust certificates which are the subject of the applicable Final Terms and references to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Certificate.

Certificates issued under the Programme are issued in Series (as defined below). The applicable Final Terms complete these Conditions.

In these Conditions:

Fixed Rate Certificates means a Series in respect of which Fixed Periodic Distribution Provisions is specified as applicable in the applicable Final Terms;

Floating Rate Certificates means a Series in respect of which Floating Periodic Distribution Provisions is specified as applicable in the applicable Final Terms;

Series means a Tranche (as defined below) of Certificates together with any additional Tranche or Tranches of Certificates which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts (as defined herein) thereon and the date from which Periodic Distribution Amounts start to accrue;

Tranche means Certificates which are identical in all respects (including as to listing and admission to trading); and

Transaction Account means, in relation to each Series, the non-interest bearing account maintained in London in the Trustee's name held with the Principal Paying Agent, details of which are specified in the applicable Final Terms.

All references in these Conditions to **U.S. dollars** are to the lawful currency of the United States.

The Certificates of each Series will represent an undivided ownership interest in the Trust Assets (as defined in Condition 4.1) which are held by the Trustee on trust (the **Trust**) for, *inter alia*, the benefit of the registered holders of the Certificates pursuant to (i) an amended and restated master trust deed (the **Master Trust Deed**) dated 31 January 2024 and made between the Trustee, Dubai Islamic Bank PJSC (**DIB**) and Deutsche Trustee Company Limited (the **Delegate** which expression shall include any co-Delegate or any successor) and (ii) in respect of each Tranche, a supplemental trust deed dated the issue date (the **Issue Date**) of such Tranche of Certificates (the **Supplemental Trust Deed** and, together with the Master Trust Deed, the **Trust Deed**).

Payments relating to the Certificates will be made pursuant to an amended and restated agency agreement dated 31 January 2024 (the **Agency Agreement**) made between the Trustee, the Delegate, DIB, Deutsche Bank AG, London Branch in its capacities as principal paying agent (in such capacity, the **Principal Paying Agent**, which expression shall include any successor and, together with any further or other paying agents appointed from time to time in accordance with the Agency Agreement, the **Paying Agents**, which expression shall include any successors), as calculation agent (in such capacity, the **Calculation Agent**, which expression shall include any successor) and as transfer agent (in such capacity, the **Transfer Agent**, which expression shall include any successors) and Deutsche Bank Luxembourg S.A. in its capacities as a registrar (in such capacity, the **Registrar**, which expression shall include any successor). The Paying Agents, the Calculation Agent, the Transfer Agent and the Registrar are together referred to in these Conditions as the **Agents**.

Words and expressions defined in the Trust Deed and the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or

unless otherwise stated and provided that, in the event of inconsistency between any such document and the applicable Final Terms, the applicable Final Terms will prevail. In addition, in these Conditions:

- (a) any reference to face amount shall be deemed to include the relevant Dissolution Amount (as defined in Condition 8.1), any additional amounts (other than relating to Periodic Distribution Amounts (as defined in Condition 6.2)) which may be payable under Condition 11, and any other amount in the nature of face amounts payable pursuant to these Conditions;
- (b) any reference to Periodic Distribution Amounts shall be deemed to include any additional amounts in respect of profit distributions which may be payable under Condition 11 and any other amount in the nature of a profit distribution payable pursuant to these Conditions;
- (c) references to Certificates being “outstanding” shall be construed in accordance with the Master Trust Deed; and
- (d) any reference to a Transaction Document (as defined below) shall be construed as a reference to that Transaction Document as amended and/or supplemented from time to time.

Subject as set out below, copies of the documents set out below (i) are available for inspection and obtainable free of charge by the Certificateholders during normal business hours at the specified office for the time being of the Principal Paying Agent and/or (ii) may be provided by email to a Certificateholder following its prior written request to the Principal Paying Agent and the provision of evidence satisfactory to the Principal Paying Agent as to its holding of the relevant Certificates and identity. The holders of the Certificates (the **Certificateholders**) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the documents set out below:

- (a) an amended and restated master purchase agreement between DIB Sukuk Limited (in its capacity as Trustee and in its capacity as purchaser, the **Purchaser**) and DIB (in its capacity as seller, the **Seller**) dated 31 January 2024 (the **Master Purchase Agreement**);
- (b) the supplemental purchase contract (the **Supplemental Purchase Contract** and, together with the Master Purchase Agreement, the **Purchase Agreement**) having the details set out in the applicable Final Terms;
- (c) the amended and restated service agency agreement between the Trustee and DIB (in its capacity as service agent, the **Service Agent**) dated 31 January 2024 (the **Service Agency Agreement**);
- (d) the amended and restated purchase undertaking made by DIB for the benefit of the Trustee and the Delegate dated 31 January 2024 (the **Purchase Undertaking**);
- (e) the amended and restated sale undertaking made by the Trustee for the benefit of DIB dated 31 January 2024 (the **Sale Undertaking**);
- (f) the Trust Deed;
- (g) the Agency Agreement; and
- (h) the applicable Final Terms.

The documents listed above are referred to in these Conditions as the **Transaction Documents**. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Each initial Certificateholder, by its acquisition and holding of its interest in a Certificate, shall be deemed to authorise and direct DIB Sukuk Limited, on behalf of the Certificateholders, (i) to apply the sums paid by it in respect of its Certificates to the Purchaser in accordance with the Purchase Agreement and (ii) to enter into each Transaction Document to which it is a party, subject to the provisions of the Trust Deed and these Conditions.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Certificates are issued in registered form in the Specified Denominations and, in the case of Certificates in definitive form, are serially numbered. The Certificates may be Fixed Rate Certificates, Floating Rate Certificates or a combination of the foregoing depending on the profit basis specified in the applicable Final Terms.

For so long as any of the Certificates is represented by a Global Certificate held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than another clearing system) who is for the time being shown in the records of either such clearing system as the holder of a particular face amount of such Certificates (in which regard any certificate or other document issued by a clearing system as to the face amount of such Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Trustee, the Delegate, DIB and the Agents as the holder of such face amount of such Certificates for all purposes other than with respect to payment in respect of such Certificates, for which purpose the registered holder of the Global Certificate shall be treated by the Trustee, the Delegate, DIB and any Agent as the holder of such face amount of such Certificates in accordance with and subject to the terms of the relevant Global Certificate and the expressions **Certificateholder** and **holder** in relation to any Certificates and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular face amount of Certificates as aforesaid, the Delegate may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Each holder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the registered holder of the Global Certificate. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

1.2 Register

The Registrar will maintain a register (the **Register**) of Certificateholders in respect of the Certificates in accordance with the provisions of the Agency Agreement. In the case of Certificates in definitive form, a definitive Certificate will be issued to each Certificateholder in respect of its registered holding of Certificates.

1.3 Title

The Trustee, the Delegate, DIB and the Agents may (to the fullest extent permitted by applicable laws) deem and treat the person in whose name any outstanding Certificate is for the time being registered (as set out in the Register) as the holder of such Certificate or of a particular face amount of the Certificates for all purposes (whether or not such Certificate or face amount shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, and any notice of loss or theft or any writing thereon), and the Trustee, the Delegate, DIB and the Agents shall not be affected by any notice to the contrary.

All payments made to such registered holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for moneys payable in respect of such Certificate or face amount.

2. TRANSFERS OF CERTIFICATES

2.1 Transfers of interests in the Global Certificate

Transfers of interests in the Global Certificate will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. An interest in the Global Certificate will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Certificates in definitive form only in the Specified Denomination or integral multiples thereof and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

2.2 Transfers of Certificates in definitive form

Upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Certificate in definitive form may be transferred in whole or in part (in the Specified Denomination or an integral multiple thereof). In order to effect any such transfer (a) the holder or holders must (i) surrender the definitive Certificate for registration of the transfer thereof (or the relevant part thereof) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such regulations as DIB Sukuk Limited, DIB, the Delegate and the Registrar may from time to time prescribe (the initial such regulations being scheduled to the Master Trust Deed).

Subject as provided above, the relevant Transfer Agent will, within five business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), deliver at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request a new Certificate in definitive form of a like aggregate face amount to the Certificate (or the relevant part of the Certificate) transferred. In the case of the transfer of part only of a Certificate in definitive form, a new Certificate in definitive form in respect of the balance of the Certificate not transferred will be so delivered or (at the risk of the transferor) sent to the transferor.

No Certificateholder may require the transfer of a Certificate in definitive form to be registered during the period of 15 days ending on a Periodic Distribution Date, the Scheduled Dissolution Date, a Dissolution Date or any other date on which any payment of the face amount or payment of any profit in respect of a Certificate falls due.

2.3 Costs of registration

Certificateholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Trustee may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. STATUS AND LIMITED RECOURSE

3.1 Status

Each Certificate evidences an undivided ownership interest in the Trust Assets, subject to the terms of the Trust Deed and these Conditions, and is a direct, unsubordinated, unsecured and limited recourse obligation of the Trustee. Each Certificate ranks *pari passu*, without any preference or priority, with the other Certificates.

3.2 Limited Recourse

The proceeds of the Trust Assets are the sole source of payments on the Certificates. Save as provided in the next sentence, the Certificates do not represent an interest in or obligation of any of the Trustee, DIB, the Delegate, the Agents or any of their respective affiliates. Accordingly, Certificateholders, by subscribing for or acquiring the Certificates, acknowledge that they will have no recourse to any assets of the Trustee (including, in particular, other assets comprised in other trusts, if any), DIB (to the extent that it fulfils all of its obligations under the Transaction Documents to which it is a party), or the Delegate, or the Agents, or any of their respective affiliates in respect of any shortfall in the expected amounts from the Trust Assets to the extent the Trust Assets have been exhausted following which all obligations of the Trustee shall be extinguished.

DIB is obliged to make certain payments under the Transaction Documents to which it is a party directly to the Trustee (for and on behalf of the Certificateholders), and the Delegate will have direct recourse against DIB to recover such payments.

The net proceeds of realisation of, or enforcement with respect to, the Trust Assets may not be sufficient to make all payments due in respect of the Certificates. If, following the distribution of such proceeds, there remains a shortfall in payments due under the Certificates, subject to Condition 14, no holder of Certificates will have any claim against the Trustee, DIB (to the extent that it fulfils all of its obligations under the Transaction Documents to which it is a party), or the Delegate, or the Agents, or any of their respective affiliates or against any assets (other than the Trust Assets to the extent not exhausted) in respect of such shortfall and any unsatisfied claims of Certificateholders shall be extinguished. In particular, no holder of Certificates will be able to petition for, or join any other person in instituting proceedings for, the reorganisation, liquidation, winding up or receivership of the Trustee, DIB (to the extent that it fulfils all of its obligations under the Transaction Documents to which it is a party), the Delegate, the Agents or any of their respective affiliates as a consequence of such shortfall or otherwise.

3.3 Agreement of Certificateholders

By purchasing Certificates, each Certificateholder is deemed to have agreed that notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

- (a) no payment of any amount whatsoever shall be made by the Trustee (acting in any capacity) or any of its shareholders, directors, officers, employees or agents on its behalf except to the extent funds are available therefor from the Trust Assets and further agrees that no recourse shall be had for the payment of any amount owing hereunder or under any Transaction Document to which it is a party, whether for the payment of any fee or other amount hereunder or any other obligation or claim arising out of or based upon any Transaction Document, against the Trustee (acting in any capacity) to the extent the Trust Assets have been exhausted following which all obligations of the Trustee shall be extinguished;
- (b) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents have been paid in full, it will not institute against, or join with any other person in instituting against, the Trustee (acting in any capacity) any bankruptcy, reorganisation, arrangement or liquidation proceedings or other proceedings under any bankruptcy or similar law; and
- (c) no recourse (whether by institution or enforcement of any legal proceedings or assessment or otherwise) in respect of any breaches of any duty, obligation or undertaking of the Trustee (acting in any capacity) arising under or in connection with these Conditions by virtue of any customary law, statute or otherwise shall be had against any shareholder, member, officer, agent, director or corporate services provider of the Trustee in their capacity as such and any and all personal liability of every such shareholder, member, officer, agent, director or corporate services provider in their capacity as such for any breaches by the Trustee (acting

in any capacity) of any such duty, obligation or undertaking is hereby expressly waived and excluded to the extent permitted by law.

4. THE TRUST

4.1 The Trust Assets

Pursuant to the Trust Deed, the Trustee holds the Trust Assets upon trust absolutely for the holders of the Certificates *pro rata* according to the face amount of Certificates held by each holder. The term **Trust Assets** means:

- (a) all of the Trustee's rights, title, interest and benefit, present and future, in, to and under the assets from time to time constituting the Portfolio;
- (b) all of the Trustee's rights, title, interest and benefit, present and future, in, to and under the Transaction Documents (other than (i) in relation to any representations given to the Trustee by DIB pursuant to any of the Transaction Documents and any rights which have been expressly waived by the Trustee in any of the Transaction Documents and (ii) the covenant given to the Trustee pursuant to Clause 13.1 of the Master Trust Deed); and
- (c) all monies standing to the credit of the Transaction Account from time to time, and all proceeds of the foregoing.

4.2 Application of Proceeds from the Trust Assets

On each Periodic Distribution Date and on the Scheduled Dissolution Date or any earlier Dissolution Date, the monies standing to the credit of the Transaction Account shall be applied in the following order of priority:

- (a) *first*, to the Delegate in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate;
- (b) *second*, to the Principal Paying Agent for application in or towards payment *pari passu* and rateably of all Periodic Distribution Amounts due and unpaid;
- (c) *third*, only if such payment is made on the Scheduled Dissolution Date or a Dissolution Date, to the Principal Paying Agent for application in or towards payment *pari passu* and rateably of the relevant Dissolution Amount;
- (d) *fourth*, only if such payment is made on the Scheduled Dissolution Date or the final Dissolution Date, to the Service Agent to pay any amounts advanced by way of a Liquidity Facility (as defined in the Service Agency Agreement);
- (e) *fifth*, only if such payment is made on the Scheduled Dissolution Date or the final Dissolution Date, to the Service Agent in or towards payment of any outstanding Service Agency Liability Amounts (as defined in the Service Agency Agreement); and
- (f) *sixth*, only after all necessary payments above have been made in full, to DIB.

5. COVENANTS

The Trustee covenants that, for so long as any Certificate is outstanding, it will not (without the prior written consent of the Delegate):

- (a) incur any indebtedness in respect of borrowed money whatsoever (whether structured in accordance with the principles of the Sharia or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;

- (b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law);
- (c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of its ownership interest in any of the Trust Assets except pursuant to the Transaction Documents;
- (d) use the proceeds of the issue of the Certificates for any purpose other than as stated in the Transaction Documents;
- (e) amend or agree to any amendment of any Transaction Document to which it is a party (other than in accordance with the terms thereof) or its memorandum and articles of association;
- (f) act as trustee in respect of any trust other than a trust corresponding to any other Series issued under the Programme;
- (g) have any subsidiaries or employees;
- (h) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders;
- (i) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it; and
- (j) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly permitted or required thereunder or engage in any business or activity other than:
 - (i) as provided for or permitted in the Transaction Documents;
 - (ii) the ownership, management and disposal of Trust Assets as provided in the Transaction Documents; and
 - (iii) such other matters which are incidental thereto.

6. FIXED PERIODIC DISTRIBUTION PROVISIONS

6.1 Application

This Condition is applicable to Fixed Rate Certificates only.

6.2 Periodic Distribution Amount

Subject to Condition 4.2 and Condition 8, the Principal Paying Agent shall distribute to holders *pro rata* to their respective holdings, out of amounts transferred to the Transaction Account pursuant to the terms of the Service Agency Agreement and the other Transaction Documents, a distribution in relation to the Certificates on each Periodic Distribution Date equal to the Periodic Distribution Amount payable in respect of the Return Accumulation Period ending immediately before that Periodic Distribution Date.

In these Conditions:

Periodic Distribution Amount means, in relation to a Certificate and a Return Accumulation Period, the amount of profit distribution payable in respect of that Certificate for that Return Accumulation Period which amount may be a Fixed Amount, a Broken Amount or an amount otherwise calculated in accordance with this Condition 6 or Condition 7; and

Return Accumulation Period means the period from (and including) a Periodic Distribution Date (or the Return Accrual Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date.

6.3 **Determination of Periodic Distribution Amount**

Except as provided in the applicable Final Terms, the Periodic Distribution Amount payable in respect of each Certificate in definitive form for any Return Accumulation Period shall be the Fixed Amount or, if so specified in the applicable Final Terms, the Broken Amount so specified.

In the case of a Certificate where the Specified Currency is Renminbi and the applicable Final Terms specifies a Business Day Convention to be applicable (an **Adjusted Renminbi Fixed Rate Certificate**), each Periodic Distribution Date (and, accordingly, the relevant Return Accumulation Period) will be adjusted (if required) in accordance with the relevant Business Day Convention. For this purpose, the provisions relating to the application of a Business Day Convention set out in Condition 7.2 below shall apply to this Condition 6, *mutatis mutandis*, save that, for the purposes of the Conditions relating to an Adjusted Renminbi Fixed Rate Certificate, the term **Business Day** shall mean a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in Hong Kong.

Except in the case of Certificates in definitive form where a Fixed Amount or Broken Amount is specified in the applicable Final Terms, the Periodic Distribution Amount payable in respect of each Certificate shall be calculated by applying the rate or rates (expressed as a percentage per annum) specified in the applicable Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the applicable Final Terms (the **Rate**) applicable to the relevant Return Accumulation Period to:

- (a) in the case of Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Certificates represented by such Global Certificate; or
- (b) in the case of Certificates in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Certificate in definitive form is a multiple of the Calculation Amount, the amount of profit distribution payable in respect of such Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of Periodic Distribution Amount in accordance with this Condition:

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accrual Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of

Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accrual Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Return Accrual Commencement Date or the final Periodic Distribution Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

6.4 Cessation of Profit Entitlement

No further amounts will be payable on any Certificate from and including the Scheduled Dissolution Date or, as the case may be, the relevant Dissolution Date, unless default is made in the payment of the relevant Dissolution Amount as a result of the failure of DIB to pay the relevant Exercise Price and enter into a sale agreement in accordance with the terms of the Purchase Undertaking or the Sale Undertaking, as the case may be, in which case Periodic Distribution Amounts will continue to accrue in respect of the Certificates in the manner provided in this Condition to the earlier of: (i) the Relevant Date or (ii) the date on which a sale agreement is executed in accordance with the terms of the Purchase Undertaking or the Sale Undertaking, as the case may be.

7. FLOATING PERIODIC DISTRIBUTION PROVISIONS

7.1 Application

This Condition is applicable to Floating Rate Certificates only.

7.2 Periodic Distribution Amount

Subject to Condition 4.2 and 8, the Principal Paying Agent shall distribute to holders *pro rata* to their respective holdings, out of amounts transferred to the Transaction Account pursuant to the terms of the Service Agency Agreement and the other Transaction Documents, a distribution in relation to the Certificates on either:

- (a) the Specified Periodic Distribution Date(s) in each year specified in the applicable Final Terms; or

- (b) if no Specified Periodic Distribution Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Periodic Distribution Date, a **Periodic Distribution Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Periodic Distribution Date or, in the case of the first Periodic Distribution Date, after the Return Accrual Commencement Date.

In relation to each Periodic Distribution Date, the distribution payable will be equal to the Periodic Distribution Amount payable in respect of the Return Accumulation Period ending immediately before that Periodic Distribution Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Periodic Distribution Date should occur or (y) if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 7.2(b), the Floating Rate Convention, such Periodic Distribution Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Periodic Distribution Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Periodic Distribution Date occurred; or
- (B) the Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

In these Conditions:

Business Day means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre (other than T2) specified in the applicable Final Terms;
- (b) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (T2) System (**T2**) is open for the settlement of payments in euro (**TARGET Settlement Day**); and
- (c) either (i) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the specified currency is Australian dollars or New Zealand dollars shall be Melbourne and Wellington, respectively), (ii) in relation to any sum payable in euro, a TARGET Settlement Day; or (iii) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which

commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong.

7.3 **Screen Rate Determination for Floating Rate Certificates not referencing SOFR or SONIA**

If Screen Rate Determination not referencing SOFR or SONIA is specified in the applicable Final Terms as the manner in which the rate or rates (expressed as a percentage per annum) specified in the applicable Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the applicable Final Terms (the **Rate**) is to be determined, and the Reference Rate is specified in the applicable Final Terms as being a Reference Rate other than SONIA or SOFR, the Rate applicable to the Certificates for each Return Accumulation Period will be determined by the Calculation Agent on the following basis:

- (a) if the Reference Rate specified in the applicable Final Terms is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Periodic Distribution Determination Date;
- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Periodic Distribution Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (i) request each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Periodic Distribution Determination Date to prime banks in the London or Eurozone interbank market, as the case may be, in an amount that is representative for a single transaction in that market at that time; and
 - (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Return Accumulation Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Return Accumulation Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate for such Return Accumulation Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Return Accumulation Period, but without prejudice to Condition 7.6 below, the Rate applicable to the Certificates during such Return Accumulation Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Certificates in respect of a preceding Return Accumulation Period.

If the Rate cannot be determined because of the occurrence of a Benchmark Event (or, if applicable, a Benchmark Transition Event and its related Benchmark Replacement Date), the Rate shall be calculated in accordance with the terms of Condition 7.6.

In these Conditions:

Reference Banks means the principal office of four major banks selected by or on behalf of the Trustee in the inter-bank market of the Relevant Financial Centre;

Reference Rate means one of the following benchmark rates (as specified in the applicable Final Terms) in respect of the currency and period specified in the applicable Final Terms:

- (A) Euro-zone interbank offered rate (**EURIBOR**);
- (B) Shanghai interbank offered rate (**SHIBOR**);
- (C) Hong Kong interbank offered rate (**HIBOR**);
- (D) Singapore interbank offered rate (**SIBOR**);
- (E) Kuala Lumpur interbank offered rate (**KLIBOR**);
- (F) Emirates interbank offered rate (**EIBOR**);
- (G) Saudi Arabia interbank offered rate (**SAIBOR**);
- (H) Australia Bank Bill Swap (**BBSW**);
- (I) Prague interbank offered rate (**PRIBOR**);
- (J) CNH Hong Kong interbank offered rate (**CNH HIBOR**);
- (K) Turkish Lira interbank offered rate (**TLREF**);
- (L) Tokyo interbank offered rate (**TIBOR**);
- (M) SOFR; and
- (N) SONIA;

Relevant Financial Centre means the financial centre specified in the applicable Final Terms;

Relevant Screen Page means the page, section or other part of a particular information service specified as the Relevant Screen Page in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate; and

Relevant Time means the time specified as such in the applicable Final Terms.

7.4 Screen Rate Determination for Floating Rate Certificates referencing SOFR or SONIA (other than where in the applicable Final Terms the Reference Rate is specified as being SONIA and the Calculation Method is specified as being “SONIA Index”)

If Screen Rate Determination referencing SOFR or SONIA is specified in the applicable Final Terms for Certificates referencing SOFR or SONIA as the manner in which the Rate is to be determined and the Reference Rate is specified in the applicable Final Terms as being SONIA or SOFR (other than where the Calculation Method is specified as being “SONIA Index”):

- (a) Where the Calculation Method is specified in the applicable Final Terms as being “Compounded Daily”, the Rate of for each Return Accumulation Period will, subject as provided below, be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent, where:

Compounded Daily Reference Rate means, with respect to Return Accumulation Period, the rate of return of a daily compounded interest in the Specified Currency (with the applicable Reference Rate (as indicated in the applicable Final Terms and further provided for below) as the reference rate for the calculation of profit) and will be calculated by the Calculation Agent on the Periodic Distribution Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{r_i - pBD \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

Applicable Period means,

- (i) where **Lag, Lock-out** or **Payment Delay** is specified as the Observation Method in the applicable Final Terms, the relevant Return Accumulation Period; and
- (ii) where **Observation Shift** is specified as the Observation Method in the applicable Final Terms, the Observation Period relating to such Return Accumulation Period;

Business Day or **BD**, in this Condition 7.4 means (i) where “SOFR” is specified as the Reference Rate, a U.S. Government Securities Business Day or (ii) where “SONIA” is specified as the Reference Rate in the applicable Final Terms, a London Business Day;

D is the number specified in the applicable Final Terms;

d means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

d₀ means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

Effective Periodic Distribution Date means any date or dates specified as such in the applicable Final Terms;

i means, for the relevant Applicable Period, a series of whole numbers from one to d₀, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period;

Lock-out Period means the period from, and including, the day following the Periodic Distribution Determination Date to, but excluding, the corresponding Periodic Distribution Date;

n_i, for any Business Day “i” in the Applicable Period, means the number of calendar days from and including such Business Day “i” up to but excluding the following Business Day;

New York Fed’s Website means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York;

Observation Period means, in respect of a Return Accumulation Period, the period from and including the date falling “p” Business Days prior to the first day of the relevant Return Accumulation Period and ending on, but excluding, the date which is “p” Business Days prior to the Periodic Distribution Date for such Return Accumulation Period (or the date falling “p” Business Days prior to such earlier date, if any, on which the Certificates become due and payable);

p means, for any Return Accumulation Period:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or, if no such number is specified five Business Days);
- (ii) where “Lock-out” or “Payment Delay” is specified as the Observation Method in the applicable Final Terms, zero; or
- (iii) where “Observation Shift” or “SOFR Index” is specified as the Observation Method in the applicable Final Terms, the number of Business Days included

in the Observation Look-back Period specified in the applicable Final Terms (which shall not be less than five Business Days without the consent of the Principal Paying Agent);

r means:

- (i) where in the applicable Final Terms “SONIA” is specified as the Reference Rate and either “Lag” or “Observation Shift” is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (ii) where in the applicable Final Terms “SOFR” is specified as the Reference Rate and either “Lag” or “Observation Shift” is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;
- (iii) where in the applicable Final Terms “SONIA” is specified as the Reference Rate and “Lock-out” is specified as the Observation Method:
 - (a) in respect of any Business Day “i” that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and
 - (b) in respect of any Business Day “i” that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Return Accumulation Period (such last Reference Day coinciding with the Periodic Distribution Determination Date);
- (iv) where in the applicable Final Terms “SOFR” is specified as the Reference Rate and “Lock-out” is specified as the Observation Method:
 - (a) in respect of any Business Day “i” that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day, and
 - (b) in respect of any Business Day “i” that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Return Accumulation Period (such last Reference Day coinciding with the Periodic Distribution Determination Date);
- (v) where in the applicable Final Terms “SONIA” is specified as the Reference Rate and “Payment Delay” is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day, provided however that, in the case of the last Return Accumulation Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Scheduled Dissolution Date or the date fixed for redemption, as applicable, “r” shall be the SONIA rate in respect of the Rate Cut-off Date;
- (vi) where in the applicable Final Terms “SOFR” is specified as the Reference Rate and “Payment Delay” is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, provided however that, in the case of the last Return Accumulation Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Scheduled Dissolution Date or the date fixed for redemption, as applicable, “r” shall be the SOFR in respect of the Rate Cut-off Date;

Rate Cut-off Date has the meaning given in the applicable Final Terms;

Reference Day means each Business Day in the relevant Return Accumulation Period, other than any Business Day in the Lock-out Period;

ri-pBD means the applicable Reference Rate as set out in the definition of “r” above for, (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the Business Day (being a Business Day falling in the relevant Observation Period) falling “p” Business Days prior to the relevant Business Day “i” or, (ii) otherwise, the relevant Business Day “i”;

SOFR means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed’s Website, in each case on or about 5:00 p.m. (New York City Time) on the Business Day immediately following such Business Day (the SOFR Determination Time);

SONIA means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day; and

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (b) Where the Calculation Method is specified in the applicable Final Terms as being “Weighted Average”, the Rate for each Return Accumulation Period will, subject to as provided below, be the Weighted Average Reference Rate (as defined below) plus or minus (as indicated in the applicable Final Terms) the Margin and will be calculated by the Calculation Agent on the Periodic Distribution Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

Lock-out Period has the meaning set out in paragraph (a) above;

Observation Period has the meaning set out in paragraph (a) above;

Reference Day has the meaning set out in paragraph (a) above;

Weighted Average Reference Rate means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Return Accumulation Period, calculated by multiplying each relevant Reference Rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Return Accumulation Period, provided however that for any calendar day of

such Return Accumulation Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

- (c) Where the Calculation Method is specified in the applicable Final Terms as being “SOFR Index”, the Rate for each Return Accumulation Period will, subject as provided below, be Compounded SOFR (as defined below) plus or minus (as indicated in the applicable Final Terms) the Margin and will be calculated by the Calculation Agent, on the Periodic Distribution Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

Compounded SOFR means:

$$\left(\frac{\text{SOFR Index}_{\text{End}}}{\text{SOFR Index}_{\text{Start}}} - 1 \right) \times \left(\frac{360}{d_c} \right)$$

where “ d_c ” is the number of calendar days from (and including) $\text{SOFR Index}_{\text{Start}}$ to (but excluding) $\text{SOFR Index}_{\text{End}}$ (the number of calendar days in the relevant Observation Period);

SOFR Averages shall mean the computation bearing the same name as published on the New York Fed's Website;

SOFR Index with respect to any U.S. Government Securities Business Day, means:

- (i) the SOFR Index value as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) as such index appears on the New York Fed's Website at 5.00 p.m. (New York City time) on such U.S. Government Securities Business Day (the **SOFR Determination Time**); or
- (ii) if a SOFR Index value does not so appear as specified in paragraph (a) above at the SOFR Determination Time, then:
 - (a) if a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to the then-current Benchmark, Compounded SOFR shall be the SOFR Index Unavailable value; or
 - (b) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, Compounded SOFR shall be the rate determined pursuant to Condition 7.6;

SOFR Index_{End} is the SOFR Index value for the day which is “p” U.S. Government Securities Business Days preceding the Periodic Distribution Date relating to such Return Accumulation Period;

SOFR Index_{Start} is the SOFR Index value for the day which is “p” U.S. Government Securities Business Days preceding the first date of the relevant Return Accumulation Period;

SOFR Index Unavailable means if a $\text{SOFR Index}_{\text{Start}}$ or $\text{SOFR Index}_{\text{End}}$ is not published on the associated Periodic Distribution Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to the then-current Benchmark, Compounded SOFR means, for the relevant Return Accumulation Period for which such index is not available, the rate of return on a daily compounded interest calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the New York Fed's Website at <https://www.newyorkfed.org/markets/treasury-repo-reference-ratesinformation>;

For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to “calculation period” shall be replaced with “Observation Period” and the words “that is, 30-, 90-, or 180- calendar days” shall be removed. If the daily SOFR does not so appear for any day, “i” in the Observation Period, SOFR for such day “i” shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the New York Fed’s Website.

- (d) Where “SONIA” is specified as the Reference Rate in the applicable Final Terms, if, in respect of any Business Day, SONIA (as defined in paragraph (a) above) is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall be:
 - (i) the Bank of England’s Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant Business Day; plus the mean of the spread of SONIA to the Bank Rate over the previous five days on which SONIA has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (ii) subject to Condition 7.6, if such Bank Rate is not available, the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors),

and in each case, “r” shall be interpreted accordingly.

- (e) Where “SOFR” is specified as the Reference Rate in the applicable Final Terms, if, in respect of any Business Day, SOFR (as defined in paragraph (a) above), is not available, subject to Condition 7.6, such Reference Rate shall be the SOFR for the first preceding Business Day on which the SOFR was published on the New York Fed’s Website (as defined in paragraph (a) above) and “r” shall be interpreted accordingly;
- (f) In the event that the Rate cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 7.6, the Rate shall be that determined (i) as at the last preceding Periodic Distribution Determination Date (though substituting, where a different Margin is to be applied to the relevant Return Accumulation Period from that which applied to the last preceding Return Accumulation Period, the Margin relating to the relevant Return Accumulation Period, in place of the Margin relating to that last preceding Return Accumulation Period) or (ii) if there is no such preceding Periodic Distribution Determination Date, the initial Rate which would have been applicable to such Series for the first Return Accumulation Period had the Certificates been in issue for a period equal in duration to the scheduled first Return Accumulation Period but ending on (and excluding) the Return Accrual Commencement Date (but applying the Margin applicable to the first Return Accumulation Period).
- (g) If the relevant Series of Certificates become due and payable in accordance with Condition 14, the final Periodic Distribution Determination Date shall, notwithstanding any Periodic Distribution Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Certificates became due and payable and the Rate on such Certificates shall, for so long as any such Certificates remains outstanding, be that determined on such date.

For the purposes of this Condition 7.4:

If “Payment Delay” is specified in the applicable Final Terms as being applicable, all references in these Conditions to profit on the Certificates being payable on a Periodic

Distribution Date shall be read as references to profit on the Certificates being payable on an Effective Periodic Distribution Date instead.

7.5 Screen Rate Determination for Floating Rate Certificates referencing SONIA where in the applicable Final Terms the Calculation Method is specified as being “SONIA Index”

If Screen Rate Determination referencing SOFR or SONIA is specified in the applicable Final Terms for Certificates as the manner in which the Rate is to be determined, the Reference Rate is specified in the applicable Final Terms as being SONIA and the Calculation Method specified in the applicable Final Terms is “SONIA Index”, the Rate for each Return Accumulation Period will, subject as provided below, be the Compounded Daily SONIA Rate (as defined below) plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined and calculated by the Calculation Agent:

Compounded Daily SONIA Rate means, with respect to a Return Accumulation Period, as determined by reference to the screen rate or index for compounded daily SONIA administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to time at the relevant time on the relevant Periodic Distribution Determination Date, as further specified in the applicable Final Terms (the **SONIA Compounded Index**) and in accordance with the following formula:

Compounded Daily SONIA Rate =

$$\left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

d is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{Start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

Relevant Number is as specified in the applicable Final Terms (or, if no such number is specified, five);

SONIA Compounded Index_{Start} means, with respect to a Return Accumulation Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the first day of the relevant Return Accumulation Period, or (B) in the case of the first Return Accumulation Period, the Issue Date; and

SONIA Compounded Index_{End} means, with respect to a Return Accumulation Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Periodic Distribution Date for such Return Accumulation Period, or (B) such other date on which the relevant payment of profit falls due (but which by its definition or the operation of the relevant provisions is excluded from such Return Accumulation Period).

- (a) In the event that the Rate cannot be determined in accordance with the foregoing provisions (unless the Calculation Agent has been notified of any Successor Rate or Alternative Reference Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 7.6, if applicable), the Rate shall be determined in accordance with Condition 7.4(d).
- (b) If the Certificates become due and payable in accordance with Condition 14, the final Rate shall be calculated for the Return Accumulation Period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accrual Commencement Date) to (but excluding) the date on which the Certificates become so due and payable, and such Rate shall continue to apply to the Certificates for so long as profit continues to accrue thereon as provided in Condition 7.7.

7.6 Benchmark Replacement

(1) Independent Adviser

Notwithstanding the other provisions of this Condition 7.6 but subject, in the case of Certificates linked to SONIA, to Condition 7.4(d) or Condition 7.5, as applicable, taking precedence if the Trustee and DIB, following consultation with the Calculation Agent, determine that a Benchmark Event has occurred in relation to the relevant Reference Rate specified in the applicable Final Terms when any Rate (or the relevant component part thereof) applicable to the Certificates for any Return Accumulation Period remains to be determined by such Reference Rate, then the following provisions shall apply:

- (a) the Trustee and DIB shall use their reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine no later than ten Business Days prior to the relevant Periodic Distribution Determination Date relating to the next succeeding Return Accumulation Period (the **IA Determination Cut-Off Date**), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate and, in either case, and if applicable an Adjustment Spread for the purposes of determining the Rate (or the relevant component part thereof) applicable to the Certificates;
- (b) if (A) the Trustee and DIB are unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by the Trustee and DIB fails to determine a Successor Rate or, failing which, an Alternative Reference Rate and/or, in either case, an Adjustment Spread in accordance with this Condition 7.6 prior to the relevant IA Determination Cut-Off Date, then DIB (acting in good faith and in a commercially reasonable manner) may elect to determine the Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and/or, in either case, an Adjustment Spread itself for the purposes of determining the Rate (or the relevant component part thereof) applicable to the Certificates or, if applicable, any Benchmark Amendments, to ensure the proper operation of such Successor Rate or Alternative Reference Rate and/or (in either case) the applicable Adjustment Spread (with the relevant provisions in this Condition 7.6 applying *mutatis mutandis*) to allow such determinations to be made by DIB without consultation with the Independent Adviser;
- (c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Return Accumulation Periods in respect of such Certificates (subject to the subsequent operation of, and to adjustment as provided in, this Condition 7.6);
- (d) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) provided however, if the Independent Adviser (following consultation with the Trustee and DIB), or DIB (acting in good faith and in a commercially reasonable manner) fails to determine the Adjustment Spread in accordance with this Condition 7.6 prior to the relevant Periodic Distribution Determination Date then the Successor Rate or Alternative Reference Rate as determined in accordance with this Condition 7.6 will apply without an Adjustment Spread;
- (e) if any Successor Rate, Alternative Reference Rate or Adjustment Spread is determined in accordance with this Condition 7.6 and the Independent Adviser (following consultation with the Trustee and DIB), or DIB (acting in good faith and in a commercially reasonable manner), as applicable, determines: (A) that amendments to these Conditions, the Master Trust Deed and/or any other Transaction Document (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day, Business Day Convention, Periodic Distribution Determination Date or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark

Amendments, then, at the direction and expense of DIB and subject to delivery of a notice in accordance with Condition 7.6(f) and the certificate in accordance with this Condition 7.6(e): (x) the Trustee and DIB shall vary these Conditions, the Master Trust Deed and/or any other Transaction Document to give effect to such Benchmark Amendments with effect from the date specified in such notice; and (y) the Delegate and the Agents shall (at DIB's expense), without any requirement for the consent or sanction of the Certificateholders, be obliged to concur with the Trustee and DIB in effecting such Benchmark Amendments, provided that none of the Delegate nor any Agent shall be required to effect any such Benchmark Amendments if the same would impose, in its opinion, more onerous obligations upon it or expose it to any liability against which it is not adequately indemnified and/or secured and/or prefunded to its satisfaction or impose any additional duties, responsibilities or liabilities or reduce or amend its rights and/or the protective provisions afforded to it.

Prior to any such Benchmark Amendments taking effect, DIB shall provide a certificate signed by two Authorised Signatories of DIB to the Trustee, the Delegate and the Principal Paying Agent, certifying that such Benchmark Amendments are: (x) in DIB's reasonable opinion (following consultation with the Trustee and the Independent Adviser), necessary to give effect to any application of this Condition 7.6; and (y) in each case, have been drafted solely to such effect, and the Trustee, the Delegate and the Agents shall be entitled to rely on such certificates without further enquiry or liability to any person. For the avoidance of doubt, none of the Delegate or any Agent shall be liable to the Certificateholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such Certificateholder or person;

- (f) the Trustee (failing which, DIB) shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and the specific terms of any Benchmark Amendments, give notice to the Delegate, the Agents (such notice to be delivered not less than 10 Business Days prior to the date on which such Benchmark Amendments are due to come into effect) and, in accordance with Condition 17, the Certificateholders confirming: (A) that a Benchmark Event has occurred; (B) the Successor Rate or Alternative Reference Rate (as applicable); (C) any applicable Adjustment Spread; and (D) the specific terms of the Benchmark Amendments (if any), in each case, as determined in accordance with the provisions of this Condition 7.6;
- (g) if, following the occurrence of a Benchmark Event and in relation to the determination of the Rate (or the relevant component part thereof) on the immediately following Periodic Distribution Determination Date, no Successor Rate or Alternative Reference Rate (as applicable) is determined pursuant to this provision, then the Rate (or the relevant component part thereof) applicable to the Certificates during the relevant Return Accumulation Period will be the sum of the Margin and the rate (or as the case may be) the arithmetic mean last determined in relation to the Certificates in respect of a preceding Return Accumulation Period. For the avoidance of doubt, this Condition 7.6(g) shall apply to the relevant Return Accumulation Period only and any subsequent Return Accumulation Periods are subject to the subsequent operation of and to adjustment as provided in, this Condition 7.6; and
- (h) the Independent Adviser appointed pursuant to this Condition 7.6 shall act and make all determinations pursuant to this Condition 7.6 in good faith and the Independent Adviser shall act as an expert. In the absence of, bad faith, wilful default or fraud, none of the Independent Adviser, the Trustee and DIB shall have any liability whatsoever to the Certificateholders in connection with any determination made by it or, in the case of the Independent Adviser, for any advice given to DIB in connection with any determination made by DIB pursuant to this Condition 7.6.

Notwithstanding any other provision of this Condition 7, if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 7, the Calculation Agent shall promptly notify the Trustee and DIB

thereof and the Trustee, following consultation with the Independent Adviser (if appointed), shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Trustee and DIB thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

In these Conditions:

Adjustment Spread means either a spread (which may be positive, negative or zero), or a formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the relevant Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (j) (if no such recommendation has been made, or in the case of an Alternative Reference Rate) the Independent Adviser (following consultation with the Trustee and DIB) determine is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the relevant Reference Rate; or
- (k) (if the Independent Adviser (following consultation with the Trustee and DIB) determines that no such spread, formula or methodology is customarily applied) the Independent Adviser (following consultation with the Trustee and DIB) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the relevant Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or
- (l) (if the Independent Adviser (following consultation with the Trustee and DIB) determines that there is no such industry standard) the Independent Adviser (following consultation with the Trustee and DIB) or DIB (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate;

Alternative Reference Rate means an alternative benchmark or screen rate which the Independent Adviser (following consultation with the Trustee and DIB) determines, in accordance with this Condition 7.6, is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Certificates and of a comparable duration to the relevant Return Accumulation Period or, if the Independent Adviser or DIB (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or DIB (as applicable) determines in their sole discretion is most comparable to the relevant Reference Rate;

Benchmark Event means: (i) the relevant Reference Rate ceasing to be published as a result of such benchmark ceasing to be calculated or administered or ceasing to exist for at least five Business Days; or (ii) a public statement by the administrator of the relevant Reference Rate that it has ceased or that it will, by a specified future date, cease publishing the relevant Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate, that the relevant Reference Rate has been or will be, by a specified future date, permanently or indefinitely discontinued; or (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate as a consequence of which, by a specified future date, the relevant Reference Rate will be prohibited from being used either generally, or in respect of the Certificates; or (v) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of an underlying market or (vi)

it has become unlawful for the Trustee, DIB, the Calculation Agent or any Paying Agent to calculate any payments due to be made to any Certificateholder using the relevant Reference Rate, provided that, where the relevant Benchmark Event is a public statement within sub-paragraphs (ii), (iii), (iv) and (v) above, and the relevant specified future date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such specified future date;

Financial Stability Board means the organisation established by the Group of Twenty (G20) in April 2009;

Independent Adviser means an independent financial institution of international repute or an independent adviser with appropriate expertise appointed by the Trustee and DIB at DIB's expense;

Relevant Nominating Body means, in respect of a Reference Rate: (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of: (A) the central bank for the currency to which the Reference Rate relates; (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; (C) a group of the aforementioned central banks or other supervisory authorities; or (D) the Financial Stability Board or any part thereof; and

Successor Rate means the rate that the Independent Adviser (in consultation with the Trustee and DIB) or DIB, as applicable, determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body.

(2) ARRC

This Condition 7.6(2) shall apply, in the case of Certificates for which the Specified Currency specified in the applicable Final Terms is U.S. dollars and the Reference Rate specified in the applicable Final Terms is SOFR, if in the applicable Final Terms "Condition 7.6(2) is applicable" is specified as the Benchmark Replacement fallback.

If the Trustee and DIB determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Certificates in respect of all determinations on such date and for all determinations on all subsequent dates.

In connection with the implementation of a Benchmark Replacement, the Trustee and DIB shall have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of Certificateholders. The Delegate and each of the Agents shall, at the direction and expense of DIB effect such consequential amendments to these Conditions, the Master Trust Deed and the other Transaction Documents as may be required to give effect to this Condition 7.6(2), provided that none of the Delegate nor any Agent shall be required to effect any such amendments if the same would impose, in its opinion, more onerous obligations upon it or expose it to any liability against which it is not adequately indemnified and/or secured and/or prefunded to its satisfaction or impose any additional duties, responsibilities or liabilities or reduce or amend its rights and/or the protective provisions afforded to it.

Any determination, decision or election that may be made by the Trustee and DIB pursuant to this Condition 7.6(2), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (a) will be conclusive and binding absent manifest error;

- (b) will be made in the sole discretion of the Trustee and DIB (acting in good faith and in a commercially reasonable manner); and
- (c) notwithstanding anything to the contrary in the documentation relating to the Certificates, shall become effective without consent from the holders of the Certificates or any other party.

DIB shall promptly, following the determination of any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, give notice to the Trustee, the Delegate and the Principal Paying Agent and, in accordance with Condition 17, the Certificateholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Certificateholders of the same, DIB shall deliver to the Trustee, the Delegate and the Principal Paying Agent a certificate signed by two Authorised Signatories of DIB;

- (a) confirming (x) that a Benchmark Transition Event has occurred; (y) the relevant Benchmark Replacement; and (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 7.6(2); and
- (b) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

In these Conditions:

Benchmark means, initially, SOFR; provided that if the Trustee and DIB determine on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then Benchmark shall mean the applicable Benchmark Replacement;

Benchmark Replacement means the first alternative set forth in the order below that can be determined by the Trustee and DIB as of the Benchmark Replacement Date:

- (a) the sum of: (i) the alternate rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (ii) the Benchmark Replacement Adjustment;
- (b) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment; or
- (c) the sum of: (i) the alternate rate that has been selected by the Trustee and DIB as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate instruments at such time and (ii) the Benchmark Replacement Adjustment;

Benchmark Replacement Adjustment means the first alternative set forth in the order below that can be determined by the Trustee and DIB as of the Benchmark Replacement Date:

- (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Trustee and DIB giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the

replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate instruments at such time;

Benchmark Replacement Conforming Changes means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of profit, rounding of amounts or tenors, and other administrative matters) that the Trustee and DIB decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Trustee decides that adoption of any portion of such market practice is not administratively feasible or if the Trustee and DIB determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Trustee and DIB determine is reasonably necessary);

Benchmark Replacement Date means the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of paragraph (a) or (b) of the definition of “Benchmark Transition Event”, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (b) in the case of paragraph (c) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

Benchmark Transition Event means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

ISDA means the International Swaps and Derivative Association, Inc. or any successor thereto;

ISDA Definitions means (a) if “2006 ISDA Definitions” is specified in the applicable Final Terms, the 2006 ISDA Definitions, as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Certificates; or (b) if “2021 ISDA Definitions” is specified in the applicable Final Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Certificates;

ISDA Fallback Adjustment means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

ISDA Fallback Rate means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

Reference Time with respect to any determination of the Benchmark means (i) if the Benchmark is SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not SOFR, the time determined by the Trustee and DIB after giving effect to the Benchmark Replacement Conforming Changes;

Relevant Governmental Body means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

Unadjusted Benchmark Replacement means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

7.7 Cessation of Profit Entitlement

No further amounts will be payable on any Certificate from and including the Scheduled Dissolution Date or, as the case may be, the relevant Dissolution Date, unless default is made in the payment of the relevant Dissolution Amount, as a result of the failure of DIB to pay the relevant Exercise Price and enter into a sale agreement in accordance with the terms of the Purchase Undertaking or the Sale Undertaking, as the case may be, in which case Periodic Distribution Amounts will continue to accrue in respect of the Certificates in the manner provided in this Condition to the earlier of (i) the Relevant Date or (ii) the date on which a sale agreement is executed in accordance with the terms of the Purchase Undertaking or the Sale Undertaking, as the case may be.

7.8 Calculation of Periodic Distribution Amount

The Calculation Agent will, as soon as practicable after the time at which the Rate is to be determined in relation to each Return Accumulation Period, calculate the Periodic Distribution Amount payable in respect of each Certificate for such Return Accumulation Period. The Periodic Distribution Amount will be calculated by applying the Rate applicable to the relevant Return Accumulation Period to:

- (a) in the case of Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Certificates represented by such Global Certificate; or
- (b) in the case of Certificates in definitive form, the Calculation Amount;

and, in each case, multiplying the product by the relevant Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). Where the Specified Denomination of a Certificate in definitive form is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

Day Count Fraction means, in respect of the calculation of a Periodic Distribution Amount in accordance with this Condition:

- (a) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return Accumulation Period falls in a leap year, the sum of (A) the actual number of

days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);

- (b) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365;
- (c) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;
- (d) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 360;
- (e) if “30/360” “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number is 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31, in which case D₂ will be 30;

- (g) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Return Accumulation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless (i) that day is the last day of February but not the Scheduled Dissolution Date or (ii) such number would be 31, in which case D₂ will be 30.

7.9 Calculation of Other Amounts

If the applicable Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent.

7.10 Publication

The Calculation Agent will cause each Rate and Periodic Distribution Amount determined by it, together with the relevant Periodic Distribution Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Trustee, DIB, the Delegate, the Paying Agents as soon as practicable after such determination but (in the case of each Rate, Periodic Distribution Amount and Periodic Distribution Date) in any event not later than the fourth day after such determination. Notice thereof shall also promptly be given to the Certificateholders. The Calculation Agent will be required to recalculate any Periodic Distribution Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Return Accumulation Period and any such recalculation will be notified to the Trustee, DIB, the Delegate, the Paying Agents and the Certificateholders as soon as practicable after such determination.

7.11 Notifications, etc. to be final

All communications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition by the

Calculation Agent will (in the absence of wilful default, bad faith or manifest or proven error) be binding on the Trustee, the Delegate, DIB, the Agents and all Certificateholders and (in the absence of wilful default or bad faith) no liability shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

7.12 **Calculation Agent**

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent or (without prejudice to Condition 7.11) fails duly to determine any Rate, Periodic Distribution Amount and/or Periodic Distribution Date in accordance with the above provisions, the Trustee shall forthwith appoint another leading investment, merchant or commercial bank or financial institution to act as such in its place. The Calculation Agent may not be removed without a successor having been appointed as aforesaid.

8. **PAYMENT**

8.1 **Payments in respect of the Certificates**

Subject to Condition 8.2:

- (a) payment in a Specified Currency other than Renminbi of any Dissolution Amount and any Periodic Distribution Amount will be made by transfer to the registered account of each Certificateholder; and
- (b) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the Certificateholder with a bank in Hong Kong.

Payments of any Dissolution Amount will only be made against surrender of the relevant Certificate at the specified office of any of the Paying Agents. Each Dissolution Amount and each Periodic Distribution Amount will be paid to the holder shown on the Register at the close of business on the relevant Record Date.

In these Conditions:

- (a) **Dissolution Amount** means, as appropriate, the Final Dissolution Amount, the Early Dissolution Amount (Tax), the Optional Dissolution Amount (Call), the Optional Dissolution Amount (Certificateholder Put), the Dissolution Amount for the purposes of Condition 14 or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Final Terms;
- (b) **Payment Business Day** means:
 - (i) in the case where presentation and surrender of a definitive Certificate is required before payment can be made, a day on which banks in the relevant place of surrender of the definitive Certificate are open for presentation and payment of securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account:
 - (A) if the currency of payment is euro, day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
 - (B) if the currency of payment is not euro or Renminbi, any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Financial Centre; or
 - (C) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or

- (D) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, a day on which T2 is open;
- (c) a Certificateholder's **registered account** means, in the case of payment in Renminbi, the Renminbi account maintained by or on behalf of the Certificateholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the relevant Record Date or, in the case of a payment in a specified Currency other than Renminbi, the account maintained by or on behalf of such Certificateholder with a bank that processes such payments, details of which appear on the Register at the close of business on the relevant Record Date;
- (d) a Certificateholder's **registered address** means its address appearing on the Register at that time; and
- (e) **Record Date** means (i) (where the Certificate is represented by a Global Certificate), at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the Periodic Distribution Date, Scheduled Dissolution Date or Dissolution Date, as the case may be; or (ii) (where the Certificate is in definitive form), in the case of the payment of a Periodic Distribution Amount, the date falling at the close of business on the fifth day (in the case of Renminbi) and on the fifteenth day (in the case of a specified currency other than Renminbi) (whether or not such fifth day fifteenth day is a business day) before the relevant Periodic Distribution Date and, in the case of the payment of a Dissolution Amount, the date falling two Payment Business Days before the Scheduled Dissolution Date or Dissolution Date, as the case may be.

8.2 Payments subject to Applicable Laws

Payments in respect of Certificates are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 11, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 11) any law implementing an intergovernmental approach thereto.

8.3 Payment only on a Payment Business Day

Payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the due date for payment or, in the case of a payment of any Dissolution Amount, if later, on the Payment Business Day on which the relevant definitive Certificate is surrendered at the specified office of a Paying Agent for value as soon as practicable thereafter.

Certificateholders will not be entitled to any additional payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day or if the relevant Certificateholder is late in surrendering its definitive Certificate (if required to do so).

If the amount of any Dissolution Amount or Periodic Distribution Amount is not paid in full when due, the Registrar will annotate the Register with a record of the amount in fact paid.

8.4 RMB account

All payments in respect of any Certificate or Periodic Distribution Amount in RMB will be made solely by credit to a registered RMB account maintained by or on behalf of the payee at a bank in Hong Kong in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of RMB in Hong Kong).

RMB Currency Event

If the Specified Currency of the Certificates is RMB and an RMB Currency Event, as determined by DIB or the Trustee acting in good faith, exists on a date for payment of any Dissolution Amount or Periodic Distribution Amount (in whole or in part) in respect of any Certificate, the Trustee's obligation to make a payment in RMB under the terms of the Certificates may be replaced by an obligation to pay such amount (in whole or in part) in the Relevant Currency and converted using the Spot Rate for the relevant Determination Date as promptly notified to the Trustee and the Paying Agents.

Upon the occurrence of an RMB Currency Event, the Trustee shall give notice as soon as practicable to the Certificates in accordance with Condition 17 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

In such event, any payment of U.S. dollars will be made by transfer to a U.S. dollar denominated account maintained by the payee with a bank in New York City; and the definition of **Payment Business Day** in Condition 8.1 shall mean any day which (subject to Condition 12) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in: (A) in the case of Certificates in definitive form only, the relevant place of presentation; and (B) London and New York City.

For the purpose of this Condition 8:

Determination Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and New York City;

Determination Date means the day which is two Determination Business Days before the due date of the relevant payment under the Certificates, other than where the Trustee properly determines that a RMB Currency Event has occurred at any time during the period from and including 10:01 a.m. (Hong Kong time) on the second Determination Business Day preceding the original due date to and including 11:59 p.m. (Hong Kong time) on the original due date, in which case the **Determination Date** will be the Determination Business Day immediately following the date on which the determination of the occurrence of a RMB Currency Event has been made;

Governmental Authority means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

Relevant Currency means U.S. dollars;

RMB Currency Events means any one of RMB Illiquidity, RMB Non-Transferability and RMB Inconvertibility;

RMB Illiquidity means the general RMB exchange market in Hong Kong becomes illiquid as a result of which the Trustee cannot obtain sufficient RMB in order to satisfy its obligation to pay an Periodic Distribution Amount or Dissolution Amount (in whole or in part) in respect of the Certificates, as determined by DIB or the Trustee acting in good faith and in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the RMB exchange market in Hong Kong;

RMB Inconvertibility means the occurrence of any event that makes it impossible for the Trustee to convert any amount due in respect of the Certificates into RMB on any payment date in the general RMB exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Trustee to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant

Series and it is impossible for the Trustee, due to an event beyond its control, to comply with such law, rule or regulation);

RMB Non-Transferability means the occurrence of any event that makes it impossible for the Trustee to deliver RMB between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong (including where the RMB clearing and settlement system for participating banks in Hong Kong is disrupted or suspended), other than where such impossibility is due solely to the failure of the Trustee to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Trustee, due to an event beyond its control, to comply with such law, rule or regulation); and

Spot Rate means the spot CNY/U.S.\$ exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent shall determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by the State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8.4 by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Trustee, the Agents and all RMB Certificateholders.

9. AGENTS

9.1 Agents of Trustee

In acting under the Agency Agreement and in connection with the Certificates, the Agents act solely as agents of the Trustee and (to the extent provided therein) the Delegate and do not assume any obligations towards or relationship of agency or trust for or with any of the Certificateholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

9.2 Specified Offices

The initial Agents are set out in the Agency Agreement. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms. The Trustee reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided, however, that:

- (a) there will at all times be a Principal Paying Agent;
- (b) there will at all times be a Registrar;
- (c) if a Calculation Agent (other than the Principal Paying Agent) has been appointed in the applicable Final Terms, there will at all times be a Calculation Agent; and
- (d) so long as any Certificates are admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system, there will at all times be a Paying Agent,

Registrar and a Transfer Agent having its specified office in such place (if any) as may be required by the rules of such listing authority, stock exchange and/or quotation system; and

- (e) there will at all times be a Paying Agent (which may be the Principal Paying Agent) located in a jurisdiction within Europe other than the jurisdiction in which the Trustee or DIB is incorporated.

Notice of any termination or appointment and of any changes in specified offices will be given to the Certificateholders promptly by the Trustee in accordance with Condition 17.

10. CAPITAL DISTRIBUTIONS OF THE TRUST

10.1 Scheduled Dissolution

Unless the Certificates are previously redeemed, or purchased and cancelled, in full, the Trustee will redeem each Certificate on the Scheduled Dissolution Date at the Final Dissolution Amount together with any Periodic Distribution Amounts payable. Upon payment in full of such amounts to the Certificateholders, the Trust will terminate, the Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

10.2 Early Dissolution for Tax Reasons

The Certificates may be redeemed by the Trustee in whole, but not in part:

- (a) at any time (if the Fixed Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable); or
- (b) on any Periodic Distribution Date (if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable),

(such date, the **Tax Dissolution Date**) on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 17 (which notice shall be irrevocable), at the Early Dissolution Amount (Tax) together with any due but unpaid Periodic Distribution Amount, if a Tax Event occurs where **Tax Event** means:

- (a) the determination by DIB that (1) the Trustee has or will become obliged to pay additional amounts as provided or referred to in Condition 11 as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 11) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series and (2) such obligation cannot be avoided by the Trustee taking reasonable measures available to it; or
- (b) the receipt by the Trustee of notice from DIB that (1) DIB has or will become obliged to pay additional amounts pursuant to the terms of the Service Agency Agreement, the Purchase Undertaking and/or the Sale Undertaking as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series and (2) such obligation cannot be avoided by DIB taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given unless an exercise notice has been received by the Trustee from DIB under the Sale Undertaking and no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which (in the case of (a) above) the Trustee would be obliged to pay such additional amounts if a payment in respect of the Certificates were then due or (in the case of (b) above) DIB would be obliged to pay such additional amounts if a payment to the Trustee under the Service Agency Agreement was then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Trustee shall deliver to the Delegate (i) a certificate signed by one director of the Trustee (in the case of (a) above) or two Authorised Signatories of DIB (in the case of (b) above) stating that the Trustee is entitled to effect such dissolution and redemption and setting forth a statement of facts showing that the conditions precedent in (a) or (b) above to the right of the Trustee so to dissolve have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Trustee or DIB, as the case may be, has or will become obliged to pay such additional amounts as a result of such change or amendment. The Delegate shall be entitled to accept (without further investigation) any such certificate and opinion as sufficient evidence thereof in which event it shall be conclusive and binding on the Certificateholders. Upon the expiry of any such notice as is referred to in this Condition 10.2, the Trustee shall be bound to redeem the Certificates at the Early Dissolution Amount (Tax) together with any due but unpaid Periodic Distribution Amount and, upon payment in full of such amounts to the Certificateholders, the Trust will terminate, the Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

10.3 Dissolution at the Option of the Trustee

If Optional Dissolution (Call) is specified in the applicable Final Terms as being applicable, the Certificates may be redeemed in whole but not in part on any Optional Dissolution Date, which must be a Periodic Distribution Date if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms, at the relevant Optional Dissolution Amount (Call) together with any due but unpaid Periodic Distribution Amounts on the Trustee giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 17 (which notice shall be irrevocable and shall oblige the Trustee to redeem the Certificates on the relevant Optional Dissolution Date). Upon such redemption, the Trust will terminate, the Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof; provided, however, that no such notice of redemption shall be given unless the Trustee has received an exercise notice from DIB under the Sale Undertaking.

Optional Dissolution (Call) and Certificateholder Put Option may not both be specified as applicable in the applicable Final Terms.

10.4 Dissolution at the option of the Certificateholders

If Certificateholder Put Option is specified in the applicable Final Terms as being applicable, upon the holder of any Certificate giving to the Trustee in accordance with Condition 17 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms the Trustee will, upon the expiry of such notice, redeem such Certificate on the Certificateholder Put Option Date and at the Optional Dissolution Amount (Certificateholder Put) together with any due but unpaid Periodic Distribution Amounts. Certificates may be redeemed under this Condition 10.4 in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Certificate the holder of this Certificate must, if this Certificate is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the Registrar at any time during normal business hours of the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from the specified office of the Registrar (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 10.4 and the face amount thereof to be redeemed and, if less than the full amount of the Certificates so surrendered is to be redeemed, an address to which a new Certificate in respect of the balance of such Certificate is to be sent subject to and in accordance with the provisions of Condition 2.2.

If this Certificate is represented by a Global Certificate or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Certificate

the holder of this Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on such Certificateholder's instruction by Euroclear, Clearstream, Luxembourg or any depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and if this Certificate is represented by a Global Certificate, at the same time present or procure the presentation of the relevant Global Certificate to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Certificate pursuant to this Condition 10.4 shall be irrevocable except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Certificates to be redeemed pursuant to Condition 14, in which event such holder, at its option, may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 10.4.

Certificateholder Put Option and Optional Dissolution (Call) may not both be specified as applicable in the applicable Final Terms.

10.5 **No other Dissolution**

The Trustee shall not be entitled to redeem the Certificates or dissolve the Trust, otherwise than as provided in this Condition, Condition 13 and Condition 14.

10.6 **Dissolution Date**

In these Conditions, the expression **Dissolution Date** means, as the case may be, (a) following the occurrence of a Dissolution Event (as defined in Condition 14), the date on which the Certificates are redeemed in accordance with the provisions of Condition 14, (b) the date on which the Certificates are redeemed in accordance with the provisions of Condition 10.2, (c) any Optional Dissolution Date or (d) any Certificateholder Put Option Date.

11. **TAXATION**

All payments in respect of the Certificates shall be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes, unless the withholding or deduction of the Taxes is required by law. In such event, the Trustee will pay additional amounts so that the full amount which otherwise would have been due and payable under the Certificates is received by the parties entitled thereto, except that no such additional amount shall be payable in relation to any payment in respect of any Certificate:

- (a) presented for payment (where presentation is required) in a Relevant Jurisdiction; or
- (b) the holder of which is liable for such Taxes in respect of such Certificate by reason of having some connection with a Relevant Jurisdiction other than the mere holding of such Certificate; or
- (c) presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Business Day.

As used in these Conditions:

Relevant Date means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the principal financial centre of the currency of payment by the Principal Paying Agent on or prior to such due date, the date on which the full amount has been so received and notice to that effect has duly been given to the Certificate holders in accordance with Condition 17;

Relevant Jurisdiction means: (i) in the case of payments to be made by the Trustee, the Cayman Islands; or (ii) in the case of payments to be made by DIB (acting in any capacity), the United Arab Emirates or any Emirate therein or, in each case, any political subdivision or authority thereof or therein having the power to tax; and

Taxes means any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction.

The Purchase Undertaking, the Sale Undertaking and the Service Agency Agreement provide that payments and transfers thereunder by DIB, shall be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes, unless the withholding or deduction of the Taxes is required by law and, in such case, provide for the payment or transfer, as the case may be, by DIB of additional amounts so that the full amount which would otherwise have been due and payable or transferable, as the case may be, is received by the Trustee.

12. PRESCRIPTION

The right to receive distributions in respect of the Certificates will be forfeited unless claimed within a period of 10 years (in the case of Dissolution Amounts) and a period of five years (in the case of Periodic Distribution Amounts) from the Relevant Date in respect thereof, subject to the provisions of Condition 8.

13. PURCHASE AND CANCELLATION OF CERTIFICATES

13.1 Purchases

DIB or any of its Subsidiaries may at any time purchase Certificates at any price in the open market or otherwise.

For the purposes of these Conditions, **Subsidiary** means, in relation to DIB, any entity whose financial statements at any time are required by law or in accordance with provisions of generally accepted accounting principles to be fully consolidated with those of DIB.

13.2 Cancellation of Certificates

All Certificates which are redeemed, and all Certificates purchased by or on behalf of DIB or any of its Subsidiaries and delivered by DIB to the Principal Paying Agent for cancellation, will forthwith be cancelled and accordingly such Certificates may not be held, reissued or resold.

14. DISSOLUTION EVENTS

Upon the occurrence and continuation of any of the following events (**Dissolution Events**):

- (a) default is made in the payment of any Dissolution Amount or any Periodic Distribution Amount on the due date for payment thereof and such default continues unremedied for a period of seven days; or
- (b) the Trustee fails to perform or observe any of its other duties, obligations or undertakings under the Transaction Documents and (except in any case where, in the opinion of the Delegate, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days following the service by the Delegate of a notice on the Trustee requiring the same to be remedied; or
- (c) a DIB Event (as defined in the Purchase Undertaking) occurs; or
- (d) the Trustee repudiates any Transaction Document or does or causes to be done any act or thing evidencing an intention to repudiate any Transaction Document; or

- (e) at any time it is or will become unlawful or impossible for the Trustee to perform or comply with any or all of its obligations under the Transaction Documents to which it is party or any of the obligations of the Trustee under the Transaction Documents to which it is a party are not or cease to be legal, valid, and binding; or
- (f) either (i) the Trustee becomes insolvent or is unable to pay its debts as they fall due or (ii) an administrator or liquidator of the whole or substantially the whole of the undertaking, assets and revenues of the Trustee is appointed (or application for any such appointment is made) or (iii) the Trustee takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or (iv) the Trustee ceases or threatens to cease to carry on all or substantially the whole of its business (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or
- (g) an order or decree is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Trustee; or
- (h) any event occurs which under the laws of the Cayman Islands has an analogous effect to any of the events referred to in paragraph (f) and (g) above,

the Delegate (subject to it being indemnified and/or secured and/or prefunded to its satisfaction), if notified in writing of the occurrence of such Dissolution Event, shall give notice of the occurrence of such Dissolution Event to the holders of Certificates in accordance with Condition 17 with a request to such holders to indicate if they wish the Certificates to be redeemed and the Trust to be dissolved. If so requested in writing by the holders of at least one-fifth of the then aggregate face amount of the Certificates outstanding or if so directed by an Extraordinary Resolution of the holders of the Certificates (each a **Dissolution Request**), the Delegate shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice of the Dissolution Request to the Trustee, DIB and all the holders of the Certificates in accordance with Condition 17 whereupon the Certificates shall be immediately redeemed at the Dissolution Amount specified in the applicable Final Terms, together with any due but unpaid Periodic Distribution Amounts on the date of such notice. Upon payment in full of such amounts, the Trust will terminate, the Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

15. ENFORCEMENT AND EXERCISE OF RIGHTS

15.1 Enforcement

Upon the occurrence of a Dissolution Event and the giving of notice of a Dissolution Request to the Trustee by the Delegate, to the extent that the amounts payable in respect of the Certificates have not been paid in full pursuant to Condition 14, subject to Condition 15.2 the Delegate shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction), take one or more of the following steps:

- (a) enforce the provisions of the Purchase Undertaking and/or the Service Agency Agreement against DIB; and/or
- (b) take such other steps as the Delegate may consider necessary in its absolute discretion to protect the interests of the Certificateholders.

Notwithstanding the foregoing but subject to Condition 15.2, the Delegate may at any time, at its discretion and without notice, take such proceedings and/or other steps as it may think fit against or in relation to each of the Trustee and/or DIB to enforce their respective obligations under the Transaction Documents, these Conditions and the Certificates.

15.2 Delegate not obliged to take Action

The Delegate shall not be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action against the Trustee and/or DIB under any Transaction Document unless directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least one-fifth of the then aggregate face amount of the Certificates outstanding and in either case then only if it shall be indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing provided that the Delegate shall not be liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Certificateholders.

15.3 Direct Enforcement by Certificateholder

No Certificateholder shall be entitled to proceed directly against the Trustee and/or DIB or provide instructions (not otherwise permitted by the Trust Deed) to the Delegate to proceed against the Trustee and/or DIB under any Transaction Document unless the Delegate, having become bound to proceed (a) fails to do so within a reasonable period or (b) is unable by reason of an order of a court having competent jurisdiction) to do so, and such failure or inability is continuing. Under no circumstances shall the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets (other than pursuant to the Transaction Documents) and the sole right of the Delegate and the Certificateholders against the Trustee and DIB shall be to enforce their respective obligations under the Transaction Documents.

15.4 Limited Recourse

The foregoing paragraphs in this Condition are subject to this paragraph. After enforcing or realising the Trust Assets and distributing the proceeds of the Trust Assets in accordance with Condition 4.2 and the Trust Deed, the obligations of the Trustee in respect of the Certificates shall be satisfied and no holder of the Certificates may take any further steps against the Trustee, the Delegate or any other person to recover any further sums in respect of the Certificates and the right to receive any sums unpaid shall be extinguished. In particular, no holder of the Certificates shall be entitled in respect thereof to petition or to take any other steps for the winding-up of DIB Sukuk Limited.

16. REPLACEMENT OF DEFINITIVE CERTIFICATES

Should any definitive Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar (and if the Certificates are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its specified office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Trustee, DIB, the Registrar, the Paying Agent or the Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

17. NOTICES

All notices to Certificateholders will be valid if:

- (a) published in a daily newspaper having general circulation in the Republic of Ireland (which is expected to be the *Irish Times*) approved by the Delegate or published on the website of Euronext Dublin (<https://live.euronext.com/>) or, if in either case such publication is not practicable, in a leading English language newspaper having general circulation in Europe approved by the Delegate; or
- (b) mailed to them by first class pre-paid registered mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective registered addresses.

The Trustee shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any listing authority, stock exchange and/or quotation system (if any) by which the Certificates have then been admitted to listing, trading and/or quotation including publication on the website of the relevant listing authority, relevant stock exchange or relevant quotation system if required by those rules. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

Until such time as any definitive Certificates are issued, there may, so long as any Global Certificate representing the Certificates is held on behalf of one or more clearing systems, be substituted for such publication in such newspaper(s) or such website(s) the delivery of the relevant notice to the relevant clearing systems for communication by them to the Certificateholders and, in addition, for so long as any Certificates are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Certificateholders on the day after the day on which the said notice was given to the relevant clearing systems.

Notices to be given by any Certificateholder shall be in writing and given by lodging the same with the Principal Paying Agent. Whilst any of the Certificates are represented by a Global Certificate held on behalf of one or more clearing systems, such notice may be given by any holder of a Certificate to the Principal Paying Agent through the clearing system in which its interest in the Certificates is held in such manner as the Principal Paying Agent and the relevant clearing system may approve for this purpose.

18. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

- 18.1 The Master Trust Deed contains provisions for convening meetings of Certificateholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more Eligible Persons (as defined in the Master Trust Deed) present holding or representing in the aggregate more than 50 per cent. of the then outstanding aggregate face amount of the Certificates, or at any adjourned such meeting one or more Eligible Persons present whatever the outstanding face amount of the Certificates held or represented by them, except that any meeting the business of which includes the modification of certain provisions of the Certificates (including modifying the Scheduled Dissolution Date, reducing or cancelling any amount payable in respect of the Certificates or altering the currency of payment of the Certificates or amending Condition 5 and certain covenants given by DIB in the Transaction Documents), the quorum shall be one or more Eligible Persons present holding or representing not less than two-thirds in the outstanding face amount of the Certificates, or at any adjourned such meeting one or more Eligible Persons present holding or representing not less than one-third in the outstanding face amount of the Certificates. The expression **Extraordinary Resolution** is defined in the Master Trust Deed to mean any of (i) a resolution passed at a meeting duly convened and held by a majority consisting of not less than 75 per cent. of the votes cast, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in face amount of the Certificates or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Delegate) by or on behalf of not less than 75 per cent. in face amount of the Certificates for the time being outstanding.
- 18.2 The Delegate may agree, without the consent or sanction of the Certificateholders, to any modification (other than in respect of a Reserved Matter) of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent or sanction as aforesaid, that any Dissolution Event or an event which, with the giving of notice, lapse of time, determination of materiality or

fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Dissolution Event shall not be treated as such if, in the opinion of the Delegate, (a) such modification is of a formal, minor or technical nature, (b) such modification is made to correct a manifest error or (c) such modification, waiver, authorisation or determination is not, in the opinion of the Delegate, materially prejudicial to the interests of the Certificateholders. No such direction or request will affect a previous consent, waiver, authorisation or determination.

- 18.3 In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Delegate shall have regard to the general interests of the Certificateholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof) and the Delegate shall not be entitled to require, nor shall any Certificateholder be entitled to claim from the Delegate or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders.
- 18.4 Any modification, abrogation, waiver, authorisation or determination shall be binding on all the Certificateholders and shall be notified to the Certificateholders as soon as practicable thereafter in accordance with Condition 17.

19. INDEMNIFICATION AND LIABILITY OF THE DELEGATE AND THE TRUSTEE

- 19.1 The Trust Deed contains provisions for the indemnification of each of the Delegate and the Trustee in certain circumstances and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction as well as provisions entitling the Delegate to be paid its costs and expenses in priority to the claims of the Certificateholders.
- 19.2 Neither the Delegate nor the Trustee makes any representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of DIB under the Transaction Documents and shall not under any circumstances have any liability or be obliged to account to the Certificateholders in respect of any payments which should have been made by DIB but are not so made and shall not in any circumstances have any liability arising from or in relation to the Trust Assets other than as expressly provided in these Conditions or in the Trust Deed.
- 19.3 Each of the Trustee and the Delegate is exempted from (i) any liability in respect of any loss or theft of the Trust Assets or any cash, (ii) any obligation to insure the Trust Assets or any cash and (iii) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depositary or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of wilful default by the Trustee or the Delegate, as the case may be.
- 19.4 The Trust Deed also contains provisions pursuant to which the Delegate is entitled, *inter alia*, (a) to enter into business transactions with DIB and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to DIB and/or any of its Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Certificateholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

20. FURTHER ISSUES

In respect of any Series, the Trustee may from time to time (but subject always to the provisions of the Master Trust Deed) without the consent of the Certificateholders create and issue additional

Certificates having the same terms and conditions as the outstanding Certificates of such Series or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue, and so that the same shall be consolidated and form a single Series with the outstanding Certificates of such Series. Any additional Certificates which are to form a single Series with the outstanding Certificates of a particular Series shall be constituted by a deed supplemental to the Trust Deed. References in these Conditions to the Certificates include (unless the context requires otherwise) any other Certificates issued pursuant to this Condition and forming a single Series with such Certificates.

21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

22. GOVERNING LAW AND DISPUTE RESOLUTION

22.1 The Trust Deed, the Certificates and these Conditions (including the remaining provisions of this Condition 22) and any non-contractual obligations arising out of or in connection with the Trust Deed, the Certificates and these Conditions are governed by, and shall be construed in accordance with, English law.

22.2 Subject to Condition 22.3, any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Trust Deed, the Certificates and these Conditions (including any dispute as to their existence, validity, interpretation, performance, breach or termination of the Trust Deed, the Certificates and these Conditions or the consequences of the nullity of any of them or a dispute relating to any non-contractual obligations arising out of or in connection with them) (a **Dispute**) shall be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration (the **LCIA**) (the **Rules**), which Rules (as amended from time to time) are incorporated by reference into this Condition. For these purposes:

- (a) the seat of arbitration shall be London;
- (b) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions; and
- (c) the language of the arbitration shall be English.

22.3 Notwithstanding Condition 22.2 above, the Delegate (or, but only where permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder) may, in the alternative, and at its sole discretion, by notice in writing to the Trustee:

- (a) within 28 days of service of a Request for Arbitration (as defined in the Rules); or
- (b) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If such notice is given, the Dispute to which such notice refers shall be determined in accordance with Condition 22.4 and, subject as provided below, any arbitration commenced under Condition 22.2 in respect of that Dispute will be terminated. With the exception of the Delegate (whose costs will be borne by the Trustee, failing which DIB), each of the parties to the terminated arbitration will bear its own costs in relation thereto.

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the Trustee must promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any

arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

- (a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before their appointment is terminated;
- (b) their entitlement to be paid their proper fees and disbursements; and
- (c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

22.4 In the event that a notice pursuant to Condition 22.3 is issued, the following provisions shall apply:

- (a) subject to Condition 22.4(c) below, the courts of England or the courts of the Dubai International Financial Centre, at the option of the Delegate, shall have exclusive jurisdiction to settle any Dispute and each of the Trustee and DIB submits to the exclusive jurisdiction of such courts;
- (b) each of the Trustee and DIB agrees that the courts of England or the courts of the Dubai International Financial Centre, at the option of the Delegate, are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and
- (c) this Condition 22.4 is for the benefit of the Delegate and the Certificateholders only. As a result, and notwithstanding Condition 22.4(a) above, the Delegate and any Certificateholder (where permitted so to do) may take proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the Delegate and the Certificateholders may take concurrent Proceedings in any number of jurisdictions.

22.5 Each of the Trustee and DIB has in the Trust Deed appointed Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD as its agent for service of process and has undertaken that, in the event of Maples and Calder ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Delegate as its agent for service of process in England in respect of any Proceedings or Disputes. Nothing herein shall affect the right to serve proceedings in any matter permitted by law.

22.6 Under the Trust Deed, DIB has agreed that, to the extent that it may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, it will not claim and has irrevocably and unconditionally waived such immunity in relation to any Proceedings or Disputes. Further, DIB has irrevocably and unconditionally consented to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Proceedings or Disputes.

22.7 Each of the Trustee, the Delegate and DIB has agreed in the Trust Deed that if any arbitration is commenced in relation to a Dispute and/or any Proceedings are brought by or on behalf of a party under the Trust Deed, it will:

- (a) not claim interest under, or in connection with, such arbitration and/or Proceedings; and
- (b) to the fullest extent permitted by law, waive all and any entitlement it may have to interest awarded in its favour by an arbitrator as a result of such arbitration and/or by a court as a result of such Proceedings.

USE OF PROCEEDS

The net proceeds of each Tranche of Certificates issued will be paid by the Trustee (as Purchaser) to DIB, for the purchase from DIB of all of its rights, title, interests, benefits and entitlements in, to and under (in the case of the first Tranche of the relevant Series of Certificates) the relevant Initial Portfolio, and (in the case of any subsequent Tranche of such Series) the relevant Additional Portfolio.

Save in respect of Sustainable Certificates, DIB will use the net proceeds from the issue of each Tranche of Certificates for its general corporate purposes, including for its general financing and refinancing requirements, or for any other purpose specified in the applicable Final Terms.

In relation to each Tranche of Sustainable Certificates, the equivalent amount will be applied by DIB to finance and/or refinance, in whole or in part, Eligible Sustainable Projects. For a discussion of the types of project included in the definition of Eligible Sustainable Projects and the manner in which they will be identified, monitored and managed, see “*Description of the Group- Sustainable Finance Framework*”.

The Framework is intended to be aligned with (i) the International Capital Market Association (ICMA) Green Bond Principles (GBPs) 2021, Social Bond Principles (SBPs) 2021 and Sustainability Bond Guidelines (SBGs) 2021 published by ICMA from time to time and (ii) the Loan Market Association (LMA) Green Loan Principles (GLPs) 2021 and Social Loan Principles (SLPs) 2021 published by the LMA from time to time (together, the **Principles**).

DIB has appointed ISS ESG to assess the Framework and its alignment with the principles described above and to issue a Second Party Opinion accordingly. The Second Party Opinion has been published on the DIB’s website, <https://www.dib.ae/about-us/investor-relations>.

If a project to which all or part of the equivalent amount has been applied ceases for any reason to be an Eligible Sustainable Project, DIB shall endeavour to substitute such project for a replacement Eligible Sustainable Project as soon as practicable once an appropriate replacement Eligible Sustainable Project has been identified.

DIB intends to publish an allocation report and an impact report on its Eligible Sustainable Projects. This reporting will be updated annually until full allocation of the net proceeds of any Sustainable Financing Instrument issued, or until the Sustainable Financing Instrument is no longer outstanding.

None of the Framework or the Principles or any of the above reports, verification assessments or the contents of any of the above websites are incorporated in or form part of this Base Prospectus. See also “*Risk factors – Factors which are material for the purpose of assessing the market risks associated with Certificates issued under the Programme – The use of proceeds of the Certificates of any Series identified as Sustainable Certificates in the applicable Final Terms may not meet investor expectations or requirements or be suitable for an investor’s investment criteria*”.

DESCRIPTION OF THE TRUSTEE

General

DIB Sukuk Limited, a Cayman Islands exempted company with limited liability, was incorporated on 30 April 2012 under the Companies Act (As Revised) of the Cayman Islands with company registration number 268522. The Trustee has been established as a special purpose vehicle for the sole purpose of issuing Certificates under the Programme and entering into the transactions contemplated by the Transaction Documents. The registered office of the Trustee is at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands and its telephone number is +1 345 945 7099.

The authorised share capital of the Trustee is U.S.\$50,000 divided into 50,000 ordinary shares of U.S.\$1.00 par value each, 250 of which have been issued. All of the issued shares (the **Shares**) are fully-paid and are held by MaplesFS Limited as share trustee (the **Share Trustee**) under the terms of a trust deed (the **Share Trust Deed**) dated 10 May 2012 under which the Share Trustee holds the Shares in trust until the termination of the period commencing on 10 May 2012 and ending 149 years from such date or such earlier date as the trustees of the Share Declaration of Trust may determine (the **Termination Date**). Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power to benefit Qualified Charities (as defined in the Share Trust Deed). It is not anticipated that any distribution will be made whilst any Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Business of the Trustee

The Trustee has no prior operating history or prior business other than in connection with the Certificates issued thus far under the Programme and will not have any substantial liabilities other than in connection with the Certificates issued and, to be issued, under the Programme. The Certificates are the obligations of the Trustee alone and not the Share Trustee.

The objects for which the Trustee is established are set out in clause 3 of its Memorandum of Association as registered or adopted on 30 April 2012.

Financial Statements

Since the date of its incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

Directors of the Trustee

The Directors of the Trustee are as follows:

Name:	Principal Occupation:
Norbert Neijzen.....	Regional Head of Fiduciary, Middle East at Maples Fund Services (Middle East) Limited
Jamie Sanford.....	Vice President at MaplesFS Limited
Anand VinodKumar	Vice President at MaplesFS Limited

The business address of Norbert Neijzen is Maples Fund Services (Middle East) Limited, Unit C 1407, Level 14, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates. The business address of Jamie Sanford and Anand VinodKumar is MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Trustee.

The Trustee Administrator

MaplesFS Limited acts as the administrator of the Trustee (in such capacity, the **Trustee Administrator**). The office of the Trustee Administrator serves as the general business office of the Trustee. Through the office, and pursuant to the terms of the Corporate Services Agreement, the Trustee Administrator has agreed to perform in the Cayman Islands or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Trustee and the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. The Trustee and the Trustee Administrator have also entered into a registered office agreement (the **Registered Office Agreement**) for the provision of registered office facilities to the Trustee. In consideration of the foregoing, the Trustee Administrator receives various fees payable by the Trustee at rates agreed upon from time to time, plus expenses. The terms of the Corporate Services Agreement and the Registered Office Agreement provide that either the Trustee or the Trustee Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Corporate Services Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency.

The Trustee Administrator is subject to the overview of the Trustee's Board of Directors.

The Trustee Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman KY1-1102, Cayman Islands.

The Directors of the Trustee are all employees or officers of the Trustee Administrator (or an affiliate thereof). The Trustee has no employees and is not expected to have any employees in the future.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from, and should be read in conjunction with, and is qualified in its entirety by reference to, the Financial Statements and the other information contained in this Base Prospectus. The Financial Statements have been prepared in accordance with IFRS.

The following table sets forth selected consolidated financial information and business ratios for the Group as at 31 December in, and for each of, 2023, 2022 and 2021. The statement of profit or loss data and statement of financial position data have been extracted from the Financial Statements or the Group's management accounts and have been presented in separate tables in AED and, for convenience only, in U.S. dollars.

Statement of profit or loss highlights	For the year ended 31 December		
	2023	2022	2021
		(AED millions)	
Income from Islamic financing and investing transactions.....	17,227	11,739	9,013
Total income	20,143	14,101	11,795
Depositors' and sukuk holders' share of profit	(8,477)	(3,634)	(2,373)
Impairment charges, net.....	(1,396)	(2,013)	(2,448)
Profit for the year before income tax expense.....	7,108	5,631	4,444
Net profit for the year.....	7,010	5,552	4,406
Net profit attributable to owners of the Bank.....	6,798	5,474	4,391

Statement of financial position highlights	As at 31 December		
	2023	2022	2021
		(AED millions)	
Total assets.....	314,292	288,238	279,082
Total liabilities	266,857	244,264	237,617
Total equity	47,434	43,975	41,465
Gross financing and investing assets and investments in bilateral sukuk ⁽¹⁾	213,017	200,637	201,419
Impaired financing and investing assets ⁽²⁾	11,497	12,986	13,784
Collateral held relating to facilities individually determined to be impaired ⁽³⁾	7,996	9,040	9,034
Provisions for impairment ⁽⁴⁾	8,903	8,793	8,926
Customers' deposits.....	222,054	198,637	205,845

Statement of profit or loss highlights	For the year ended 31 December		
	2023	2022	2021
		(U.S.\$ millions)	
Income from Islamic financing and investing transactions.....	4,691	3,196	2,454
Total income	5,485	3,840	3,212
Depositors' and sukuk holders' share of profit	(2,308)	(990)	(646)
Impairment charges, net.....	(380)	(548)	(667)
Profit for the year before income tax expense.....	1,935	1,533	1,210
Net profit for the year.....	1,909	1,512	1,200
Net profit attributable to owners of the Bank.....	1,851	1,491	1,196

Statement of financial position highlights	As at 31 December		
	2023	2022	2021
		(U.S.\$ millions)	
Total assets.....	85,580	78,486	75,992
Total liabilities	72,664	66,512	64,702
Total equity	12,916	11,974	11,291
Gross financing and investing assets and investments in bilateral sukuk ⁽¹⁾	58,003	54,632	54,845
Impaired financing and investing assets ⁽²⁾	3,131	3,536	3,753
Collateral held relating to facilities individually determined to be impaired ⁽³⁾	2,177	2,461	2,460
Provisions for impairment ⁽⁴⁾	2,424	2,394	2,430
Customers' deposits.....	60,464	54,088	56,050

Key business ratios	As at and for the year ended 31 December		
	2023	2022 (%)	2021
Impaired ratio ⁽⁵⁾	5.4	6.5	6.8
Provision coverage ratio ⁽⁶⁾	90	78	72
Overall coverage ratio ⁽⁷⁾	121	110	102
Total capital adequacy ratio ⁽⁸⁾	17.3	17.6	17.1
Common Equity Tier 1 ratio ⁽⁸⁾	12.8	12.9	12.4
Return on tangible equity ⁽⁹⁾	20	17	13
Return on assets ⁽¹⁰⁾	2.3	2.0	1.5
Net profit margin ⁽¹¹⁾	3.1	3.0	2.6
Financing /customers' deposits ⁽¹²⁾	90	94	91
Cost to income ratio ⁽¹³⁾	27.1	26.1	26.8

Notes:

- (1) Comprises total Islamic financing and investing assets amounting to AED 208,356 million (31 December 2023), AED 194,835 million (31 December 2022) and AED 195,617 million (31 December 2021) and investments in bilateral sukuk amounting to AED 4,661 million (31 December 2023), AED 5,762 million (31 December 2022) and AED 5,802 million (31 December 2021). See note 9.1 to each of the Financial Statements (for Islamic financing and investing assets) and note 10.1 to the each of Financial Statements for investments in bilateral sukuk).
- (2) Impaired financing and investing assets comprises the sum of the gross book value of Stage 3 and Purchased or Originally Credit Impaired (**POCI**) Islamic financing and investing assets, net as shown in note 9.2 to each of the Financial Statements.
- (3) See note 9.4 to each of the Financial Statements.
- (4) See note 9.1 to each of the Financial Statements.
- (5) Impaired ratio is the ratio of impaired Islamic financing and investing assets (including POCI assets) to gross financing and investing assets and investments in bilateral sukuk.
- (6) Provision coverage ratio is the ratio of provisions for impairment to impaired investing and financing assets.
- (7) Overall coverage ratio is the ratio of the aggregate of (i) provisions for impairment and (ii) the discounted value of collateral (which amounted to AED 3,580 million (31 December 2023), AED 4,128 million (31 December 2022) and AED 4,153 million (31 December 2021)) to impaired investing and financing assets.
- (8) Calculated according to Central Bank methodology.
- (9) Return on tangible equity is the ratio of (i) net profit attributable to owners of the Bank after deduction of profit distribution on Tier 1 Sukuk to (ii) average equity, with the result adjusted for estimated distribution (with average equity for each of 2023, 2022 and 2021 calculated as the sum of equity excluding Tier 1 Sukuk as at 31 December immediately preceding the relevant year plus equity excluding Tier 1 Sukuk as at 31 March, 30 June, 30 September and 31 December in the relevant year divided by five and estimated distribution amounting to AED 3,252 million (31 December 2023), AED 2,168 million (31 December 2022) and AED 1,807 million (31 December 2021)).
- (10) Return on assets is the ratio of net profit for the year to average total assets, with the result adjusted for estimated distribution (with average total assets for each of 2023, 2022 and 2021 calculated as the sum of total assets as at 31 December immediately preceding the relevant year plus total assets as at 31 March, 30 June, 30 September and 31 December in the relevant year divided by five).
- (11) Net profit margin is the ratio of net funded income (being income from Islamic financing and investing transactions less depositors and sukuk holders' share of profit) to average earning assets (being the aggregate of Islamic financing and investing assets, net, investment in Islamic sukuk measured at amortised cost (as identified in note 46.1 to each of the Financial Statements), due from banks and financial institutions and international murabaha with Central Bank (as identified in note 8.1 to each of the Financial Statements), with the average calculated as the sum of the respective totals as at 31 December immediately preceding the relevant year plus average earning assets as at 31 March, 30 June, 30 September and 31 December in the relevant year divided by five).
- (12) Financing/customers' deposits is the ratio of Islamic financing and investing assets, net to customers' deposits.
- (13) Cost to income ratio is the ratio of total operating expenses to net income.

DESCRIPTION OF THE GROUP

OVERVIEW

DIB is the world's first full service Islamic bank and is one of the largest Islamic banks in the world, in terms of assets. As at 31 December 2023, the Group's total assets were AED 314,292 million (U.S.\$85,580 million). DIB was established in the Emirate of Dubai on 12 March 1975, with the objective of providing banking and other financial services tailored to adhere to the principles of Islamic Sharia.

The core business areas of the Group are Consumer Banking, Corporate Banking, Real Estate & Contracting Finance, Investment Banking and Treasury. The Group offers a wide range of Sharia-compliant retail and wholesale banking, treasury, investment banking and capital markets products and services to more than 3 million retail, corporate and institutional clients through a network of 56 branches across the UAE and more than 450 branches internationally across six countries outside the UAE. In addition to its main office and branches in Dubai, the Group operates across all the other Emirates of the UAE, namely Abu Dhabi, Ajman, Fujairah, Ras Al Khaimah, Sharjah and Umm Al Quwain. Outside the UAE, the Group has operations through subsidiaries in Pakistan and Kenya, and associates in Indonesia, Sudan and Bosnia. The Group also has a representative office in Turkey and acquired a 20 per cent. shareholding in a Turkish digital financial services group in 2023.

The head office of DIB is located on Al Maktoum Street, Deira, P.O. Box 1080, Dubai, UAE and its telephone number is +971 4 295 3000. DIB is regulated by the Central Bank. DIB's licence number, as set out in its commercial license and commercial registration certificate, is 208098.

The Group has received numerous awards in recent years in recognition of its leading position within the markets in which it operates, including:

- “Overall Best Islamic Bank”, “Best Islamic Bank – UAE”, “Best Islamic Retail Bank” and “Best Islamic Bank in Kenya”, by Islamic Finance News in 2022.
- DIB being ranked 10th amongst the Middle East’s Top 30 Banks 2022 and being ranked amongst the Middle East’s Top 100 Listed Companies 2022 by Forbes Middle East 2020.
- DIB being ranked 11th amongst the Top 150 Arab banks in the Middle East by Al Bayan Magazine in 2022.
- “Best Islamic Bank in the Middle East” and “Best Islamic Bank in the UAE”, by Euromoney Awards for Excellence 2023.
- “Most Innovative Islamic Bank”, “Best Overall Islamic Bank in UAE” and “Best Corporate Bank in UAE”, by Islamic Finance News Awards 2023.
- DIB being ranked 13th amongst the Middle East’s 50 Most Valuable Banks 2023, by Forbes ME.

HISTORY

DIB was incorporated in 1975, in Dubai, by a decree issued by the then Ruler of Dubai, H.H. Sheikh Rashid bin Saeed Al Maktoum. In March 2000, DIB was registered as a public joint stock company under the Commercial Companies Law No. 8 of 1984 (which was replaced with UAE Federal Law No. 2 of 2015 regarding the Law of Commercial Companies, with effect from 1 July 2015).

In 1998, following the discovery of a significant fraud, the Government of Dubai enhanced its shareholding to become DIB's largest shareholder (increasing its stake from 6 per cent. to 30 per cent.). DIB subsequently recruited a number of professional managers from international and large local financial institutions to improve its management and processes. As at 31 December 2023, the Government of Dubai's direct and indirect stake in DIB was 27.97 per cent.

In 2001, the Group acquired a 27.3 per cent. stake in Bosna Bank, the first Sharia-compliant bank in Europe, which was established in 2000.

As part of its then current strategy to expand in select niche Islamic markets in the Middle East, Africa and Asia, the Group acquired a 60 per cent. stake in the Bank of Khartoum (**BoK**) in 2005, one of the largest banks in Sudan (measured by the number of branches and ATMs), which stake was subsequently reduced to 52.3 per cent. in 2006 and further reduced to 28.4 per cent. in 2008. As at 31 December 2023, the Group's stake in BoK stood at 29.5 per cent.

Following approval obtained in January 2005 from the Banking Regulation & Supervision Agency in Turkey, the Group established a representative office in Turkey in April 2005 to assist in marketing and promoting the Group's business in Turkey. Since its establishment, the representative office has been referring new customers and transactions to various business groups within the Group.

In 2006, the Group established DIB Pakistan Ltd (**DIB Pakistan**), a 100 per cent. owned subsidiary, to offer Islamic banking services in Pakistan.

In addition, the Group has incorporated several subsidiaries in real estate development (including, Deyaar Development P.J.S.C. (**Deyaar Development**) in 2002 in which it had a 44.9 per cent. shareholding as at 31 December 2023 and which is a fully consolidated subsidiary), other related financial services companies and Dar Al Sharia Islamic Finance Consultancy LLC (**Dar Al Sharia**) in 2007.

In November 2010, the Group increased its stake in Tamweel to 58.3 per cent. to acquire a controlling interest in the company. In 2013 and 2015, the Group increased its shareholding to 86.5 per cent. and 92.0 per cent., respectively, through tender offers made to minority shareholders. The Group's shareholding in Tamweel stood at 92.0 per cent. as at 31 December 2023.

In May 2014, the Group acquired a 24.9 per cent. stake in PT Bank Panin Dubai Syariah Tbk (**Bank Panin Syariah**) of Indonesia. In 2015, the Group increased its shareholding in Bank Panin Syariah to 38.3 per cent. and, as at 31 December 2023, its shareholding was 25.1 per cent.

In April 2017, the Group obtained a banking licence from the Central Bank of Kenya to operate its wholly-owned subsidiary, DIB Bank Kenya Ltd. (**DIB Bank of Kenya**), which commenced commercial operations on 5 June 2017.

In January 2020, the Group completed the acquisition of 99.999 per cent. of Noor Bank through a share swap which led to DIB issuing 651,159,198 new shares to increase its issued share capital from 6,589,585,179 shares to 7,240,744,377 shares. During September 2020, the remaining minority percentage shareholding in Noor Bank was acquired and it became a wholly-owned subsidiary of DIB.

In September 2023, DIB acquired a 20 per cent. shareholding in the T.O.M. group of companies (the **T.O.M. Group**), an integrated, comprehensive financial services group with expertise in digital solutions. The T.O.M. Group includes T.O.M. Katılım Bankası A.Ş. (Turkey's first licensed digital retail bank), T.O.M. Pay Elektronik Para ve Ödeme Hizmetleri A.Ş. (a licensed e-money company with a fast-growing customer base in Turkey), and T.O.M. Finansman A.Ş. (a licensed financing company specialised in developing innovative digital products) and their subsidiaries.

STRATEGY

DIB's primary objective is to maintain its position as the leading Islamic financial institution in the Middle East region as well as in other selected strategic markets. DIB unveiled its five-year Group strategy, DRIVE, for the period 2022-2026 in December 2021. DRIVE stands for:

- DIGITAL Transformation;
- ROBUST Foundation;
- INCREASE Value;
- VERSATILE Operation; and
- ENGAGING Experience.

Within the overarching strategic guidance, a strategic theme for each year focuses on short-term strategic and tactical areas to recalibrate direction and efforts with respect to the five year strategy.

During the early 2000s, the Group had expanded its strategy from being primarily a retail bank into providing Sharia-compliant solutions to major corporates as well. This was also a period in which the Group saw a qualitative jump in the services being offered as a result of upgrading its computer systems and the introduction of internet services. The mid-2000s saw DIB venturing into new international markets such as Pakistan and Sudan and launching the Sharia consultancy firm (Dar Al Sharia) and the DIB Foundation. When the global financial crisis began, DIB decided to focus on growth within the retail sector and began to run-off its corporate real estate finance portfolio in order to protect itself from the downturn in the UAE real estate sector. During this decade, DIB saw its total assets increase from AED 11.7 billion (U.S.\$3.2 billion) in 2000 to AED 90.1 billion (U.S.\$24.5 billion) by the end of 2010.

Following a consolidation exercise between 2009 and 2013 and the appointment of a new Group chief executive officer (CEO) in mid-2013, who had previously served as Deputy CEO, the Group embarked on a new “growth” strategy from 2014 to 2018, which aimed at redefining the way the Group operated its business, positioning it as a global leader in the world of Islamic finance.

Subsequent to the successful acquisition of Noor Bank and the significant global events that unfolded in 2020 and against the economic backdrop of a recovering economy based on higher oil prices, government support and reform policies and easing COVID-19 pressures, DIB reset its strategy in 2021 to cover the five years from 2022 through 2026.

The Group's strategy is continually monitored and reviewed by its management and is formally approved by the Board. The Balance Scorecard (BSC) approach is used to integrate the strategic plans into individual and departmental goals, and helps the Group manage and monitor its performance.

The BSC enables the Group to identify goals, manage and measure performance, and report on achievements with respect to the priorities of each key stakeholder group. The Group implements quantitative measures wherever feasible, but tracks both qualitative and quantitative indicators of performance in terms of both financial and non-financial outcomes. The BSC framework forms an integral part of the Group's performance management system.

DIGITAL Transformation

DIB has launched DIB alt, a full-fledged digital umbrella for all of DIB's digital offerings and capabilities. DIB alt caters to the growing demand of a segment of customers who require digital-only models that address their financial needs at the click of a button, DIB believes that these customers' engagement with DIB on its new digital proposition will lead to higher loyalty and advocacy (in the form of improved net promoter scores).

DIB also intends to optimise its existing channels to reduce foot traffic at touchpoints by enhancing digital channels and capabilities and achieving an appropriate mix of physical and digital interactions to address the full array of its customers' needs and provide them with a seamless and intuitive customer journey. In addition, it plans to establish a suite of artificial intelligence and machine learning models and a real time decision making and communication engine to generate predictive insights that allow it to anticipate customer needs.

DIB expects these initiatives will help it achieve its ultimate goal of reducing costs and increasing revenue, particularly as it offloads and migrates non-value generating services and transactions from physical to digital channels and increases the contribution of digital channels to new-to-bank customers and improves its cross-selling and up-selling efforts to significantly.

ROBUST Foundation

With increased global and business risk, DIB intends to enhance its asset quality by arresting non-performing financing growth through reducing its exposure to, and mitigating risks from, stressed sectors (such as real estate) and customer segments and expanding its market coverage, in part by utilising data and analytics to inform business decision making. It also plans carefully calibrated exposure to newer sectors and risk

segments to help diversify its risk weighted assets. This is expected to help the business achieve more sustainable profit growth in the future.

In addition, DIB continues to strengthen its capital base and enhance operational efficiencies as reflected in its market-leading cost to income ratio.

DIB is overhauling its technology backbone by upgrading its core banking system and modernising legacy platforms such as its card management system, payment switch and general ledger system.

DIB's asset quality continued to improve in 2023, with its impaired ratio improving from 6.5 per cent. in 2022 to 5.4 per cent. in 2023. Cash coverage also continue to improve with DIB's overall coverage ratio increasing from 110 per cent. in 2022 to 121 per cent. in 2023. DIB continued to upgrade its technology across systems and processes to make it agile and efficient with a focus on business growth, improvement of customer experience and strengthening of controls and regulatory posture.

INCREASE Value

DIB aims to increase value through attracting new to bank customers and increasing its market share in earning assets (such as financing and sukuk), as well as from ancillary business and identifying new revenue streams from existing product and services.

DIB also aims to enhance the profitability of its international operations and to explore international opportunities through acquisitions (such as the recent acquisition of a significant shareholding in the T.O.M. Group), establishing subsidiaries and branches, pursuing strategic partnerships and/or co-operation agreements with local partners in Asia, Africa and the Gulf.

DIB attracted more than 37,000 new to bank customers in early 2023, of which 35 per cent. were sourced from digital channels. Furthermore, a broad array of transaction banking initiatives were launched, including UAE Trade Connect (a blockchain-enabled consortium for offering trade-enabled solutions to the Group's customers) and Trade Club Alliance (a unique global network of banks aiming to make international trade simpler and better) to nurture corporate banking customers.

VERSATILE Operation

In addition to stabilising and improving its IT infrastructure to ensure uninterrupted connectivity, accessibility and security and ensuring compliance with a wide spectrum of regulatory-driven changes, DIB will focus on managing efficiencies by maintaining its robust cost to income ratio and ensuring high quality and timely execution of key business priorities, including capitalising on economies of scale from its resources (such as its human resources, physical footprint, channels and working models) as it grows and leveraging modern technology to automate and streamlines processes.

Further, DIB is in the process of embedding its environmental, social and governance (ESG) philosophy across the Group following a newly-developed ESG strategy and roadmap in alignment with UAE aspirations and regulatory direction.

Overall, DIB intends to maintain a paramount focus on customer service and experience in alignment with its customer service charter and ICARE values which emphasise simplicity and convenience whilst prioritising customers and clients.

During 2023, DIB carried out a major upgrade, modernisation and refresh to its IT infrastructure, including a comprehensive review of the state of DIB's business continuity and resilience. DIB's ESG ambitions continue to progress strongly with continued growth of the ESG asset portfolio and the launch of sustainable auto and home finance solutions as well as social initiatives that promote social well-being and support people of determination.

ENGAGING Experience

DIB plans to foster better internal collaboration in order to deliver a customer-centric organisation that inspires its staff to focus on customer needs while delivering a seamless experience to customers. As part of this, DIB

will focus on customer interactions across touchpoints ensuring that they are simple, transparent and unified and intends also to ensure that the voice of customers is actively considered and incorporated into wider business decisions. The success of this element of the strategy is expected to be evidenced through achieving a brand positioning that is the best in class for customer experience.

The launch of a Whats App banking service reflects DIB's commitment to strong interaction with the needs of its customers. There has been continuous growth in digital statistics which demonstrate the strength of DIB's digital channels and services which have been instrumental in fostering and enhancing customer engagements across multiple channels.

COMPETITION AND COMPETITIVE ADVANTAGES

The Group faces competition from both Islamic and conventional banks operating in the UAE. Within its investment banking and capital market activities, DIB also competes with major international banks and investment firms for transaction mandates.

DIB believes that the Group enjoys a number of key competitive advantages, including the following:

Strong and trusted brand

DIB believes that the Group has a strong and trusted brand, built around its vision as a progressive and innovative player and the modern face of Islamic banking and finance. Management believes that the Group's market position and strong brand recognition reflect the Group's focus on high-quality customer service (see below), its established track record in both consumer and wholesale banking, its targeted marketing to consumers and its involvement in a number of the UAE's most prominent infrastructure and other development projects.

Established track record and knowhow

As the first Islamic bank in the UAE, the Group has a proven track record in developing and offering Islamic finance products to meet the increasingly sophisticated needs of its customers.

Innovative and extensive product range

The Group endeavours to provide its customers with a wide range of innovative products, which allows it to meet their diversified and sophisticated needs. DIB believes that the Group is able to offer its customer base all of the banking products that they may require and, accordingly, that there is little need for them to approach the Group's competitors for alternative products.

Sharia-compliance credibility

DIB maintains a highly reputed Internal Sharia Supervisory Committee (the **Sharia Board**). DIB aims for high levels of Sharia compliance by offering all its products and services in strict conformity with the parameters approved by the Sharia Board. This helps to ensure that DIB's reputation as a premier Islamic bank is maintained at all times.

Stable funding base

The Group has a diversified deposit base that includes retail and corporate customers, government bodies and public sector agencies which, taken together, are regarded by the Group as a relatively stable and low-cost source of funding.

Strong financial performance

The Group has consistently benefitted from strong financial performance and robust financial metrics (see "*Selected Financial Information*" for further information).

Quality of service and speed of response time

DIB believes that the high quality of customer service which the Group provides distinguishes the Group from its principal competitors. Employees are trained regularly in managing clients, new products and market developments so as to provide a better service to clients and to enable new products and services to be introduced to the market. Furthermore, the Group continues to make enhancements to its systems and platforms in order to provide clients with a seamless experience.

Experienced and committed management

The majority of DIB's senior management team have been with DIB for several years and, prior to joining DIB, have had many years of regional and global experience with other leading international banks. The team has considerable experience in the Islamic finance industry and knowledge of the requirements relating to the operation of Islamic finance institutions, see "*Management and Employees*" below.

Strength in staff training

The Group provides regular and comprehensive training to staff at all levels to enable them to improve their skills. This is done through a dedicated training division within the Group. The Group regularly sends its staff on courses, conferences and workshops on Islamic banking products to ensure that they are well informed about international and regional developments.

Systematic approach to developing strategy

The Group adopts a systematic approach in developing its strategy through comprehensive analyses of the domestic and international macroeconomic and business environments and aligning its strategy with any major trends identified. This formalised approach is then used to link the overall strategic plan and agenda to the BSC performance management system (which is the primary tool used to measure individual and departmental performance) and thus to ensure that the Group meets its short-, medium- and long-term strategic objectives.

Links with the Government of Dubai

DIB has a good relationship with the Government of Dubai which enables it to be at the forefront of the ongoing financing of the development of Dubai.

Links with the community

DIB has always maintained strong links with the local community and intends to continue to promote the development of society in the UAE. It sees this as an important feature in enhancing its position as a premier Islamic bank. For example, it has been active in promoting "Emiratisation", the process of employing and nurturing UAE nationals with a view to encouraging them to participate in and improve the economy of the UAE.

SHAREHOLDERS AND CAPITAL STRUCTURE

Shareholders

As at 31 December 2023, the Government of Dubai held directly and indirectly 27.97 per cent., of the share capital of DIB. DIB is not aware of any other significant holdings in its shares. DIB's articles of association provide that no single shareholder other than the Government of Dubai is entitled to own more than 10 per cent. of the share capital of DIB and that the maximum foreign ownership level in DIB is 40 per cent.

The Government of Dubai's shareholding is held through Investment Corporation of Dubai (ICD). The Chairman of DIB is a representative of ICD and the other members of the Board are independent of ICD. Decisions are made by voting whereby each board member, including the Chairman, has an equal vote. Some of the key corporate governance functions have been delegated to board committees such as the Board Credit & Investment Committee, Board Audit Committee, Board Risk Management Committee and Board

Remuneration Committee. The Chairman is not represented in any of these committees and each of these committees acts independently.

Capital structure

During 2020, DIB issued 651,159,198 new shares in consideration for the acquisition of Noor Bank, bringing its paid up share capital from AED 6.6 billion to its current level of AED 7.2 billion (U.S.\$2.0 billion). DIB's shares have been listed on the Dubai Financial Market (the **DFM**) since March 2000.

See “– Capital Adequacy” below for a description of the Group's capital adequacy ratios as at 31 December 2023, 31 December 2022 and 31 December 2021.

BUSINESS ACTIVITIES

Business and reporting segments

The principal activities of the Group are focused around five core business areas: (i) Consumer Banking; (ii) Corporate Banking; (iii) Real Estate & Contracting Finance; (iv) Investment Banking; and (v) Treasury.

For accounting purposes, the Group divides its business into the following primary reporting segments: (a) consumer banking (which reflects the consumer banking and home finance business lines); (b) corporate banking (which reflects the corporate banking, institutional and contracting finance business lines); (c) real estate development (which reflects real estate investment by subsidiaries such as Deyaar Development); (d) treasury (which reflects the treasury-related business line); and (e) others (comprising the Group's investments (including subsidiaries not specifically allocated to other segments), certain investment banking activities and unallocated internal assets and liabilities of the Group which are not related to those of its external customers).

The table below shows a breakdown of certain statement of profit or loss information for each of the Group's reporting segments for each of the years ended 31 December 2023, 31 December 2022 and 31 December 2021.

	Consumer banking	Corporate banking	Treasury (AED millions)	Real estate development	Others
2023					
Net operating revenue.....	5,323	2,882	2,006	476	977
Operating expenses.....	(1,440)	(641)	(101)	(257)	(722)
Net operating income.....	3,883	2,241	1,905	218	255
2022					
Net operating revenue.....	4,875	2,844	1,495	345	907
Operating expenses.....	(1,214)	(494)	(88)	(211)	(726)
Net operating income.....	3,662	2,350	1,407	134	181
2021					
Net operating revenue.....	3,819	2,662	1,806	230	907
Operating expenses.....	(1,123)	(419)	(94)	(193)	(699)
Net operating income.....	2,695	2,243	1,712	37	206

Note:

In 2023, the Bank updated its reporting segments in line with a change in its funds transfer pricing policy. As a result, comparative figures for 2022 in the 2023 Financial Statements were changed to align with the equivalent figures for 2023. Figures for 2021 in the table above have also been changed to be consistent with the figures for 2023 and 2022.

The table below shows a breakdown of certain statement of financial position information for each of the Group's reporting segments as at 31 December 2023, 31 December 2022 and 31 December 2021.

	Consumer banking	Corporate banking	Treasury (AED millions)	Real estate development	Others
As at 31 December 2023					
Segment assets.....	56,059	141,581	71,323	6,149	39,179
Segment liabilities	88,180	136,180	2,769	1,123	38,605

As at 31 December 2022

Segment assets.....	52,150	132,351	55,342	5,747	42,650
Segment liabilities	78,669	123,695	3,233	840	37,827

As at 31 December 2021

Segment assets.....	49,123	135,572	45,305	5,567	43,513
Segment liabilities	79,063	128,397	2,284	632	27,240

Consumer Banking

Consumer Banking is the largest business area within the Group in terms of net operating income as at 31 December 2023. The Group offers its retail and business banking services through a network of 56 branches spread across all of the Emirates and nearly 550 automated teller machines (ATMs) and cash and cheque deposit machines across the UAE (each as at the date of this Base Prospectus) as well as through online and phone banking services (including mobile banking).

The Group offers its consumer banking customers a broad range of retail products and services, including:

- ***Auto finance***

The Group's auto finance product finances vehicle purchasing for individuals and businesses in a Sharia-compliant manner. The Group has established itself as one of the leading providers of auto financing in the UAE, introducing “Evolve” auto finance, a holistic solution aiming to contribute to a cleaner environment by providing solutions around buying electric and hybrid cars, encouraging the Group’s customers to invest in environmentally friendly vehicles.

- ***Sharia-compliant cards***

In pursuit of its strategy of growth through key strategic alliances, the Group continues to expand its product offerings through the expansion of its Sharia-compliant cards product portfolio, with a number of new offerings in the pipeline including those built around ESG.

DIB offers co-branded credit cards with Emirates airline, which allows customers to earn Skywards Miles from Emirates on their card usage and redeem the miles for services from Emirates, including, travel insurance, Emirates silver status and lounge access. In addition, DIB’s mobile payments and digital wallet services enable both Samsung Pay and Apple Pay.

Together with the Department of Economic Development in Dubai, DIB launched the first-ever ‘Consumer Card’ in the UAE, a co-branded credit card dedicated to protecting the rights of consumers and providing them with savings on their daily purchases. Developed and designed in line with the spending habits and the distinct needs of consumers in the UAE, the Sharia-compliant card is issued in partnership with Visa.

- ***Personal finance***

The Group's personal finance product caters to the personal financing needs of individuals, and is provided in the form of *murabaha* and *ijara* products to cater to all personal financing needs of customers. The Group also offers NBC sukuk-based deferred sale, which provides customers with an upfront cash payment. The product is based on a fixed price sale contract whereby the customer gets the full price as a cash payment upfront and delivers the relevant goods on a deferred basis.

- ***Retail home finance***

As the leading home finance provider for both residential and commercial properties in the UAE, DIB's Home Finance provides the most comprehensive, unique and transparent offering across all seven Emirates. Customers can avail home finance for both freehold and non-freehold properties and can finance either ready or under-construction properties as well as obtain financing to self-construct their properties either themselves or through tie-ups with Government housing schemes.

Building on the momentum of COP28 and DIB's commitment to sustainability, 'Nest' - a sustainable home finance programme is a tangible embodiment of DIB's pledge to support the creation of sustainable communities. 'Nest' offers a suite of financial products tailored to empower customers to invest in green homes, as well as ancillary finance for solar panels and sustainable construction materials, fostering an environmentally conscious lifestyle.

- ***SME Business Solutions***

The Group's "SME Business Solutions" suite of Sharia-compliant products and services support the growth of small- and medium-sized enterprises. The solutions offered are based on a combination of *murabaha* and *sukuk*-based structures.

- ***Investment funds***

The Group offers a range of Sharia-compliant investment products to suit its clients' investing needs across various asset classes, including cash, commodities, fixed income securities and equities. Along with structures developed in-house, the Group has also partnered with leading investment houses to provide a range of investment choices with varied currencies and maturities, exposures to different markets and capital protection options.

- ***IPO/capital markets subscription services***

The Group offers subscription services on selected IPOs. The Group provides this service to companies approved for investment in accordance with Sharia law.

- ***Wajaha private banking***

Wealth management services are provided through four exclusive *Wajaha* centres in Abu Dhabi, Al Ain, Dubai and Sharjah. These centres offer personal relationship managers, financial planning services and tailor-made products, as well as offering a number of other benefits which are exclusive to the Group's *Wajaha* clients, including international concierge services, travel insurance, ticket exchange and travel desk and cash services.

- ***Ayaan exclusive banking***

Ayaan exclusive banking targets high net worth customers, catering to their specific investment and financial needs. There are 11 *Ayaan* centres located across the UAE.

- ***Additional retail segments***

Consumer Banking also has additional business segments (broadly based on customer deposits) named *Mumayyaz* (effectively the upper mass segment), the mass segment and the lower mass segment. Specific offerings have been developed to cater to these segments.

In addition to its branches in the UAE, the Group also offers self-service electronic delivery channels such as online banking, phone banking and mobile application to its consumer banking customers, giving customers greater flexibility to deal with their accounts through a range of account enquiry and payment services. DIB's mobile app offers over 90 services in both English and Arabic. The app is integrated with advanced customer-centric technologies.

Corporate Banking

Corporate Banking is the second largest business area within the Group in terms of net operating income as at 31 December 2023. The Group offers a range of Sharia-compliant solutions to its corporate banking clients in the UAE, the GCC and other markets. Corporate Banking comprises the following teams (which are organised on both a geographical and product-specific basis):

- private sector (Dubai, Jebel Ali and Northern Emirates), which supports the Group's corporate clients based in and around Dubai and the Northern Emirates;

- public sector (Dubai region and Northern Emirates), which supports the Group's public sector clients based in and around Dubai and the Northern Emirates;
- corporate banking unit (Abu Dhabi), which supports and manages business from clients based in Abu Dhabi as well as adjoining areas and cities in the southern and eastern region (including Al Ain); and
- transaction banking unit, which provides specialist product advice (through the Ahlan Banking Service) to cater to clients' daily banking needs and handles customer queries, auto faxing and electronic reporting. Internet banking solutions for cash management and trade finance are also available on the Al Islamic connect platform.

The Group believes that the strengths of Corporate Banking are:

- its in-depth specialisation within the UAE and GCC sectors;
- its deep understanding of its customers' businesses;
- the comprehensive and innovative range of services and strategic, solution-driven capabilities offered to its corporate clients (see below); and
- innovative financial solutions covering corporate finance, investment banking, capital markets and syndications products, project finance, trade and commodity finance, treasury and corporate banking, international banking services and securities.

The Group has designed and implemented a range of modern, Islamic financing instruments which are intended to meet the needs of its corporate clients. The products offered by Corporate Banking include goods financing and specific Islamic financing products such as *ijara* financing, *mudaraba* financing and *wakala/wakala murabaha* financing to cater to its clients' trade, working capital and medium- to long-term financing requirements. The categories of products and services offered by Corporate Banking are:

- financial products and solutions, which include *murabaha*, *mudaraba* and *musharaka* products tailored to the needs of the Group's wholesale banking customers;
- trade finance services, which provide an extensive range of trade-related services covering sectors such as manufacturing, services, construction, retail and transportation; and
- Transaction Banking Solutions, covering the cash management and trade products described below to address the needs of the Group's corporate customers across the working capital cycle. Value addition from these products is achieved through increased profitability, process efficiencies, risk mitigation and enhanced controls:
 - liquidity and investment management (including a separate institutional liabilities unit with dedicated relationship managers);
 - payments and collections (delivered through electronic and physical channels with a focus on customised solutions such as escrow and structured receivables management);
 - information services (customised integrated enterprise resource planning (ERP) solutions and an online platform, Al Islami Connect, to perform online account management, electronic payments and generate reports);
 - trade services (a full range of import and export services as well as structured solutions); and
 - the Ahlan Banking Service, a dedicated customer service unit to handle all day-to-day operating account transactions.

Corporate Banking manages various relationships (including middle market, contracting finance and real estate finance companies) and is instrumental in leveraging its client relationships to cross-sell other products offered by the Group, including investment banking and treasury services.

Real Estate & Contracting Finance

Real estate finance

The Group provides real estate finance services in the UAE and supports corporate real estate developments, including the construction of commercial property and residential estates. The real estate finance group is managed by a specialist team with extensive experience in this field.

Standard Islamic financing products offered include *istisna* financing, *murabaha* acquisition finance, diminishing *musharaka* and *ijara* lease financing.

Contracting finance

The contracting finance group provides financing to contractors executing building, electrical and mechanical infrastructure works across a range of sectors (including the oil, gas, power and water sectors). The contracting finance group's customer base includes local, regional and international construction groups, and the contracting finance group supports its customers in executing projects within the UAE and regionally in the GCC and in other Arab countries.

The product range offered by the contracting finance group includes Islamic financing products such as *mudaraba*, *murabaha*, *Ijara*, letters of guarantee and letters of credit (LCs). DIB believes that the Group's large underwriting capability and its close association with other local and international banks allows it to support the majority of its clients' projects.

Investment Banking

Investment Banking is a leading regional and global participant in the Islamic finance markets, assisting its clients, which include sovereigns, government-related entities, corporates and financial institutions, with every aspect of their funding requirements.

Investment Banking's dedicated professionals provide innovative Sharia-compliant capital raising and structured financing solutions in line with evolving customer requirements and market conditions. Its diversified product suite includes a wide range with particular focus on sukuk structuring and execution and syndicated and club financing transactions that are configured and documented in accordance with the principles of Sharia. Investment Banking also offers a comprehensive suite of structured finance services, such as mezzanine and structured equity, asset monetisation, leveraged recapitalisation and advisory.

Investment Banking has pioneered the Islamic debt capital markets and has been involved in the capacity of joint lead manager and bookrunner in most of the landmark international sukuk issuances, with DIB consistently ranking within the top five globally in the Bloomberg sukuk league tables. DIB has also been a significant player in the Islamic syndicated financing market, acting as mandated lead arranger and bookrunner on many major transactions in the region and working closely with local and international banks.

Treasury

Treasury forms an essential part of the Group's commitment to the Sharia-compliant investment banking industry. Treasury offers a comprehensive range of products backed by the Group's expert understanding of local and international markets. Treasury works closely with Corporate Banking and Consumer Banking and also engages in Islamic derivatives business. Its principal customers are the Group's corporate customers, financial institutions, high net worth individuals, small and medium size companies and similar businesses. The products offered to these customers include plain vanilla currency contracts, flexible delivery currency contracts, profit-enhanced products, multi-currency hedging instruments and other bespoke Sharia-compliant financial solutions.

Treasury is also responsible for building and maintaining relationships with the financial institutions sector across the globe to assist with smooth trade inflows and outflows. Relations range from authenticated communication links by way of SWIFT RMA to trade, treasury and account maintenance in different currencies. The Group's network of correspondent banks comprises leading financial institutions which

provide trade services, which add value and service to the Group's branches and business units. The Group's correspondent banks offer one or more of the following services: remittance and payments, advisory and confirmations.

Treasury also manages the Group's liquidity requirements, sukuk investment portfolio and funding through the capital markets, and acts under the supervision of the Asset and Liability Management Committee (ALCO). Asset and liability management is conducted by Treasury in accordance with Central Bank liquidity ratios. Treasury is also responsible for the implementation of risk management initiatives as directed by ALCO.

SUBSIDIARIES AND ASSOCIATES

As at 31 December 2023, the Group had 17 consolidated material subsidiaries (and 11 special purpose vehicles) details of which are set out in note 17 to the 2023 Financial Statements. As at 31 December 2023, the Group also had 10 significant associates and joint ventures. Of these, the Group considers the following to be its most important subsidiaries and associates in terms of revenue and future growth potential:

Tamweel P.S.C.

Tamweel was established in Dubai in November 2000 and is the specialist mortgage financing institution for the Group. Tamweel's core business is the provision of Sharia-compliant home financing solutions to real estate buyers in the UAE. Tamweel is licensed by the Central Bank to operate as an Islamic finance company. As at 31 December 2023, the Group owned 92.0 per cent. of the share capital in Tamweel.

DIB Pakistan

DIB Pakistan was incorporated as a wholly owned subsidiary of the Group in 2006. It currently has 235 branches and express centres in 60 cities across Pakistan. DIB Pakistan's team comprises experienced professionals with previous experience at leading banks (situated within and outside Pakistan). DIB Pakistan offers a full range of Sharia-compliant banking products in consumer banking, corporate and investment banking and wealth management. DIB Pakistan had share capital of Pakistani Rupee (PR) 11,652 million (U.S.\$42 million) as at 31 December 2023. As at 31 December 2023, DIB Pakistan's net assets were PR 38,107 million (U.S.\$136 million) compared to PR 31,715 million (U.S.\$141 million) as at 31 December 2022. For the year ended 31 December 2023, DIB Pakistan's profit after taxation was PR 13,499 million (U.S.\$49 million) compared to its profit after taxation of PR 4,456 million (U.S.\$22 million) for the year ended 31 December 2022. For the purposes of this paragraph: (i) DIB Pakistan's financial information has been extracted from the audited financial statements of DIB Pakistan as at and for the year ended 31 December 2023 (which are available on its website at <https://www.dibpak.com/index.php/financials/>); and (ii) PR amounts have been converted into U.S. dollars based on the closing rates on dates stated.

Deyaar Development

Deyaar Development was incorporated as a wholly owned subsidiary of the Group in 2002 and engages in real estate development and property management business in the UAE. As at 31 December 2023, the Group owned 44.9 per cent. of the share capital in Deyaar Development (which is a fully consolidated subsidiary). As at 31 December 2023, Deyaar Development's total assets were AED 6,495 million (U.S.\$1,768 million) compared to AED 6,162 million (U.S.\$1,678 million) as at 31 December 2022. For the year ended 31 December 2023, Deyaar Development's net profit was AED 376 million (U.S.\$102 million) compared to a net profit of AED 136 million (U.S.\$36 million) for the year ended 31 December 2022. Deyaar Development's authorised and paid up capital was AED 4,376 million (U.S.\$1,192 million) as at 31 December 2023. For the purposes of this paragraph, Deyaar Development's financial information has been extracted from the audited consolidated financial statements of Deyaar Development as at and for the year ended 31 December 2023 (which are available on its website at <https://www.deyaar.ae/en/financial-results>).

Dar Al Sharia Islamic Finance Consultancy LLC

Dar Al Sharia was incorporated as a subsidiary of the Group in 2007 and has expertise in all types of Sharia advisory, certification, product structuring, restructuring and documentation, conversion of conventional financial institutions as well as providing a full range of products for new Islamic financial institutions and specialising in the structuring and documentation of Sukuk, Islamic syndications and Islamic funds to the market in general (see “– *Fatwa and Sharia Supervisory Board*” below). As at 31 December 2023, the Group owned 100 per cent. of the issued share capital of Dar Al Sharia.

Bank Panin Syariah

The core principle behind the Group's growth strategy in key strategic international markets is to connect East Asia and South Asia with East Africa through Dubai. In accordance with this principle, known internally as 'PIK', which stands for 'Pakistan, Indonesia, Kenya', the Group has established hubs in Pakistan, Indonesia and Kenya and is looking to strengthen these hubs in the coming years and connect them to other regions and countries that fall within the PIK triangle.

As part of the PIK strategy, the Group acquired a 24.9 per cent. stake in Bank Panin Syariah in May 2014 which, as at 31 December 2023, was 25.1 per cent. The Group provides technical assistance to Bank Panin Syariah in a bid to increase Sharia banking in Indonesia through the introduction of new and innovative products and services. As at 31 December 2023, Bank Panin Syariah operates through a network of 10 branches and 60 Sharia bank windows at conventional bank branches (with its head office located at Panin Life Center Building, Jakarta, Indonesia) that offer Islamic banking services in the country.

DIB Bank Kenya

As part of the PIK strategy, the Group obtained an 'in principal' approval from the Central Bank of Kenya in December 2014 to establish a Sharia-compliant bank in Kenya, and accordingly, expand its business to cover East Africa. In April 2017, the Group obtained a banking licence from the Central Bank of Kenya to operate DIB Bank Kenya as a wholly owned subsidiary and DIB Bank Kenya commenced commercial operations on 5 June 2017. DIB Bank Kenya offers an extensive range of Sharia-compliant products and services. With its head office in Nairobi, DIB Bank Kenya operates through a network of six branches in Kenya.

T.O.M. Group

In September 2023, DIB acquired a 20 per cent. shareholding in the T.O.M. Group, an integrated, comprehensive financial services group established in the digital space, with an option to increase its shareholding to 25 per cent. within 12 months.

Aydin Group, the T.O.M. Group's founding shareholder with its new partner DIB, aims to make the T.O.M. Group a national leader with an aspiration to grow regionally in the digital banking and financial technology sector. The shareholders core mandate is to promote financial inclusion by facilitating, easing and enhancing access to digital financial services in Turkey.

IMPACT OF COVID-19

DIB's strategic response to COVID-19 focussed on protecting its franchise through preserving the Group's asset quality, concentrating on low-risk assets and sectors and maximising the integration synergies following its acquisition of Noor Bank. In 2020, DIB shifted its focus towards sovereign-backed transactions, typically by quasi-government or government-related entities. This shift in strategy ensured that the risk profile was appropriately managed while protecting DIB's franchise.

DIB supported its eligible retail customers through special finance postponement schemes as well as waivers and benefits on various consumer products. It also supported its eligible SME and corporate customers through deferment of finance with no additional charges for existing customers, low profit rates, reduced processing fees and simplified documentation processes.

In addition, DIB provided relief measures of nearly AED 9.7 billion across more than 55,000 customers as part of the Central Bank's Targeted Economic Support Scheme (TESS) programme.

RECENT DEVELOPMENTS

ISLAMIC FINANCING AND INVESTING ASSETS

The table below shows a breakdown of the Group's gross Islamic financing and investing assets by product type as at 31 December in each of 2023, 2022 and 2021.

	As at 31 December					
	2023		2022		2021	
	(AED millions)	%	(AED millions)	%	(AED millions)	%
Islamic financing assets						
International murabaha (long term).....	47,072	24	27,707	15	30,847	17
Vehicles murabaha	10,761	5	8,663	5	8,312	4
Other murabaha	3,367	2	5,105	3	5,436	3
Total murabaha	61,199	31	41,475	22	44,594	24
Istisna'	635	0	733	0	798	0
Ijarah	45,466	23	52,640	28	58,171	31
Home finance – Ijarah	23,856	12	22,999	12	21,497	12
Islamic credit cards.....	2,796	1	2,321	1	2,077	1
Personal finance	22,860	11	21,116	11	20,285	11
	156,810	79	141,285	76	147,422	79
Less: deferred income	(4,472)	(2)	(3,852)	(2)	(3,552)	(2)
Less: contractors and consultants' istisna' contracts	(5)	(0)	(7)	(0)	(7)	(0)
Total Islamic financing assets.....	152,333	76	137,426	74	143,862	77
Islamic investing assets						
Musharaka	5,066	3	5,758	3	6,401	3
Mudaraba.....	8,241	4	10,184	5	9,919	5
Wakala.....	42,715	21	41,468	22	35,434	19
Total Islamic investing assets	56,023	28	57,409	31	51,754	28
Total Islamic financing and investment assets	208,356	104	194,835	105	195,617	105
Less: provisions for impairment.....	(8,903)	(4)	(8,793)	(5)	(8,926)	(5)
Total Islamic financing and investment assets, net.....	199,453	100	186,043	100	186,691	100

The Group's total portfolio of Islamic financing and investing assets (net of provisions) was AED 199,453 million (U.S.\$54,310 million) as at 31 December 2023, an increase of 7 per cent. from AED 186,042 million (U.S.\$50,658 million) as at 31 December 2022, which was flat compared to AED 186,691 million (U.S.\$50,835 million) as at 31 December 2021. The increase as at 31 December 2023 compared to 31 December 2022 principally reflected. The distribution of the Group's total portfolio of Islamic financing assets across economic sectors is oriented towards consumer financing (including consumer home financing), services, real estate, aviation, government, trade, financial institutions and contracting, which is in line with the domestic economy.

A description of the concentrations in the Group's Islamic financing and investing assets portfolio is set out below under “– Risk Management – Credit Risk – Portfolio concentrations”.

As at 31 December 2023, 9 per cent. of the Group's total Islamic financing and investing assets portfolio was located outside the UAE. The Group has implemented risk management methods to mitigate and control the risks associated with this portfolio and other market risks to which the Group is exposed, see “– Risk Management” below.

INVESTMENTS IN ISLAMIC SUKUK AND OTHER INVESTMENTS MEASURED AT FAIR VALUE

The Group maintains a sukuk portfolio of high credit quality. This portfolio is concentrated in the GCC (see further note 10 to each of the Financial Statements) and, in particular, 35 per cent. of the sukuk portfolio (before provisions for impairment) was concentrated in the UAE as at 31 December 2023.

The table below shows a breakdown of the Group's investment portfolio (including its sukuk portfolio) as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December					
	2023		2022		2021	
	(AED millions)	%	(AED millions)	%	(AED millions)	%
Investments in sukuk						
Amortised cost.....	67,951	100	51,779	99	41,287	99
Fair value through other comprehensive income	221	0	429	1	507	1
	68,172	100	52,228	100	41,794	100
Other investments						
Investments carried at FVTPL ⁽¹⁾	-	-	-	-	-	-
Investments carried at FVTOCI ⁽²⁾	847	100	1,025	100	1,229	100
	847	100	1,025	100	1,229	100

Notes:

(1) Fair value through profit or loss.

(2) Fair value through other comprehensive income.

FUNDING

The table below shows the sources of the Group's funding as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December					
	2023		2022		2021	
	(AED millions)	%	(AED millions)	%	(AED millions)	%
Customers' deposits	222,054	73	198,637	72	205,845	76
Due to banks and financial institutions.....	12,967	4	12,809	5	2,584	1
Sukuk issued.....	20,481	7	22,340	8	20,563	8
Total equity	47,434	16	43,975	16	41,465	15
Total funding	302,936	100	277,761	100	270,456	100

Customers' deposits and due to banks and financial institutions

The Group's customer's deposits and bank deposits (recorded as due to banks and financial institutions in its consolidated statement of financial position) together totalled AED 235,021 million (U.S.\$63,995 million), AED 211,446 million (U.S.\$57,576 million) and AED 208,429 million (U.S.\$56,754 million) as at 31 December 2023, 31 December 2022 and 31 December 2021, respectively. The Group's customers' deposits represented 94 per cent., 94 per cent. and 99 per cent., respectively, of its total bank and customers' deposits as at those dates.

The Group's principal source of funding is its customers' deposits. The table below shows a breakdown of the Group's customer deposits as at 31 December 2023, 31 December 2022 and 31 December 2021.

	31 December		
	2023	2022	2021
	(AED millions)		
Customers' deposits			
Current accounts.....	40,936	48,493	49,074
Saving accounts.....	40,382	37,577	40,721
Investment deposits.....	140,220	111,964	115,705
Margin accounts.....	434	504	289
Depositors' investment risk reserve.....	19	19	18
Depositors' share of profit payable.....	63	80	38
Total.....	222,054	198,637	205,845

Sukuk issued

Sukuk issuance by DIB under the Programme

In May 2012, DIB, through a Sharia-compliant financing arrangement, established the Programme. As at 31 December 2023, DIB had six series of certificates outstanding under the Programme, with an aggregate outstanding amount of AED 20,386 million. The outstanding sukuk have expected profit rates of between 1.96 per cent. and 5.49 per cent. and mature between February 2025 and August 2028.

Sukuk issuance by DIB Pakistan

In 2018, DIB Pakistan issued its rated, unsecured, subordinated and privately placed Additional Tier 1 Mudaraba sukuk. The sukuk issue is rated A+ by VIS Credit Rating Company Limited (formerly JCR-VIS Credit Rating Company Limited). The sukuk issue is a perpetual instrument and carries an expected profit rate of 1.75 per cent. per annum over the three month Karachi Interbank Offered Rate. It also has a call option which is exercisable after five years.

In 2022, DIB Pakistan issued its rated, unsecured, subordinated and privately placed Tier-II Mudaraba sukuk. The sukuk issue is rated A+ by JCR-VIS Credit Rating Company Limited. The sukuk issue has a 10 year tenor and carries an expected profit rate of 70 basis points per annum over the six month Karachi Interbank Offered Rate. The sukuk issue is redeemable at maturity and has a call option which is exercisable after five years.

Total equity

The Group's equity funding takes the form of its share capital and reserves (including retained earnings) and its Tier 1 sukuk issued which are accounted as equity. As at 31 December 2023, the Group's share capital and reserves (including retained earnings) amounted to AED 36,293 million and its Tier 1 sukuk amounted to AED 8,264 million.

Tier 1 sukuk issuances

The Group has issued Tier 1 sukuk, which are accounted as equity, through Sharia-compliant structures. The outstanding Tier 1 sukuk as at 31 December 2023 are set out in the table below.

SPV (the Issuer)	Date of issuance	Issuance amount Equivalent AED '000	Discretionary profit rate	Callable period
DIB Tier 1 Sukuk (3) Limited...	January 2019	2,754,750 (U.S.\$ 750 million)	6.25% per annum to be paid semi-annually	On or after January 2025
DIB Tier 1 Sukuk (4) Limited	November 2020	3,673,000 (U.S.\$ 1 billion)	4.63% per annum to be paid semi-annually	On or after May 2026
DIB Tier 1 Sukuk (5) Limited...	April 2021	1,836,500 (U.S.\$500 million)	3.38% per annum to be paid semi-annually	On or after October 2026

The Tier 1 sukuk are perpetual securities in respect of which there are no fixed redemption dates and which constitute direct, unsecured, subordinated and conditional payment obligations (senior only to share capital), subject to the terms and conditions of the relevant mudaraba agreement. In the case of each issuance, at the relevant issuer's sole discretion, it may elect not to make any mudaraba profit distributions and the event is not considered a dissolution event. In such event, the mudaraba profit will not be accumulated but forfeited to the relevant issuer. Each Tier 1 sukuk issuance is listed on the regulated market of Euronext Dublin and the sukuk issued in January 2019 and April 2021 are also listed on Nasdaq Dubai.

The net proceeds of the Tier 1 sukuk are invested by way of mudaraba with DIB (as mudareb), on an unrestricted co-mingling basis, in DIB's general business activities carried out through its general mudaraba pool.

Repo facility

In the event of a liquidity crisis, the Group has a large portfolio of rated sukuk that could be used as collateral for repo facilities provided by the Central Bank as part of its measures intended to ensure that UAE banks have sufficient liquidity including through access to the Central Bank's Islamic-compliant CD repo facility.

CAPITAL ADEQUACY

The Group calculates its capital adequacy ratio in accordance with the capital adequacy regulations, standards and guidelines issued by the Central Bank in line with Basel III requirements (see further “*The United Arab Emirates Banking Sector and Regulations – Recent Trends in Banking – Prudential Regulations*”). The Central Bank introduced the Basel III Regulations (as defined herein) introducing minimum capital requirements at three levels: common equity tier 1 (**CET1**), tier 1 and total capital. The Group must maintain a minimum CET1 ratio of 7 per cent. and a total capital ratio of at least 13.5 per cent. (including the buffers referred to below).

The Central Bank has also introduced capital buffers which must be maintained in addition to the minimum CET1 requirement of 7 per cent.: (i) the Group is currently required to maintain a capital conservation buffer (**CCB**) of 2.5 per cent. of risk weighted assets together with a domestic systemically important bank buffer (**D-SIBB**) of 0.5 per cent. of risk weighted assets; and (ii) a countercyclical capital buffer (**CCyB**), which must be maintained at a level determined by the Central Bank between 0 – 2.5 per cent. of risk weighted assets. The CCyB is not yet in effect and was not required to be maintained in 2023. Therefore, the combined buffer requirement applicable to the Group as at the date of this Base Prospectus comprises only the CCB and the D-SIBB.

With effect from 15 March 2020 until 31 December 2021, banks in the UAE were allowed to tap into their CCB up to a maximum of 60 per cent. and to use 100 per cent. of their D-SIBB without supervisory consequences, as part of the measures adopted by the Central Bank to help UAE banks deal with the COVID-19 crisis. As the Group's regulatory capital ratios were comfortably higher than the required capital ratios, the Group did not utilise this facility.

The table below shows the Group's capital ratios determined in accordance with Basel III as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December		
	2023	2022	2021
	<i>(AED millions, except percentages)</i>		
Capital base	42,936	40,744	39,138
Risk weighted assets			
Credit risk	227,642	210,655	208,730
Market risk	2,292	2,618	3,100
Operational risk	18,689	18,313	16,991
Risk weighted assets	248,623	231,568	228,820
Capital ratios			
Tier 1 capital ratio	16.1%	16.5%	16.0%

	As at 31 December		
	2023	2022	2021
	<i>(AED millions, except percentages)</i>		
Capital adequacy ratio	17.3%	17.6%	17.1%
Common equity tier 1 ratio	12.8%	12.9%	12.4%

RELATED PARTIES

Certain related parties (principally major shareholders, associated companies, directors and senior management of DIB and companies of which they are principal owners) are customers of the Group in the ordinary course of business. The transactions with these parties were made on substantially the same terms (including profit and commission rates and the requirements for collateral) as those prevailing at the same time for comparable transactions with unrelated parties and did not involve an amount of risk which was more than the amount of risk relating to such comparable transactions. No impairment allowances have been recognised against financing and investing assets extended to related parties.

The table below shows the amounts outstanding as at 31 December 2023, 31 December 2022 and 31 December 2021 in respect of transactions entered into by the Group with related parties:

	As at 31 December		
	2023	2022	2021
	<i>(AED millions)</i>		
Islamic financing and investing assets	1,249	1,304	1,678
Investment in sukuk	823	649	157
Customers' deposits.....	1,904	1,409	2,511
Contingent liabilities and commitments.....	96	99	47

The table below shows income earned from and profit paid to related parties in each of the years ended 31 December 2023, 31 December 2022 and 31 December 2021.

	Year ended 31 December		
	2023	2022	2021
	<i>(AED millions)</i>		
Income from Islamic financing and investing	84	48	38
Income from investment in sukuk	33	17	7
Depositors' share of profits.....	68	40	24

See further, note 43 to each of the Financial Statements.

SUSTAINABILITY

DIB's Sustainability department develops and implements its sustainability strategy and is responsible for monitoring the execution of sustainability initiatives. The Sustainability department, led by the Chief Sustainability Officer and a team of sustainability leads, coordinates efforts on sustainability reporting and strategy implementation across departments and teams. The governance and operating model aims to fully integrate sustainability across DIB's operations and portfolio. This is a critical enabler for implementing the sustainability strategy and will ensure streamlined execution and effective oversight.

In 2022, DIB established its forward-looking 2030 ESG Strategy which outlines its ambition and approach to a more sustainable future and supporting the UAE's sustainability agenda. DIB's ESG Vision to 'Own the Space' is built on the framework of two main strategic pillars where it aims to focus its main ESG efforts to meet its ESG Vision. These pillars are:

- Lead by Example - to become a role model in sustainable practices and behaviours in DIB's own operations and towards its employees; and
- Finance a Sustainable Future - to embrace sustainable business practices in serving DIB's customers and communities.

Each pillar has four priority areas for which individual objectives and goals have been defined.

In 2022, DIB was awarded 'Best Sustainable Finance Initiative' by the MEA Finance. It also issued U.S.\$750 million Sustainable Sukuk, becoming the first UAE bank to do so. DIB's Sustainable Sukuk was the largest Sustainable Sukuk issue in the GCC and highlights DIB's strong commitment to sustainable finance, the UAE's net zero agenda and the Dubai Clean Energy Strategy.

In 2023, DIB was an associate pathway partner for the COP 28 UAE event where DIB actively participated in the annual UN Climate Conference. Several ESG initiatives, such as "One Tree for Everyone" and "NEST (Sustainable Home Finance)", were launched during the year in line with the UAE's Year of Sustainability. In addition, DIB also committed on the UAE climate responsible companies pledge where DIB will aim to strengthen its sustainability ambitions and reduce its carbon footprint in line with the UN global sustainable development goals.

DIB has arranged more than U.S.\$12 billion of ESG and Sustainability-linked Islamic capital market transactions and has become increasingly active in the issuance of ESG sukuk since 2018. DIB is committed to driving sustainability by financing companies and projects that are at the forefront of the energy transition in the UAE. In addition, the key areas of focus for DIB in its social development agenda are affordable housing and support to SMEs.

DIB has donated over AED 199 million of charitable contributions that have reached over 134,000 beneficiaries through 45 various charities and non-governmental organisations in the UAE focussing on various impact areas, including quality education; good health; affordable housing; and community support. DIB maps its impact to the following nine United Nations' Sustainable Development Goals through its business activities and charitable contributions: zero hunger; good health and well-being; quality education; gender equality; decent work and economic growth; reduced inequalities; sustainable cities and communities; climate action; and peace, justice and strong institutions.

INFORMATION TECHNOLOGY

In the current era of artificial intelligence (AI)-led innovation and disruption, DIB recognises the importance of technology in building the Group's business capabilities with the ambition of accomplishing its objectives of growth, expansion and competitive market positioning. Technology is at the core of the Group's strategy and for that reason a digital technology roadmap is embedded within its business plans. This roadmap is committed to deliver superior experience, resilient business architecture and growth opportunities through data monetisation and digital products.

The Group's IT capabilities aim to provide state of the art customer engagement platforms, integrated with robust, scalable data, analytics and core product processors, supported by advanced AI and machine learning capabilities as discussed under "*Strategy – DIGITAL Transformation*" above, hosted on resilient cloud-enabled data centres which are designed with a focus on sustainability. All of this is to ensure the delivery of a flawless experience to customers.

Through its IT, the Group aspires to provide its businesses with a continuous competitive advantage and for that purpose it has a robust transformation plan that is committed to deliver operational efficiencies, productivity and high-quality risk management competences.

COMPLIANCE

The Group's compliance function is headed by an experienced chief compliance officer (the **GCCO**). The GCCO reports to the Group CEO of DIB, has direct access to the Board through the Board Risk, Compliance & Governance Committee and also has access to other board committees, as and when required. The GCCO is responsible for coordinating and overseeing the effective implementation of the compliance programme and related policies across the Group.

The Group's compliance policies focus on meeting the requirements of applicable laws and regulations, and adopting international best practices. The policies have been devised to prevent exposure to various risks

(including money laundering and terrorist financing). They also aim to ensure compliance with sanction programmes including those of the UAE, the United States, the United Nations and the EU.

The Group follows a risk-based approach and conducts risk-based assessments in respect of its activities and provides advice to its UAE-based branches and financial subsidiaries to ensure compliance with applicable laws and regulations. DIB requires that its Anti-Money Laundering (**AML**), Counter Financing of Terrorism (**CFT**), Client Acceptance, U.S. foreign Account Tax Compliance Act (**FATCA**) and Common Reporting Standard (**CRS**) policies and practices are adopted by all branches and financial subsidiaries within the Group to the extent relevant to their businesses.

The Group also carries out enhanced due diligence on customers who are classified as high risk (including Politically Exposed Persons (**PEPs**)) at the time of onboarding and subsequently at the time of know your customer (**KYC**) renewals of existing customers. The Group also monitors transaction activity to detect unusual customer transactions.

DIB is committed to strengthening its compliance function in line with regulatory expectations.

INTERNAL AUDIT

Group Internal Audit, headed by the Group Chief of Internal Audit, is an independent, objective assurance and consultancy function, designed to support the Bank in accomplishing its objectives by bringing a systematic auditing approach to evaluate the effectiveness of risk management, control and governance processes.

Group Internal Audit, as a third line of defence function, is organisationally independent from all other functions in the Bank and accountable to provide independent assurance to the Board of Directors through the Board Audit Committee. To ensure organisational independence, the Group Chief of Internal Audit reports administratively to Group CEO and functionally to the Board Audit Committee.

The scope of the internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing an independent evaluation of the adequacy, efficiency and effectiveness of the internal control system, risk management and compliance activities, and governance systems and processes of the Bank, its subsidiaries and branches.

BUSINESS CONTINUITY PLANNING AND DISASTER RECOVERY

The Group has implemented business continuity planning (**BCP**) and disaster recovery (**DR**) framework to prepare for unexpected business disruption events. Business continuity testing is carried out on an annual basis for the Group's critical systems. In addition, each year a plan is put in place to perform DR drills for such critical systems. The Group reviews its BCP and DR capabilities on an ongoing basis and updates them to include the latest technologies and handle any new threats to the Group's business.

The Group's BCP policy is derived from BCP best practices, including the UAE local standard, ISO 22301 and the British standard. The Group has also adopted the BCP guidelines of the Central Bank.

The Group has set-up dedicated business continuity sites at different locations within the UAE. The Group's DR site is kept separate and distant from its primary IT systems site. The Group also complies with the UAE's local emergency management practices. The Group has enhanced its BCP capacity by adding a work from home framework as an additional tool to the business continuity infrastructure.

The Group's crisis management committee is responsible for managing BCP and DR within the Group. The committee also oversees the handling of any cyber incidents within DIB.

SUSTAINABLE FINANCE FRAMEWORK

Overview

In July 2022, DIB published its Sustainable Finance Framework (the **Framework**) on its website, which was created to facilitate the financing of green and social initiatives and projects. DIB was the first Islamic bank in the UAE to publish such a framework.

DIB believes the Framework supports its commitment to driving sustainability by financing companies and projects that are at the forefront of the energy transition in the UAE. Prior to the creation of the Framework, DIB had already launched innovative sustainable finance offerings, such as a green auto finance offering specifically for electric and hybrid vehicles and its bespoke housing financing solutions to provide affordable housing in the UAE. The Framework is expected to allow DIB to accelerate these efforts by permitting it to raise sustainable financing across multiple formats in the future.

Use of the Framework

DIB intends to use the Framework as the basis to issue Green, Social or Sustainability Sukuk and other Financing instruments (together “**Sustainable Financing Instruments**”). The Sustainable Financing Instruments will fund Eligible Sustainable Projects (as defined below) that conform to the sustainable finance principles of:

- the ICMA GBPs 2021, SBPs 2021 and SBGs 2021; and/or
- the LMA GLPs 2021 and SLPs 2021.

In aligning with the above principles and guidelines, the Framework is presented through the four core components of the GBPs, SBPs, SBGs, GLPs and SLPs as well as their recommendation for external review, as discussed under the four headings below.

Use of proceeds

DIB will allocate an amount at least equivalent to the net proceeds of the Sustainable Financing Instruments issued under the Framework to finance and/or re-finance, in whole or in part, sustainable projects which meet the eligibility criteria of the eligible green project and/or eligible social project categories (**Eligible Sustainable Projects**) described below. A maximum three-year look-back period applies for refinanced projects and DIB expects each issue under the Framework to be fully allocated within two years from the date of issuance.

Eligible green projects Eligibility criteria

Renewable energy

Projects related to the production, transmission and storage of energy from (i) solar (PV and concentrated solar power (with a minimum 85 per cent. of power generation derived from solar sources), (ii) wind energy (including onshore and offshore), (iii) biofuels produced from waste sources, such as used cooking oil and (iv) biomass from sustainable sources of local raw material only (such as agricultural residues or forestry) which does not deplete existing terrestrial carbon pools or compete with food production.

Also projects related to the production of green hydrogen projects with storage and distribution and research and development.

Energy efficiency

Projects that reduce energy consumption by at least 20 per cent. compared to the average of national energy consumption of an equivalent project or technology, such as (i) district cooling systems, (ii) upgrades in grid infrastructure to improve electricity transmission efficiency and reduce transmission losses and (iii) investment in smart energy grids, energy meters, management systems and

battery storage facilities. Improvement activities that result in the lock in of fossil fuel technologies will be excluded.

Clean transportation

Financing related to electric and low carbon vehicles meeting defined criteria and associated infrastructure for public, passenger and freight transportation, including auto financing programmes.

Also projects supporting the deployment of electric vehicles including charging infrastructure.

Green buildings

Projects related to the acquisition, development, construction and refurbishment of buildings that are either in the top 15 per cent. in terms of energy efficiency of their local market or have received, or are expected to receive based on their design, construction and operational plans, certification according to third-party verified green building standards, including (i) LEED “Gold” or above, (ii) BREEAM “Excellent” or above, (iii) Estidama Pearl Building Rating System (4 Pearl and above) and (iv) Global Sustainability Assessment System (GSAS) “4 star” or above.

Pollution prevention and control

Projects related to construction, upgrade and renovation of facilities for the collection, sorting, processing, conversion and treatment of waste, including (i) waste collection and storage, (ii) waste sorting, separation and material recovery, (iii) recycling and reuse, (iv) biological treatment facilities (including anaerobic digestion and composting facilities) and (v) waste to energy plants, where recyclables are sorted and there is bottom ash recovery.

Sustainable water and wastewater management

Projects related to the construction, operation, maintenance or upgrade of water collection, recycling, transportation and treatment technologies, including (i) water and wastewater treatment plants (WWTP) including reuse of WWTP effluents and (ii) sewer systems and pumping stations.

Also projects that increase water use efficiency by at least 20 per cent., such as water recycling and reuse projects, water saving systems, water saving technologies and water metering.

Also water desalination projects running on reverse osmosis technology with a maximum specified carbon intensity over the residual asset life.

Eligible social projects

Eligibility criteria

Employment generation and programmes designed to prevent and/or alleviate unemployment stemming from socio-economic crises

Financing and/or refinancing to SME and microfinance clients, as well as the provision of support measures to these clients, such as offering extension of payment periods and exemption of facility fees during natural disasters and pandemics.

Affordable housing

Financing and/or refinancing of government-supported or government-subsidised mortgages for the provision of affordable housing as well as projects related to the development and construction of homes covered under such programmes.

Access to essential services

Projects related to (i) the construction or expansion of public hospitals and schools for the provision of not-for-profit, free or subsidised healthcare and education, (ii) the provision / distribution of healthcare equipment and public healthcare services, (iii) the provision of infrastructure for emergency medical

response and disease control services and (iv) the provision of child, youth or adult education and vocational training services.

Also projects related to provision of essential public services including manufacturing of firefighting and other emergency equipment.

Financing towards any expenditure or projects involving the following activities will be excluded:

- coal or gas fired power generation and distribution assets;
- coal mining and transportation;
- fossil fuel-related exploration and distribution;
- conflict minerals;
- extractive industries and mining;
- military contracting and weapons;
- nuclear power generation and distribution assets; and
- activities involving modern slavery or forced labour.

In addition, other projects and sectors are excluded as a result of being non-Sharia-compliant, including payday loans; gambling; adult entertainment, alcohol; and tobacco.

Process for project evaluation and selection

A working group will be established and will be responsible for governing and implementing the initiatives set out in the Framework.

The working group will comprise senior representatives from corporate, treasury, investment banking, finance, risk, credit and investor relations and will be established as a sub-committee of DIB's Management Credit Committee. It will also be monitored by the Risk Management Committee and Board Risk, Compliance and Governance Committee.

The working group will meet at least quarterly to ratify Eligible Sustainable Projects, which are initially identified during the credit approval process, and ensure that all Eligible Sustainable Projects have been assessed from an environmental and social risk management perspective. It will also undertake regular monitoring of the asset pool to ensure the continued eligibility of Eligible Sustainable Projects, whilst replacing any Eligible Sustainable Projects that cease to be eligible with new Eligible Sustainable Projects. The working group will also facilitate regular reporting on Sustainable issuance, manage future updates to the Framework and ensure that the approval of Eligible Sustainable Projects follows DIB's existing financing and investment approval processes.

Management of proceeds

The proceeds of each DIB Sustainable Financing Instrument will be deposited in DIB's sustainability-related funding accounts and earmarked for allocation towards the Eligible Sustainable Projects using the Sustainable Finance Register.

The Sustainable Finance Register will contain details of each Sustainable Financing Instrument issued, including pricing date, maturity date, principal amount of proceeds, coupon and ISIN number. Details of each Eligible Sustainable Project will also be listed in the Sustainable Finance Register, including the category of project, project description, project location, Bank's ownership percentage, total project cost, amount allocated and settled currency.

In addition, any proceeds temporarily unallocated will be invested according to DIB's standard liquidity policy into cash or cash equivalents with detail recorded in the Sustainable Finance Register.

Reporting

On an annual basis, DIB will publish an allocation report and an impact report on its Eligible Sustainable Projects. This reporting will be updated annually until full allocation of the net proceeds of any Sustainable Financing Instrument issued, or until the Sustainable Financing Instrument is no longer outstanding. For further details, see the Framework and any reports published on DIB's website, using the link below.

External review

DIB has appointed ISS ESG to assess the Framework and its alignment with the Principles and to issue a Second Party Opinion (**SPO**) accordingly. The Second Party Opinion has been published on DIB's website. None of the Framework or the Principles or any of the above reports (including, without limitation, the Second Party Opinion from ISS ESG), verification assessments or the contents of any of the above websites are incorporated in or form part of this Base Prospectus.

RISK MANAGEMENT

OVERVIEW

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring, subjecting risk to limits and the implementation of other risk controls, as described below. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her particular responsibilities.

The Group is exposed to a number of risks, including credit risk, liquidity risk and market risk, the latter being subdivided into trading and non-trading risks. The Group is also subject to operating risks, as well as other risks such as Sharia risk, reputational risk, strategic risk, compliance risk and ESG risk.

The Group's independent risk control process does not include business risks such as changes in the environment, technology and industry. These risks are monitored through the Group's strategic planning process.

RISK MANAGEMENT STRUCTURE

The Board, supported by the Board Risk, Compliance & Governance Committee, the Management Risk Management Committee and the Risk Management Department, is ultimately responsible for identifying, monitoring and controlling risks within the Group. There are also other independent bodies and functions responsible for managing and monitoring risks.

Board of Directors

The Board is responsible for the Group's overall risk management approach and for approving its risk strategies and policies.

Board Risk, Compliance & Governance Committee

The Board Risk, Compliance & Governance Committee has overall responsibility for the development of the risk strategies, frameworks, policies and limits and for recommending these to the Board. It is responsible for the fundamental risk issues and manages and monitors relevant risk decisions.

Management Risk Management Committee

The day-to-day monitoring of risk has been delegated to the Management Risk Management Committee. This committee has the overall responsibility to support the Board Risk Management Committee in the development and formulation of risk strategies, frameworks, policies and limits. It is also responsible for ensuring compliance with all risk limits, monitoring risk exposures and implementing the regulatory guidelines issued by relevant regulatory bodies, such as the Central Bank.

Risk Management Department

The Risk Management Department is responsible for implementing and maintaining risk related procedures to ensure that risk remains within the acceptable range approved by the Board Risk, Compliance and Governance Committee and the Board. The Risk Management Department is responsible for credit administration, portfolio management, credit risk, market risk, operational risk, conduct risk and overall risk control.

Asset and Liability Management Committee

ALCO is responsible for managing the Group's assets and liabilities. It is also primarily responsible for the funding and liquidity risks of the Group.

PIRC Committee

With effect from 2024, the Provisioning and Impaired Assets Remedial Committee (**PIRC**) has combined the responsibilities of the former IFRS 9 committee and the provisioning responsibilities of the Collection & Remedial Management committee (**CRMC**). The former IFRS 9 committee was responsible for assisting management in fulfilling their responsibilities with respect to (i) compliance with IFRS 9 standards, related UAE Central Bank applicable regulatory rules, and the Group's policies; (ii) ensuring that the Group prudently recognises significant deterioration in credit quality and non-performance and carries the appropriate level of expected credit loss.

The former IFRS 9 committee's primary responsibilities comprised supervising, monitoring, applying and reviewing all impairment models in respect of use of ECL and related central bank guidelines including monitoring the staging of exposures and considering ordinary and extraordinary circumstances in determining ECL stage and ECL levels, which it reported to the Risk Management Committee.

Although the CRMC no longer has provisioning responsibilities, it still takes remedial decisions and monitors recovery activities within the discretionary authority delegated to it by the Executive Committee and the Board. In addition, the CRMC periodically reviews and provides constructive recommendations to the Executive Committee and/or the Board on the policies, guidelines and processes for remedial activities in the Group.

Management Credit Committee

The Management Credit Committee is a management level of authority responsible for taking credit decisions and monitoring credit activities within the discretionary authority delegated to it by the Board. In performing its role, the Management Credit Committee periodically reviews and provides constructive recommendations to the Board on the Group's credit policies, guidelines, processes and the future direction of credit/investment activities within the Group.

Internal Audit Department

Risk management processes throughout the Group are audited periodically by the Internal Audit Department which examines both the adequacy of the procedures and the Group's compliance with the procedures. The Internal Audit Department comments on the results of their assessments to management and reports its findings and recommendations to the Board Audit Committee.

RISK MEASUREMENT AND REPORTING SYSTEMS

The Group measures risks using qualitative as well as quantitative methods for credit, market, liquidity, operational and other relevant risks. Further, the Group also uses quantitative analysis and methods to support revisions in business and risk strategies when required. These analyses and methods reflect both the expected loss likely to arise in the normal course of business and unexpected losses resulting from unforeseen events, which are based on simple statistical techniques and probabilities derived from historical experience. The Group also runs stress scenarios that would arise if extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Board and management. These limits reflect the business strategy and market environment of the Group as well as the level of risk that it is willing to accept, with additional emphasis on selected industries.

Information compiled from all of the Group's businesses is examined and processed in order to analyse the risk profile and identify risks at an early stage. This information is presented and explained to the Board and management. Specialised reports are presented to the heads of business and are delivered with a frequency suited to the volatility of the risk. The reports include aggregate credit exposure, limit exceptions, liquidity, operational loss incidents and other risk profile changes. Detailed reporting of industry, customer and geographic risks takes place monthly. DIB's senior management assesses the appropriateness of its provisions for impairment losses quarterly.

MODEL RISK MANAGEMENT

The Group uses quantitative models in many of its financial and business activities, including when underwriting a credit facility, reporting expected credit losses under IFRS 9 and assessing liquidity risk and profit rate risk.

To manage the model risks, the Group has developed and implemented a model governance framework which contains Group-wide development, implementation and validation policies and practices. According to the framework, all internally or externally developed risk quantification models that directly affect the financial reporting on expected credit losses require validation periodically (internally or externally). The Model Risk Management Committee (**MRMC**) is responsible for overseeing all model-related development, implementation of framework and performance of the models. The MRMC reports to the Risk Management Committee.

The framework establishes a systematic approach to manage the development, implementation, approval, validation and ongoing use of models. It sets out an effective governance and management structure with clearly defined roles and responsibilities, policies and controls for managing model risk. The framework is reviewed on a regular basis to ensure it meets regulatory standards and international practices. Any major change to the framework is approved by the Risk Management Committee upon recommendation of the MRMC.

The Group has an independent validation function that performs independent model validation. It provides fit-for-purpose, conditional approval or not fit-for-purpose recommendations to the MRMC to approve the use of the new risk quantification or valuation models. In addition to new model validation, the validation function also evaluates the performance of existing models through an annual validation process.

RISK MITIGATION

As part of its overall risk management process, the Group uses various methods to manage exposures resulting from changes in credit risks, liquidity risks, market risks (including profit rate risks, foreign exchange risks and equity price risks), operational risks and other material risks.

The Group seeks to manage its credit risk exposures through diversification of financing and investment activities to avoid undue concentration of risk with individuals and groups of customers in specific locations or businesses. The Group actively uses collateral to reduce its credit risks. See “– *Credit Risk*” below for further details.

The Group's market risk is managed on the basis of predetermined asset allocation across various asset categories and a continuous appraisal of movements in market conditions. The Group also continuously monitors expected changes in foreign currency rates, benchmark profit rates and equity prices in order to mitigate market risk. See “– *Market Risk*” below for further details.

In order to mitigate against liquidity risk, the Group's management has access to diversified funding sources. The Group's assets are managed with its overall liquidity in mind as well as with a view to maintaining an appropriate balance of cash and cash equivalents in order to be able to meet its contractual liabilities at short notice.

To manage all other risks, the Group has developed a detailed risk management framework supported by dedicated policies intended to identify and apply resources effectively in order to mitigate against those risks occurring.

RISK CONCENTRATION

Concentrations of risk arise within the Group when a number of its counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to the Group to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of credit risk, the Group's policies and procedures include specific guidelines which require it to focus on maintaining a diversified portfolio of Islamic financing and investment assets. Where concentrations of credit risks are identified, the Group aims to control and manage these accordingly (as described further below).

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss and is inherent in a wide range of the Group's businesses. Credit risks could arise from a deterioration in the credit quality of specific counterparties of the Group, from a general deterioration in local or global economic conditions or from systemic risks with the financial system. The Group attempts to regulate credit risk by implementing a credit risk strategy and attempts to minimise credit risk by monitoring credit exposures (in particular, in relation to those counterparties falling within higher risk rating bands), limiting transactions with specific counterparties and continually assessing the creditworthiness of its counterparties. In addition to monitoring credit limits, the Group manages credit exposure relating to its trading activities by entering into collateral arrangements with counterparties in appropriate circumstances and limiting the duration of its exposure to those counterparties. In certain cases, the Group may also close out transactions or assign them to other counterparties to mitigate credit risk.

Management of credit risk

The Group's credit risk management framework includes:

- establishment of an authorisation structure and limits for the approval and renewal of credit facilities;
- reviewing and assessing credit exposures in accordance with its authorisation structure and limits, prior to facilities being approved for advance to customers. Renewals and reviews of facilities are subject to the same review process as occurs in respect of an application for a new facility;
- limiting concentrations of exposure to industry sectors, geographic locations and counterparties; and
- reviewing compliance, on an ongoing basis, with agreed exposure limits relating to counterparties, industries and countries and reviewing limits in accordance with the risk management strategy and market trends.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of its counterparties. Counterparty limits are established using a credit risk classification system, which assigns each counterparty a risk rating. The Group's risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed.

Credit risk measurement

The Group assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparties, including corporate, contracting, SMEs, financial institutions and real estate. Models are developed with the external support of accredited consultants and are also subjected to external validation. Models are calibrated to the Group's internal rating scale, and are housed within the Moody's CreditLens platform.

The Group's rating tools are kept under review and upgraded as necessary. The Group regularly validates the performance of the rating tools and their predictive power with regard to default events.

Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most traditional and commonly used policy is to take collateral against the amount advanced. The Group has implemented guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal types of collateral obtained in respect of the Group's Islamic financing and investing assets are:

- mortgages over residential and commercial properties;
- corporate guarantees;
- charges over business assets such as premises, machinery, vehicles and inventory; and
- charges over financial instruments such as deposits and equities.

The amount and type of collateral required by the Group depends on its assessment of the particular counterparty's credit risk.

Islamic derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the Group's consolidated statement of financial position.

Credit-related commitments risks

The Group makes available to its customers guarantees and letters of credit which require it to make payments in the event that its customer fails to fulfil certain obligations it owes to other parties. This exposes the Group to a similar credit risk to that faced by it in respect of its financing and investing assets, and these risks are mitigated by the same control processes and policies as described above.

Portfolio concentrations

As described above, concentrations of credit risk arise when a number of counterparties are engaged in similar business activities, in activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. The Group's credit policies are structured to ensure that the Group is not over-exposed to a given client, industry or geographic area through diversification of financing and investment activities.

The table below shows the industry breakdown of the Group's total Islamic financing and investing assets (before provisions for impairment) as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December					
	2023		2022		2021	
	(AED millions)	%	(AED millions)	%	(AED millions)	%
Portfolio concentration total Islamic financing and investing assets – by industry sector						
Government.....	22,023	11	23,643	12	17,399	9
Financial institutions	7,557	4	3,820	2	4,841	2
Real estate	35,915	17	38,122	20	44,083	23
Contracting	4,522	2	5,357	3	5,705	3
Trade	8,842	4	8,956	5	8,340	4
Aviation.....	15,760	8	18,176	9	19,768	10
Services and others.....	56,897	27	44,209	23	44,273	23
Consumer home finance.....	24,671	12	23,787	12	22,267	11
Consumer financing	32,170	15	28,765	15	28,940	15
Total.....	208,356	100	194,835	100	195,617	100

The table below shows the concentration of the Group's gross total Islamic financing and investing assets by geography as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December					
	2023		2022		2021	
	(AED millions)	%	(AED millions)	%	(AED millions)	%
Portfolio concentration total Islamic financing and investing assets – by geographical area						
Within UAE.....	190,213	91	183,541	94	183,349	94
Outside UAE	18,143	9	11,294	6	12,268	6
Total.....	208,356	100	194,835	100	195,617	100

The table below shows the Group's non-performing assets ratio and provision coverage ratio as at 31 December 2023, 31 December 2022 and 31 December 2021.

	Portfolio outstandi ng net of future profits	Bilateral sukuk	Total (AED millions)	Non performing assets	Provisions held	Non performing / portfolio outstandin g net of future profits and bilateral sukuk (%)	Provisions/ non performing
31 December 2023	208,356	4,661	213,017	11,497	8,903	5.4	90
31 December 2022	194,835	5,802	200,637	12,986	8,793	6.5	78
31 December 2021	195,617	5,802	201,419	13,784	8,926	6.8	72 ⁽¹⁾

Note:

- (1) The 31 December 2021 provision coverage ratio includes the impact of fair value adjustment on the Stage 1 and Stage 2 Islamic financing and investing portfolio acquired from Noor Bank and the provision coverage ratio as at 31 December 2021 includes the regulatory credit risk reserve created in accordance with the guidelines of the Central Bank.

Impairment assessment

The Group applies a three-stage approach to measure allowances for credit losses, using an Expected Credit Loss (ECL) model as required under IFRS 9, for the following categories of financial instruments that are measured at amortised cost:

- Islamic financing and investing assets and investment in Islamic sukuk;
- off-balance sheet instruments issued;
- financial guarantee contracts issued;
- due from banks and financial institutions;
- balances with Central Banks; and
- other financial assets.

The ECL model is based on the change in credit quality of financial assets since initial recognition. Expected credit losses reflect the present value of all cash shortfalls related to default events either: (i) over the following 12 months; or (ii) over the expected life of a financial instrument depending on credit deterioration from inception. The three stages are as follows:

- under stage one, where there has not been a significant increase in credit risk since initial recognition, an amount equal to 12 months ECL will be recorded;
- under stage two, where there has been a significant increase in credit risk since initial recognition but the financial instruments are not considered credit impaired, an amount equal to the default probability weighted lifetime ECL will be recorded; and

- under stage three, where there is objective evidence of impairment at the reporting date these financial instruments will be classified as credit impaired and an amount equal to the lifetime ECL will be recorded for the financial assets.

The ECL model is forward-looking and requires the use of reasonable and supportable forecasts of future economic conditions in the determination of significant increases in credit risk (SICR) and measurement of ECL. No impairment loss is recognised on equity investments.

For a discussion of the manner in which ECL is measured, see note 5.3.9 to the 2023 Financial Statements.

The table below shows the movements in the Group's provision for impairment in respect of its Islamic financing and investing assets for the years ended 31 December in each of 2023, 2022 and 2021.

	Year ended 31 December		
	2023	2022	2021
		(AED millions)	
Balance at 1 January.....	8,793	8,926	8,401
Net impairment charge during the year.....	1,325	1,327	1,971
Write-off.....	(1,210)	(1,335)	(1,436)
Exchange and other adjustments	(5)	(125)	(10)
Balance at the end of the year	8,903	8,793	8,926

A more detailed table showing the split of the provision between IFRS 9 stages can be found in note 9.3 to each of the Financial Statements.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to the Group's core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure additional funding if required.

DIB is required to have a robust liquidity risk framework in place to manage its liquidity position in accordance with the qualitative and quantitative requirements issued by the Central Bank. Pursuant to the qualitative requirements, DIB has been compliant with, and has adopted, the Basel III liquidity coverage ratio since June 2018. DIB is also compliant with both the liquidity coverage ratio (**LCR**) and net stable funding ratio (**NSFR**).

The Group maintains a portfolio of highly marketable and diverse assets that it believes can be liquidated easily in the event of an unforeseen interruption of its cash flows. The Group also has committed lines of credit that it can access to meet liquidity needs should the need arise. In addition, the Group maintains statutory deposits with certain central banks. The Group's liquidity position is assessed and managed under a variety of scenarios, which give due consideration to stress factors relating to both the market in general and those specific to the Group.

The Group believes that the high quality of its asset portfolio ensures its liquidity, which, coupled with its own funds and stable customer deposits, help form a stable funding source. DIB is confident that, even under adverse conditions, the Group will have access to the funds necessary to cover customer needs and meet its funding requirements.

The Group also uses maturity mismatch analysis to monitor its liquidity, which is monitored over successive time bands and across functional currencies. See note 47.3.3 to the 2023 Financial Statements which summarise the maturity profile of the Group's assets and liabilities analysed according to when they are expected to be recovered or settled. Guidelines have been established by the Group for the cumulative negative cash flow over successive time periods.

In addition, note 47.3.4 to the 2023 Financial Statements shows the maturity profile of the contractual gross cash flows of the Group's financial liabilities (including its contingent liabilities and capital expenditure commitments) as at 31 December in each of 2023 and 2022.

Liquidity risk management process

The Group's liquidity risk management process which is monitored by separate teams in the Risk Management department and the Treasury department, includes:

- day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes the replenishment of funds as they mature or are financed by customers;
- maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to the Group's cash flows;
- monitoring the Group's consolidated statement of financial position liquidity ratios against internal and regulatory requirements;
- managing the concentration and profile of the maturity dates of its investing and financing exposures; and
- monitoring critical liquidity ratios.

The ALCO and Liquidity Management Committee meet on a regular basis with particular focus on liquidity management. The Group has considered new options for expanding its liabilities base (through changed tenors and currencies) and has focused on its capital market funding plan. The Group is also strengthening its liquidity buffers by timing disbursements to customers along with a strict focus on enhancing deposit relationships across all customer segments.

The table below shows a number of liquidity ratios for the Group as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December		
	2023	2022	2021
		%	
Liquidity ratios:			
Liquid assets ⁽¹⁾ /customer deposits	7	9	14
Customer deposits/total deposits ⁽²⁾	94	94	99
Net financing and investment assets/customer deposits	90	94	91
Net financing and investment assets/total assets	63	65	67
LCR	189	150	136
NSFR	106	106	102

Notes:

- (1) Liquid assets comprise cash and balances with central banks and due from banks and financial institutions minus due to banks and financial institutions.
- (2) Total deposits comprise customers' deposits and due to banks and financial institutions.

MARKET RISK

Market risk arises from changes in market rates such as profit rates, foreign exchange rates and equity prices, as well as in their correlation and implied volatilities. Market risk management is designed to limit the amount of potential losses on the Group's open positions which may arise due to unforeseen changes in profit rates, foreign exchange rates or equity prices. The Group is exposed to diverse financial instruments including securities, foreign currencies, equities and commodities.

The Group pays considerable attention to market risk. It uses appropriate models, in accordance with standard market practice, to value its positions and receives regular market information in order to regulate its market risk.

The Group's market risk framework comprises the following elements:

- limits to ensure that risk-takers do not exceed aggregate risk and concentration parameters set by senior management;
- independent mark-to-market valuation, reconciliation of positions and tracking of stop-losses for trading positions on a timely basis;
- a comprehensive set of policies, procedures and limits; and
- monitoring a wide range of risk metrics appropriate for the respective trading activities - such as risk sensitivities, gross and net open positions, Value-at-Risk (**VaR**) and stop-loss limits.

The policies, procedures and limits are set to ensure the implementation of the Group's market risk policy in day-to-day operations. These are reviewed periodically to ensure they remain in line with the Group's general market risk policy. DIB's Group Chief Risk Officer ensures that the market risk management process is always adequately and appropriately staffed. In addition to its internal procedures and systems, the Group is required to comply with the guidelines and regulations of the Central Bank.

Profit margin risk

The Group is not significantly exposed to risk in terms of the repricing of its customer deposits since, in accordance with Sharia, the Group does not provide contractual rates of return to its depositors or investment account holders. The return payable to depositors and investment account holders is based on the principle of the Mudaraba by which the depositors and investment account holders agree to share the profit or loss made by the Group's common and wakala pool over a given period.

Profit rate risk

Profit rate risk arises from the possibility that changes in profit rates will affect future profitability or the fair values of financial instruments. The Group is exposed to profit rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off-balance sheet instruments that mature or re-price in a given period. The Group manages this risk through risk management strategies.

The effective profit rate (effective yield) of a monetary financial instrument is the rate that, when used in a present value calculation, results in the carrying amount of the instrument. The rate is a historical rate for a fixed rate instrument carried at amortised cost and a current rate for a floating rate instrument or an instrument carried at fair value.

The Group manages profit rate risk in its banking book based on the Basel-defined framework, measuring delta of economic value of equity (delta EVE), the delta of net profit income (delta NPI) and other measures.

See further note 47.4.2 to the 2023 Financial Statements.

Foreign exchange risk

The Group is exposed to losses in value on financial instruments denominated in currencies other than the dirham due to its exposure to changes in currency rates. See note 47.4.3 to the 2023 Financial Statements.

The Group also has income recorded in its overseas subsidiaries and is therefore exposed to movements in the foreign currency rates used to convert this income into dirham, see further note 47.4.4 to the 2023 Financial Statements.

Equity price risk

Equity price risk is the risk that the fair values of equities decrease as the result of changes in the level of equity indices and the value of individual stocks. Non-trading equity price risk exposure arises from the Group's investment portfolio. See further note 47.4.5 to the 2023 Financial Statements.

OPERATIONAL RISK

Operational risk is the potential exposure to financial or other damage arising from inadequate or failed internal processes, people or systems.

The Group has developed a detailed operational risk framework which defines the roles and responsibilities of individuals/units across different functions that are involved in performing various operational risk management tasks. The Group's operational risk management framework is intended to ensure that its operational risks are properly identified, monitored, managed and reported. Key elements of this framework include process mapping, setting up a loss database, establishing key risk indicators (**KRIs**), risk analysis and risk management reporting.

The Group currently utilises as the operational risk tracking system ORMS to track operational risk events across its businesses. The system houses more than five years of operational loss data. The system also records KRIs, risk control self-assessment and scenario-based fraud risk self-assessment. In addition to ORMS, the Group is also implementing the eGRC system (centralised governance framework) for all control activities.

Each new product introduced by the Group is subject to a risk review and sign-off process where all relevant risks are identified and assessed by departments independent of the risk-taking unit proposing the product.

Variations of existing products are also subject to a similar process. The Group's business and support units are responsible for managing operations risk in their respective functional areas. They operate within the Group's operational risk management framework and ensure that risk is managed within their respective business units. The day-to-day management of operational risk is carried out through the maintenance of a comprehensive system of internal controls, supported by robust systems and procedures to monitor transaction positions and documentation, as well as maintenance of key backup procedures and business contingency planning.

REGULATORY / COMPLIANCE RISK

Regulatory/compliance risk is the risk of reputational and/or financial losses due to the failure to comply with applicable laws, regulations or sanctions. The Group has an independent compliance function, with the necessary mandate and authority to enforce and monitor compliance. See "*Description of the Group - Compliance*".

REPUTATIONAL RISK

Reputational risk is the risk of potential loss of earnings and future revenue, loss in market value or lack of liquidity supply due to deterioration of reputation, including the Group's reputation with regard to the level of its Sharia compliance as discussed further below. It also includes the threat to the brand value of a financial institution.

Reputational risk can arise as a consequence of failures with a strong negative perception amongst clients, shareholders, creditors or the public. The Group has measures designed to ensure a positive perception of the Group and that overall risk management ensures appropriate management of reputational risk.

LEGAL RISK

The Group has a full-time team of legal advisers who deals with both routine and more complex legal cases. Situations of a particular complexity and sensitivity are referred to external firms of lawyers, either in the UAE or overseas, as appropriate. The Group also seeks to mitigate legal risk through the use of properly reviewed standard documentation and where necessary, seeking appropriate legal advice in relation to its non-standard documentation.

SHARIA NON-COMPLIANCE RISK

DIB is exposed to Sharia non-compliance risk, being the risk that arises from DIB's failure to comply with (a) resolutions, fatwas, regulations, and standards issued by the Higher Sharia Authority of the Central Bank of

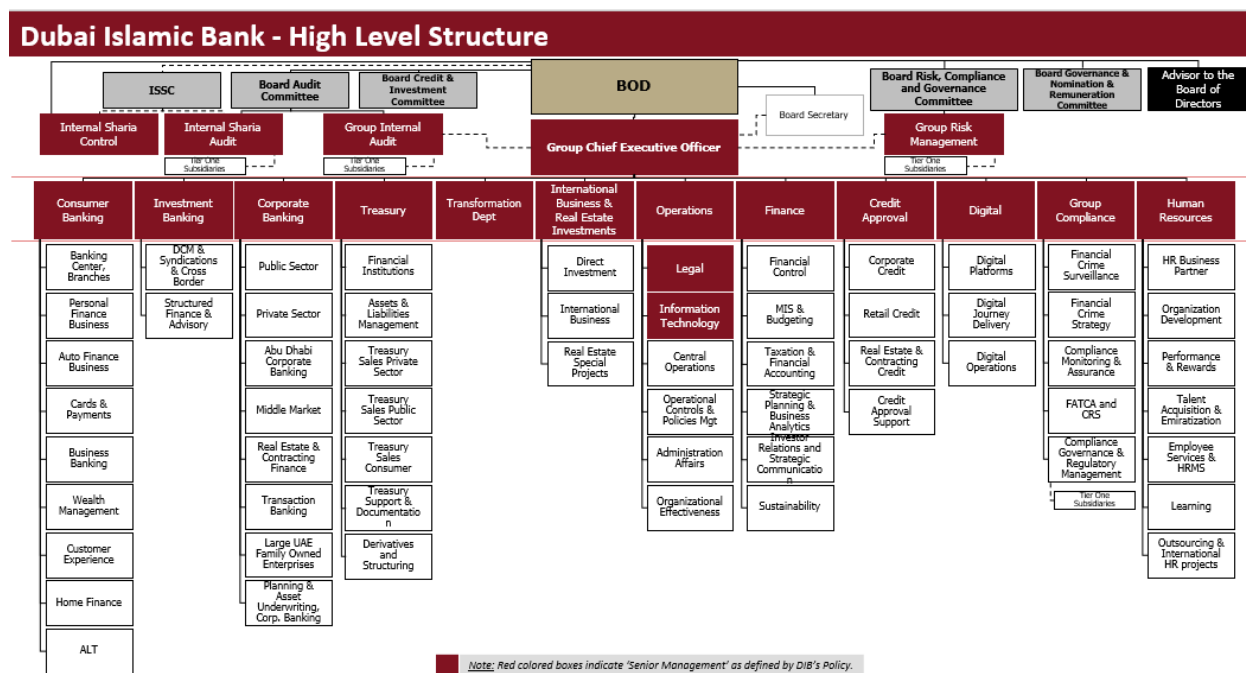
the UAE (the **HSA**) in relation to DIB's licensed activities and businesses; and (b) resolutions and fatwas issued by the Internal Sharia Supervisory Committee of DIB (the **ISSC**) in relation to DIB's licensed activities and businesses (provided these do not contradict any HSA resolutions).

DIB has an effective Sharia governance in place to manage and mitigate Sharia non-compliance risk. DIB's Board of Directors is ultimately responsible for DIB's compliance with the principles of Sharia with respect to all its licensed activities and businesses through the implementation of a robust Sharia governance framework that conforms to the resolutions of the HSA.

To ensure DIB's Sharia compliance, all products, services, transactions and matters are duly approved by the ISSC. DIB maintains effective internal Sharia controls comprising three distinct lines of defense, including (i) the business (which adopts robust policies, procedures and controls approved by ISSC), (ii) the internal Sharia control department (which supports the ISSC), and (iii) the internal Sharia audit department (which undertakes Sharia audits and monitors on-going compliance).

MANAGEMENT AND EMPLOYEES

The following chart summarises the principal features of the organisational structure within the Group:



BOARD OF DIRECTORS

The Board of Directors is elected by shareholders at a general meeting. DIB requires the majority of its Board to be UAE nationals. Each Director is appointed for a three year term at the end of which the Board is re-elected. The Board has the necessary power to manage DIB and act on its behalf.

The following table sets out the names of the current members of DIB's Board of Directors:

Name	Designation
H.E. Mohammad Ibrahim Al Shaibani	Board Chairman
Mr. Yahya Saeed Ahmad Lootah	Vice Chairman
Mr. Hamad Abdulla Rashed Al Shamsi	Board Member
Mr. Ahmad Mohammad Bin Humaidan	Board Member
Mr. Abdulaziz Ahmed Rahma Al Mheiri	Board Member
H.E. Hamad Mubarak Buamim	Board Member
Mr. Javier Marin Romano	Board Member
Mr. Bader Saeed Abdulla Hareb Almheiri	Board Member
Dr. Cigdem Kogar	Board Member

The address of each member of the Board is P.O. Box 1080, Dubai, UAE. There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Group. All Board members are non-executive directors and the majority are also independent members.

Detailed below is brief biographical information on the members of the Board.

H.E. Mohammad Ibrahim Al Shaibani

H.E. Mohammad Ibrahim Al Shaibani is Chairman of the Board.

H.E. Al Shaibani is the Director General of H.H. the Dubai Ruler's Court, a prime government body of the Emirate. He is also the Managing Director of the ICD, the principal investment arm of the Government of

Dubai. Since 1998, H.E. Al Shaibani has held the position of President at the Dubai Office, a Private Management office for the Royal Family of Dubai.

H.E. Al Shaibani serves as Vice Chairman of the Supreme Fiscal Committee of Dubai, which oversees Dubai's fiscal policies. H.E. Al Shaibani is a member of Dubai's Executive Council, an entity charged with supervising and supporting Dubai's government bodies. H.E. Al Shaibani is also Deputy Chairman of the Higher Committee of World Expo 2020.

H.E. Al Shaibani serves as Chairman of the Board of Directors at Nakheel Properties, the world-leading property developer with innovative landmark projects in Dubai, including the award-winning iconic “Palm Jumeirah” and “The World Jumeirah Islands”. H.E. Al Shaibani is also a member of the board at several government-related organisations including Dubai World and is the Vice Chairman of Dubai Aerospace Enterprise Limited.

In 2009, he played a pivotal role in restructuring Dubai's debt.

H.E. Al Shaibani graduated in 1988 from the United States and holds a Bachelor's degree in Computer Science.

Mr. Yahya Saeed Ahmad Lootah

Mr. Lootah serves as Vice-Chairman of the Board. Mr. Lootah has over 20 years' experience with S.S. Lootah Group, a leading diversified business based in Dubai which is active across key business sectors ranging from construction, real estate, energy and financial services, applied research, ICT, education, hospitality, media and healthcare. He currently serves as the Chairman of the S.S. Lootah Group. Under his leadership, S.S. Lootah Group has received, amongst others, the Mohammed Bin Rashid Business Award and the Dubai Award for Sustainable Transport. In addition, Mr. Lootah served as a member of the Board of Directors of the Dubai Chamber of Commerce and Industry, as well as a member of the Board of Trustees of Dubai Medical College and the Advisory Board of the Faculty of Engineering at the American University in Dubai.

Mr. Lootah holds a degree in Civil Architectural Engineering as well as a Master's of Science degree in Engineering from University of Bridgeport, Connecticut.

Mr. Hamad Abdulla Rashed Al Shamsi

Mr. Al Shamsi serves as a member of the Board.

Mr. Al Shamsi served as the Chairman of Amanat Holding PJSC. He also served as the Chief Executive Officer of International Capital Trading LLC, an Abu Dhabi headquartered private investment company.

With a wealth of experience spanning several decades, he has run businesses across multiple disciplines, and has particular expertise in the area of financial services and investments.

He also served in the Abu Dhabi Investment Authority before moving to the Private Department of His Highness the late Sheikh Zayed Bin Sultan Al Nahyan.

He served on the Board of Directors of several leading private and government institutions engaged in commercial, financial and service-based activities in the UAE, including Etihad Airways. His former Board appointments include Abu Dhabi Securities Exchange, Media Zone Authority, Abu Dhabi Council for Economic Development, Al Qudra Holding, Finance House, Al Hilal Bank, Abu Dhabi Aviation, Etihad Airways and Abu Dhabi Airports Company.

Mr. Al Shamsi holds a Bachelor's degree in Business Administration from UAE University and a MBA majoring in Finance and Banking from the United States.

Mr. Ahmad Mohammad Bin Humaidan

Mr. Bin Humaidan serves as a member of the Board.

Mr. Bin Humaidan has over 28 years' experience in strategic thinking, strategic planning, projects management, leading improvement programmes and change management and also serves as Deputy Director General of H.H. The Ruler's Court, Government of Dubai and as the Vice Chairman of the Board of Smart Dubai. He has also previously served as the Director General for Dubai Smart Government and as the Director of Projects for The Executive Office of His Highness Sheikh Mohammad Bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai. Mr. Bin Humaidan started his career with Emirates/Dnata Group of companies where he worked for five years.

Mr. Bin Humaidan holds a degree in Electrical Engineering from UAE University as well as a Business Administration diploma from Sheffield Hallam University, United Kingdom.

Mr. Abdulaziz Ahmed Rahma Al Mheiri

Mr. Al Mheiri serves as a member of the Board.

Mr. Al Mheiri also serves as a member of the Board of Directors of Bourse Dubai, Vice Chairman of the Support Fund and Chairman of the Supervisory Board of Bosna Bank International. He has previously served as the Managing Director of the ICD and as a member of the Board of Directors and Chief Executive Officer for Dubai Bank.

Mr. Al Mheiri holds a Science degree, specialising in Accounting and Finance, from the American College of Switzerland.

H.E. Hamad Mubarak Buamim

In addition to his role on the Board, H.E. Buamim serves as the Chairman of DMCC which is a government entity established in 2002 to enhance commodity trade flows through Dubai. H.E. Buamim also serves as the Chairman of the National General Insurance PJSC and Board Member of Amanat PJSC.

In previous roles, H.E. Buamim served as the President and CEO of Dubai Chamber of Commerce & Industry and the Chairman of the Paris-based World Chambers Federation – International Chamber of Commerce (ICC), the Chairman of Emirates Financial Services and the Chairman of Emirates NBD Capital. H.E. Buamim has also served as a Board member of a number of entities, including the Central Bank of the UAE, Dubai International Financial Center (DIFC), Emirates NBD, Network International, Kerzner International Holding and Union Properties.

H.E. Buamim holds a MBA with honours in Finance from the University of Missouri, Kansas City, United States. He also obtained a Bachelor of Science in Electrical Engineering from the University of Southern California, Los Angeles, United States.

Mr. Javier Marin Romano

Mr. Romano is an independent board member. He serves as the CEO of Singular Bank (Spain), part of Warburg Pincus which is a leading global investment group.

He is an entrepreneur and an investor in technology companies linked to financial services. He also serves as a director in each of the UCV (Spanish University), Instituto per le Opere di Religione (IOR) and Frontier Economics. Prior to this, Mr. Romano served as Chief Executive Officer of Banco Santander, senior executive vice-president of Banco Santander and head of private banking, asset management and insurance. He has also been a member of the European Banking Association and the European Financial Services Association and of the Board of Directors in different banks, insurance companies and asset managers in several countries in Europe (affiliates of Banco Santander).

Mr. Romano holds a degree in Law and a diploma in Business Administration from the Universidad Pontificia de Comillas in Madrid (Spain). He also obtained a Masters degrees in European law in Luxembourg, in

banking administration from the Institute International d'Etudes Bancaires (La Joya, California) and taxes from the Universidad Pontificia de Comillas (Madrid) and completed the advanced programme of Singularity University (California).

Mr. Bader Saeed Abdulla Hareb Almheiri

Mr. Hareb is an independent board member. Mr. Hareb is a highly experienced real estate professional with over 20 years' experience in different areas of real estate development and investments. Mr. Hareb has held senior positions in large organisations within the real estate sector, including Emaar, Dubai Healthcare City, Majid Al Futtaim Properties, Nakheel and Etisalat.

Mr. Hareb serves as the Vice-Chairman of Sharjah Holding, which is a leading investment holding company based in Sharjah. Mr. Hareb is also the Vice-Chairman of the Wave in Muscat and a Board Member in Dubai Healthcare City.

In previous roles, Mr. Bader served as the Chief Executive Office of Emaar Development during 2017 - 2021, Chief Executive officer of Dubai Healthcare City during 2015 - 2017, Chief Property Officer of Majid Al Futtaim Properties in Dubai during 2011 - 2015 and Managing Director for Development & Procurement in Nakheel during 2007 - 2011.

Mr. Bader holds an Executive Master Degree of Business Administration from the American University of Sharjah and obtained a Bachelor Degree in Civil Engineering from United Arab Emirates University Al Ain in 2002.

Dr. Cigdem Kogar

Dr. Kogar is an independent board member. Dr. Kogar is an economist, a former central banker and a former diplomat specialising in financial markets and regulations. She is currently the founder and CEO of Izgi Global Consultancy, working on sustainable business development and providing consultancy to international institutions for partnership and enhancing relationship management amongst public authorities, foreign institutions and companies.

Dr. Kogar has extensive experience in central banking, banking regulation and supervision, Basel Committee, FSB, IFSB, G20 and other international platforms, banking and finance, risk analysis, financial stability, macro economy, monetary and financial policy and the payment system.

Over her 30 years at the Central Bank of the Republic of Türkiye, she had several executive roles at the Bank, including Chair of the Check Clearing Board and the Risk Center, and Executive Director of the Banking and Financial Institutions Department. Between 2014-2020, Dr. Kogar was Chief London Representative of the Central Bank and Economic Counsellor to the Turkish Embassy in London. She also served as a consultant to the OECD HQ in Paris, Economics Dept. Türkiye-Italy desk for two years.

During her central banking career, she was a Board Member of the Central Bank of the Republic of Northern Cyprus, responsible for licensing, regulating and supervising banks and other financial institutions. Alongside her responsibility for monetary policy and macroeconomic policy coordination, she took an active role in the strategic governance of the Central Bank between 2010-2021 in the region.

Dr. Kogar is an advocate of sustainable development and women empowerment and a speaker at United Nations HQ, New York, about "Inclusive Green Growth" and "Sustainability in Business and Industry" in 2019 and 2023, respectively, at the International Day of Women & Girls in Science Assembly. Dr. Kogar is the author of the chapter titled "Empowering Women in Science, Technology and Innovation in the Digital Economic Era" in the book "Women & Girls in Science for Socio-Economic Sustainable Development".

Dr. Kogar holds a PhD in Economics from Middle East Technical University with a thesis on "Fiscal & Current Account Sustainability, Banking Fragility & Balance Sheets: 2000-2001 Financial Crises in Turkey", an MA in Economics from Boston College, USA and a B.Sc. in Economics from Middle East Technical University, Ankara, Türkiye. She has been a visiting lecturer in economics and finance at Bilkent University and Middle East Technical University in Türkiye.

KEY SENIOR MANAGEMENT

The following table sets out the names of the current senior management of DIB:

Name	Position
Dr. Adnan Chilwan	Group Chief Executive Officer
Mr. Obaid Al Shamsi	Chief Operating Officer
Mr. Naveed Ali.....	Chief of Corporate Banking
Mr. Saeed Ahmad Wajdi.....	Chief of Treasury
Mr. Mohamed Al Sharif.....	Chief of International Business and Real Estate Investments
Mr. Hamid Butt	Chief of Investment Banking
Mr. Nagaraj Ramakrishnan	Chief Credit Officer
Mr. Chandra Mohan Ganapathy.....	Group Chief Risk Officer
Mr. Sanjay Malhotra	Chief Consumer Banking Officer
Mr. Musabbah Al Qaizi.....	Chief Digital Officer
Mr. John Macedo	Chief Financial Officer
Mr. Varun Sood.....	Chief Transformation Officer
Mr. Mian Muhammad Nazir	SVP - Head of Internal Sharia Control
Ms. Rafia Al Abbar	SVP - Head of Human Resources
Mr. Moosa Tariq Mir Khoory	SVP - Group Head of Internal Sharia Audit
Mr. Noman Rasheed.....	Chief Information Officer
Mr. Omar Hayat Rahman.....	Chief of Legal
Mr. Volkan Pekince	Group Chief of Internal Audit
Mr. Abdul Waheed Rathore	Group Chief Compliance Officer

The address of each member of the senior management of DIB is P.O. Box 1080, Dubai, UAE. There are no potential conflicts of interest between the private interests or other duties of the senior management of DIB listed above and their duties to DIB.

Detailed below is brief biographical information on the senior management of DIB.

Dr. Adnan Chilwan

Dr. Chilwan serves as the Group CEO of DIB. He has an extensive career spanning nearly three decades in both the conventional and Islamic banking sectors. His career spans prominent financial institutions including DIB, Dubai Bank, Commercial Bank of Qatar, Mashreq Bank, Abu Dhabi Islamic Bank, and HSBC.

In addition to his primary role, Dr. Chilwan holds board positions in key strategic investments, subsidiaries, and associates, including Noor Bank, Deyaar PJSC, Liquidity Management Centre, and Dar Al Shari'a. He is also known for his consultative role to governments and educational contributions.

In 2021, Dr. Chilwan received the MEA Finance Awards Lifetime Achievement Award. This honours him as an individual of long standing in the banking and financial industry whose career has benefitted the banking and finance industry in the Middle East. His achievements include being named among the 'Top CEOs in the Middle East' by Forbes Middle East, ranking in the 'Top 100 CEOs in the Middle East', and receiving accolades such as Banker of the Year at the MEA Finance Awards 2022, and featured by Forbes ME as one of the region's Top 100 Sustainability Leaders of 2023.

Dr. Chilwan's academic credentials include a PhD and an MBA in Marketing. He is a Certified Islamic Banker (CeIB), holds a postgraduate qualification in Islamic Banking and Insurance, and is an Associate Fellow Member of the Islamic Finance Professionals Board.

Mr. Obaid Al Shamsi

Mr. Al Shamsi has served as the Chief Operating Officer at DIB since May 2019.

Mr. Al Shamsi has over 25 years' multi-functional experience within DIB. Prior to his appointment as the Chief Operating Officer, Mr. Al Shamsi was Chief of HR & Admin where he oversaw the strategy development and deployment of human resource and administration.

Mr. Al Shamsi also serves as a board member of each of Emirates Institute for Banking and Financial Studies, Al Bustan Centre & Residence, BoK, Al Tanmyah Services and DIB Pakistan.

Mr. Al Shamsi holds a Master's degree in Business Administration from Middlesex University of London.

Mr. Naveed Ali

Mr. Ali has served as Chief of Corporate Banking at DIB since 2007.

Mr. Ali has more than 30 years' banking experience with both conventional and Islamic banks. Before joining DIB, Mr. Ali served in Bank of America in Pakistan and Mashreq Bank in Dubai, as Vice President in the Corporate Banking Group.

Mr. Ali holds a BSc degree from Karachi University in Pakistan.

Mr. Saeed Ahmad Wajdi

Mr. Wajdi was appointed Chief of Treasury at DIB with effect from January 2024.

Mr. Wajdi has held several senior executive positions over a span of 24 years with multinational banks, including First Abu Dhabi Bank (FAB) and HSBC in the UAE. Before joining DIB, Mr. Wajdi was 'Senior Managing Director – Head of Global Markets' with FAB, UAE.

Mr. Wajdi holds a Bachelor's degree in Applied Science, majoring in Business Administration from Higher Colleges of Technology.

Mr. Mohamed Al Sharif

Mr. Al Sharif has served as Chief of International Business & Real Estate Investments at DIB since March 2020.

Mr. Al Sharif has over 35 years' experience in banking and finance. Prior to DIB, he worked with the Central Bank of the UAE as Manager of the Banking Supervision & Examination Department, in addition to several other roles in the Finance Department.

Mr. Al Sharif also serves as Chairman of the Boards of DIB Pakistan and BoK and is a member of the Board of DIB Kenya, as well as serving on the Boards of other DIB subsidiaries.

Mr. Al Sharif is an MBA graduate from The Catholic University of America – USA, a Certified Public Accountant (CPA) from the American Institute of Certified Public Accountants – USA and a Registered Banking & Accounting expert recognised by the UAE Courts.

Mr. Hamid Butt

Mr. Hamid Butt has 40 years' experience in banking in London, New York, the Middle East and Asia. Prior to DIB, Mr. Butt headed the Investment Banking division at Noor Bank.

Mr. Butt has also worked at Abu Dhabi Islamic Bank as the COO Wholesale Banking from 2012 to 2015 and as UAE Corporate Banking Head from 2015 to 2017. Prior to that, he was the Chief Risk Officer of International Bank of Qatar from 2011 to 2012. Mr. Butt spent over 27 years with Citibank including roles in its Fixed Income, Investment and Corporate Banking and Risk Management divisions.

Mr. Butt also served as Citibank's Regional Risk Head for the Gulf, Levant and Pakistan from 2000-2002.

Mr. Butt holds a Bachelor's degree in Business Administration from George Washington University in the United States.

Mr. Nagaraj Ramakrishnan

Mr. Ramakrishnan has served as Chief Credit Officer at DIB since April 2019.

Mr. Ramakrishnan has over 30 years' banking experience across various functions including business management, credit, risk policy and process and operations. Before joining DIB, Mr. Ramakrishnan was Senior Vice President Group Credit with Emirates NBD (UAE) and previously with Standard Chartered Bank in India and Malaysia.

Mr. Ramakrishnan holds a Bachelor's degree in Commerce and a Chartered Accountant qualification from India.

Mr. Chandra Mohan Ganapathy

Mr. Ganapathy has served as the Group Chief Risk Officer of DIB since August 2020 overseeing the various risk management functions across the Group.

Mr. Ganapathy has over 30 years' experience in financial services including 24 years in risk management. Before joining DIB, Mr. Ganapathy held the position of Group Head of Risk Management at Ahli United Bank BSC and Chief Risk Officer at International Bank of Qatar and Commercial Bank of Kuwait.

He holds the CFA Charter from the CFA Institute, Financial Risk Manager (FRM) and Professional Risk Manager (PRM) certifications from Global Association of Risk Professionals (GARP) and Professional Risk Managers International Association (PRMIA), respectively, and holds a Certificate in Quantitative Finance (CQF) from Fitch Learning. He is also an Associate Chartered Accountant (ACA) with the Institute of Chartered Accountants in India.

Mr. Sanjay Malhotra

Mr. Malhotra was appointed as Chief Consumer Banking Officer in December 2021. Prior to this role, he was Chief Digital & Innovation Officer for DIB from March 2018 to November 2021 and Chief of Consumer Banking for DIB from February 2015 to February 2018.

Prior to joining DIB, Mr. Malhotra was General Manager – Retail and Private Banking at National Bank of Oman. He was previously Head of Retail Banking (International) at National Bank of Kuwait and has also worked with Citibank, ANZ Grindlays and Arab Bank in multiple geographies in Asia, the Middle East, Levant and North Africa.

Mr. Malhotra holds a Master of Management, an integrated MBA (Finance) & Engineering Degree Program from Birla Institute of Technology & Science, BITS Pilani. During his 30 years' experience, he has worked in India and the Middle East with prominent banks, including Citibank, ANZ Grindlays, National Bank of Kuwait, Arab Bank and National Bank of Oman. These engagements covered consumer banking, wealth management, business banking, regional strategy, merger & transformation, digital, technology and compliance.

Mr. Musabbah Al Qaizi

Mr. Al Qaizi has served as Chief Digital Officer at DIB since December 2021.

Mr. Al Qaizi has over 28 years' experience in the technology field and has been with DIB for 24 years. He is a member of the Board of Tamweel.

Mr. Al Qaizi holds a Bachelor's degree in Information Management System from the University of Arkansas in the United States.

Mr. John Macedo

Mr. Macedo was appointed as Chief Financial Officer of DIB in January 2016. Before joining DIB, Mr. Macedo was Chief Financial Officer of Saudi Hollandi Bank (Saudi Arabia) for 8 years and Director –Finance of Standard Bank (South Africa) for 7 years.

Mr. Macedo holds an Executive MBA, a Bachelor of Accounts degree (Honors with distinction), Bachelor of Accounts (Certificate in the Theory of Accounting) with distinction and is a Professional Chartered Accountant of South Africa. He has more than 25 years of experience in finance.

Mr Varun Sood

Mr. Sood has served as Chief Transformation Officer at DIB since August 2021.

Mr. Sood has over 34 years' experience in leading banks. Prior to joining DIB, he was Regional Head, Consumer Credit Asia & Group Basel II Implementation at ABN AMRO Bank. He also worked with Mashreq Bank, Standard Chartered Bank and Ernst & Young in multiple geographies in Asia, the Middle East and Europe.

Mr. Sood holds a degree in Economics from Delhi University in India.

Mr Mian Nazir

Mr. Nazir has served as Head of Internal Sharia Control at DIB since April 2020.

Mr. Nazir is an active member of Sharia governance boards of various Islamic financial institutions in the GCC, South Asia and East Africa and, during his time at DIB, he has also held the position of CEO of Dar Al Sharia.

Mr. Nazir holds a Master's degree in Law from the University of Cambridge as well as Sharia qualifications from the International Islamic University Pakistan.

Ms. Rafia Al Abbar

Ms. Al Abbar assumed the role of Head of Human Resources at DIB in January 2022.

Ms. Al Abbar has over 19 years' experience in Human Resources Management.

Ms. Al Abbar started her career in Human Resources with DIB, and assumed different roles within HR including in Emiratisation, Recruitment and HR Operations and as the manager of Learning and Talent Management.

Ms. Al Abbar achieved her Higher Diploma in E-Business Management in 2003 from Dubai Women's College, UAE; in addition to her Bachelor in E-Business Management in 2006.

Mr. Noman Rasheed

Mr. Rasheed has served as the SVP - Head of Information Technology at DIB since March 2020. He has over 24 years' experience in transforming organisations through digital means and innovation.

Prior to joining DIB, Mr. Rasheed was Chief Information & Operations Office at Noor Bank. He was previously Director, Information Technology & Operations at Barclays Bank. He also worked with Mashreq Bank for nine years as Senior Manager Projects, MENA.

Mr. Rasheed has a double Master's degree in Information Technology and Management & Strategy.

Mr. Omar Rahman

Mr. Rahman has served as the Chief Legal Officer at DIB since March 2020. He has over 27 years' corporate and financial services experience in leading international law firms and financial institutions.

Mr. Rahman worked as a solicitor in Simmons & Simmons (in London) and Dentons (in the UAE), before moving in-house into the financial services sector in 2005.

Volkan Pekince

Mr. Pekince has served as Group Chief of Internal Audit at DIB since November 2020. He has over 24 years' experience in the internal audit field in a range of multinational institutions across 13 countries.

Mr. Pekince has a BSc degree in Electrical & Electronics Engineering.

Abdul Waheed Rathore

Mr. Rathore has served as Group Chief Compliance Officer at DIB since January 2022. He has over 30 years' experience in banking.

Prior to joining DIB, Mr. Rathore was the Global Chief Compliance Officer at Habib Bank Ltd, Pakistan. He was also Executive Director Supervision - Banking and Insurance at the ADGM and previously worked with Abu Dhabi Commercial Bank as Executive Vice President – Group Chief Compliance and Anti Money Laundering Officer.

Mr. Rathore has a Global Executive MBA from INSEAD and an MSc degree in Finance and Financial Law from the University of London (SOAS).

Internal Sharia Supervisory Committee

The Sharia Board comprises scholars of high repute with extensive experience of and exposure to law, economics and banking systems in various jurisdictions. The Sharia Board is appointed by DIB's shareholders at a general assembly meeting and its responsibilities include supervising the development of new and innovative Sharia-compliant products, issuing Fatwas (Sharia edicts) on any matter proposed to it by business units of the Group through Dar Al Sharia, ensuring through internal Sharia auditors that the transactions of the Group are carried out in compliance with the Fatwas issued by the Sharia Board, and providing guidance on any matter referred to it by DIB's management.

The Sharia Board works closely with the internal Sharia Control department as well as Dar Al Sharia (a DIB subsidiary established in 2007 and engaged in providing Islamic finance consultancy to the industry). Dar Al Sharia assists in developing new Sharia-compliant products (including their structure, process and documentation), reviewing structure and documentation for sukuk, syndication and fund transactions, and obtaining ongoing guidance and approval from the Sharia Board. Dar Al Sharia is comprised of a number of highly qualified and experienced lawyers, bankers and Sharia scholars with expertise in Islamic banking and finance.

The Sharia Board submits an annual report to the General Assembly of DIB's shareholders and the Board summarising issues, if any, which have been referred to it, as well as its opinion on the Group's overall functioning during the fiscal year under review. The Sharia Board's annual report is included in the Group's annual audited financial statements.

The following table sets out the names of the current Sharia Board:

Name	Position
Dr. Mohamed Ali Elgari	Chairman
Dr. Muhammad Abdulrahim Sultan Al Olama	Member
Dr. Mohamad Akram Laldin.....	Member
Dr. Ibrahim Ali Al Mansoori.....	Member
Dr. Muhammad Qaseem	Member

Detailed below is brief biographical information on the members of the Sharia Board.

Professor Dr. Mohamed Ali Elgari

Dr. Mohamed Ali Elgari is a Professor of Islamic Economics and the former Director of the Centre for Research in Islamic Economics at King Abdul Aziz University in Saudi Arabia. Dr. Elgari is the recipient of the Islamic Development Bank Prize in Islamic Banking and Finance and holds the KLIFF Islamic Finance Award for Most Outstanding Contribution to Islamic Finance (Individual).

He is a member of the editorial board of several academic publications in the field of Islamic Finance and Jurisprudence, among them Journal of the Jurisprudence Academy (of the IWL), Journal of Islamic Economic Studies (IDB), Journal of Islamic Economic (IAIE, London) and the advisory board of Harvard Series in Islamic Law, Harvard Law School.

Dr. Elgari is also an advisor to numerous Islamic financial institutions throughout the world and is notably on the Sharia board of the Dow Jones Islamic index as well as a member of the Islamic Fiqh Academy and the Islamic Accounting & Auditing Organisation for Islamic Financial Institution (AAOIFI).

Dr. Elgari holds a PhD in Economics from the University of California, USA.

Sheikh Dr. Mohammad Abdul Rahim Sultan Al Olama

Dr. Al Olama is a member of the Grand Islamic Scholars Body in Dubai, an Associate Professor of the School of Sharia at the United Arab Emirates University in Al Ain and an acknowledged expert in Islamic finance. Dr. Al Olama is also the head of the Fatwa Committee of the Zakat Funds in the UAE.

He currently serves on a number of Sharia boards representing Islamic financial institutions and takaful companies.

Dr. Al Olama has written extensively on modern Islamic finance and has presented numerous research papers at various international conferences.

Dr. Al Olama holds a PhD in Comparative Islamic Law from Umm Al Qurra University in Mecca, Saudi Arabia.

Prof. Dr. Mohamad Akram Laldin

Prof. Dr. Mohamad Akram Laldin is currently the Executive Director of the International Sharia Research Academy for Islamic Finance. He is a Member of Bank Negara Malaysia's Sharia Advisory Council (SAC), a Member of the Sharia Advisory Employees Provident Fund (EPF), a Member of HSBC Amanah's Global Sharia Advisory Board, a Member of the Yassar Limited (Dubai) Sharia Advisory Board, a Member of the EAB (London) Sharia Advisory Board, Chairman of the Islamic Advisory Board of HSBC Insurance Singapore, Sharia Advisor to ZI Syariah Advisory Malaysia, a Member of Sharia Advisory Council International Islamic Financial Market (IIFM), Bahrain, a Committee member of AAOIFI Sharia Standards, Bahrain and other Boards across the globe. He is also the Member of the Board of Studies of the Institute of Islamic Banking and Finance, IIUM.

Dr. Akram holds a B.A. Honours degree in Islamic Jurisprudence and Legislation from the University of Jordan, Amman, Jordan and a Ph.D. in Principles of Islamic Jurisprudence (Usul al-Fiqh) from the University of Edinburgh, Scotland, United Kingdom. He has presented many papers related to Islamic Banking and Finance and other Fiqh topics and has conducted many training sessions particularly on Islamic Banking and Finance for different sectors since 1999. He is also a prolific author of academic works specifically in the areas of Islamic Banking and Finance. He received the Zaki Badawi Award 2010 for Excellence in Sharia Advisory and Research. He has participated and presented papers in numerous local and international conferences.

Dr. Ibrahim Ali Al Mansoori

Dr Ibrahim Ali Abdullah Al-Mansoori is a prominent Sharia scholar from the UAE with an active focus on the Islamic banking and finance industry. He is Director of Sharjah Islamic Center for Economy & Finance Studies and is the Assistant Professor of Economy & Islamic Banks at the University of Sharjah.

Dr Al-Mansoori is the Chairman of Internal Sharia Supervision Committee (**ISSC**) of Al Hilal Bank and a member of various ISSCs of Islamic financial institutions.

Dr Al-Mansoori holds a PhD in Economics & Islamic Banking, as well as two Masters degrees in Economics & Islamic Banking and Pedagogical Psychology. He has authored various research papers on contemporary matters relating to Islamic Banking.

Dr. Muhammad Qaseem

Dr. Qaseem holds a PhD in Islamic Studies from the Faculty of Usul ud Dinis, University of Karachi. He has been a member of the Sharia boards of many other institutions. Dr. Qaseem has taught various courses for a number of B.A. and M.A. programmes of the International Islamic University, Islamabad.

Dr. Qaseem has produced many academic contributions, articles and literary and translation works.

EMPLOYEES (EXCLUDES OUTSOURCED STAFF)

As at 31 December 2023, DIB had 2,040 employees compared to 1,928 employees as at 31 December 2022 and 1,831 employees as at 31 December 2021.

DIB places a significant focus in supporting the UAE's Emiratisation agenda that has a goal to increase UAE nationals working in the public and private sector by a factor of ten. DIB's Emiratisation ratio has grown over 45 years to make up almost half its total employees. As at 31 December 2023, the total number of Emiratis in DIB reached 905 compared to 864 Emiratis as at 31 December 2022 and 819 Emiratis as at 31 December 2021. DIB is compliant with the Emiratisation target set by the Central Bank, and is a strong believer in the fact that Emiratisation has had a positive impact on its growth and success, as well as the UAE's overall social and economic development.

THE UNITED ARAB EMIRATES BANKING SECTOR AND REGULATIONS

SUMMARY

Within the UAE as a whole, the financial and insurance activities sector was estimated to have contributed approximately 6.6 per cent. of real GDP in 2022, according to preliminary estimates published by the Federal Competitiveness and Statistics Centre.

The table below provides a statistical analysis of the UAE banking sector as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December		
	2023	2022	2021
Total number of banks ⁽¹⁾		51	49
Total number of branches ⁽¹⁾		571	587
Total gross credit ⁽²⁾ (<i>AED billion</i>).....		1,879	1,794
Total deposits (<i>AED billion</i>)		2,223	1,996
Total assets (<i>AED billion</i>)		3,668	3,321

Notes:

(1) Excluding wholesale foreign banks, of which there were 11 as at 31 December 2023, 2022 and 2021.

(2) Extended to residents and non-residents. Excludes interest in suspense.

Source: Central Bank

THE CENTRAL BANK

The Central Bank, established in 1980, is the governing body that regulates and supervises all banks operating in the UAE. Federal Law No. 14 of 2018 (the **2018 Law**) empowers the Central Bank to license and regulate banks and non-banking financial institutions under the law's objective of safeguarding the stability of financial system in the UAE. The other objectives set out in the 2018 Law include maintaining stability of the dirham and prudently managing the Central Bank's foreign reserves.

The 2018 Law requires the Central Bank to, among other matters:

- draw up and implement monetary policy while considering the UAE's general strategy;
- exercise the privilege of currency issuance;
- organise licensed financial activities, establish the foundations for carrying them on and determine the standards required for developing and promoting prudential practices in accordance with the provisions of 2018 Law and international standards;
- establish appropriate regulations and standards for the protection of consumers of licensed financial institutions;
- monitor the credit condition in the UAE in order to contribute to the achievement of balanced growth in the national economy;
- manage foreign reserves to maintain, at all times, sufficient foreign currency assets to cover the monetary base in accordance with the 2018 Law;
- regulate, develop, oversee and maintain the soundness of the financial infrastructure systems in the UAE, including electronic payment systems, digital currency and stored value facilities; and
- regulate, develop and oversee the insurance sector and business, and propose and implement regulating legislation in this regard.

SUPERVISION OF BANKS IN THE UAE

The Central Bank's supervisory objective, consistent with the Basel Committee for Banking Supervision's core principles for effective banking supervision, is to promote the safety and soundness of licensed institutions as well as the banking and financial market. In so doing, the Central Bank aims to protect the rights of depositors, promote transparency and fair dealing by financial institutions in relation to their customers and counterparties and ensure effective market discipline.

Using a risk-based supervision approach, the Central Bank assesses the risk management policies and practices used by licensed institutions to control, reduce and mitigate risk. Risk-based supervision focuses the level of supervisory attention on those risk areas that pose the greatest risk to the banks' safety and soundness. It also supports the Central Bank in achieving its regulatory objectives, while taking into account the need to employ its resources in the most efficient and effective manner.

Through a mix of on-site and off-site supervision, the Central Bank seeks to evaluate the condition of licensed institutions, their risk profile, their risk management processes, their internal control environment and the corrective measures necessary to address any supervisory concerns. The specific mix between on-site and off-site supervision is determined by the condition of the licensed institution, the quality of the prudential data reported for off-site supervision and the significance of the institution to the financial stability of the banking and financial market. As the maturity of the management and quality in reporting of the licensed institutions increases, the Central Bank aims to place increased reliance on off-site monitoring, although the overall supervision strategy is set for each individual licensed institution based on its complexity, risk profile and potential impact on the safety and soundness of the financial system as well as any impact on the supervisory objectives.

In April 2020, the Financial Action Task Force (the **FATF**) issued its Mutual Evaluation Report (**MER**) on the UAE's AML/CFT measures. Based on an assessment conducted in 2019, the MER analyses the level of the UAE's compliance with the FATF 40 recommendations and the effectiveness of its AML/CTF system and provides recommendations on how the system could be strengthened. Based on the MER, the UAE's National Strategy has been revised in line with the risks identified in the MER and the UAE's National Risk Assessment. As at July 2023, the UAE was compliant with 15 of the 40 recommendations, largely compliant with 24 recommendations and partially compliant with one recommendation.

The UAE ranks 27 on Transparency International's Corruption Perceptions Index 2022, which ranks 180 countries in terms of their perceived level of public sector corruption.

Historically, income from overseas investments has been used to fund fiscal deficits, obviating the need for the Central Bank to issue UAE federal government debt. However, the Central Bank under its new Dirham Monetary Frameworks (**DMF**), now issues monetary bills (**M-Bills**) to UAE banks via auction, denominated in dirham, in order to absorb excess liquidity rather than to meet a specific funding need. The M-Bills programme was launched in January 2021 to replace Central Bank certificates of deposit. A secondary market in M-Bills is currently developing, but they can be used as collateral for dirham from the Central Bank at any time.

The dirham is linked to the IMF's Special Drawing Right. However, the U.S. dollar is the intervention currency and, in practice, the dirham is pegged to the U.S. dollar. This pegged exchange rate has been in place since the 1980s and has proved to be resilient both to political tensions in the region and to fluctuations in oil prices.

The Central Bank is also responsible for regulating financial institutions in relation to money laundering controls and enforcing Central Bank Notice No. 74/2019 concerning Procedures for Anti-Money Laundering, Central Bank Notice No. 79/2019 concerning standards on Anti-Money Laundering and Federal Decree Law No. 20 of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations. The Central Bank has established a Financial Intelligence Unit and has launched an online filing system which provides an enhanced AML reporting mechanism. In addition, the Central Bank has issued detailed regulatory instructions in respect of AML and procedures. In June 2022, the Financial Action Task Force, a global monitor for AML and counter-terrorism financing regulation, identified the UAE as a "jurisdiction under increased monitoring", commonly referred to as the "grey list". In January 2023, the

Central Bank released new guidance on AML and counter-terrorism financing for financial institutions, containing new obligations for banks to conduct customer due diligence through digital identification systems.

Although the Central Bank is responsible for regulating all banks, exchange houses, investment companies and other financial institutions in the UAE, the DFSA regulates all banking and financial services activities in the DIFC, while the ADGM Financial Services Regulatory Authority regulates activity in the financial services sector in the ADGM.

STRUCTURE OF THE BANKING SYSTEM

Banking institutions in the UAE fall into a number of categories. As at 31 December 2023, there were 50 commercial banks, including one specialised digital bank, and one investment bank (institutions which may not accept deposits with maturities of less than two years but which may borrow from their head offices or other banks and the financial markets) classified as domestic banks, also known as “national” banks.

Licensed foreign banks, of which there were 50 commercial banks and 11 wholesale banks at 31 December 2023, function in a similar manner to commercial banks, except that they are prohibited from accepting deposits from individuals.

In addition, there are other financial institutions whose principal functions are to extend credit, carry out financial transactions, invest in moveable property and other activities but are not permitted to accept funds in the form of deposits and financial and monetary intermediaries (such as money and stock brokers), known as finance companies.

CHARACTERISTICS OF THE BANKING SYSTEM

Limited progress towards consolidation

The UAE may be, and has historically been, seen as being over-banked with 61 banks (comprising 23 locally incorporated banks and 38 foreign banks (including 11 foreign wholesale banks)) licensed to operate inside the UAE as at 31 December 2023 (source: the Central Bank), serving a population estimated to be in the region of approximately 9.3 million people at the end of 2020 (source: Federal Competitiveness and Statistics Centre). Traditionally there has been little impetus for consolidation. However, the merger between First Gulf Bank and National Bank of Abu Dhabi on 30 March 2017, the merger between Abu Dhabi Commercial Bank PJSC and Union National Bank PJSC and the combined entity's acquisition of Al Hilal Bank PJSC in May 2019 and the acquisition of Noor Bank by DIB in January 2020, may act as a catalyst for further consolidation amongst locally incorporated banks. The federal structure of the country has, to some extent, encouraged the fragmented nature of the banking sector, with the individual Emirates wishing to retain their own national banks. Rivalries between large local business families and a desire not to dilute shareholdings have also hampered the process of consolidation in the past.

If consolidation continues it may reduce the level of concentration in the domestic banking sector and lead to a significant alteration of the competitive environment with fewer, larger locally incorporated banks competing for the larger financing transactions in the region with the foreign banks, which have tended to have comparatively larger franchises, with greater infrastructure and resources with which to absorb capital costs, such as information technology system development.

In addition, the advent of WTO liberalisation should allow greater competition from foreign banks, both from new entrants to the market and from existing players expanding their operations, which may eventually result in more mergers, possibly even creating banks with pan-Gulf franchises.

Domestic focus

The UAE incorporated banks are predominantly focused on the domestic market but a number have small operations overseas and are showing growing interest in cross-border business, a trend which is likely to continue in the event of further merger activity in the sector. With a large number of banks competing for a limited number of wholesale lending opportunities, most banks have turned to retail banking.

Limited foreign ownership

In 1987, the UAE federal government placed a freeze on new foreign banks opening operations in the UAE. At the same time, existing foreign banks were limited to a maximum of eight branches, which restricted their ability to develop any retail potential. However, three banks of GCC state origin, National Bank of Kuwait, SAMBA (now Saudi National Bank) and Doha Bank, were awarded licences by the Central Bank following an agreement to allow market access to banks of GCC state origin in line with continuing efforts in regional integration.

The opening of the DIFC has enabled international banks to establish a presence and compete in the wholesale banking market and this has seen new entities entering the marketplace.

Federal Law No. 14 of 2018 amended the minimum permissible shareholding by UAE nationals in UAE banks to 60 per cent. Further to this, in August 2021 DIB announced the increase of its foreign ownership limit from 25 per cent. to 40 per cent. after receiving approval from the Central Bank and the Securities and Commodity Authority.

Exposure to the oil sector

With much of the economy directly or indirectly dependent on the oil sector, UAE banks are potentially vulnerable to business erosion during long periods of low oil prices. In particular, oil revenues tend to drive levels of liquidity and government infrastructure investment.

Islamic banking

Sharia law forbids the charging of interest on any financial transaction. A number of banks, including DIB, have developed in the Islamic world to serve customers who wish to observe this principle. These institutions offer a range of products which, whilst broadly corresponding with conventional banking transactions, are structured in a way which avoids the application of interest.

The UAE is home to numerous institutions offering Islamic banking and financial products. Such institutions include DIB, Abu Dhabi Islamic Bank, Emirates Islamic Bank, Al Hilal Bank, Sharjah Islamic Bank, Ajman Bank, Dubai Islamic Insurance & Reinsurance Company (AMAN), Islamic Arab Insurance Co., Tamweel and Amlak Finance. In addition, the majority of local and international conventional financial institutions that operate in the UAE also offer Sharia-compliant products. The number of Islamic finance institutions continues to rise, with both new entrants to the market and existing conventional banks recasting themselves as Islamic banks.

Legal environment

There are three primary sources of law in the UAE: federal laws and decrees, local laws and Sharia law. In addition, Emiri decrees can be issued by the Rulers of each of the Emirates which, when issued, have full legal effect and operation in such Emirate. The secondary form of law is trade custom or practice. In the absence of federal legislation on areas specifically reserved to federal authority, the Ruler of a given Emirate or local government will apply their or its own rules, regulations and practices.

Lack of developed capital markets

The absence of mature bond or equity markets in the UAE means that banks have often shouldered the burden of long-term financing. This has tended to create a maturity mismatch in their balance sheets, as most of their liabilities are short-term customer deposits. Although the two stock markets, the DFM and the Abu Dhabi Securities Exchange (both of which were established in 2000), have grown rapidly over recent years and have benefitted from the inclusion of the UAE in the MSCI Emerging Markets Index in 2014, they continue to experience bouts of volatility.

Nasdaq Dubai is a securities exchange located in the DIFC which commenced operations on 26 September 2005. In May 2011, the DFM acquired two thirds of the shares in Nasdaq Dubai, in accordance with plans announced in December 2009 to consolidate markets. The two markets linked their platforms in July 2010,

through the outsourcing by Nasdaq Dubai of its trading, clearing, settlement and custody functions for equities to DFM's systems. Responsibility for maintaining Nasdaq Dubai's Official List was transferred to the DFSA with effect from 1 October 2011.

Government involvement

Most of the larger banks in the UAE have some degree of government ownership. Privatisation, though advocated in principle, has been slow to happen in practice. The state and its related entities are also the banking sector's largest customer, in terms of both deposits and project financing.

Expatriate workforce

The UAE economy is reliant on overseas labour. The banking sector is no exception to this and expatriates are employed in the senior management of most of the major banks. This has brought expertise from more developed markets to the sector. However, to ensure increased representation of Emiratis in the UAE financial sector (overall as well as in critical roles) and to support their professional development, the Central Bank has introduced a point-based scoring system as part of its Emiratisation policy, which takes into account the employment and progression of Emirati employees in the organisation. The minimum threshold for Emirati employees for each institution is dependent on a number of factors. The Emiratisation Circular does not set any upper limit at which the policy would no longer be applicable. If UAE banks are not able to achieve their targets for recruiting and progressing UAE nationals through their organisation, they will be subject to penalties which are computed in accordance with a specific formula set out in the Emiratisation Circular.

Accounting standards

All UAE banks are required to prepare their financial statements in accordance with IFRS.

Shari'a compliance

Islamic banking regulations requires financial institutions licensed by the Central Bank to operate their business activities in compliance with the rules, standards and general principles established by the Higher Shari'a Authority and, in certain circumstances, requires such financial institutions to obtain the consent of the Higher Shari'a Authority before undertaking certain licensed financial activities.

RECENT TRENDS IN BANKING

Liquidity

The Central Bank closely monitors the level of liquidity in the banking system. It also requires that banks have adequate systems and controls to manage their liquidity positions, as well as contingency plans to cope with periods of liquidity stress. Banks must also adhere to a maximum loan to deposit ratio of 100 per cent. set by the Central Bank. In this context, loans comprise loans and advances to customers and interbank assets maturing after three months.

UAE banks are mostly funded principally through on demand or time/savings deposits made by private individuals or private companies in dirham. Together, these deposits constituted 57.5 per cent. of total domestic deposits with the national banks in the UAE banking sector at 31 October 2023. Government deposits contributed 21.4 per cent. of the total domestic deposits with the national banks in the UAE banking sector at 31 October 2023.

There is currently no formal deposit protection scheme in the UAE. While no bank has, so far, been permitted to fail, during the 1980s and early 1990s a number of banks were restructured by the authorities and, in May 2011, Dubai Bank was taken over by the Government of Dubai. In response to the global financial crisis, both the Central Bank and the UAE federal government provided assistance to UAE banks and further assistance was provided in response to the COVID-19 pandemic, see “- COVID-19” below.

In line with Basel III requirements, the Central Bank issued UAE Central Bank Notice No. 33/2015 on liquidity requirements (the **Liquidity Notice**) which entered into force in the UAE on 1 July 2015 and which includes a set of qualitative and quantitative liquidity requirements for UAE banks. The qualitative requirements set out in the Liquidity Notice elaborate on the responsibilities of a UAE bank's board of directors and senior management as well as the overall liquidity risk framework. The new regulations are intended to ensure that liquidity risks are well managed at banks operating in the UAE and are in line with the Basel Committee's recommendations and international best practices.

In addition, on 31 January 2022, the Central Bank issued the Standard Re Liquidity at Islamic Banks (the **Islamic Liquidity Standard**) under Notice No. 11/2022 which forms part of the Liquidity Notice, and applies to licensed banks that conduct all or part of their activities in accordance with the provisions of Islamic Sharia. The Islamic Liquidity Standard aims to ensure that Islamic Banks have a robust liquidity risk management and governance framework in place, while ensuring compliance with the provisions of Sharia, and that they are holding sufficient Sharia-compliant liquid assets to withstand a liquidity stress for a reasonable period of time.

Among other things, the Liquidity Notice requires each UAE bank to have a robust liquidity risk framework which comprises the following elements:

- sound processes and systems to identify, measure, monitor and control liquidity risk in a timely and accurate manner;
- a robust liquidity risk management framework (which must be shared with the Central Bank upon request) with limits, warning indicators, communication and escalation procedures;
- regular internal stress testing of the portfolio for a variety of scenarios (both institution-specific and market-wide); results being communicated to the board of directors and the Central Bank on request;
- incorporation of liquidity costs, benefits and risks into product pricing and approval processes;
- establishment of a forward-looking funding strategy with effective diversification of funding sources and tenors;
- setting of formal contingency funding plans which clearly set out strategies for addressing liquidity shortfalls in emergency situations (and which must be shared with the Central Bank upon request);
- establishment of an adequate cushion of unencumbered, highly liquid assets as insurance against a range of liquidity stress scenarios; and
- a transfer pricing framework (which is commensurate with the bank's liquidity risk tolerance and complexity) developed to reflect the actual cost of funding.

The quantitative requirements set out in the Liquidity Notice are intended to ensure that each UAE bank holds a minimum level of liquid assets which allow it to sustain a short-term liquidity stress (in circumstances both specific to that bank and market-wide). These include the following:

	<u>Ratio</u>	<u>Applicability Period</u>
Basel III ratios:	Liquidity Coverage Ratio (LCR) $\geq$ 100%	1 January 2019 onwards
	Net Stable Funding Ratio (NSFR) $\geq$ 100%	1 January 2018 onwards

The LCR represents a 30-day stress scenario with combined assumptions covering both bank specific and market wide stresses. These assumptions are applied to contractual data representing the main liquidity risk

drivers at banks to determine cash outflows within the 30-day stress scenario. The LCR requires that UAE banks should always be able to cover the net cash outflow with high quality liquid assets (**HQLAs**) at the minimum LCR determined by the Central Bank. The Basel III accord requires that this minimum is 100 per cent., however, under the temporary relief measures provided by the Central Bank under the TESS, the regulatory LCR limit was decreased from 100 per cent. to 70 per cent. until 30 June 2022. The Liquidity Notice describes in detail eligible HQLAs for this purpose.

The NSFR is a structural ratio that aims to ensure that banks have adequate stable funding to fund the assets on their balance sheets. It also requires an amount of stable funding to cover a portion of the relevant UAE bank's contingent liabilities. It mirrors the Basel III NSFR standards. The NSFR identifies the key uses of funds and the different types of funding sources used by the UAE banks. It assigns available stable funding (**ASF**) factors to the sources of funds and required stable funding (**RSF**) (usage) factors to asset classes and off-balance sheet contingent exposures. The assigned RSF factor depends on the terms of funding and the perceived stability of the funding sources. The assigned ASF factor will depend on the liquidity of the asset being funded under a market-wide stress. Both factors will follow the Basel III standards. The NSFR minimum is 100 per cent.

Marginal lending facility (MLF) and Collateralized Murabaha Facility (CMF)

On 15 April 2014, the Central Bank introduced the interim MLF which allows non-Islamic UAE banks to use foreign exchange or certain rated securities to access Central Bank liquidity overnight in order to help their liquidity management during times of market stress.

On 1 April 2015, the Central Bank introduced the CMF which allows Islamic banks in the UAE, in accordance with Sharia rules, to use foreign exchange or certain rated securities to access Central Bank liquidity overnight to help their liquidity management during times of market stress.

Effective from 1 March 2022, the Central Bank, as part of the implementation plan of its new DMF, introduced new general terms and conditions for its standing credit and liquidity insurance facilities, where Eligible Counterparties (as defined under the DMF Standing Credit & Liquidity Insurance Facilities Terms & Conditions) can access Central Bank reserves on an overnight or term basis by posting eligible collateral. The objective of these general terms and conditions is to define the discretionary powers related to activation of these facilities, and the guidelines for collateral management.

Eligible Counterparties may, at their own discretion, access any of the standing credit facilities (MLF or CMF) to draw on the Central Bank reserves on an overnight basis through collateralised funding or murabaha transactions, in order to deal with temporary idiosyncratic liquidity imbalances. In addition, the Central Bank may, on a contingent basis and at its own discretion, activate the Contingent Liquidity Insurance Facility in response to any actual or prospective stress of an exceptional nature, which could be market-wide or idiosyncratic, where Eligible Counterparties are in need of ample reserves from the Central Bank for extended terms. The Central Bank accepts a range of tradeable securities and foreign exchange as eligible collateral for the purposes of accessing the MLF or CMF, including securities issued by sovereigns (originating in the UAE and outside the UAE) and securities issued by corporates and financials or supranational, municipal, or public sector issuers. In order to be eligible, collateral must meet minimum credit rating requirements specified in the terms and conditions of the MLF and CMF. Banks accessing the MLF or CMF must borrow a minimum of AED 10 million.

Prudential Regulations

The Central Bank has supervisory responsibility for banking institutions in the UAE. Supervision is carried out through on-site inspections and review of periodic submissions from banks. The frequency of inspection depends on the perceived risk of the relevant bank, but inspections are carried out in all banks at least once every 18 months. Prudential returns are made monthly, quarterly, semi-annually or annually, depending on the nature of the information they contain. An improved risk management framework has been implemented, aimed at providing the Central Bank with more up to date information on credit, market and operational risks within the banking sector.

Capital adequacy

The Central Bank requires that the capital adequacy of all banks operating in the UAE is in line with the rules outlined by the Basel Committee on Banking Supervision in Basel III, a global regulatory framework for more resilient banks and banking systems. The Basel III capital framework imposes a minimum Common Equity Tier 1 (**CET 1**) capital requirement of 7 per cent., a Tier 1 capital requirement of 8.5 per cent. and a total capital requirement of 10.5 per cent. Basel III also imposes three capital buffer requirements on top of the minimum capital requirements, that must be fulfilled with CET1 capital. These requirements are the capital conservation buffer at 2.5 per cent. of risk-weighted assets, surcharges for domestic systemically important banks and a countercyclical buffer. The calculation of capital adequacy ratios in the UAE follows the Bank for International Settlements minimum standards. In particular, claims on or guaranteed by GCC central governments and central banks are risk weighted at zero per cent. and claims on GCC government non-commercial public sector entities are risk-weighted at 100 per cent.

As noted under “- COVID-19”, as part of the TESS, banks were able to utilise 100 per cent. of their D-SIBB and 60 per cent. of their capital conservation buffer without supervisory consequences until 30 June 2022. In addition, the Central Bank is allowing banks to apply a prudential filter to IFRS 9 expected loss provisions. The prudential filter allows any increase in IFRS 9 provisioning compared to 31 December 2019 to be partially added back to regulatory capital. This allows IFRS 9 provisions to be gradually phased-in over a five-year period until 31 December 2024. Furthermore, the planned implementation of certain Basel III capital requirements has been phased-in gradually in stages until 30 June 2022.

Reserve requirements

Reserve requirements are used by the Central Bank as a means of prudential supervision and to control credit expansion. The reserve requirements set a mandatory cash reserve of 1 per cent. for term deposits and 11 per cent. for all other customer balances.

Credit controls

Banks in the UAE are required by the Central Bank to establish credit policies and procedures commensurate with their size and activities. They must also have a proper credit assessment and approval process and adequate controls in place to monitor credit concentrations to, among others, individual borrowers, economic sectors and foreign countries.

The Central Bank circular dated 23 February 2011 (the **Retail Circular**) on retail banking and Notice No. 31/2013 dated 28 October 2013 (which was published in the Official Gazette on 28 November 2013 and entered into force on 28 December 2013) (the **Mortgage Regulations**), introduced regulations regarding bank loans and other services offered to individual customers. These regulations, among other things, impose maximum loan/income and loan to value ratios for retail products. For example, the regulations require that the amount of any personal consumer loan shall not exceed 20 times the salary or total income of the borrower with the repayment period not exceeding 48 months. Additionally, the Mortgage Regulations specify that the amount of mortgage loans for non-UAE nationals should not exceed 80 per cent. of the property value for a first purchase of a home (with a value of less than or equal to AED 5 million), 70 per cent. of the property value for a first purchase of a home (with a value greater than AED 5 million) and 60 per cent. of the property value (irrespective of the value of the property) for second and subsequent homes. For UAE nationals, the corresponding limits are set at 85 per cent. in respect of a first purchase of a home with a value less than or equal to AED 5 million, 75 per cent. for a first home with a value greater than AED 5 million and 65 per cent. of the property value for a second or subsequent purchase (irrespective of the value of the property).

Additionally, under recent changes to Federal Decree by Law No. (50) of 2022 Promulgating the Commercial Transactions Law (the **CTL**), banks are required to obtain “adequate securities or collaterals” against loans granted by them. The amendments to the CTL have not defined what “adequate” means in a commercial context and nor have the amendments to the CTL specified the consequences for failing to comply.

Large exposures

The Central Bank has adopted certain rules designed to ensure that banks' credit policies are sound and that undue risks do not arise from excessive concentration of credit to a single borrower or a group of related borrowers, thereby safeguarding the relevant bank's solvency.

The Central Bank's Large Exposures Notice sets percentage limits for banks' maximum exposures relative to the size of their capital base to specified entities or groups. These specified entities or groups include the UAE federal and local governments and their commercial and non-commercial entities, single borrowers or groups of related borrowers and inter-bank exposures. Large exposures include funded and unfunded exposures and unused commitment lines (based on cash conversion factors) to a single borrower or group (including government-related entities) which exceed prescribed limits. A bank's aggregate exposure to UAE local governments and their non-commercial entities is not allowed to exceed 100 per cent. of its capital base. Limits for foreign interbank exposures have been fixed at 30 per cent. for a bank or banking group. Claims on the Central Bank, the IMF and other similar entities, highly rated marketable bonds and sukuk issued by an emirate and deposits under lien may be excluded from large exposure calculations. Large exposures are monitored by the UAE Central Bank through quarterly returns.

Provisions for loan losses

In order to ensure that banks correctly classify their loans and thus accurately report their profit or loss, the Central Bank issued Circular No 28/2010 in November 2010 (the **Loan Classification Circular**). Under the Loan Classification Circular, banks are required to classify their loans and advances into five main categories: normal loans, watch-list loans, sub-standard loans, doubtful loans and loss loans. Subject to the detailed guidelines in the Loan Classification Circular, the first two categories represent performing loans and generally no specific provisions are required in respect of them. Banks are required to make a specific provision of 25 per cent. of the balance outstanding for sub-standard loans, 50 per cent. for doubtful loans and 100 per cent. for loss loans. In order to strengthen the capital position of banks, they are additionally required to make a general provision of 1.5 per cent. of their total credit risk-weighted assets.

The Central Bank enhanced its reporting of non-performing loans for the UAE banking system in the first quarter of 2019, to align its methodology with international best practices.

Banks in the UAE are also required to follow IFRS 9, which introduced an ECL model for the measurement of the impairment of financial assets, such that it is no longer necessary for a credit event to have occurred before a credit loss is recognised. The guiding principle of the ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. IFRS 9 provision uses a three-stage approach in recognising increased credit risk at each stage of risk (i.e., stage 1 for current facilities, stage 2 for significant increase in credit risk and stage 3 for impaired loans).

For each reporting period, provisions determined under IFRS 9 are required to be compared with those determined under the Loan Classification Circular. If provisions under IFRS 9 are lower, a regulatory credit risk reserve is required to be created for the amount by which the provisions determined in accordance with the Loan Classification Circular exceed the IFRS provisions, for both specific and general provisions as applicable.

Risk management

In June 2018, the Central Bank published its "Risk Management Regulation" and "Risk Management Standards" for UAE banks. The purpose of these regulations and standards is to establish a prudential framework for risk management in banks and to strengthen risk management across the banking sector. The areas covered by these standards are (a) risk management function, (b) risk measurement and use of models, (c) stress testing, (d) information systems, (e) strategic and operational decisions, (f) group risk management, (g) disclosures, and (h) Islamic banking. For details of DIB's implementation of these regulations and standards, see "*Risk Management – Change in Risk Management Regulation*".

Corporate governance

Banks in the UAE are subject to the Corporate Governance Regulations and the Corporate Governance Standards which were issued by the Central Bank in 2019 to a view to ensuring banks have a comprehensive approach to corporate governance. In addition, all Islamic financial institutions in the UAE are required to adhere to the Standard Re Shari'ah Governance for Islamic Financial Institutions promulgated by the HSA.

Commercial transactions

On 10 October 2022, the UAE Cabinet approved Federal Decree by Law No. 50 of 2022 (the **Commercial Transactions Law**) which came into effect on 2 January 2023. The Commercial Transactions Law covers a broad range of commercial and banking transactions and contains provisions which relate to, amongst others, commercial obligations, commercial pledges, commercial agency, commercial papers and bankruptcy and liquidation. In particular, it includes various provisions which specifically address and impact the Islamic finance industry such as a consideration of the common structures utilised in Islamic finance, including Murabaha, Istisna, Ijarah and Salam.

UAE Model Standards and Guidelines

On 23 December 2022, the Central Bank published the Model Standards and Guidelines which contain mandatory modelling practices to be implemented by banks operating in the UAE. The Model Standards and Guidelines aim to improve the quality of models used, increase model homogeneity across the UAE and mitigate model risk. All UAE banks were required to submit a gap assessment of their current model management practices against the standard and the guidance in the Model Standards and Guidelines, together with a remediation plan, to the Central Bank by 21 June 2023.

ESTABLISHING A CREDIT BUREAU IN THE UAE

Al Etihad Credit Bureau (**AECB**) is a federal government organisation specialised in providing UAE-based credit reports and other financial information. AECB commenced operations in 2014 upon receiving formal approval from the UAE Cabinet of its regulations and its charges for producing credit reports. AECB has approached all UAE-based banks to sign data sharing agreements to enable the provision of customer credit information, with the majority having entered into such agreements (as DIB has done) and/or made successful initial data submissions to AECB by the time AECB commenced operations. The implementation of regulations for the sharing of credit report data and the commercial operation of the UAE's first credit bureau is expected to reduce the risk involved in the origination of customer lending and banking business generally.

COVID-19

Both the Federal government and the Central Bank announced COVID-19-related stimulus measures. The Federal government package totalled AED 26.5 billion and envisaged the acceleration of infrastructure projects, the reduction of government fees (notably a six-month suspension of work permit fees and the reduction of the fees at the Ministry of the Economy), in particular to support SMEs and a 50 per cent. rebate of the bank guarantee that firms provide for each expatriate employee.

On 14 March 2020, the Central Bank announced its TESS, at the time an AED 100 billion stimulus package to address the effects of the COVID-19 pandemic on the economy. The scheme was expanded to AED 256 billion on 4 April 2020, in response to the potential widening repercussions of the pandemic on the domestic economy.

The TESS consisted of the following measures:

- AED 50 billion of funds made available through collateralised loans at zero cost to all banks and finance companies operating in the UAE;
- AED 50 billion of funds freed up from banks' capital buffers;

- a reduction of the required reserve ratio on demand deposits by half, to 7 per cent., freeing up about AED 61 billion of liquidity for banks; and
- AED 95 billion equivalent in relief through reduced liquidity requirements for banks.

Additional TESS measures were introduced on 8 August 2020, in relation to stable funding relief, which further enhanced banks' lending capacity to support the UAE economy.

The TESS deferral programme provided eligible retail and private corporate bank clients with temporary relief from the payments of principal and/or interest during the period when their cash-flows were disrupted. In particular, the enhanced TESS supported micro, small and medium enterprises (**MSMEs**) by encouraging banks to provide small businesses with payment deferrals and access to new credit lines.

The first phase of the Central Bank's TESS exit strategy focused on the gradual unwinding of the TESS loan deferral programme which was phased down to 50 per cent. by 30 September 2021 and phased out fully by 31 December 2021. The phasing out of the deferral programme was aligned with the objectives of a timely exit from measures whose prolonged utilisation may increase vulnerabilities.

In ensuring continued support for the recovery, the precautionary TESS recovery programme remained in place until 30 June 2022. To provide banks with additional flexibility to support the UAE economy, TESS prudential relief measures on capital requirements, liquidity requirements and stable funding requirements also remained in place until 30 June 2022.

Furthermore, support measures that temporarily remain in place after 30 June 2022 include the reduced reserve requirements, a decreased down-payment requirement for new mortgage loans and the prudential filter.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents and is qualified in its entirety by reference to the detailed provisions of the principal Transaction Documents. Copies of the Transaction Documents (i) will be available for inspection at the offices of the Principal Paying Agent (as defined in the Conditions) and/or (ii) may be provided by email to a Certificateholder following its prior written request to the Principal Paying Agent and the provision of evidence satisfactory to the Principal Paying Agent as to its holding of the relevant Certificates and identity.

Purchase Agreement

The Master Purchase Agreement was entered into on 31 January 2024 between the Trustee (as Purchaser) and DIB (as Seller) and is governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. A Supplemental Purchase Contract (together with the Master Purchase Agreement, each a **Purchase Agreement**) between the same parties will be entered into on the Issue Date of each Tranche and will also be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. Pursuant to the Purchase Agreement, the Seller will sell to the Purchaser, and the Purchaser will purchase from the Seller, (i) (on the issue date of the first Tranche of a Series) the relevant Initial Portfolio together with the transfer and assignment by the Seller to the Purchaser of all of the Seller's rights, title, interests, benefits and entitlements in, to and under the Assets which comprise the relevant Initial Portfolio and (ii) (on each date on which any additional Certificates are issued) the relevant Additional Portfolio together with the transfer and assignment by the Seller to the Purchaser of all of the Seller's rights, title, interests, benefits and entitlements in, to and under the Assets which comprise the relevant Additional Portfolio.

Pursuant to the Purchase Agreement, the Seller will also sell to the Purchaser, and the Purchaser will purchase from the Seller on the Further Asset Purchase Date the relevant Further Assets together with the transfer and assignment by the Seller to the Purchaser of all of the Seller's rights, title, interests, benefits and entitlements in, to and under the Further Assets.

Service Agency Agreement

The Service Agency Agreement was entered into on 31 January 2024 between the Trustee and DIB (as Service Agent) and is governed by English law.

Services

Pursuant to the Service Agency Agreement, the Trustee has appointed the Service Agent to service the Portfolio applicable to each Series. In particular, the Service Agent will, in relation to each Series, perform, amongst other things, the following services (the **Services**) as agent of the Trustee:

- (a) it will service the Portfolio in accordance with the service plan set out in the Schedule to the Service Agency Agreement (a copy of which will be scheduled to the relevant Supplemental Purchase Contract), which includes the annual amount of expected Portfolio Income Revenues (as defined below) of the Portfolio (the **Expected Portfolio Income Revenues Amount**), which shall be completed at the time of issue of the first Tranche of the relevant Series upon receipt from the Trustee of the relevant Supplemental Purchase Contract and shall be updated from time to time upon the issue of any further Tranche of the same Series;
- (b) it will ensure that, on the Issue Date of each Tranche of a Series 100 per cent. of the Value of the Initial Portfolio, or the Additional Portfolio, as the case may be, is derived from Tangible Assets;
- (c) it will procure that, at all times following the Issue Date of the first Tranche of a Series, more than 50 per cent. of the Portfolio Value is derived from Tangible Assets and in the event that, at any time, the aggregate Value of the Tangible Assets comprised within the Portfolio is not more than 50 per cent. (but is at least equal to 33 per cent.) of the Portfolio Value, the Service Agent will take any and all steps as may be required by the Internal Sharia Supervision Committee of DIB to raise such percentage to a level that is more than 50 per cent. of the Portfolio Value within the time period determined by

the Internal Sharia Supervision Committee of DIB. A breach of this requirement will not, however, constitute a DIB Event;

- (d) it will at no time substitute any Asset(s) for any Asset(s) of a Value less than the Value of the Asset(s) so substituted;
- (e) it may, if at any time there are Portfolio Principal Revenues standing to the credit of the Principal Collection Account and, to the extent that DIB has further Eligible Assets (the **Further Assets**) available for sale to the Trustee, notify the Trustee in writing of the Portfolio Principal Revenues standing to the credit of the Principal Collection Account and freely available for use by the Trustee for the purposes of purchasing Further Assets as selected by DIB and the details and Value of such Further Assets;
- (f) it will do all acts and things (including execution of such documents, issue of notices and commencement of any proceedings) that it considers (and without the need for the consent of the Trustee) reasonably necessary to ensure the assumption of, and compliance by each Asset Obligor with its covenants, undertakings or other obligations under the Asset Contract to which it is a party in accordance with applicable law and the terms of the Asset Contract, in each case in respect of the Assets;
- (g) it will discharge or procure the discharge of all obligations to be discharged by DIB (in whatever capacity) in respect of any of the Assets under all Asset Contracts, it being acknowledged that the Service Agent may appoint one or more agents to discharge these obligations on its behalf;
- (h) it will pay on behalf of the Trustee any actual costs, expenses, losses and Taxes (as defined in the Service Agency Agreement) which would otherwise be payable by the Trustee as a result of the Trustee's ownership of the Portfolio, such actual costs, expenses, losses and Taxes will be reimbursed in accordance with the Service Agency Agreement;
- (i) it will use all reasonable endeavours to ensure the timely receipt of all Portfolio Revenues, investigate non-payment of Portfolio Revenues and generally make all reasonable efforts to collect or enforce the collection of such Portfolio Revenues under all Asset Contracts as and when the same shall become due so that the Portfolio Income Revenues are at least equal to the Expected Portfolio Income Revenues Amount;
- (j) it will ensure that all Portfolio Income Revenues are received free and clear of, and without withholding or deduction for, Taxes (as defined therein);
- (k) it will maintain the Collection Accounts as described further under "*Collection Accounts*" below;
- (l) it will obtain all necessary authorisations in connection with any of the Assets and its obligations under or in connection with the Service Agency Agreement;
- (m) it will use its best endeavours in providing the Services to maintain the Portfolio Value at least equal to the outstanding face amount of the relevant Certificates (by not taking any action that will result in the Portfolio Value falling below the outstanding face amount of the relevant Certificates);
- (n) it will use its reasonable endeavours to ensure that all Asset Obligors in respect of Tangible Assets maintain industry standard insurances and fulfil all structural repair and major maintenance obligations in respect of the relevant Tangible Assets (each in accordance with the terms of the relevant Asset Contracts relating to the Tangible Assets); and
- (o) it will use its reasonable endeavours to procure that the legal title to the Assets is held by DIB (in its capacity as seller) for and on behalf of the Trustee for so long as such Assets are comprised within the Portfolio.

Pursuant to the Service Agency Agreement, following receipt of the notice referred to in paragraph (e) above, the Trustee may pay, or procure the payment by the Service Agent by debiting (or equivalent) from the Principal Collection Account, a purchase price (the **Further Asset Purchase Price**), which shall be equal to

and no greater than the Value of the Further Assets, to or to the order of DIB against the sale, assignment, assign and convey to, or for the benefit of, the Trustee of all of DIB's rights, title, interests, benefits and entitlements, in, to and under the relevant Further Assets subject to the execution, and pursuant to and on the terms, of a Supplemental Purchase Contract in accordance with the terms of the Master Purchase Agreement on the relevant Further Asset Purchase Date.

The Service Agent has undertaken in the Service Agency Agreement, in relation to each Series, that it shall maintain actual or constructive possession, custody or control of all of the Assets comprising the Portfolio during the Ownership Period, provided that (i) it is legally possible for the Service Agent to so maintain; and (ii) such maintenance shall not result in a breach of the terms of the relevant Asset Contracts.

The Trustee and the Service Agent have acknowledged and agreed that the occurrence of a Tangibility Event shall constitute a DIB Event.

For the purposes of the Service Agency Agreement:

Asset Contract means the contracts and/or other agreements and/or documents evidencing or otherwise related to or associated with an Asset;

Ownership Period means, in relation to each Series, the period commencing on the Issue Date of the first Tranche of such Series and ending on the date on which all of the Certificates of that Series are redeemed in full;

Tangibility Event means, if, at any time, following the Issue Date of the first Tranche of a Series, the aggregate Value of the Tangible Assets comprised within the Portfolio in relation to such Series falls below 33 per cent. of the Portfolio Value;

Value means, in respect of any Asset, the amount in the Specified Currency (following conversion, if necessary, of any relevant amount(s) at the spot rate of exchange (as defined in the Service Agency Agreement)) determined by DIB on the relevant date as being equal to: (i) in the case of Tangible Assets which are leased on an *ijara muntahiah bittamleek* (financial lease) basis, the aggregate of all outstanding fixed rental instalment amounts payable by the lessee or other equivalent fixed instalment amounts payable by the obligor, in each case in the nature of capital or principal payments in respect of the relevant asset, (ii) in the case of Tangible Assets which are not leased on an *ijara muntahiah bittamleek* (financial lease) basis, the initial agreed value or the outstanding base amounts or other equivalent of aggregate fixed instalment amounts payable by the obligor or any other amounts in the nature of capital or principal payments in respect of the relevant asset, and (iii) in the case of Other Tangible Assets, the outstanding capital or investment amounts, in each case determined by DIB as being equal to the value of that Asset on each day on which it remains part of the relevant Portfolio; and

Portfolio Value means the sum of (a) the Value of each Asset comprised in the Portfolio at the relevant time and (b) any Portfolio Principal Revenues held by the Service Agent at the relevant time.

Records and documents

The Service Agent has undertaken, in relation to each Series, that it will keep and maintain (and provide to the Trustee within 90 days of receiving a request in writing) all documents, books, records and other information reasonably necessary or advisable for the collection of all amounts due in respect of the Assets and all amounts credited to the Collection Accounts.

The Service Agent has agreed in the Service Agency Agreement:

- (a) to provide the Services in accordance with all applicable laws and regulations;
- (b) to provide the Services with the degree of skill and care that it would exercise in respect of its own assets;
- (c) to ensure that the Services do not extend to any investment services on a discretionary basis in relation to the Assets or any Portfolio Revenues; and

- (d) to service the Assets in accordance with the principles of Islamic Sharia as set out in the Shari'ah Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the resolutions issued by the Higher Sharia Authority of the Central Bank of the UAE, in each case, from time to time, as interpreted by the Internal Sharia Supervision Committee of DIB.

Service Agency Liabilities Amounts and Fees

The Trustee and the Service Agent have agreed that any Service Agency Liabilities Amounts incurred by the Service Agent in providing the Services in relation to a Series shall be paid by the Trustee by way of the application of amounts standing to the credit of the Income Collection Account by the Service Agent on the Trustee's behalf in payment of such amounts (as described below) or the Portfolio Revenues on the final Dissolution Date. For these purposes, **Service Agency Liabilities Amounts** means, in relation to each Series, the amount of any claims, losses, costs and expenses properly incurred or suffered by the Service Agent or other payments made by the Service Agent on behalf of the Trustee in each case in providing the Services during a **Distribution Period** (being a period that corresponds with the relevant Return Accumulation Period under the Certificates), but does not include amounts in respect of Liquidity Facilities.

DIB is entitled to receive a fixed fee of U.S.\$100 for acting as Service Agent under the Service Agency Agreement. In addition, following payment of all amounts due and payable under the Certificates of each Series on the final Dissolution Date, the Service Agent is entitled to retain any amounts that remain standing to the credit of the Income Reserve Collection Account for its own account as an incentive payment for acting as Service Agent.

Asset Substitutions

In the Service Agency Agreement the Trustee and the Service Agent have agreed that, in relation to each Series and provided no Dissolution Event has occurred and is continuing, if, at any time, any Asset ceases to be an Eligible Asset (the occurrence of such, being an **Ineligible Asset Event** and each such Asset ceasing to be an Eligible Asset, an **Ineligible Asset**) the Service Agent shall promptly deliver an exercise of rights request to the Trustee.

Collection Accounts

In relation to each Series, the Service Agent will maintain three ledger accounts (such accounts being the **Principal Collection Account**, the **Income Collection Account** and the **Income Reserve Collection Account**) in its books (each of which shall be denominated in the Specified Currency) in which all revenues from the Assets (the **Portfolio Revenues**) will be recorded. The Portfolio Revenues include all rental and other amounts payable by the relevant Asset Obligor under the terms of the relevant Asset Contract, and all sale proceeds or consideration, damages, insurance proceeds, compensation or other sums received by the Service Agent or DIB in whatever currency in respect of or otherwise in connection with the relevant Assets. All Portfolio Revenues in relation to each Series will be recorded:

- (a) to the extent that any such amounts comprise amounts in the nature of sale, capital or principal payments, expressed, whenever applicable, as an amount in the Specified Currency (following conversion, if necessary, of any relevant amounts at the spot rate of exchange determined by DIB) (**Portfolio Principal Revenues**) in the Principal Collection Account; and
- (b) to the extent that any such amounts comprise amounts other than Portfolio Principal Revenues (**Portfolio Income Revenues**), in the Income Collection Account.

Amounts standing to the credit of the Income Collection Account relating to each Series will be applied by the Service Agent on each **Distribution Determination Date** (being the Business Day immediately prior to the relevant Periodic Distribution Date under the Certificates of the relevant Series) in the following order of priority:

- (a) *first*, in payment of any amounts advanced by way of a Liquidity Facility;

- (b) *second*, in payment of any Service Agency Liabilities Amounts for the Distribution Period ending immediately before the immediately following **Distribution Date** (being the date which corresponds with the relevant Periodic Distribution Date under the Certificates of the relevant Series);
- (c) *third*, the Service Agent will pay into the relevant Transaction Account an amount equal to the lesser of the Required Amount payable on the immediately following Periodic Distribution Date and the balance of the Income Collection Account; and
- (d) any amounts still standing to the credit of the Income Collection Account immediately following payment of all of the above amounts shall be debited from the Income Collection Account and credited to the Income Reserve Collection Account.

For the purposes of the Service Agency Agreement, the **Required Amount** will mean an amount equal to the aggregate of the Periodic Distribution Amounts and any other amounts payable by the Trustee in respect of the relevant Certificates on each relevant Periodic Distribution Date.

The Service Agent will be entitled to deduct amounts standing to the credit of the Income Reserve Collection Account at any time and use such amounts for its own account, provided that such amounts shall be repaid by it if so required to fund a Shortfall (as defined and described below).

Shortfalls and Liquidity Facilities

If on a Distribution Determination Date (after (i) payment of the relevant amounts standing to the credit of the Income Collection Account into the relevant Transaction Account in accordance with paragraph (c) under “*Collection Accounts*” above and (ii) taking into account any other payments made or to be made into the relevant Transaction Account pursuant to any other Transaction Document) there is a shortfall (each a **Shortfall**) between:

- (a) the amounts standing to the credit of the relevant Transaction Account; and
- (b) the Required Amount payable on the immediately following Periodic Distribution Date,

the Service Agent will pay into the relevant Transaction Account on that Distribution Determination Date from the amounts standing to the credit of the Income Reserve Collection Account (if any) an amount equal to the Shortfall (or such lesser amount as is then standing to the credit of the Income Reserve Collection Account). If any Shortfall still remains after payment to the relevant Transaction Account of the amounts credited to the Income Reserve Collection Account (as described in this paragraph) and after payment to the relevant Transaction Account of all other amounts payable pursuant to any other Transaction Document, the Service Agent may either (A) provide Sharia compliant funding itself or (B) procure Sharia compliant funding from a third party, in each case, to the extent necessary, by payment of the same into the relevant Transaction Account, on terms that such funding is payable (i) from Portfolio Income Revenues in accordance with the Service Agency Agreement or (ii) from Portfolio Revenues on the date on which the Certificates of the relevant Series are redeemed in full, to ensure that the Trustee receives on each Distribution Determination Date the Required Amount payable by it in accordance with the Conditions of the relevant Series on the immediately following Periodic Distribution Date (such funding in relation to a Series, a **Liquidity Facility**).

Payments under the Service Agency Agreement

The Service Agent has agreed in the Service Agency Agreement that all payments by it under the Service Agency Agreement will be made without any withholding or deduction for or on account of tax unless required by law and (save as set out therein and without prejudice to paragraph (j) under “– *Services*” above) without set-off or counterclaim of any kind and, in the event that there is any withholding or deduction, the Service Agent shall pay all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been received by it if no such withholding or deduction had been made. The payment obligations of the Service Agent under the Service Agency Agreement will be direct, unconditional, unsubordinated and (subject to the provisions of the Purchase Undertaking) unsecured obligations of the Service Agent which rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of DIB save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Purchase Undertaking

The Purchase Undertaking was executed as a deed on 31 January 2024 by DIB in favour of the Trustee and the Delegate, and is governed by English law.

Pursuant to the Purchase Undertaking, in relation to each Series, DIB has irrevocably granted to the Trustee and the Delegate the following rights:

- (a) provided that a Dissolution Event has occurred and is continuing, to require DIB, at any time prior to the Scheduled Dissolution Date of the Certificates, to purchase on the Dissolution Date specified in the exercise notice all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Portfolio at the Portfolio Exercise Price;
- (b) to require DIB, on the Scheduled Dissolution Date, to purchase all of the Trustee's rights, title, ownership interests, benefits and entitlements in, to and under the Portfolio at the Portfolio Exercise Price;
- (c) provided Certificateholder Put Option is specified as applicable in the applicable Final Terms (and Optional Dissolution (Call) is not specified as applicable in the applicable Final Terms), to require DIB, on the relevant Certificateholder Put Option Date, to purchase all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Certificateholder Put Option Assets at the Certificateholder Put Option Exercise Price specified in the exercise notice; and
- (d) provided that an exercise of rights request has been delivered by the Service Agent in accordance with the Service Agency Agreement, to require DIB to:
 - (i) transfer, assign and convey to the Trustee on the substitution date all of DIB's rights, title, interests, benefits and entitlements in, to and under the new Assets against the transfer, assignment and conveyance to DIB of all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the substituted Assets, subject to certain conditions set out in the Purchase Undertaking; and
 - (ii) provided that it is confirmed in such exercise of rights request that there are no Eligible Assets available for substitution, purchase on the purchase date all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Ineligible Assets at the Ineligible Asset Exercise Price specified in the exercise notice,

in each case on an "as is" basis but free from any encumbrance (other than any lien which has arisen solely by operation of law and not in connection with any default of the Trustee) (without any warranty express or implied as to condition, fitness for purpose, suitability for use or otherwise and if any warranty is implied by law, it shall be excluded to the fullest extent permitted by law) and otherwise on the terms and subject to the conditions of the Purchase Undertaking.

For these purposes:

Certificateholder Put Option Exercise Price means, in relation to each Series (if applicable), an amount in the Specified Currency equal to the aggregate of:

- (a) the face amount of the Certificateholder Put Option Certificates;
- (b) an amount equal to all due but unpaid Periodic Distribution Amounts (if any) relating to the Certificateholder Put Option Certificates;
- (c) (only where no Certificate remains outstanding following the exercise of the Certificateholder Put Option) an amount equal to the sum of any outstanding (i) amounts payable in respect of any Liquidity Facility and (ii) any Service Agency Liability Amounts; and
- (d) without double counting, any other amounts payable on redemption of the Certificateholder Put Option Certificates as specified in the applicable Final Terms;

Exercise Price means the Certificateholder Put Option Exercise Price or the Portfolio Exercise Price, as applicable; and

Portfolio Exercise Price means, in relation to each Series, an amount in the Specified Currency equal to the aggregate of:

- (a) the aggregate outstanding face amount of the Certificates on the relevant Dissolution Date;
- (b) an amount equal to all due but unpaid Periodic Distribution Amounts (if any) relating to the Certificates;
- (c) an amount equal to the sum of any outstanding (i) amounts payable in respect of any Liquidity Facility and (ii) any Service Agency Liabilities Amounts; and
- (d) without double counting, any other amounts payable on redemption of the Certificates as specified in the applicable Final Terms.

If DIB fails to pay all or part of any Exercise Price that is due in accordance with the Purchase Undertaking and provided that no sale agreement has been entered into, then DIB will agree in the Purchase Undertaking that it will irrevocably, unconditionally and automatically (without the necessity for any notice or any other action) continue to act as Service Agent for the provision of the Services in respect of the relevant Portfolio on the terms and conditions, *mutatis mutandis*, of the Service Agreement.

DIB has expressly declared in the Purchase Undertaking that:

- (a) the relevant Exercise Price represents a fair price for the purchase of all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the relevant Portfolio or the relevant Certificateholder Put Option Assets, as the case may be; and
- (b) it shall irrevocably and unconditionally fully accept all or any ownership interest the Trustee may have in the relevant Portfolio or the relevant Certificateholder Put Option Assets, as the case may be, and, accordingly, shall not dispute or challenge all or any ownership interest the Trustee may have in any way.

DIB has further undertaken to the Trustee in the Purchase Undertaking that:

- (a) if, at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, Dubai Islamic Bank PJSC remains in actual or constructive possession, custody or control of all or any part of the Assets comprising the Portfolio; and
- (b) if, following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the Portfolio Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, title, interest, benefits and entitlements of the Trustee in, to and under the Portfolio or any of the Assets comprising the Portfolio or for any other reason, and thereby resulting in DIB's failure to comply with its obligations under the Purchase Undertaking,

DIB shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the Portfolio Exercise Price.

In the Purchase Undertaking, DIB has undertaken that, so long as any Certificate is outstanding it shall not, and shall ensure that none of its Principal Subsidiaries will, create, or have outstanding, any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto creating and according to the Certificates the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution of the Certificateholders.

DIB has agreed that each of the following events will constitute a DIB Event:

- (a) if default is made in the payment of: (A) any Portfolio Income Revenues (as defined in the Service Agency Agreement) to be paid into the Transaction Account by the Service Agent in accordance with the terms of the Service Agency Agreement and such default continues for a period of seven days; or (B) any Exercise Price to be paid by DIB under the Purchase Undertaking or Sale Undertaking, as the case may be, and such default continues for a period of seven days; or
- (b) DIB defaults in the performance or observance of any of its other material obligations under or in respect of the Transaction Documents to which it is a party, unless, in the opinion of the Delegate, the default is capable of remedy and is remedied within 30 days after written notice thereof, addressed to DIB by the Delegate, has been delivered to DIB; provided, however, that the failure by DIB (acting in its capacity as Service Agent) to perform or observe the obligations set out in Clause 3.1(d) of the Service Agency Agreement will not constitute a DIB Event; or
- (c) a Tangibility Event occurs; or
- (d) at any time (following the expiry of any grace period permitted by applicable law) it becomes unlawful for DIB to perform or comply with any or all of its material obligations under the Transaction Documents to which it is a party; or
- (e) if DIB for any reason declares a moratorium on the payment of any Indebtedness or in respect of any guarantee of any Indebtedness given by it; or
- (f) any Indebtedness of DIB or any of its Principal Subsidiaries following valid demand or claim becomes due and payable prior to the stated maturity thereof (other than at the option of the debtor) or DIB or any of its Principal Subsidiaries fail to make any payment under any guarantee of any Indebtedness which is due and payable at the expiration of any grace period applicable thereto, provided that each such event shall not constitute a DIB Event unless the aggregate amount of all such Indebtedness, either alone or when aggregated with all other Indebtedness in respect of which such an event shall have occurred and be continuing, shall be more than US\$50,000,000 (or its equivalent in any other currency or currencies); or
- (g) any action, condition or thing at any time required to be taken, fulfilled or done in order (A) to enable DIB lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Transaction Documents to which it is a party or (B) to ensure that those obligations are binding is not taken, fulfilled or done within 28 days of the Delegate giving notice in writing to DIB; or
- (h) (A) DIB becomes insolvent or is unable to pay its debts as they fall due, (B) an administrator, receiver, or liquidator of DIB or the whole or any part of the undertaking, assets and revenues of DIB is appointed, unless set aside within 28 days of such appointment, (C) DIB takes any action or commences any negotiations or proceedings with a view to (i) any adjustment of a material proportion of the whole or a specified class or category of Indebtedness, or (ii) making a general assignment or an arrangement or composition with or for the benefit of its creditors, or (D) DIB ceases or threatens to cease to carry on all or any substantial part of its business provided always that this sub-paragraph (h)(C) nor (D) shall not apply to any step or procedure which is part of a solvent reconstruction or amalgamation approved by any court of competent jurisdiction or other competent authority; or
- (i) an order or decree is made or an effective resolution is passed for the winding up, liquidation or dissolution of DIB, provided always that this paragraph (i) shall not apply to any step or procedure which is part of a solvent reconstruction or amalgamation approved by any court of competent jurisdiction or other competent authority; or
- (j) any event occurs which has an analogous effect to any of the events referred to in paragraphs (h) and (i) inclusive above; or

- (k) any execution is levied against, or an encumbrancer takes possession of, the whole or 15 per cent. or more of the property, undertaking or assets of DIB and its Subsidiaries taken as a whole (calculated by reference to the Accounts of DIB) or any event occurs which under the laws of any jurisdiction has a similar or analogous effect, unless such enforcement proceedings are frivolous or vexatious or are being actively contested in good faith by DIB or the relevant Subsidiary; or
- (l) DIB fails to comply with or pay any sum which amount shall not, in aggregate, be less than U.S.\$50,000,000 (or the equivalent thereof in any other currency or currencies) due from it under any one or more final non-appealable judgments or any one or more final non-appealable orders made or given by any court of competent jurisdiction and such failure continues for a period of 30 days next following service by the Delegate on DIB of notice requiring the same to be paid/remedied; provided, however, that if the execution of any such judgment or order is stayed within that period of 30 days its value shall not count towards the U.S.\$50,000,000 threshold amount described in this paragraph (l),

provided that, in the case of paragraph (b) and, in respect of a Principal Subsidiary only, paragraph (f), such events shall only be a DIB Event if the Delegate has certified that, in its opinion, such event is materially prejudicial to the interests of the Certificateholders.

For the purposes of the negative pledge to be given by DIB and the DIB Events:

Accounts means (in the case of DIB) its then latest audited consolidated financial statements and (in the case of the relevant Subsidiary) its then latest audited consolidated (if available) or non-consolidated financial statements, provided that if audited financial statements for any Subsidiary have not been prepared in respect of any relevant period, Accounts shall, in relation to that Subsidiary, mean its management accounts for the relevant period;

Indebtedness means any present or future indebtedness of any person for or in respect of any money borrowed or raised including (without limitation) any liability arising under sukuk or other securities or any moneys raised under any transaction having the commercial effect of borrowing or raising money;

Limited Indebtedness means any Indebtedness, the aggregate outstanding principal amount of which does not, at any time, exceed ten per cent. (10 per cent.) of the aggregate share capital and reserves of DIB as shown in its most recent audited consolidated financial statements prepared in accordance with International Financial Reporting Standards;

Non-recourse Project Financing Indebtedness means any Indebtedness incurred in connection with any financing of all or part of the costs of the acquisition, construction or development of any project, provided that (a) any Security Interest given by DIB or the relevant Principal Subsidiary, as the case may be, is limited solely to assets of the project, (b) the person providing such financing expressly agrees to limit its recourse to the project financed and the revenues derived from such project as the principal source of repayment for the monies advanced, and (c) there is no other recourse to DIB or the relevant Principal Subsidiary, as the case may be, in respect of any default by any person under the financing;

Permitted Indebtedness means the Non-recourse Project Financing Indebtedness, the Securitisation Indebtedness and the Limited Indebtedness;

Principal Subsidiary means:

- (a) a Subsidiary of DIB whose revenues or assets represent not less than ten per cent. (10 per cent.) of the consolidated revenues or consolidated assets of DIB, as calculated by reference to the Accounts; or
- (b) to which is transferred all or substantially all of the undertaking or assets of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary, whereupon the transferor Subsidiary shall immediately cease to be a Principal Subsidiary and the transferee Subsidiary shall immediately become a Principal Subsidiary, but shall cease to be a Principal Subsidiary under this paragraph (b) (but without prejudice to paragraph (a) above) upon publication of DIB's next Accounts.

A report by the Head of Finance (or any person who at any time carries out the equivalent function of such person (regardless of such person's title)) of DIB that in his opinion a Subsidiary of DIB is or is not or was or was not at any particular time or throughout any specified period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

Relevant Indebtedness means any Indebtedness other than Permitted Indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, sukuk certificates or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

Securitisation Indebtedness means any Indebtedness incurred in connection with any securitisation of existing or future asset and/or revenues, provided that: (i) any Security Interest given by DIB or any of its Subsidiaries in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (ii) each party participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised; and (iii) there is no other recourse to DIB or any of its Subsidiaries in respect of any default by any person under the securitisation;

Security Interest means any mortgage, charge, lien or other security securing any obligation of any party; and

Subsidiary means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of DIB.

DIB has also agreed in the Purchase Undertaking that all payments by it under the Purchase Undertaking will be made free and clear of, and without any withholding or deduction for or on account of any Taxes (as defined therein) unless required by law and (save as set out therein) without set off or counterclaim of any kind and, in the event that there is any withholding or deduction, DIB shall pay all additional amounts as will result in the receipt by the Trustee of such net amounts as would have been received by it if no such withholding or deduction had been made. The payment obligations of DIB under the Purchase Undertaking will be direct, unconditional, unsubordinated and (subject to the provisions described above) unsecured obligations of DIB which rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of DIB save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Sale Undertaking

The Sale Undertaking was executed as a deed on 31 January 2024 by the Trustee in favour of DIB and is governed by English law.

Pursuant to the Sale Undertaking, in relation to each Series, the Trustee irrevocably granted to DIB the following rights:

- (a) to oblige the Trustee to sell to DIB on the Tax Dissolution Date or on the Optional Dissolution Date, in each case, specified in the exercise notice all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the Portfolio at the Tax Call Exercise Price or at the Issuer Call Exercise Price, as the case may be;
- (b) to oblige the Trustee to transfer, assign and convey to DIB on any substitution date all of the Trustee's rights, title, interests, benefits and entitlements in, to and under the substituted Assets against the transfer, assignment and conveyance to the Trustee of all of DIB's rights, title, interests, benefits and entitlements in, to and under the new Assets, subject to certain conditions set out in the Sale Undertaking; and
- (c) to oblige the Trustee to transfer, assign and convey to DIB on any cancellation date the Cancellation Interest, following the delivery of the cancellation Certificates to the Principal Paying Agent for cancellation pursuant to Condition 13, subject to certain conditions set out in the Sale Undertaking,

with each such sale, transfer, assignment or conveyance (as applicable) to be on an “as is” basis but free from any encumbrance (other than any lien which has arisen solely by operation of law and not in connection with any default of the Trustee) (without any warranty express or implied as to condition, fitness for purpose, suitability for use or otherwise and if any warranty is implied by law, it shall be excluded to the fullest extent permitted by law) and otherwise on the terms and subject to the conditions of the Sale Undertaking.

For these purposes:

Issuer Call Exercise Price means, in relation to each Series (if applicable), an amount in the Specified Currency equal to the aggregate of:

- (a) the aggregate outstanding face amount of the Optional Dissolution (Call) Certificates on the relevant Dissolution Date; plus
- (b) an amount equal to all due but unpaid Periodic Distribution Amounts (if any) relating to the Certificates;
- (c) (only where no Certificate remains outstanding following exercise of the Issuer Call Option) an amount equal to the sum of any outstanding (i) amounts payable in respect of any Liquidity Facility and (ii) any Service Agency Liabilities Amounts; and
- (d) without double counting, any other amounts payable in relation to the Optional Dissolution (Call) Certificates as specified in the applicable Final Terms; and

Tax Call Exercise Price means, in relation to each Series, an amount in the Specified Currency equal to the aggregate of:

- (a) the aggregate outstanding face amount of the Certificates on the relevant Dissolution Date;
- (b) an amount equal to all due but unpaid Periodic Distribution Amounts (if any) relating to the Certificates;
- (c) an amount equal to the sum of any outstanding (i) amounts payable in respect of any Liquidity Facility and (ii) any Service Agency Liabilities Amounts; and
- (d) without double counting, any other amounts payable on redemption of the Certificates as specified in the applicable Final Terms.

Trust Deed

The Master Trust Deed was entered into on 31 January 2024 between DIB, the Trustee and the Delegate and will be governed by English law. A Supplemental Trust Deed between the same parties will be entered into on the Issue Date of each Tranche and will also be governed by English law.

Upon issue of the Global Certificate initially representing the first Tranche of any Series, the Master Trust Deed and the relevant Supplemental Trust Deed shall together constitute the Trust declared by the Trustee in relation to such Series.

The Trust Assets in respect of each Series comprise (unless otherwise specified in the relevant Supplemental Trust Deed), *inter alia*, the Trustee’s rights, title, interest and benefit, present and future, in, to and under the relevant Portfolio, its rights, title, interest and benefit, present and future, in, to and under the Transaction Documents (other than (i) in relation to any representations given to the Trustee by DIB pursuant to any of the Transaction Documents and any rights which have been expressly waived by the Trustee in any of the Transaction Documents and (ii) the covenant given to the Trustee pursuant to Clause 13.1 of the Master Trust Deed) and any amounts standing to the credit of the relevant Transaction Account.

Each Trust Deed will specify that, on or after the relevant Scheduled Dissolution Date or, as the case may be, Dissolution Date of a Series, the rights of recourse in respect of the relevant Certificates shall be limited to the amounts from time to time available and comprising the Trust Assets of that Series, subject to the priority of payments set out in the Trust Deed, the relevant Certificates and the Conditions. The Certificateholders have

no claim or recourse against DIB Sukuk Limited in respect of any amount which is or remains unsatisfied and any unsatisfied amounts will be extinguished.

Pursuant to the Trust Deed, the Trustee will, in relation to each Series, *inter alia*:

- (a) hold the relevant Trust Assets on trust absolutely for the relative Certificateholders *pro rata* according to the face amount of Certificates held by each Certificateholder; and
- (b) act as trustee in respect of the relevant Trust Assets, distribute the income from the relevant Trust Assets and perform its duties in accordance with the provisions of the Trust Deed.

In the Master Trust Deed, the Trustee by way of security for the performance of all covenants, obligations and duties of the Trustee to the Certificateholders has irrevocably and unconditionally appointed the Delegate to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to exercise all the present and future duties, powers, authorities and discretions (including but not limited to the authority to request instructions from any Certificateholders and the power to sub-delegate and the power to make any determinations to be made under each Trust Deed) vested in the Trustee by each Trust Deed that the Delegate may consider to be necessary or desirable in order upon the occurrence of a Dissolution Event or a Potential Dissolution Event, and subject to its being indemnified and/or secured and/or prefunded to its satisfaction to perform the present and future duties, powers, authorities and discretions vested in the Trustee by the relevant provisions of each Trust Deed and any of the other Transaction Documents (provided that no obligations, duties, liabilities or covenants of the Trustee pursuant to the Master Trust Deed or any other Transaction Document will be imposed on the Delegate by virtue of such delegation). The appointment of such delegate by the Trustee is intended to be in the interests of the Certificateholders and will not affect the Trustee's continuing role and obligations as trustee.

The Delegate has undertaken in the Master Trust Deed that, following it becoming aware of the occurrence of a Dissolution Event in respect of any Series and subject to Condition 14 it shall (a) promptly notify the relevant Certificateholders of the occurrence of such Dissolution Event. Subject to the Delegate being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing, the Delegate may take all such steps as are necessary to enforce the obligations of DIB (in whatever capacity it is acting) under the relevant Trust Deed and any other Transaction Document to which DIB (in whatever capacity) is a party.

Pursuant to the relevant Trust Deed, DIB will also undertake to the Trustee that:

- (a) if, at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, Dubai Islamic Bank PJSC remains in actual or constructive possession, custody or control of all or any part of the Assets comprising the Portfolio; and
- (b) if, following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the Portfolio Exercise Price is not paid in accordance with the provisions of the Purchase Undertaking, whether as a result of a dispute or challenge in relation to the rights, title, interest, benefits and entitlements of the Trustee in, to and under the Portfolio or any of the Assets comprising the Portfolio or for any other reason, and thereby resulting in DIB's failure to comply with its obligations under the Purchase Undertaking,

DIB shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the outstanding Certificates and, accordingly, the amount payable under any such indemnity claim will equal the Portfolio Exercise Price.

If and to the extent the Trustee has exercised its rights under Condition 20 to issue additional Certificates in respect of a Series, on the date of issue of such additional Certificates, the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Certificates and the holders of such additional Certificates so issued, declaring that the assets comprising the relevant Additional Portfolio transferred to the Trustee (in respect of the issuance of the additional Certificates) and the Assets comprising the Portfolio immediately prior to the acquisition of the Additional Portfolio (in respect of the relevant Series as in existence immediately prior to the issue of such additional Certificates) are commingled and shall

collectively comprise part of the Trust Assets for the benefit of the holders of the existing Certificates and the holders of such additional Certificates as tenants in common *pro rata* according to the face amount of Certificates held by each Certificateholder, in accordance with the Master Trust Deed.

The Master Trust Deed specifies, *inter alia*, that in relation to each Series:

- (i) following enforcing or realising the relevant Trust Asset and distributing the net proceeds of the Trust Assets in respect of the relevant Series to the Certificateholders in accordance with the Conditions and the relevant Trust Deed the obligations of the Trustee in respect of the Certificates shall be satisfied and the right of the Certificateholders to receive any further sums shall be extinguished and neither the Trustee nor the Delegate shall be liable for any further sums and, accordingly, the relevant Certificateholders may not take any action against the Trustee, the Delegate or any other person to recover any such sum or asset in respect of the relevant Certificates or the relevant Trust Assets;
- (ii) no Certificateholder shall be entitled to proceed directly against the Trustee and/or DIB, or provide instructions (not otherwise permitted by the Trust Deed) to the Delegate to proceed against the Trustee and/or DIB under any Transaction Document unless the Delegate having become bound so to proceed (a) fails to do so within a reasonable period or (b) is unable by reason of an order of a court having competent authority to do so, and such failure or inability is continuing. Under no circumstances shall the Delegate or any Certificateholders have any right to cause the sale or other disposition of any of the relevant Trust Assets (other than pursuant to the Transaction Documents), and the sole right of the Delegate and the Certificateholders against the Trustee and DIB shall be to enforce their respective obligations under the Transaction Documents;
- (iii) the Delegate shall not be bound in any circumstances to take any action to enforce or realise the relevant Trust Assets or take any action against the Trustee and/or DIB under any Transaction Document unless directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least one-fifth of the then aggregate outstanding face amount of the Certificates of the relevant Series and in either case then only if it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing provided that the Delegate shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Certificateholders; and
- (iv) after enforcing or realising the relevant Trust Assets and distributing the net proceeds of the relevant Trust Assets in accordance with the terms of the relevant Trust Deed, the obligations of the Trustee and the Delegate in respect of the Series shall be satisfied and no Certificateholder may take any further steps against the Trustee and the Delegate to recover any further sums in respect of the relevant Series and the right to receive any such sums unpaid shall be extinguished. In particular, no holder of the Certificates of the relevant Series shall be entitled in respect thereof to petition or to take any other steps for the winding-up of DIB Sukuk Limited.

Sharia Compliance

Each Transaction Document to which it is a party provides that each of DIB Sukuk Limited and Dubai Islamic Bank PJSC agrees that it has accepted the Sharia compliant nature of the Transaction Documents to which it is a party and, to the extent permitted by law, further agrees that:

- (a) it shall not claim that any of its obligations under the Transaction Documents to which it is a party (or any provision thereof) is *ultra vires* or not compliant with the principles of Sharia;
- (b) it shall not take any steps or bring any proceedings in any forum to challenge the Sharia compliance of the Transaction Documents to which it is a party; and
- (c) none of its obligations under the Transaction Documents to which it is a party shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that the Transaction Documents to which it is a party are not compliant with the principles of Sharia.

TAXATION

The following is a general description of certain tax considerations relating to Certificates issued under the Programme. It does not purport to be a complete analysis of all tax considerations relating to the Certificates. Prospective purchasers of any Certificates should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes of acquiring, holding and disposing of the relevant Certificates and receiving payments under those Certificates. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Cayman Islands

The following is a discussion on certain Cayman Islands tax consequences of an investment in Certificates to be issued under the Programme. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments by the Trustee on Certificates to be issued under the Programme will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments of principal or profit to any holder of Certificates, nor will gains derived from the disposal of Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance or gift tax.

Subject as set out below, no capital or stamp duties are levied in the Cayman Islands on the issue or redemption of Certificates. However, an instrument transferring title to any Certificates, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty. An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.\$853.66. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

United Arab Emirates

The following summary of the anticipated tax treatment in the UAE in relation to payments on the Certificates is based on the taxation law in force at the date of this Base Prospectus, and does not constitute legal or tax advice. Prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change.

Under current legislation, there is no requirement for withholding or deduction for or on account of UAE or Dubai taxation in respect of payments on debt securities (including in relation to the Certificates). In the event of the imposition of any withholding in the future, the Trustee has undertaken to gross-up any payments subject to certain limited exceptions, as described in Condition 11.

FATCA Disclosure

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as **FATCA**, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the UAE) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Certificates, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Certificates, such

withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Certificates characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Certificates (as described under “*Terms and Conditions of the Certificates—Further Issues*”) that are not distinguishable from previously issued Certificates are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Certificates, including the Certificates offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Certificates. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Certificates, no person will be required to pay any additional amounts as a result of the withholding.

The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the **Commission’s Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Certificates (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Certificates where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Certificates are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the **Programme Agreement**) dated 31 January 2024, agreed with the Trustee and DIB a basis upon which they or any of them may from time to time agree to purchase Certificates. Any such agreement will extend to those matters stated under “*Terms and Conditions of the Certificates*”. In the Programme Agreement, each of the Trustee and DIB has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue, offer and sale of Certificates under the Programme.

SELLING RESTRICTIONS

United States

The Certificates have not been and will not be registered under the Securities Act, as amended, or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Programme Agreement, it will not offer, sell or deliver Certificates (i) as part of their distribution at any time or (ii) otherwise until expiration of 40 days after the completion of the distribution of all Certificates of the Tranche of which such Certificates are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act, and it will have sent to each Dealer to which it sells Certificates during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Certificates within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Certificates are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until the expiration of 40 days after the commencement of the offering of any Tranche of Certificates, an offer or sale of Certificates within the United States by any dealer (whether or not participating in the offering of such Tranche of Certificates) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Trustee and DIB for use in connection with the offer and sale of the Certificates outside the United States. The Trustee, DIB and the Dealers reserve the right to reject any offer to purchase the Certificates, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Trustee of any of its contents to any such U.S. person or other person within the United States, is prohibited.

Public Offer Selling Restriction under the Prospectus Regulation

In relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Certificates to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee and DIB for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Certificates referred to in paragraphs (a) to (c) above shall require the Trustee, DIB or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression an **offer of Certificates to the public** in relation to any Certificates in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for Certificates; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

United Kingdom

Public Offer Selling Restriction under the UK Prospectus Regulation

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in the UK except that it may make an offer of such Certificates to the public in the UK:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee and DIB for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Certificates referred to in paragraphs (a) to (c) above shall require the Trustee, DIB or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Certificates to the public** in relation to any Certificates means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Certificates which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or

agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Trustee;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Trustee or DIB; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the UK.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no invitation or offer, whether directly or indirectly, to subscribe for the Certificates has been or will be made to the public in the Cayman Islands.

Japan

The Certificates have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949 as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Certificates to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) other than in compliance with any laws applicable in the UAE (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) governing the issue, offering and sale of securities.

Abu Dhabi Global Market

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Certificates to be issued under the Programme to any person in the Abu Dhabi Global Market unless such offer is:

- (a) an “Exempt Offer” in accordance with the Market Rules Module of the Financial Services Regulatory Authority (the **FSRA**) Rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA Rulebook.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Certificates to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “Exempt Offer” in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the **DFSA**) Rulebook; and

- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Certificates. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a **Saudi Investor**) who acquires any Certificates pursuant to an offering should note that the offer of Certificates is a private placement under the “Rules on the Offer of Securities and Continuing Obligations” as issued by the Board of the Capital Market Authority pursuant to its resolution number 3-123-2017 dated 27 December 2017, as amended by its resolution number 8-5-2023 dated 18 January 2023 (the **KSA Regulations**), made through a capital market institution licensed by the Capital Market Authority, in each case, in accordance with the KSA Regulations.

The Certificates may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to “institutional and qualified clients” under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9 of, or as otherwise required or permitted by the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Certificates by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article (9) of the KSA Regulations.

Each offer of Certificates shall not therefore constitute a “public offer”, an “exempt offer” or a “parallel market offer” pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under the KSA Regulations.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Certificates, except on a private placement basis to persons in the Kingdom of Bahrain who are “accredited investors”.

For this purpose, an **accredited investor** means:

- (a) an individual who has a minimum net worth (either singly or jointly with their spouse) of U.S.\$1,000,000, excluding that person’s principal place of residence;
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000;
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund);
or
- (d) any other entity which is an “accredited investor” as defined in the Central Bank of Bahrain Rulebook.

State of Kuwait

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no Certificates will be offered, sold, promoted or advertised by it in the State of Kuwait, other than in compliance with Decree Law No. 31 of 1990 and the implementing regulations thereto, as amended, and Law No. 7 of 2010 and the bylaws thereto as amended governing the issue, offering and sale of the Certificates.

No private or public offering of the Certificates will be made in the State of Kuwait, and no agreement relating to the sale of the Certificates will be concluded in the State of Kuwait. No marketing or solicitation or inducement activities will be used to offer or market the Certificates in the State of Kuwait.

Singapore

Unless the applicable Final Terms in respect of any Certificates specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each

further Dealer appointed under the Programme will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Certificates or caused such Certificates to be made the subject of an invitation for subscription or purchase and will not offer or sell any Certificates or cause the Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time, the SFA)) pursuant to Section 274 of the SFA) or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

If the applicable Final Terms in respect of any Certificates specifies “Singapore Sales to Institutional Investors and Accredited Investors only” as “Not Applicable”, each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Certificates or caused the Certificates to be made the subject of an invitation for subscription or purchase and will not offer or sell any Certificates or cause the Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Notification under Section 309B(1)(c) of the SFA – Unless otherwise stated in the applicable Final Terms all Certificates issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates other than: (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the SFO) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the C(WUMP)O) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to any Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Malaysia

This Base Prospectus has not been registered as a prospectus with the Securities Commission of Malaysia under the CMSA. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, the Certificates have not been and will not be offered, sold or delivered, and no invitation to subscribe for or purchase any Certificates has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Part I of Schedule 6 or Section 229(1)(b), Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Certificates in, the PRC (excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan) or to residents of the PRC unless such offer or sale is made in compliance with all applicable laws and regulations of the PRC.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws, regulations and directives in force in any jurisdiction in which it purchases, offers, sells or delivers any Certificates or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Certificates under the laws, regulations and directives in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Trustee, DIB, the Delegate and any other Dealer shall have any responsibility therefor.

None of the Trustee, DIB, the Delegate, the Arranger and any of the Dealers represents that Certificates may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale. Persons into whose possession this Base Prospectus or any Certificates may come must inform themselves about, and observe, any applicable restrictions on the distribution of this Base Prospectus and the offering and sale of Certificates.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Certificates have been duly authorised by a resolution of the Board of Directors of the Trustee dated 10 May 2012. The update of the Programme and the issue of Certificates thereunder has been duly authorised by a resolution of the Board of Directors of the Trustee dated 23 January 2024. The Trustee has obtained all necessary consents, approvals and authorisations in the Cayman Islands in connection with the issue and performance of Certificates to be issued under the Programme and the execution and performance of the Transaction Documents to which it is a party. The entry into of the Transaction Documents to which it is a party has been duly authorised by resolutions of the Board of Directors of DIB dated 29 April 2012 and 23 January 2024.

Listing

It is expected that each Tranche of Certificates which is to be admitted to the Official List and to trading on the Euronext Dublin Regulated Market will be admitted separately as and when issued, subject only to the issue of a Global Certificate initially representing the Certificates of such Tranche.

Application has been made to Euronext Dublin for Certificates issued under the Programme during the 12 months from the date of this Base Prospectus to be admitted to listing on the Official List and admitted to trading on the Euronext Dublin Regulated Market.

Application has also been made to the DFSA for Certificates issued under the Programme to be admitted to the DFSA Official List. An application may be made for any Tranche of Certificates to be admitted to trading on Nasdaq Dubai.

However, Certificates may be issued pursuant to the Programme which will not be listed on Euronext Dublin or any other stock exchange or which will be listed on such stock exchange as the Trustee and the relevant Dealer may agree.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Trustee in relation Certificates issued under the Programme and is not itself seeking admission of such Certificates to the Official List or to trading on the Euronext Dublin Regulated Market for the purposes of the Prospectus Regulation.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies (and English translations where the documents in question are not in English) of the following documents will, when published, be available for inspection from <https://www.dib.ae>:

- (a) the Trust Deed and the Agency Agreement; and
- (b) the Memorandum and Articles of Association of the Trustee and the constitutional documents (with an English translation thereof) of DIB.

This Base Prospectus will be available for viewing on (i) the website of Euronext Dublin (<https://live.euronext.com>) and (ii) the website of Nasdaq Dubai (<http://www.nasdaqdubai.com>).

Clearing Systems

The Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche will be specified in the applicable Final Terms.

If the Certificates are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Significant or Material Change

Other than in connection with the Certificates issued thus far under the Programme, there has been no significant change in the financial performance or financial position or trading position of the Trustee and no material adverse change in the prospects of the Trustee, in each case, since the date of its incorporation.

There has been no significant change in the financial performance or financial position or trading position of DIB and its subsidiaries since 31 December 2023, and there has been no material adverse change in the prospects of DIB and its subsidiaries since 31 December 2023.

Litigation

The Trustee is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Trustee is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Trustee.

Save as disclosed on page 16 of this Base Prospectus in *“Risk Factors – Factors that may affect DIB’s ability to fulfil its obligations under the Transaction Documents to which it is a party – Risks Relating to the Group – The Group is party to litigation related to the terrorist attacks on New York City on 11 September 2001”*, neither DIB nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which DIB is aware) in the 12 months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position or profitability of DIB or any of its subsidiaries.

Auditors

Since the date of its incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditors.

The auditors of DIB are Deloitte & Touche (M.E.) (**Deloitte**) of P.O. Box 4254, Dubai, UAE. Deloitte is a registered audit firm in the UAE, operating under professional licenses issued by the Dubai Economic Department and the UAE Ministry of Economy. There is no professional institute of auditors in the UAE and accordingly, Deloitte is not a member of a professional body in the UAE. All Deloitte professionals and partners are members of the institutes from where they received their professional qualification.

The Financial Statements have been audited by Deloitte in accordance with International Standards on Auditing, without qualification, as stated in their audit reports incorporated by reference into this Base Prospectus.

Dealers Transacting with DIB

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, DIB (and its affiliates) in the ordinary course of business for which they have received, and for which they may in the future receive, fees.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Trustee, DIB and their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Trustee, DIB and their affiliates routinely hedge their credit exposure to the Trustee, DIB and their affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the

creation of short positions in securities, including potentially any Certificates issued under the Programme. Any such short positions could adversely affect future trading prices of Certificates issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Cayman Islands Data Protection

The Trustee has certain duties under the Data Protection Act (as Revised) of the Cayman Islands (the **DPA**) based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Certificates and the associated interactions with the Trustee and its affiliates and/or delegates, or by virtue of providing the Trustee with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals may be providing the Trustee and its affiliates and/or delegates (including, without limitation, the Trustee Administrator) with certain personal information which constitutes personal data within the meaning of the DPA. The Trustee shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Trustee Administrator, may act as data processors (or data controllers in their own right in some circumstances).

For further information on the application of the DPA to the Trustee, please refer to the Privacy Notice (a copy of which may be requested from the Trustee Administrator by email at dubai@maples.com), which provides an outline of investors' data protection rights and obligations as they relate to the investment in the Certificates.

Oversight of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Trustee could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

Sharia Approvals

The transaction structure relating to the Certificates (as described in this Base Prospectus) and the Transaction Documents have been approved by each of the Internal Sharia Supervisory Committee of DIB and the Sharia Committee of Dar al Sharia Islamic Finance Consultancy LLC and the Global Shariah Supervisory Committee of Standard Chartered Bank. Prospective Certificateholders should not rely on any of the approvals referred to above in deciding whether to make an investment in the Certificates and should consult their own Sharia advisers as to whether the proposed transaction is in compliance with Sharia principles.

Description of the members of the Internal Sharia Supervisory Committee of DIB and the Global Shariah Supervisory Committee of Standard Chartered Bank

Internal Sharia Supervisory Committee of DIB (formerly known as Fatwa and Sharia Supervisory Board of DIB)

Professor Dr. Mohamed Ali Elgari

Dr. Mohamed Ali Elgari is a Professor of Islamic Economics and the former Director of the Centre for Research in Islamic Economics at King Abdul Aziz University in Saudi Arabia. Dr. Elgari is the recipient of the Islamic Development Bank Prize in Islamic Banking and Finance and holds the KLIFF Islamic Finance Award for Most Outstanding Contribution to Islamic Finance (Individual).

He is a member of the editorial board of several academic publications in the field of Islamic Finance and Jurisprudence, among them Journal of the Jurisprudence Academy (of the IWL), Journal of Islamic Economic Studies (IDB), Journal of Islamic Economic (IAIE, London) and the advisory board of Harvard Series in Islamic Law, Harvard Law School.

Dr. Elgari is also an advisor to numerous Islamic financial institutions throughout the world and is notably on the Sharia board of the Dow Jones Islamic index as well as a member of the Islamic Fiqh Academy and the Islamic Accounting & Auditing Organisation for Islamic Financial Institution (**AAOIFI**).

Dr. Elgari holds a PhD in Economics from the University of California, USA.

Sheikh Dr. Mohammad Abdul Rahim Sultan Al Olama

Dr. Al Olama is a member of the Grand Islamic Scholars Body in Dubai, an Associate Professor of the School of Sharia at the United Arab Emirates University in Al Ain and an acknowledged expert in Islamic finance. Dr. Al Olama is also the head of the Fatwa Committee of the Zakat Funds in the UAE.

He currently serves on a number of Sharia boards representing Islamic financial institutions and takaful companies.

Dr. Al Olama has written extensively on modern Islamic finance and has presented numerous research papers at various international conferences.

Dr. Al Olama holds a PhD in Comparative Islamic Law from Umm Al Qurra University in Mecca, Saudi Arabia.

Prof. Dr. Mohamad Akram Laldin

Prof. Dr. Mohamad Akram Laldin is currently the Executive Director of the International Sharia Research Academy for Islamic Finance. He is a Member of Bank Negara Malaysia's Sharia Advisory Council (SAC), a Member of the Sharia Advisory Employees Provident Fund (EPF), a Member of HSBC Amanah's Global Sharia Advisory Board, a Member of the Yassar Limited (Dubai) Sharia Advisory Board, a Member of the EAB (London) Sharia Advisory Board, Chairman of the Islamic Advisory Board of HSBC Insurance Singapore, Sharia Advisor to ZI Syariah Advisory Malaysia, a Member of Sharia Advisory Council International Islamic Financial Market (IIFM), Bahrain, a Committee member of AAOIFI Sharia Standards, Bahrain and other Boards across the globe. He is also the Member of the Board of Studies of the Institute of Islamic Banking and Finance, IIUM.

Dr. Akram holds a B.A. Honours degree in Islamic Jurisprudence and Legislation from the University of Jordan, Amman, Jordan and a Ph.D. in Principles of Islamic Jurisprudence (Usul al-Fiqh) from the University of Edinburgh, Scotland, United Kingdom. He has presented many papers related to Islamic Banking and Finance and other Fiqh topics and has conducted many training sessions particularly on Islamic Banking and Finance for different sectors since 1999. He is also a prolific author of academic works specifically in the areas of Islamic Banking and Finance. He received the Zaki Badawi Award 2010 for Excellence in Sharia Advisory and Research. He has participated and presented papers in numerous local and international conferences.

Dr. Ibrahim Ali Al Mansoori

Dr Ibrahim Ali Abdullah Al-Mansoori is a prominent Sharia scholar from the UAE with an active focus on the Islamic banking and finance industry. He is Director of Sharjah Islamic Center for Economy & Finance Studies and is the Assistant Professor of Economy & Islamic Banks at the University of Sharjah.

Dr Al-Mansoori is the Chairman of Internal Sharia Supervision Committee (ISSC) of Al Hilal Bank and a member of various ISSCs of Islamic financial institutions.

Dr Al-Mansoori holds a Ph.D. in Economics & Islamic Banking, as well as two Masters degrees in Economics & Islamic Banking and Pedagogical Psychology. He has authored various research papers on contemporary matters relating to Islamic Banking.

Dr. Muhammad Qaseem

Dr. Qaseem holds a PhD (Islamic Studies) from the Faculty of Usul ud Dinis, University of Karachi. He has been a member of the Sharia boards of many other institutions. Dr. Qaseem has taught various courses for a number of B.A. and M.A. programmes of the International Islamic University, Islamabad.

Dr. Qaseem has produced many academic contributions, articles and literary and translation works.

Global Shariah Supervisory Committee of Standard Chartered Bank

Dr. Mohamed Ali Elgari

See the description of Dr. Elgari set out above.

Sheikh Nizam Yaquby

Sheikh Yaquby studied traditional Islamic studies under the guidance of eminent Islamic scholars from different parts of the world. He has a BA in economics and comparative religions from McGill University, Canada. He has served in Bahrain Mosques from 1981 to 1990 where he taught Tafsir, Hadith and Fiqh in Bahrain since 1976. In addition to advising Citi Islamic Investment Bank E.C. and other Islamic finance institutions and funds, Sheikh Yaquby is a member of the Islamic Fiqh Academy and Auditing and Accounting Organisation for Islamic Financial Institutions. He has published several articles and books on various Islamic subjects including banking and finance.

Dr. Aznan Hasan

Dr. Aznan Hasan is an Associate Professor in Islamic Law at Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia and has taught Islamic law there since 2003. He is also President of the Association of Shariah Advisors in Islamic Finance and has been Deputy Chairman of the Shariah Advisory Council, Securities Commission of Malaysia since July 2010. He was a member of the Shariah Advisory Council, Bank Negara Malaysia (from November 2006 to August 2008 and from November 2010 to October 2013). He is also the Chairman of the Shariah Supervisory Board, Shariah Advisory Committee, Barclays DIFC (April 2011 to present). He is Shariah adviser to Maybank Islamic in Malaysia and has been advising ABSA Islamic Banking, South Africa since July 2010.

TRUSTEE

DIB Sukuk Limited
c/o MaplesFS Limited
P.O. Box 1093
Queensgate House
Grand Cayman, KY1-1102
Cayman Islands

DIB

Dubai Islamic Bank PJSC
P.O. Box 1080
Dubai
United Arab Emirates

DELEGATE

Deutsche Trustee Company Limited
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

PRINCIPAL PAYING AGENT AND TRANSFER AGENT

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

REGISTRAR

Deutsche Bank Luxembourg S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

AUDITORS TO DIB

Deloitte & Touche (M.E.)
P.O. Box 4254
Dubai
United Arab Emirates

SHARIA ADVISERS TO DIB

Dar Al Sharia Islamic Finance Consultancy LLC
P.O. Box 12988
Dubai
United Arab Emirates

LEGAL ADVISERS

To the Trustee as to Cayman Islands law

Maples and Calder (Dubai) LLP

Level 14, Burj Daman
Dubai International Financial Centre
P.O. Box 119980
Dubai
United Arab Emirates

To DIB as to English, DIFC and UAE law

Allen & Overy LLP

11th Floor
Burj Daman Building
Al Mustaqbal Street
Dubai International Financial Centre
P.O. Box 506678
Dubai
United Arab Emirates

To the Dealers as to English, DIFC and UAE law

Clifford Chance LLP

Level 32
ICD Brookfield Place
Dubai International Financial Centre
P.O. Box 9705
Dubai
United Arab Emirates

To the Delegate as to English law

Clifford Chance LLP

10 Upper Bank Street
London E14 5JJ
United Kingdom

IRISH LISTING AGENT

Arthur Cox Listing Services Limited

10 Earlsfort Terrace
Dublin 2
Ireland

ARRANGER

Dubai Islamic Bank PJSC

P.O. Box 1080
Dubai
United Arab Emirates

DEALERS

Dubai Islamic Bank PJSC

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United Arab Emirates

Standard Chartered Bank

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Dubai
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