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## Second Party Opinion

# ADCB Sustainable Funding Framework

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**Location:** United Arab Emirates (UAE)

**Sector:** Banks

## Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✗

- ✓ Social Bond Principles, ICMA, 2025
- ✓ Social Loan Principles, LMA/LSTA/APLMA, 2025
- ✓ Green Bond Principles, ICMA, 2025
- ✓ Green Loan Principles, LMA/LSTA/APLMA, 2025
- ✓ Sustainability Bond Guidelines ICMA, 2021
- ✓ Guidance on Green, Social and Sustainability Sukuk, ICMA, 2024

See [Alignment Assessment](#) for more detail.

## Strengths

**Eligible projects correspond to the UAE government's climate commitments and reflect ADCB's ambition to support the transition to a net-zero economy and manage climate change risks.** The UAE envisages a 47% reduction in greenhouse gas emissions by 2035 compared to the 2019 baseline and a significant increase in renewable energy generation capacity. We believe certain eligible projects under the framework, especially those related to solar and wind power and electric transport, are particularly supportive of the UAE's decarbonization goals.

**ADCB has set targets to reduce the intensity of financed emissions in the oil, gas, and power sectors.** These sectors are the most material in terms of financed emissions. ADCB calculates financed emissions in accordance with Partnership for Carbon Accounting Financials standards. It plans to publicly disclose additional interim decarbonization targets for other highly carbon-intensive sectors.

## Weaknesses

**Affordable housing projects are available to only about 10% of the UAE's population.** This is out of ADCB's control, since the bank relies on the eligibility rules of government programs. Supported government schemes only apply to the Emirati population. This limits social benefits of the programs by excluding vulnerable segments of the population. Other social projects, such as agriculture and road work, could have negative impacts on climate mitigation. Such risks will be assessed according to ADCB's environmental and social risk-management system.

## Areas to watch

**The framework's broad scope and numerous project categories create uncertainty over the specific projects to be financed.** As is common among bank frameworks, categories related to energy efficiency and living natural resources have broadly defined criteria, and quantitative thresholds are not always specified. We note past green allocations focused mainly on buildings and renewables.

**The eligibility criteria for most efficient existing buildings will be verified during the year of issuance by an external third party.** In the UAE, data limitations can make it challenging to define the top 15% of energy efficient buildings using direct environmental performance measurements only.

**ADCB may face challenges on allocation and impact reporting on certain short-term instruments.** The total amount of outstanding certificates of deposits and commercial paper may fluctuate. This will require monitoring from ADCB to ensure proceeds of sustainable issuance are properly tracked. That said, ADCB commits to meeting all related reporting commitments annually until maturity.

## Shades of Green Projects Assessment Summary

The allocation of proceeds by category will be estimated at the time of issuance and disclosed in post-issuance reports. However, based on the current eligible pool, ADCB expects a significant share of such proceeds to finance the green building, renewable energy, and nuclear categories.

|                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>Green buildings</b>                                                                                                                                                                                                                                                                                                                                              |  <b>Light green</b>          |
| New and existing residential, commercial, and mixed-use buildings that meet at least one of the eligibility criteria.                                                                                                                                                                                                                                               |                                                                                                               |
| Existing residential buildings that are within the top 15% most energy-efficient buildings in their respective region, as verified by a third party during the year of issuance.                                                                                                                                                                                    |                                                                                                               |
| Renovation of buildings that will lead to a 30% reduction in the consumption of energy and/or carbon emissions.                                                                                                                                                                                                                                                     |                                                                                                               |
| New data centers or retrofits to existing data centers to enable a power usage effectiveness (PUE) ratio less than or equal to 1.5.                                                                                                                                                                                                                                 |                                                                                                               |
| <b>Renewable energy</b>                                                                                                                                                                                                                                                                                                                                             |  <b>Dark to Medium green</b> |
| Renewable energy generation sources.                                                                                                                                                                                                                                                                                                                                |                                                                                                               |
| Infrastructure to support renewable energy: Projects related to energy transmission infrastructure, wholly dedicated and used to support renewable energy generation.                                                                                                                                                                                               |                                                                                                               |
| Development and/or manufacture of components, such as solar photovoltaic panels and epoxy resins used to manufacture blades of wind turbines, or facilities for renewable energy generation or energy storage.                                                                                                                                                      |                                                                                                               |
| <b>Nuclear energy</b>                                                                                                                                                                                                                                                                                                                                               |  <b>Medium green</b>       |
| Construction and safe operation of new nuclear power plants, an associated transmission and distribution network wholly dedicated to nuclear energy, research and development (R&D) of technology that produces energy from nuclear processes, and investment in increasing the operating life span or efficiency of existing nuclear power plants and related R&D. |                                                                                                               |
| <b>Clean transportation</b>                                                                                                                                                                                                                                                                                                                                         |  <b>Dark green</b>         |
| Fully electric or other zero direct-tailpipe emission vehicles only (such as hydrogen) for public, passenger, and freight purposes, including cars, buses, ferries, and trains.                                                                                                                                                                                     |                                                                                                               |
| Infrastructure to support electric vehicles, including electrified railways and charging stations for electric vehicles.                                                                                                                                                                                                                                            |                                                                                                               |
| Manufacture of lithium batteries for electric vehicles and end-of-life recycling.                                                                                                                                                                                                                                                                                   |                                                                                                               |
| <b>Energy efficiency</b>                                                                                                                                                                                                                                                                                                                                            |  <b>Light green</b>        |
| Smart energy grids, energy meters, and management systems that promote energy efficiency, through carrying information to users for remotely acting on consumption and battery storage facilities.                                                                                                                                                                  |                                                                                                               |
| District cooling systems: Energy efficient air-conditioning systems.                                                                                                                                                                                                                                                                                                |                                                                                                               |

Development, manufacture, and installation of products or technologies that improve energy efficiency by reducing energy consumption of underlying assets, projects, or systems.

Mobile network upgrades from 3G or 4G to 5G. Deployment of the fiber optic network to replace copper-based or microwave networks.

**Sustainable water and wastewater management**

 **Medium to Light green**

Infrastructure for clean/drinking water, wastewater treatment, and recycling facilities.

Sustainable urban drainage systems that increase water-use efficiency through modern drainage systems with natural water processes.

Products, services, and projects that attempt to resolve water-scarcity issues, including minimizing current water usage, improving the availability, efficiency, and reliability of water supply (such as water-reclaim systems, leak-detection systems, water-saving products, and smart water-quantity monitoring systems).

Products, services, and projects that attempt to resolve water-quality issues and improve water quality.

Desalination plants powered by electricity and running with reverse osmosis technology. The plants should be partly powered by renewable energy or zero-emission clean energy.

**Pollution prevention and control**

 **Medium to Light green**

Waste to energy: Capturing landfill gas, anaerobic digestion, and municipal waste to energy.

Waste management and recycling companies and facilities of all types of waste (such as recycling waste into secondary raw materials, or recycling food/garden/yard waste to produce compost).

Control of greenhouse gases: Development, construction, and operation of facilities employing carbon capture, usage, and storage technologies to capture carbon dioxide (CO2) emissions from industrial processes and energy generation.

Industrial decarbonization: Efficiency improvements, electrification, renewable energy integration, and use of sustainable materials in manufacturing processes that significantly reduce energy, water, or use of materials.

**Environmentally sustainable management of living natural resources and land**

 **Light green**

Forestry or agriculture certified by third-party standards, such as those of the EU or the U.S. Department of Agriculture, and labels accredited by the International Federation of Organic Agriculture Movements.

Sustainable and climate-smart farming techniques to reduce inputs such as water, synthetic pesticides, and synthetic fertilizers, and improve yields in a sustainable manner.

Hydroponic vertical farming, aquaponics, and aeroponics with third-party certifications.

Sustainable agriculture technologies, such as soil conditioners and bio-stimulants, that reduce environmental impacts and support soil health.

|                                                                                                                                                                                                                                |  |                                                                                     |                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------|-----------------------|
| Terrestrial and aquatic biodiversity                                                                                                                                                                                           |  |    | Medium to Light green |
| Terrestrial and aquatic biodiversity conservation (including the protection of coastal, marine, and watershed environments).                                                                                                   |  |                                                                                     |                       |
| Wildlife habitat management, rehabilitation, restoration, and conservation of ecosystems from a degraded state and rewilding projects.                                                                                         |  |                                                                                     |                       |
| Forest conservation, or REDD+ (Reducing Emissions from Deforestation and Forest Degradation).                                                                                                                                  |  |                                                                                     |                       |
| Climate change adaptation                                                                                                                                                                                                      |  |    | Medium green          |
| Infrastructure to increase resilience to extreme weather events.                                                                                                                                                               |  |                                                                                     |                       |
| Information support systems, such as climate observation, systems for monitoring greenhouse gas emissions, and early warning systems.                                                                                          |  |                                                                                     |                       |
| Green/blue urban infrastructure to address the effects of drought, floods, and urban heat.                                                                                                                                     |  |                                                                                     |                       |
| Circular-economy-adapted products, production technologies, and processes and/or certified eco-efficient products                                                                                                              |  |    | Medium to Light green |
| Design and introduction of reusable, recyclable, and refurbished materials, components, and products, as well as circular tools and services.                                                                                  |  |                                                                                     |                       |
| Products and related production processes that use bio-based or biodegradable materials sourced.                                                                                                                               |  |                                                                                     |                       |
| Resource-efficient products, with at least 90% recycled, renewable, or waste or bio-based input, limited to mechanical recycling and ensuring 90% of products are not for single use and are recyclable.                       |  |                                                                                     |                       |
| Green enabling                                                                                                                                                                                                                 |  |  | Light green           |
| Metals: Production of low-carbon steel, low-carbon aluminum and associated facilities; and the processing of lithium hydroxide monohydrate (exclude extraction) partly with renewable energy and/or carbon capture facilities. |  |                                                                                     |                       |
| Sustainable building materials necessary for the construction and/or refurbishment of certified green buildings.                                                                                                               |  |                                                                                     |                       |
| IoT (Internet of Things) and AI that are specific to enabling other sectors to decarbonize or improve energy efficiency.                                                                                                       |  |                                                                                     |                       |

See [Analysis Of Eligible Projects](#) for more detail.

# Issuer Sustainability Context

This section provides an analysis of the issuer's sustainability management and the embeddedness of the financing framework within its overall strategy.

## Issuer Description

ADCB (Abu Dhabi Commercial Bank PJSC) is a leading UAE-based banking institution serving over 2 million customers as of the end of first-quarter 2026. ADCB offers a comprehensive range of products and services, such as retail banking--including private banking and wealth management--corporate, and investment banking, in addition to treasury and investments and property management. As of Dec. 31, 2025, ADCB was the third largest bank in the UAE with total assets of UAE dirham (AED) 774 billion. ADCB is majority owned by Mubadala Investment Co., which has a 60.69% stake. The government of Abu Dhabi owns 100% of Mubadala Investment, so ADCB's ultimate controlling shareholder is the Abu Dhabi government. The bank also has a growing base of foreign institutional investors, together representing an 18.13% stake.

## Material Sustainability Factors

### Climate transition risk

Banks are highly exposed to climate transition risks through their financing of economic activities that affect the environment. Their direct environmental impact is small compared with their financed emissions, which stem mainly from power consumption (such as at data centers). Generally, policies and rules to reduce emissions could raise credit, legal, and reputational risks for banks with large exposures to high-emitting sectors, such as oil and gas, metals and mining, real estate, or transportation. These medium- to long-term risks are significant and will be proportional to the impact of climate change on the economy. Companies headquartered in the UAE will be required to contribute to the country's climate change strategy supported by a new climate law, which includes a reduction of greenhouse gas emissions by 47% by 2035 compared to the 2019 baseline.

### Physical climate risk

Banks finance a wide array of business sectors that are exposed to physical climate risks. Although climate change is a global issue, weather-related events are typically localized, so the magnitude of banks' exposure is linked to the geographic location of the activities and assets they finance. Similarly, banks' physical footprint--such as branches--may be exposed to physical risks that might disrupt their ability to serve clients in the event of a natural catastrophe. Banks could help mitigate the effects of physical climate risks by financing adaptation projects and climate-resilient infrastructure, as well as by investing in solutions that support business continuity in exposed geographies. Key physical climate risks in Abu Dhabi relate to extreme heat, water scarcity, and coastal flooding due to sea-level rise.

### Biodiversity and resource use

Banks contribute to significant resource use and biodiversity impacts through the activities they fund or invest in. For example, the real estate sector--which is a major recipient of bank financing--is a large consumer of raw materials for new construction, such as steel and cement. Similarly, bank-financed activities related to circular economy, desalination plants, and agricultural activities can have a material impact on biodiversity if they are not managed correctly.

### Access and affordability

Banks' large impact on society stems from their role in enabling access to financial services for individuals and businesses, and in ensuring the correct functioning of payment systems. In most countries, unbanked and underserved population segments are still meaningful, although the access gap is most acute in emerging economies. Market imperfections, such as low competition, incomplete information, and lack of financial literacy, often result in costly alternatives for small businesses and low-income people, so ensuring affordable access to financial services, especially for the most vulnerable members of the population, remains a challenge for the banking industry. However, banks have many opportunities to support economic development through financial inclusion, including by using new technologies.

## Issuer And Context Analysis

**Eligible project categories tackle ADCB's most material sustainability factors and correspond to UAE government's climate commitments.** The UAE envisages a 47% reduction in greenhouse gas emissions by 2035 compared to the 2019 baseline and significant growth of renewable energy generation capacity. We believe certain eligible projects under the framework, especially those related to solar and wind power and electric transport, are particularly supportive of the country's decarbonization goals. Other green categories also aim to address the climate transition, physical risks, and other environmental factors, such as pollution, water, waste, and biodiversity. Social categories seek to widen access to affordable infrastructure, housing, food, education, and health care, as well as financial services. Instruments issued under this framework will also support ADCB's target to lend, invest, and facilitate AED125 billion in sustainable activities by 2030. However, there are also risks introduced by eligible projects, such as road construction to ensure the enabling role of certain projects, highlighting the need for proper environmental and risk-management assessments.

**ADCB has established targets to reduce portfolio emissions intensity in sectors--such as oil, gas, and power--that contribute most to overall financed emissions.** Although the bank is committed to net zero in its own operations, 99% of its carbon footprint stems from financed emissions. ADCB used the Partnership for Carbon Accounting Financials' methodology to measure financed emissions in eight sectors, representing 21% of total loans and investments. Oil and gas contributed 61% of financed emissions in 2023. Commercial real estate is the bank's largest exposure (62%) within these eight sectors but accounted for 14% of financed emissions only. ADCB has set interim targets to reduce emissions intensity in the oil and gas sector by 9% by 2030 against a 2023 baseline. In the power sector, the bank aims to reduce emissions intensity by 10% within the same time frame. ADCB plans to publicly disclose additional decarbonization targets for other carbon-intensive sectors.

**The bank integrates physical risk considerations into lending decisions using scenarios developed by the Network for Greening the Financial System.** In 2024, the bank added physical risks to its climate stress-testing model and assessed impacts on the probability of default in all sectors. It also identified the largest corporate customers from climate-sensitive sectors to perform a more detailed analysis. This bottom-up analysis represented more than 60% of climate-sensitive sectors. Notably, ADCB has conducted audits and collected geospatial data for all its commercial real estate collateral. We believe such risk assessments are positive to better monitor and anticipate the impacts of climate change, notably if they are translated into financial metrics such as the loss-given default and the probability of default.

**The bank's risk management is informed by frameworks such as the International Finance Corp. (IFC)'s Performance Standards and the Equator Principles, in line with market practice.** High-risk clients require enhanced due diligence (EDD), and lending to clients with severe risks is prohibited. Furthermore, ADCB uses sector-specific checklists to evaluate key environmental and social risks during the EDD. Additionally, the bank's environmental and social risk management (ESRM) policy has a list of restricted sectors. The bank also aims to follow the exclusion lists of the IFC and the European Bank for Reconstruction and Development within its portfolio.

**ADCB has implemented initiatives that promote financial inclusion and support underserved populations.** The bank promotes financial inclusion by providing products with benefits like life insurance and reduced transaction fees to lower-income customers. The bank serves a significant small-and-midsize-enterprise and micro-business sector, providing over 130,000 clients with access to essential financial solutions. Additionally, ADCB prioritizes accessibility for all customers, in particular, people of determination (defined as people who need assistance because of a disability that limits their intellectual and/or physical abilities), by offering inclusive services such as multilingual support, accessible branches, and financial literacy resources.

# Alignment Assessment

This section provides an analysis of the framework's alignment to the Social and Green Bond and Loan Principles and the Sustainability Bond Guidelines.

## Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✗

- ✓ Social Bond Principles, ICMA, 2025
- ✓ Social Loan Principles, LMA/LSTA/APLMA, 2025
- ✓ Green Bond Principles, ICMA, 2025
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- ✓ Guidance on Green, Social and Sustainability Sukuk, ICMA, 2024

## ✓ Use of proceeds

We assess all the framework's green project categories as having a green shade and consider all social project categories to be aligned. ADCB commits to allocating the net proceeds issued under the framework exclusively to eligible green and social projects. Please refer to the Analysis of Eligible Projects section for more information on our analysis of the environmental and social benefits of the expected use of proceeds.

ADCB could issue a variety of green financing instruments under the framework, encompassing bonds and loans, including euro-denominated commercial paper and certificates of deposit. ADCB will also extend general corporate-purpose funding to companies that derive at least 90% of their revenue from eligible green activities according to the framework's criteria. Measuring the exact environmental and social benefits of such lending may prove complex, as may ensuring that these borrowers maintain a consistent share of eligible revenue at all times. Moreover, the Sustainable Finance Working Group (SFWG) will be responsible for ensuring that such companies continue to meet the 90% threshold. If for any reason they fall below this threshold, the SFWG is tasked with excluding such loans from the eligible asset pool. The bank has also confirmed that assets backing sukuk transactions will have to comply with both Shariah and the framework's eligibility criteria.

## ✓ Process for project evaluation and selection

The framework outlines the process for selecting and approving eligible green and social loans. ADCB's SFWG, which includes senior members from the treasury, risk, credit, wholesale banking, legal, and sustainability divisions, will approve the sustainable finance portfolio for each reporting cycle, in accordance with the framework's eligibility criteria and the bank's policies. Its main responsibilities also include the monitoring of net-proceeds allocations, including the replacement of loans when they are redeemed or no longer meet eligibility criteria. Identification of potential environmental and social risks tied to financed projects is done through the group's ESRM policy, which includes sector-specific guidelines for high-risk activities.

## ✓ Management of proceeds

ADCB aims to invest all net proceeds no later than three years following issuance of instruments under the framework. Business teams will flag eligible loans in the bank's account-planning tool and systems. Such loans are then tracked in the bank's lending portfolio report. This report is updated at least every quarter to ensure compliance with the eligibility criteria, and is signed off by the SFWG. Unallocated proceeds will be invested in instruments with an environmental, social, and governance (ESG) label or in short-term instruments in accordance with the bank's liquidity policy. ADCB confirms that unallocated proceeds will also meet the exclusion criteria in the framework.

✓ Reporting

ADCB commits to reporting annually on both allocation and impacts until full allocation of proceeds. Allocation reporting will be done at the project category level. Although this is common among bank issuers due to the high number of projects financed and for confidentiality reasons, it provides less transparency than project-level disclosures. Nonetheless, it is positive that the allocation report will provide the distribution of assets by country and the amount of new financing compared to refinancing. It will also include details on certain types of projects, including descriptions of the projects. The framework lists the type of indicators that may be used in its impact reports and aims to align such reporting with the recommendations of the International Capital Market Association’s Handbook for Harmonized Framework for Impact Reporting.

Reporting on commercial paper and certificates of deposit can be a challenge for issuers due to the short tenure of such instruments. ADCB’s reporting will be on a portfolio basis and total the eligible asset pool, which is equal to or more than the total amount of sustainable financing instruments outstanding, including commercial paper and certificates of deposit.

Analysis Of Eligible Projects

This section provides details of our analysis of eligible projects, based on their environmental benefits and risks, using the "[Analytical Approach: Shades Of Green Assessments](#)," as well as our analysis of eligible projects considered to have clear social benefits and to address or mitigate a key social issue.

Green project categories

Green buildings

Assessment

Light green

Description

New and existing residential, commercial, and mixed-use buildings that meet one of the following minimum external green building certification levels:

- Estidama Pearl rating system in the Emirate of Abu Dhabi: 2 Pearl rating
- Al Sa’fat - Dubai Green Building System in the Emirate of Dubai: Golden Sa’fa’
- Mostadam green building rating system, Saudi Arabia: Gold
- LEED (Leadership in Energy and Environment Design): Gold
- GSAS (Global Sustainability Assessment System) Middle East: 4 Star
- BREEAM (Building Research Establishment Environmental Assessment Method) U.K./International: Excellent
- EDGE (Excellence in Design for Greater Efficiencies): Certified or equivalent certifications
- Other internationally recognized or regional green building certifications benchmarked by ADCB to be aligned with the other certifications listed above

Existing residential buildings that are within the top 15% most energy-efficient buildings in their respective region, as verified by a third party during the year of issuance

Renovation of buildings that will lead to a 30% reduction in the consumption of energy, and/or carbon emissions

New data centers or retrofits to existing data centers to enable a PUE ratio less than or equal to 1.5

## Analytical considerations

- The International Energy Agency (IEA) emphasizes that achieving net-zero emissions in buildings demands major energy efficiency strides and the abandonment of fossil fuels. All properties must achieve high energy performance. New properties should additionally cut emissions from building materials and construction. Additionally, addressing physical climate risks is crucial for strengthening climate resilience across all buildings.
- We assign a Light green shade to this project category. Regarding buildings, we believe the framework's criteria ensure financed buildings are somewhat more energy efficient than required by regulation for new buildings and are among the most efficient for existing buildings. However, these criteria do not necessarily ensure that these buildings represent the highest environmental ambitions, particularly because ADCB expects to mainly identify new construction building projects through certifications. Renovation projects also provide clear environmental benefits and lower risks than new construction projects, notably on embodied carbon from construction materials.
- New and existing properties are exposed to physical climate risks. ADCB conducts a climate risk assessment in line with its ESRM policy. It assesses clients' impacts from physical climate risks and mitigation actions in place.
- Green building certifications cover a broad set of environmental issues, but their requirements for energy efficiency, embodied emissions, and climate resilience vary considerably. Typically, these certifications' point-based systems do not guarantee low-carbon new construction or highly energy-efficient existing buildings, and their robustness depends on factors like achievement levels and certification type. Design-phase certifications generally offer greater assurance than in-use certifications, which can facilitate improvements in energy performance through effective management but often lack specific energy-efficiency thresholds. The bank has mentioned that it has identified two eligible assets that are covered by design-phase LEED certifications.
- Renovating and improving existing properties are vital to the transition to a low-carbon society. According to the IEA's pathway to net zero, energy efficiency and electrification are the two main drivers of decarbonization in the buildings sector. Projects must demonstrate at least a 30% reduction in energy use and/or carbon emissions compared to pre-renovation levels. We expect these renovation projects to materially improve buildings' energy performance and reduce their climate impact.
- The eligibility criteria definition for the most efficient existing buildings will be verified during the year of issuance. This will be done by an external third party. In the UAE context, data limitations can make it challenging to define the top 15% energy efficient buildings based on direct environmental performance measurements only.
- ADCB has not confirmed whether buildings with direct fossil fuel boilers for cooling or heating could be financed under the framework. According to the IEA, in 2023, 94% of final residential energy use in the UAE was from electricity, reflecting high needs from cooling systems. This also implies limited energy needs from local boilers since most cooling relies on electricity. The UAE's electricity grid currently comprises close to 30% clean energy generation and has a stated target of reaching 35% by 2031.
- Construction and retrofits involve embodied emissions and associated climate impacts. Apart from relying on the selected certifications to address a building's environmental impact throughout its lifecycle, the framework does not include thresholds on embodied emissions, and the bank does not yet have policies in place to seek to reduce such emissions, which may undermine projects' carbon performance.
- For new construction, ADCB does not currently have a breakdown of properties to be built on brownfield and greenfield land. However, ADCB will assess and manage any biodiversity risks associated with constructing buildings on greenfield as part of its ESRM policy.
- The IEA projects that global demand for data centers will nearly triple from 2024 to 2030, resulting in growth of power demand that could delay the transition from fossil fuels (see "[Sustainability Insights: Behind the Shades: Data Centers](#)," March 23, 2026). Data centers are also major consumers of water, in particular for cooling purposes. Addressing energy intensity and water usage is key to the decarbonization of data centers.
- The current eligibility criteria rely only on PUE thresholds. Data centers in the region are exposed to high cooling demands, due to extreme heat, which results in high PUE. According to the IEA, the average PUE ratio in the Middle East was 1.92 in 2024, which is significantly higher than the bank's threshold of 1.5. Nuclear power forms about 20% of the UAE's electricity grid, with goals to reduce the emissions intensity of electricity generation by 51% by 2030 compared with the 2019 level, while

increasing the contribution from nuclear and renewable sources. This should help reduce the emissions intensity of financed data centers.

- ADCB has clarified that the company managing the data centers to be financed has set renewable power targets to reduce emissions from its operations. We understand this target of 50% renewable power by 2030 would be reached, thanks mainly to energy certificates, but covers only energy use from the mechanical load. The mechanical electricity load (for cooling, lighting, etc.) and IT load (computing equipment) at data centers are often decarbonized separately, and the proportion of each depends on a range of factors, including the data center's PUE. From a contractual and operational perspective, the data center operator does not have direct visibility or control over tenants' IT load profiles or the technology choices that drive the electricity consumption by IT. ADCB has also confirmed that this company operates the majority of air-cooled data centers, notably the more recent one. For water-cooled data centers, the operator works on integrating treated sewage water instead of freshwater where possible.

Renewable energy

Assessment



Dark to Medium green

Description

Renewable energy generation sources:

- Wind: Onshore and offshore
- Solar: Photovoltaic, concentrated (CSP), thermal, and floating
- Hydroelectric: Run-of-river plants and small or midsize projects (up to 1,000 megawatts; MW) with a power density greater than 5W per square meter (/m2) or life cycle emissions intensity of less than 100 grams of CO2-equivalent per kilowatt hour (gCO2e/kWh)
- Geothermal: Projects with a life cycle emissions intensity of less than 100gCO2e/kWh
- Green hydrogen and ammonia projects: Storage and refueling infrastructure and fuel production from electrolysis, powered by 100% renewable or zero emissions energy
- Bioenergy: Projects that produce electricity and fuels exclusively from (a) waste feedstock (e.g. used cooking oil, tallow), (b) sustainable certified nonfood energy crop feedstock, which is not produced for food consumption and does not compete with the production of food or deplete existing terrestrial carbon pools, (c) non-waste agricultural residues (e.g. straw, husks, bagasse), and (d) purpose-grown energy crops cultivated on restored or degraded land (i.e. no deforestation impact). Bioenergy should have at least a 50% reduction in greenhouse gas (GHG) emissions compared to fossil fuel
- No renewable energy generated onsite can be used in GHG emissions-intensive facilities

Infrastructure to support renewable energy: Projects related to energy transmission infrastructure, wholly dedicated and used to support renewable energy generation

Development and/or manufacture of components, such as photovoltaic panels and epoxy resins used to manufacture blades of wind turbines or facilities for renewable energy generation or energy storage

Analytical considerations

- Renewable energy projects such as solar, wind, geothermal, and hydropower are key elements in limiting global warming to well below 2 degrees Celsius. Reliable and efficient electricity transmission and distribution networks are important in supporting electrification efforts needed to achieve a low-carbon economy. Nevertheless, the negative impacts of such projects on the local environment, as well as physical climate risks, need to be sufficiently mitigated.

- By financing the generation, transmission, and distribution of renewable energy, ADCB will contribute to the expansion of low-carbon electrification, and, as such, we assign most projects, such as solar, wind, hydroelectric, geothermal, green hydrogen, and ammonia, a Dark green shade. However, the criteria related to bioenergy and biofuels are quite broad, in our view.
- The construction of renewable energy facilities can entail emissions from materials, and various elements may influence the carbon intensity of some technologies. Therefore, we think it is positive that the framework specifies a maximum threshold of 100 gCO<sub>2</sub>e/kWh for geothermal and hydropower projects.
- This category includes the financing of new transmission and distribution lines to connect renewable generation assets to the grid. We view these connections as Dark green, reflecting that they should reduce the intensity of the grid in the UAE, where natural gas remains the main power source. ADCB has confirmed that such transmission and distribution lines would be eligible only if they are either dedicated to renewable energy generation or required to connect renewable energy generation to the grid.
- This category also includes bioenergy projects, with different levels of risks. Although we consider feedstock from waste residues to have positive mitigation benefits, there is a lot of variability for non-certified or first-generation biomass, due to direct and indirect land-use-change risks. The bank has explained that such fuels would be dedicated to the production of sustainable aviation fuel and required to demonstrate 50% lower emissions intensity than fossil-based alternatives. ADCB has also confirmed that feedstock from food or feed crops are not eligible, which we view as positive because it reduces potential indirect land-use-change risks.
- The SFWG will be responsible for confirming that components used in the manufacturing of renewable power generation or storage are only eligible where there is visibility on their end use being dedicated to these value chains.

Nuclear energy

Assessment

 Medium green

Description

Nuclear power generation projects that support the clean energy transition and climate goals. Eligible projects include construction and safe operation of new plants, an associated transmission and distribution network wholly dedicated to nuclear energy, research and development (R&D) of technology that produces energy from nuclear processes and investment in increasing operating life span or efficiency of existing nuclear power plants and related R&D

The eligibility criteria for nuclear power generation are as follows:

- The lifecycle GHG emissions intensity of the generation of electricity from the nuclear energy plant will be less than 100gCO<sub>2</sub>e/kWh
- Long-term spent fuel and radioactive waste is managed in accordance with UAE law, the regulations of the Federal Authority for Nuclear Regulation (FANR) in the UAE and the guidelines of the International Atomic Energy Agency
- Aligns with the regulations set out by FANR in the UAE. This will exclude the production of nuclear weapons

Analytical considerations

- Nuclear power is a low-carbon source of electricity with a smaller land-use footprint than other low-carbon energy sources, such as renewables. However, general uncertainties regarding the long-term storage of radioactive waste in the nuclear sector, and the low-probability, high-impact risk of accidents, lead us to assess these activities a Medium green.
- Nuclear power contributed about 20% of total annual electricity generation in the UAE in 2023 according to the Emirates Investment Authority. The country's only nuclear asset is the Barakah plant. Its first unit was connected to the grid in 2020. FANR is responsible for oversight of nuclear safety in the country. Its role is to regulate the design, siting, construction, operation, and decommissioning of nuclear plants. The Emirates National Energy Co. (ENEC) is responsible for the

deployment and ownership of nuclear power plants in the country. ENEC is regulated by FANR and the Environment Agency Abu Dhabi. According to ENEC, the Arabian Gulf provides the water needed for final cooling of the power plant.

- Nuclear energy requires uranium to operate. Uranium mining, as well as other hard-rock mining, carries high environmental and social risks. The risks of uranium mining include radioactive contamination, water pollution, and land degradation. ADCB has confirmed that uranium sourcing will undergo supplier due diligence to manage environmental and social risks. The UAE is a signatory of the Nuclear Non-Proliferation Treaty and has adopted a policy renouncing any domestic enrichment or reprocessing. The fuel is externally supplied through long-term contracts.
- ENEC is responsible for the disposal of solid radioactive waste. The company indicates that this disposal will be completed in strict accordance with UAE law, the regulations of FANR, and the guidelines of the International Atomic Energy Agency. There is currently no long-term storage solution in the UAE. The government is developing the federal policy for long-term storage and waste management, although no site has been identified yet. The Barakah plant has capacity to store such waste for 20 years. The government plans to finalize and implement its long-term storage policy over that period.

Clean transportation

Assessment

 Dark green

Description

Fully electric or other zero direct-tailpipe emission vehicles only (such as hydrogen) for public, passenger, and freight purposes, including cars, buses, ferries, and trains

Infrastructure to support electric vehicles, including electrified railways and charging stations for electric vehicles

Manufacture of lithium batteries for electric vehicles and end-of-life recycling

Analytical considerations

- Mitigating GHG emissions from the transportation sector will be important to the country’s decarbonization, since the sector accounted for about 20% of the country’s energy-related CO2 emissions in 2023, according to the IEA. Zero direct-tailpipe transport could contribute to reducing urban air pollution and lowering reliance on fossil fuels. These impacts are further influenced by the electricity mix. The grid in the UAE is still largely reliant on natural gas but the share of low-carbon power such as from solar or nuclear sources has grown in recent years. The UAE has targeted 35% of low-carbon power sources in the grid by 2031. Although this evolution is positive, transport electrification can only provide significant climate-change-mitigation results if it is coupled with low-carbon electricity.
- Zero direct-tailpipe vehicles and infrastructure to support such vehicles are assessed as Dark green. Electric vehicles represent a very minor share of vehicles in the UAE. Developing infrastructure such as charging stations can support broader adoption by residents.
- Lithium-battery manufacturing and recycling projects are also assessed as Dark green to reflect their key role in enabling the transition to fossil-free transportation. The extraction process can lead to environmental harm, notably water pollution, and the manufacturing process can be energy and water intensive. ADCB has stated that the production of batteries is considered a high-risk sector within its ESRM policy. If an eligible project is identified, an ESG risk assessment will be undertaken and, depending on the outcome of that risk assessment, appropriate mitigation measures will be adopted.
- Vehicles will not be used for the transportation or storage of fossil fuels.

Energy efficiency

Assessment

 Light green

Description

Smart energy grids, energy meters, and management systems that promote energy efficiency, through carrying information to users for remotely acting on consumption and battery storage facilities

District cooling systems: Energy efficient air-conditioning systems either:

- Powered by at least 50% renewable energy or clean energy (at least 50% waste heat or 75% cogenerated heat), or 50% of a combination of such energy and heat; or
- Leading to an improvement in operational energy efficiency of at least 20% or more

Development, manufacture, and installation of products or technologies that improve energy efficiency by reducing energy consumption of underlying assets, projects, or systems leading to an improvement in operational energy efficiency of at least 20% or more, and/or products ranked in the top two classes of the local energy efficiency label, where available (e.g. energy-efficient lighting in buildings, as well as equipment to increase the operational energy efficiency of utilities and other industrial and manufacturing processes)

Mobile network upgrades from 3G/4G to 5G. Deployment of fiber optic network to replace copper-based or microwave networks

Analytical considerations

- Activities that seek to improve energy efficiency and increase the use of renewable sources are necessary to transition to a low-carbon economy. This is because they allow for a reduction in overall energy consumption, provided they do not constitute obsolescence risk by prolonging the use of fossil-fuel-powered equipment and assets.
- We assign this project category a Light green shade because the framework criteria are broad. Some projects include a required efficiency improvement of 20% when applied to district cooling, buildings, industrial, and manufacturing processes. Industrial processes are often reliant on fossil fuels, and increasing their efficiency does not lead to the phase-out of fossil-fuel use. It is positive that the issuer has confirmed fossil-fuel-dependent infrastructure to be excluded under this framework. Nonetheless, a significant share of the grid relies on fossil sources, thus limiting the mitigation benefits of such efficiency measures.
- This project category also includes investments in fiber optic networks to replace existing networks, which we consider to be Light green. Fiber optic cables are among the most energy-efficient technologies for broadband access networks. Fiber relies on fewer intermediate devices and amplifiers than other technologies, which facilitates energy efficiency. Furthermore, we view as positive that fiber optics use fewer raw materials, have a longer lifespan, and require less maintenance than copper. However, the extent to which digitalization can provide material climate benefits is still unclear and difficult to quantify, mainly resulting from the likely overall increased energy use, coming from energy-intensive end uses (such as streaming, artificial intelligence, and virtual reality).
- Projects financed under this category could face physical climate risk due to the fixed nature of the assets. Physical climate risks are considered in the bank’s ESRM policy.

Sustainable water and wastewater management

| Assessment                                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><div></div><div>Medium to Light green</div></div> | <p>Infrastructure for clean/drinking water, wastewater treatment, and recycling facilities</p> <p>Sustainable urban drainage systems (SUDS) that increase water-use efficiency through modern drainage systems with natural water processes</p> <p>Products, services, and projects that attempt to resolve water-scarcity issues, including minimizing current water usage, improving the availability, efficiency, and reliability of water supply (e.g. water reclaim systems, leak detection systems, water-saving products, smart water-quantity monitoring systems)</p> <p>Products, services, and projects that attempt to resolve water-quality issues and improve water quality</p> <p>Desalination plants powered by electricity and running with reverse osmosis technology. The plants should be partly powered by renewable energy or zero-emission clean energy</p> |

Analytical considerations

- Financing the development, construction, acquisition, installation, operation, maintenance, and upgrades of sanitary and sustainable water and wastewater management projects can result in positive environmental benefits in terms of water consumption and water security.
- Such measures are particularly important given the local context, with the UAE having large desert areas and being exposed to extremely high water-stress risk, according to the Aqueduct water risk atlas from the World Resources Institute. Due to the absence of surface water, the UAE is almost entirely dependent on finite groundwater reserves and energy-intensive desalination processes. Economic and population growth in recent decades has increased the pressure on freshwater resources.
- Investments in conveyance systems and efficiency measures are critical to meet the demand for water in the UAE. We assess, as Medium green, projects focused on saving water, such as through leak-detection systems or SUDS. Considering the broader scope and lack of specific criteria to determine their eligibility, other projects are assigned a Light green shade.
- Desalination plants require significant energy sources. There is limited low-carbon electricity procurement options in the UAE. However, ADCB aims to finance assets that are at least partly powered by low-carbon energy. It is positive that ADCB will assess eligible desalination plants on how they manage brine, a byproduct of the desalination process that can have significant negative ecological impacts. Projects related to desalination plants are assigned a Light green shade, reflecting their positive impact in contributing to water security and reducing stress on local water sources, balanced by their reliance on grid electricity and high energy needs.

Pollution prevention and control

Assessment

 Medium to Light green

Description

- Waste to energy:
1. Capturing landfill gas, with a gas capture rate  $\geq 75\%$  in closed landfills, with measures in place to monitor and minimize methane leakage
  2. Anaerobic digestion, with measures in place to monitor and minimize methane leakage. Biowaste to be segregated at the source and collected separately. Produced biogas to be used directly for the generation of electricity or heat or upgraded to biomethane for injection in the natural gas grid or used as a vehicle fuel or feedstock in the chemicals industry
  3. Municipal waste to energy, with material recovery facilities that meet the following criteria:
    - Municipal solid waste segregated at the source
    - Plant efficiency  $\geq 25\%$
    - Comply with the relevant national regulations and emissions standards based on the location of the plant
- Waste management and recycling companies and facilities of all types of waste (e.g. recycling waste into secondary raw materials, or recycling food/garden/yard waste to produce compost)
- GHG control:
- Development, construction, and operation of facilities employing carbon capture, usage, and storage (CCUS) technologies to capture CO2 emissions from industrial processes and energy generation, including technology-based carbon capture solutions
  - R&D for direct air carbon capture

- Permanent geological sequestration of CO2
- Minimum 90% CO2 capture rate as verified by an independent party
- Carbon storage will need to comply with requirements and recommendations of ISO 27914:2017 for geological storage of CO2 as verified by an independent party
- CO2 captured must not be used for enhanced oil recovery or the production of other forms of CO2-based synthetic fuels

Industrial decarbonization: Efficiency improvements (waste heat recovery and advanced control systems), electrification, renewable energy integration, use of sustainable materials in manufacturing processes that significantly reduce energy, water or material use (such as clinker substitutes in cement, recycled steel, and bio-based plastics)

**Analytical considerations**

- Waste management can prevent harm to human health and local ecosystems from waste streams. Waste prevention and reuse solutions are the preferred solutions under the waste management hierarchy because they have the lowest negative environmental impact, followed by recycling, energy recovery, and disposal. Diverting waste can avoid environmental risks from disposal solutions, GHG emissions, and use of natural resources associated with extracting additional raw materials. Phasing out chemicals with high global warming potential in consumer products is an important step to reduce potent GHG emissions.
- According to the government's sustainable agenda for 2030, the UAE aims to divert 75% of the waste produced from landfills. This is an ambitious goal considering that the current recycling rate in the UAE is lower than 10%. We assign a Medium green shade to waste management and recycling companies to reflect their potential contribution to developing the recycling infrastructure in the country. We note however that the collection and sorting processes are likely to rely on fossil fuels for logistics operations.
- Waste-to-energy projects will include municipal waste-energy recovery, gas capture from closed landfills, and anaerobic digestion. We view different levels of risks related to these different activities. Although energy recovery provides a disposal solution for waste that cannot be recycled or reused, it releases carbon contained in the waste materials and products. However, these activities are a better option than landfilling in the waste hierarchy and are therefore considered Light green. Since gas capture will be limited to closed landfills, this project type is also assessed as Light green. Regarding anaerobic digestion from biowaste, we consider these projects Medium green. The use of such waste as feedstock allows for the circular reuse of materials that would otherwise be disposed of in landfills or incinerators.
- The role of CCUS will be critical, according to the Intergovernmental Panel on Climate Change, in the transition to a low-carbon, climate-resilient future, especially for hard-to-abate sectors. CO2 may be directly removed from the air or captured at power generation or industrial facilities. However, it is important for these projects to have adequate leakage monitoring and detection systems and to be subject to a comprehensive life-cycle emissions assessment. Significant initial infrastructure investments are needed to enable the deployment of carbon capture projects, notably on transport and storage solutions for captured carbon.
- Under this category, ADCB may finance various CCUS projects, with limited visibility on potential applications and end use of captured carbon. However, the framework excludes applications in enhanced oil recovery and the production of other forms of CO2-based synthetic fuels, which mitigates some of the risks related to captured carbon.
- Projects related to industrial decarbonization are also not tightly defined, thus limiting our view on the environmental benefits. Some of the examples could be Dark green, such as renewable energy integration.

**Environmentally sustainable management of living natural resources and land**

**Assessment**

 Light green

**Description**

Forestry or agriculture certified by third-party standards, such as the EU or U.S. Department of Agriculture, and labels accredited by the International Federation of Organic Agriculture Movements

Sustainable and climate-smart farming techniques to reduce inputs such as water, synthetic pesticides, and synthetic fertilizers, and improve yields in a sustainable manner. Examples include crop rotation, climate-resilient seeds, agroforestry, and conservation tillage. Livestock production is excluded

Hydroponic vertical farming, aquaponics, and aeroponics with third-party certifications such as Tractor, Global GAP, and LEAF Marque

Sustainable agriculture technologies, such as soil conditioners and bio-stimulants, reduce the environmental impact and support soil health

Analytical considerations

- This category covers agriculture, forestry, and aquaculture, while excluding livestock production. The reference to relevant regulations and use of certifications should cover important environmental topics and can help verify sustainable practices. At the same time, certification systems vary significantly in stringency and may not fully address larger systemic issues, such as direct and indirect land-use change driven by agricultural expansion and associated climate emissions, or enforceability and traceability of impacts. Relying on certifications and standards/regulation compliance to screen projects does not fully address uncertainties related to projects' actual environmental impacts, limiting this category to our Light green shade.
- Eligible activities can be financed if they meet applicable certifications. Beyond their benefits, general challenges with certifications lie with enforcement, traceability, and gaps in criteria. It is also unclear how ADCB determines the equivalency of the selected certifications listed in the framework. Organic farming has significant environmental benefits, including local biodiversity preservation, improved soil health, and reduced chemical inputs, but overall impacts on GHG emissions remain uncertain.
- Eligible projects include hydroponic, vertical farming, aquaponics, and aeroponics with third-party certifications. These systems can be resource intensive depending on their design and energy source; ADCB has stated that it would only finance such projects where third-party certification and project-level evidence demonstrate net environmental benefits (including water efficiency and low-carbon energy use).The bank has clarified that there are currently no projects within this subcategory in the eligible asset pool.
- Crop-based agriculture can drive climate emissions and harm biodiversity and ecosystems. Risks include land-use change, fertilizer and pesticide overuse, water pollution, soil degradation, and use of fossil-fuel-powered equipment. Crops are highly exposed to physical climate risks, such as chronic changes in rainfall and temperatures. Some of the example projects, such as climate-resilient seeds, could contribute to better adaptation of crops to impacts of climate change. Agroforestry practices can improve nutrient retention and reduce soil erosion, in addition to potential biodiversity benefits.

Terrestrial and aquatic biodiversity

Assessment

 Medium to Light green

Description

Terrestrial and aquatic biodiversity conservation (including the protection of coastal, marine, and watershed environments)

Wildlife habitat management, rehabilitation, restoration, and conservation of ecosystems from a degraded state and rewilding projects

Forest conservation, or REDD+ (Reducing Emissions from Deforestation and Forest Degradation)

Analytical considerations

- Eligible projects, if managed adequately, can have significant co-benefits for climate-change mitigation and biodiversity, given related critical ecosystem services such as carbon sequestration. ADCB says that no investment projects are yet identified under this project category.
- There are various risks related to conservation, restoration, and rehabilitation programs without sufficient safeguards. ADCB has confirmed that prospective projects would be evaluated under its ESG risk assessment policy. However, it is not clear

whether only conservation or restoration projects could be financed or also active management, limiting our assessment at Medium green to Light green.

- Conservation and restoration activities can be Dark green because they provide additional carbon-sequestration benefits and potential resilience from reforestation. However, such projects sometimes also include active management, such as forestry or aquaculture. We consider that active management, such as grazing and forestry, may lead to additional environmental challenges if not managed adequately.
- Although the framework lists the potential impact key performance indicators that could be disclosed in post-allocation reporting, there are no specific requirements related to project design and impact monitoring in the selection process. This further complicates assessment of the final environmental impacts of potential projects. Rehabilitation and reforestation projects may also involve nonnative species for instance, potentially leading to indirect biodiversity risks. These risks will be monitored and managed as per the bank's ESRM policy.
- Regarding the reference to REDD+ projects, ADCB has confirmed that using proceeds to purchase associated carbon credits is not eligible under the framework. Rather, the aim is to finance underlying projects that may be eligible for compensation through such credits.

Climate change adaptation

Assessment

 Medium green

Description

Infrastructure to increase resilience to extreme weather events

Information support systems (including information and communications technology solutions), such as climate observation, systems for monitoring GHG emissions, and early warning systems

Green/blue urban infrastructure such as green roofs, green facades, permeable surfaces, rain gardens, bioswales, canals, and ponds to address the effects of drought, floods, and urban heat

Analytical considerations

- Climate scientists have been clear that some degree of climate change will take place, even in the most optimistic scenarios. This makes it crucial to plan for and mitigate potential risks to reduce the financial and environmental effects. Implementing adaptation solutions can also reduce resources and emissions linked to rebuilding damaged assets.
- The UAE will face a growing number of extremely hot and humid days, which will in turn increase demand for cooling and pressure on the grid. The country will also have to prepare for more-extreme weather events, including storms, cyclones, floods, and heat waves, as well as sand and dust storms.
- Infrastructure projects, which aim to increase resilience to extreme weather events, are assessed as Medium green. Large-scale construction activities can lead to substantial emissions from the use of fossil-fuel-powered equipment and/or materials like steel and cement, which have high embodied emissions. Although such projects will be screened via the bank's ESRM policy, the framework does not include specific measures or plans to manage these embodied emissions; this weighs on the benefits of such projects. Moreover, the selection criteria are relatively broad, which is common among banks' frameworks, limiting our ability to assess the key environmental risks and benefits of considered adaptation projects. ADCB has confirmed that projects would not increase the resilience of projects within the oil and gas sector or on the exclusion list.
- Some of the eligible urban infrastructure projects are also viewed as Medium green, due to their low embodied emissions and potential co-benefits. This is the case with green roofs, facades, and bioswales for example, which, in addition to increasing resilience to heat or flooding, can also provide biodiversity benefits for instance.
- Information support systems, such as early warning systems, help companies and communities identify and limit damage caused by climate hazards. They are assigned a Dark green shade. This reflects such systems' potential to improve monitoring capabilities and limit damage from physical climate risks, as well as the limited resources needed to build and operate those systems.

## Circular-economy-adapted products, production technologies, and processes and/or certified eco-efficient products

| Assessment                                                                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Medium to Light green</b> | <p><i>Sustainable materials and products</i></p> <p>Design and introduction of reusable, recyclable, and refurbished materials, components, and products; circular tools and services (with more than 50% waste diversion and/or use of waste as raw materials)</p> <p>Products and related production processes that use bio-based or biodegradable materials sourced from sustainable feedstock that comply with the third-party standards outlined in the Environmentally Sustainable Management of Living Natural Resources and Land category and other equivalent standards, or waste materials segregated at source (excluding hazardous waste)</p> <p>Resource-efficient products, with at least 90% recycled, renewable, waste or bio-based input (subject to the bio-based criteria above), limited to mechanical recycling and ensuring 90% of products are not for single use and are recyclable</p> |

### Analytical considerations

- Investments related to sustainable materials and products are very broad. Such products can be eligible because of their share of waste-based, recycled, or biodegradable raw materials, or because of their end use, such as insulation foams used in building refurbishments for instance.
- Currently, there are no such projects in the eligible asset pool, which limits our visibility on the actual environmental risks and benefits tied to this category. Increasing the share of recycled or recyclable materials is generally positive from an environmental perspective, due to circularity benefits.
- It is also positive that the framework includes some thresholds on the minimum waste-diversion rate and share of recycled, renewable, and waste-based input. To reflect these benefits and broad characteristics of the eligibility criteria, we assess this category as Light green to Medium green.

## Green enabling projects

| Assessment                                                                                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Light green</b> | <p><i>Metals</i></p> <p>Steel: Production of low-carbon steel and associated facilities. The low-carbon steel is either:</p> <ol style="list-style-type: none"> <li>Subject to a GHG emission intensity of a maximum 0.4 tons (t) of CO<sub>2</sub>e per ton of steel manufactured and independently verified; or</li> <li>100% scrap, subject to a maximum of 0.05tCO<sub>2</sub>e per ton of steel manufactured and independently verified</li> </ol> <p>Aluminum: Production of low-carbon aluminum and associated facilities. The low-carbon aluminum is either</p> <ol style="list-style-type: none"> <li>Subject to a GHG emission intensity per ton of aluminum manufactured at a maximum of the following thresholds and independently verified: <ul style="list-style-type: none"> <li>5.6tCO<sub>2</sub>e until 2026</li> <li>5.38tCO<sub>2</sub>e until 2027</li> <li>5.16tCO<sub>2</sub>e until 2028</li> <li>4.94tCO<sub>2</sub>e until 2029</li> </ul> </li> </ol> |

- 4.73tCO<sub>2</sub>e until 2030
- b) Secondary aluminum

Lithium: Processing of lithium hydroxide monohydrate (exclude extraction) partly with renewable energy and/or carbon capture facilities, subject to the criteria under this framework. 100% of the lithium hydroxide monohydrate should be sold to companies and/or used by the company processing lithium for the manufacturing of lithium-ion batteries to be applied in electric vehicles or battery energy storage systems

*Sustainable building materials*

Sustainable building materials such as insulation foams or sealants or adhesives, which are necessary for the construction and/or refurbishment of certified green buildings, in accordance with the criteria under the green buildings project category

*IoT and AI*

IoT and AI that are specific to enabling other sectors to decarbonize or improve energy efficiency (e.g. smart mobility and fleet-management solutions to improve performance and thereby power consumption, energy efficiency, and emissions)

### Analytical considerations

- Investing in projects that reduce emissions from metals, such as steel and aluminum, is crucial for achieving global climate goals and improving air quality. These sectors account for a significant share of GHG emissions and pollutants. By financing lithium processing, financed projects should enable electric transport and storage, which are key to coping with the intermittency of renewable power sources. We believe projects related to sustainable building materials and the use of IoT or AI to decarbonize other sectors have potential to yield positive environmental benefits, notably by enabling decarbonization of other sectors.
- ADCB has identified metals as a high-risk sector. The bank therefore undertakes additional environmental and social risk screening. It assesses whether an environmental management system is in place and requires clients to establish or maintain certification under ISO14001 or ISO50001. We believe this can mitigate some of the environmental risks tied to metals and associated mining supply chains.
- The intensity thresholds for steel and aluminum could ensure that financed metals are less carbon intensive than market practice. It is positive that the emissions-intensity thresholds will be externally verified and their definitions follow clear and recognized methodologies, thereby increasing their comparability. Although no projects have been identified yet, if proceeds were allocated to such projects, ADCB commits to detailing the methodology for calculating emissions intensity in its future allocation and impact reports. We believe this will be important to monitor, since there could be significant methodology differences to measure such intensities, for example whether upstream mining-related emissions are included or not. The use of secondary or scrap metals would also greatly reduce environmental risks, notably those related to mining. We believe the eligibility criteria could lead to various shades of green. The energy source and the primary or secondary characteristics of metals will be the differentiating points.
- Lithium is key to the electrification of the economy, and it is positive that the framework only considers projects eligible if they will be used in batteries to be applied in electric vehicles or battery energy storage systems. Due to uncertainties on the actual share of renewables or carbon capture used in the processing of lithium hydroxide monohydrate, we assign it a Medium green shade.
- On AI specifically, energy needs are important. Therefore, it will be key that potential energy efficiency gains are not outweighed by the high energy requirements to make systems operate on AI infrastructure. It may also be challenging in practice to identify cases or the IoT fully dedicated to the decarbonization of other sectors. That said, ADCB commits to ensuring that its SFWG will only select such projects where there is clear evidence, including quantitative impact metrics, that the projects improve energy efficiency and enable decarbonization.
- Regarding sustainable building materials, it is not entirely clear how the bank will ensure that such materials are only used in certified green buildings. ADCB has stated that there are no such projects in the eligible asset pool. It has also stated that its SFWG will be responsible for ensuring projects meet the eligibility criteria and that financed materials are indeed sustainable.

S&P Global Ratings' Shades of Green

| Assessments                                                                                  |            |                                                                                                                                         |              |                                                                                                                                       |             |                                                                                                                                                                                                                                  |        |                                                                                                                                                                                         |        |                                                                                                                                                                                                                                                              |     |
|----------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
|             | Dark green |                                                        | Medium green |                                                      | Light green |                                                                                                                                                 | Yellow |                                                                                                      | Orange |                                                                                                                                                                           | Red |
| Description                                                                                  |            |                                                                                                                                         |              |                                                                                                                                       |             |                                                                                                                                                                                                                                  |        |                                                                                                                                                                                         |        |                                                                                                                                                                                                                                                              |     |
| Activities that correspond to the long-term vision of an LCCR future.                        |            | Activities that represent significant steps towards an LCCR future but will require further improvement to be long-term LCCR solutions. |              | Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions. |             | Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures. |        | Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets. |        | Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets. |     |
| Example projects                                                                             |            |                                                                                                                                         |              |                                                                                                                                       |             |                                                                                                                                                                                                                                  |        |                                                                                                                                                                                         |        |                                                                                                                                                                                                                                                              |     |
|  Wind power |            |  Certified forestry                                    |              |  New energy efficient buildings                      |             |  Fossil fuel buses                                                                                                                              |        |  Conventional steel production                                                                       |        |  Oil and gas exploration                                                                                                                                                  |     |

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

## Social project categories

### Affordable basic infrastructure

Financing or refinancing of basic infrastructure (e.g. clean drinking water, sewers, sanitation, transport, telecommunications, and energy)

Eligibility criteria

- Development and maintenance of pedestrian sidewalks and cycleways
- Development, expansion, or improvement of access to clean drinking water, sanitation, and sewers
- Transportation infrastructure: Development of roads or other transportation infrastructure to improve connectivity in underdeveloped rural areas or in areas where inadequate road infrastructure hinders communities' development
- Telecommunication services and infrastructure (including broadband/internet access) that improves connectivity for rural and underserved communities with the aim of achieving 100% coverage
- Development and expansion of transmission and distribution infrastructure that provides electricity to enhance access to electricity for regions with little or no access to electricity (connection rate below 50%)

Target population

- General population, underserved communities, or rural areas as determined by national regulation, and areas with inadequate road infrastructure and people with little or no access to electricity

### Analytical considerations

- Eligible projects encompass financing or refinancing of development and maintenance of essential infrastructure, including telecommunications, transportation networks, pedestrian and cycling facilities, water and sanitation systems, and electricity transmission and distribution.
- Abu Dhabi faces ongoing challenges related to climate, population growth, and geographic disparities. Extreme heat strains both telecommunications and electricity networks. Moreover, inadequate road infrastructure in sparsely populated/desert rural areas means the population has limited transport connectivity, restricting access to essential services. The reliance on energy-intensive desalination to ensure universal access to clean water, coupled with increasing cooling demands, puts pressure on power grids and necessitates expansion of wastewater treatment facilities.
- Abu Dhabi is addressing these issues through significant investment in climate-resilient digital infrastructure, expanded road networks, universal access to water and sanitation, wastewater reuse programs, digitization of transmission and distribution networks, and the adoption of smart and resilient infrastructure planning.
- The framework's target population is the general population, with a focus on underserved communities, especially to provide access to telecommunication services; rural areas (as defined by national regulations); and those lacking access to essential services. Social benefits include improved access to such basic infrastructure, thereby enhancing the quality of life for the targeted population.
- Although not influencing the social impact analysis, there are emissions risks from fossil-fuel-powered vehicles on road infrastructure projects, as well as impacts on pollution levels. In addition, the construction of roads might require the use of high embodied-emission materials like cement and can contribute to land-use and biodiversity risks. ADCB aims to address the environmental risks through its ESRM policy.

### Access to essential services

Financing or refinancing of health care facilities, education (public nonprofit only) and access to emergency services/disaster relief

Eligibility criteria:

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- Activities involving the development, operations, expansion, or acquisition of buildings, facilities, or equipment relating to:
  - Infrastructure and service-management facilities for primary, secondary, tertiary, and quaternary health care, including hospitals, laboratories, clinics, child care, and elderly care centers
  - Sale of affordable or subsidized pharmaceutical products
- Disaster response and recovery (evacuation shelters and supplies of essential goods) or post-disaster recovery efforts regarding the reconstruction of basic infrastructure (such as housing and electricity transmission), financial support for retail and commercial activities disrupted by disasters, as well as temporary housing and financial support for displaced persons

Target population: General population

### Analytical considerations

- Eligible projects under this framework include the financing or refinancing of health care facilities, public nonprofit educational institutions, and initiatives related to emergency services and disaster relief.
- Abu Dhabi offers a comprehensive, regulated health care system (primary to quaternary care) overseen by the Department of Health (DoH). However, projected population growth, aging demographics, and increasing demand for specialized care are expected to strain current capacity, particularly in Al Ain and Al Dhafra, through 2035, as identified in the DoH's Healthcare Capacity Master Plan. Health care access is mandatory for all Abu Dhabi residents through a health insurance framework. UAE nationals are covered by the government's Thiqat program, while expatriates require employer-sponsored or private insurance meeting DoH minimums.
- The Emirate requires sustained investment in public education to accommodate growing enrollment, address capacity and staffing shortages, and support economic diversification. Recent data from Statistics Centre Abu Dhabi and the Dept. of Education and Knowledge (ADEK) show a year-over-year increase in student enrollment of about 13% for the 2024-2025 academic year, straining school resources. Although private schools account for much of this growth, public and charter schools are also facing increased pressure, prompting capacity expansion efforts by the government.
- Additionally, Abu Dhabi has growing exposure to climate-related and extreme weather events. The record-breaking rainfall and flooding in April 2024--the heaviest in 75 years--demonstrated this vulnerability, disrupting transportation, damaging property, and requiring significant emergency services mobilization.
- Eligible projects aim to contribute to the social objective of improving affordability and accessibility to key essential services to the general population, which is also the target population according to the framework. The affordability of these services will depend on the local regulations of the country where the project is based.

### Food security and sustainable food systems

Financing or refinancing of facilities that aids access to safe, nutritious, and sufficient food. Livestock production is excluded from all eligibility criteria

Eligibility criteria:

- Investments to promote domestic food manufacturing and processing to reduce reliance on imports and enhance resilience to respond to food shortages
- Investments aimed to reduce food loss by improving food conservation or managing food surplus. Example projects include food banks, food collection, and waste-sorting bins
- R&D related to agritech innovation and innovative farming solutions to increase domestic food production or facilitate sustainable food production through the usage of modern technologies
- Investments to ensure access to food and protection of livelihoods during and immediately after an emergency
- Support for small-holder farmers, farmer cooperatives primarily comprising small-holder farmers, including improving access to finance, agriculture input, and sustainable agriculture technical assistance

- Infrastructure aimed to improve food security or reduce food loss in socio-economically disadvantaged populations in either rural areas, or areas with low-income in countries where ADCB operates, that will be affordable to all regardless of ability to pay
- Investments to ensure access to nutritious and sufficient food that meets dietary needs and requirements in lower-middle and low-income countries that will be affordable to all regardless of ability to pay
- Investments to ensure access to food in regions with a heavy influx of refugees
- Investments to rebuild agriculture value chains and improve resilience of crops to climate change after a climate-driven disaster

Target population:

- General population
- Small-holder farmers
- Socio-economically disadvantaged populations in either rural areas or areas with low-income in countries where ADCB operates, including but not limited to, Egypt, Kazakhstan, and Turkey. Low-income populations can be defined as populations in regions with GDP per capita below the national average
- Populations in lower-middle- and low-income countries as classified by the World Bank
- Refugees
- Populations in disaster areas

### **Analytical considerations**

- Eligible projects under this framework will focus on improving food security and access in lower-income nations and regions with significant refugee inflows, reducing reliance on food imports by bolstering domestic production, minimizing food loss throughout the supply chain, supporting small-holder farmers, and driving innovation in agriculture through R&D.
- The UAE's challenging desert climate, minimal arable land (less than 1%), and limited water resources mean it relies on imports for over 90% of its food supply, making it vulnerable to disruptions, which was underscored by the COVID-19 pandemic. To enhance food security, the UAE launched its National Food Security Strategy 2051, which aims to prioritize domestic production (50% by 2051), local manufacturing, agricultural innovation, and international collaboration. Supporting this strategy, the Abu Dhabi Investment Office has allocated over AED500 million aimed at advancing R&D, processing capabilities, and resilient cold chain networks. Furthermore, the UAE is advancing its national food strategy through public-private partnerships, specifically via the global Food Innovation Hub UAE's Access Program, which provides food and agriculture innovators with essential resources, capital, and infrastructure.
- The Emirate faces food spoilage challenges due to its hot, humid climate and varying demand. Along with the Abu Dhabi Agriculture and Food Safety Authority's (ADAFSA's) Food Loss and Waste Reduction Strategy of 2023, Abu Dhabi actively combats food waste through partnerships with the UAE Food Bank, which redistributes surplus edible food to those in need. Abu Dhabi also supports the National Food Loss and Waste Reduction initiative, aiming for a 50% reduction in food loss and waste by 2030. Additionally, ADAFSA's Abu Dhabi Good Agricultural Practices program promotes best practices in farming, thereby enhancing crops' resilience to heat, water scarcity, and saline soils.
- Furthermore, the Emirate provides structured support to predominantly small, family-owned farms through ADAFSA. Small-holder farmers and farmer cooperatives, many operating in Al Ain and Al Dhafra, receive integrated government support focused on finance access, agricultural inputs, and sustainable practices. ADAFSA's communal irrigation networks currently serve over 6,500 farms, supplying water through shared infrastructure and reducing input costs for smaller producers.
- Refugees in regions experiencing large inflows—including the Middle East and North Africa, Sub-Saharan Africa, Europe, and Latin America—rely heavily on humanitarian assistance from the United Nations High Commissioner for Refugees (UNHCR) and World Food Program (WFP) for food. UNHCR reports that refugees are particularly vulnerable to food insecurity and malnutrition, due to disrupted livelihoods and market access.
- The target population includes the general population, as well as specific vulnerable groups residing in World Bank's lower-middle- and low-income countries and in countries where ADCB operates, as determined by GDP, refugees, populations in disaster areas, as well as small-holder farmers as defined by the Food and Agriculture Organization. These types of projects can have positive social outcomes, such as an increase in domestic food production and security and improved economic

development. Additionally, any environmental risks related to agriculture, food manufacturing, and processing will be managed by ADCB through its ESRM policy.

### **Socio-economic advancement and empowerment**

Financing or refinancing of loans to micro, small, and midsize enterprises (MSMEs) with an emphasis on employment creation or to alleviate unemployment stemming from socioeconomic crises (e.g. health emergencies, natural disasters, and emergency situations) in specific socioeconomically disadvantaged regions

Eligibility criteria:

- Financing to MSMEs located in socio-economically disadvantaged regions
- Female-led MSMEs and female entrepreneur clients
- Specific initiatives by the UAE government to promote MSMEs, such as the programs run by the Emirates Development Bank and the Khalifa fund for enterprise development
- MSMEs affected by natural or man-made disasters
- MSMEs in rural areas focusing on agricultural production, agricultural value chains, or small-scale fisheries
- Training and development programs, capacity building aimed at improving the employability and upskilling of economically excluded or marginalized populations or communities, including as a result of natural disasters

Target population:

- MSMEs (defined per national regulation in each country)
- Socio-economically disadvantaged countries
- Females
- Economically excluded or marginalized populations or communities

### **Analytical considerations**

- Eligible projects include financing or refinancing of loans to MSMEs operating in socio-economically disadvantaged regions, female-led enterprises and capacity-building training programs.
- MSMEs in socio-economically disadvantaged regions, as defined by United Nations Conference on Trade and Development's classification of developing countries, facing persistent structural challenges that constrain their growth and resilience. According to the IFC, the MSME finance gap stood at \$5.7 trillion in 2025.
- Abu Dhabi supports female-led MSMEs through a comprehensive approach encompassing finance, market access, and supportive regulations. Key initiatives include financing and guarantees from entities like the Khalifa Fund and Emirates Development Bank, which offer loans, co-financing, and advisory services targeting female-led MSMEs within their MSME mandates. For job-related training, there are programs run by government entities like Mawaheb Talent Hub, ADEK, and the Zayed Higher Organization, which also include vocational and employability programs for people of determination.
- MSMEs are significantly challenged by harsh environmental conditions--extreme heat, low rainfall, limited arable land, high input costs, and sometimes natural disasters--which reduce farm productivity, especially for small-holder farmers in Al Ain and Al Dhafra. Value-chain businesses face further obstacles from inadequate logistics, post-harvest losses, and price volatility, worsened by climate change. Fisheries are also vulnerable due to resource depletion and reliance on limited infrastructure, contributing to income instability.
- The target population includes MSMEs (as defined nationally), businesses in socio-economically disadvantaged countries, women, and economically excluded communities. We believe these projects help reduce financing gaps and promote the growth of MSMEs. Additionally, the exclusion list as per the framework and the ESRM policy apply to MSME lending as well.

### Affordable housing

Financing or refinancing the development, construction, refurbishment, operation, and maintenance of affordable or social housing

Eligibility criteria:

- Financing of government-supported or government-subsidized mortgage loans for the provision of affordable housing for low-income individuals, as well as projects related to the development and construction of homes covered under such programs
- Renovation, maintenance, and improvement of homes for low-income individuals as part of social housing projects as described above
- UAE housing programs, such as the Abu Dhabi Housing Program (ADHA) and Sheikh Zayed Housing Program, where the key objective is to provide affordable, high-quality housing and residential plots to strengthen family stability and support social cohesion

Target population:

- Low-income individuals and households that do not own suitable housing or require housing assistance and meet the eligibility criteria for the housing programs

### Analytical considerations

- Eligible projects under this framework will include financing or refinancing the construction, refurbishment, operation, and maintenance of affordable or social housing.
- Rapid population growth in Abu Dhabi (up by approximately 83% since 2011), coupled with rising construction costs and affordability challenges, is creating significant housing demand pressure, particularly for young families and first-time Emirati homebuyers. Although the UAE's national housing program for Emiratis aims to eliminate the citizen housing backlog by 2031, housing supply has sometimes lagged, resulting in waiting lists for benefits. Nevertheless, the number of households on the national waitlist has declined from about 25,000 in 2022 to about 16,500 by the end of 2025. Since its establishment in 1999 and until the end of 2024, the Sheikh Zayed Housing Program has supported over 90,000 Emirati citizens with an allocation of AED60 billion. Since its establishment in 2012, the Abu Dhabi Housing Authority has delivered housing benefits totaling approximately AED168.85 billion to over 123,000 citizens.
- The bank fosters affordable housing by financing government-supported or subsidized mortgage loans for low-income households, as well as development and construction projects associated with these programs.
- The target population includes only Emirati individuals that fall within the criteria set by the government programs. However, 2024 demographics show that Emiratis account for only about 11%-12% of the population, while the rest are expatriates. Because social housing benefits are limited to citizens, they are unavailable to most of the population, notably the labor force, which may include many vulnerable and underserved individuals. Nevertheless, as a financier of government-led affordable housing initiatives, ADCB does not determine the eligibility requirements. These programs are government driven to assist economically disadvantaged segments of the national population.

### Charities and non-profit institutes

Financing or refinancing of social enterprises, registered charities, nonprofit institutions, and other philanthropic organizations

Eligibility criteria:

- Financing of registered charities, nonprofit institutions, and other philanthropic organizations that advance social causes, such as gender equality, human rights, and culture, in line with social categories and target populations as detailed in this framework

Target population:

- Vulnerable groups

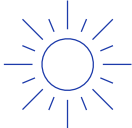
**Analytical considerations**

- Eligible projects include financing or refinancing social enterprises, charities, nonprofit institutions, and other philanthropic organizations that promote social causes like gender equality, human rights, and cultural preservation.
- Abu Dhabi supports a network of registered charities and social investment organizations, overseen by the Department of Community Development, which funds social, humanitarian, health, education, and community development initiatives. The target population here includes vulnerable groups.

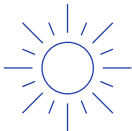
# Mapping To The U.N.'s Sustainable Development Goals

Where the financing documentation references the Sustainable Development Goals (SDGs), we consider which SDGs it contributes to. We compare the activities funded by the financing to the International Capital Markets Association (ICMA) SDG mapping and outline the intended linkages within our SPO analysis. Our assessment of SDG mapping does not affect our alignment opinion.

This framework intends to contribute to the following SDGs:

| Use of proceeds      | SDGs                                                                                |                                                                                     |
|----------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Green buildings      |    |    |
|                      | 7. Affordable and clean energy                                                      | 13. Climate action                                                                  |
| Renewable energy     |   |    |
|                      | 11. Sustainable cities and communities*                                             | 13. Climate action                                                                  |
| Nuclear energy       |  |  |
|                      | 11. Sustainable cities and communities                                              | 13. Climate action                                                                  |
| Clean transportation |  |                                                                                     |
|                      | 11. Sustainable cities and communities*                                             |                                                                                     |

Energy efficiency



7. Affordable and clean energy\*      13. Climate action

Sustainable water and wastewater management



6. Clean water and sanitation\*

Pollution prevention and control



11. Sustainable cities and communities\*



12. Responsible consumption and production\*

Environmentally sustainable management of living natural resources and land



14. Life below water

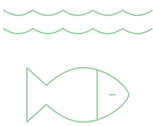


15. Life on land\*

Terrestrial and aquatic biodiversity



6. Clean water and sanitation\*



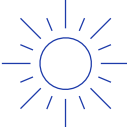
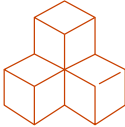
14. Life below water\*



15. Life on land\*

Climate change adaptation



|                                                                                                                  |                                                                                     |                                                                                     |                                                                                      |                                                                                      |                                                                                      |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                                  | 11. Sustainable cities and communities                                              | 13. Climate action*                                                                 |                                                                                      |                                                                                      |                                                                                      |
| Circular-economy-adapted products, production technologies and processes and/or certified eco-efficient products |    |    |                                                                                      |                                                                                      |                                                                                      |
|                                                                                                                  | 9. Industry, innovation and infrastructure                                          | 12. Responsible consumption and production*                                         |                                                                                      |                                                                                      |                                                                                      |
| Green enabling projects                                                                                          |    |                                                                                     |                                                                                      |                                                                                      |                                                                                      |
|                                                                                                                  | 13. Climate action                                                                  |                                                                                     |                                                                                      |                                                                                      |                                                                                      |
| Affordable basic infrastructure                                                                                  |   |   |   |  |  |
|                                                                                                                  | 1. No poverty                                                                       | 2. Zero hunger*                                                                     | 3. Good health and well-being*                                                       | 5. Gender equality                                                                   | 6. Clean water* and sanitation                                                       |
|                                                                                                                  |  |  |  |                                                                                      |                                                                                      |
|                                                                                                                  | 7. Affordable and clean energy*                                                     | 9. Industry, innovation and infrastructure*                                         | 11. Sustainable cities and communities*                                              |                                                                                      |                                                                                      |
| Access to essential services                                                                                     |  |                                                                                     |                                                                                      |                                                                                      |                                                                                      |
|                                                                                                                  | 3. Good health and well-being*                                                      |                                                                                     |                                                                                      |                                                                                      |                                                                                      |

Food security and sustainable food systems



2. Zero hunger\*



3. Good health and well-being

Socio-economic advancement and empowerment



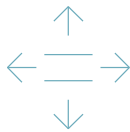
1. No poverty\*



5. Gender equality\*



8. Decent work and economic growth\*

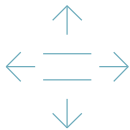


10. Reduced inequalities\*

Affordable housing



1. No poverty\*

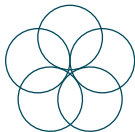


10. Reduced inequalities



11. Sustainable cities and communities\*

Charities and non-profit institutions



17. Partnerships for the goals

\*The eligible project categories link to these SDGs in the ICMA mapping.

# Related Research

- [Analytical Approach: Second Party Opinions](#), Mar. 6, 2025
- [FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions](#), Mar. 6, 2025
- [Analytical Approach: Shades Of Green Assessments](#), Jul. 27, 2023

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## Second Party Opinion: ADCB Sustainable Funding Framework

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