



# Dubai Declaration

## of financial institutions in the United Arab Emirates on Sustainable Finance

We, the financial institutions based in the United Arab Emirates, recognize *the UAE Vision 2021* and firmly support the UAE's ambition to become one of the best countries in the world by the time of its Golden Jubilee anniversary in 2021. To attain a prosperous society for generations to come, we endorse the UAE government's commitment to the Paris Climate Agreement and the Sustainable Development Goals, as well as support the sustainable development of this country in line with *the UAE Green Agenda 2015-2030*.

We recognize the following important roles that the finance sector can play in enabling a climate-resilient, inclusive green economy and sustainable development:

- Identify, manage and improve the institution's direct and indirect environmental and social performance;
- Contribute the best of our abilities towards community and society in creating economic, environmental and social opportunities;
- Lend to, invest in, facilitate financing, or provide insurance to the projects, businesses and customers with sustainable purposes as well as support the growth of a successful small and medium-sized enterprise (SME) sector; and
- Take into account climate and environmental, social and governance (ESG) risk in the institution's risk management processes.

We hereby declare our aim to expand and accelerate sustainable finance practices towards 2021 in partnership with the UAE government, the United Nations Environment Programme (UNEP) Finance Initiative and other relevant expert institutions including but not limited to the following actions:

- Establish a dedicated function or identify a senior employee to be a "champion" for promoting corporate social responsibility (CSR) and sustainability within the institution;
- Reduce the institution's environmental footprint by implementing strategies and processes such as digitalization, energy and water efficiency, green buildings and recycling;
- Help reduce the environmental footprint of the institution's stakeholders – such as staff members, suppliers, customers, clients, investors and investees – by advancing digitalization, improving access to and encouraging use of public transport, raising environmental awareness, promoting the adoption of environmental management systems, etc.;



- Promote equality and respect for diversity in the workforce (in terms of gender, race, disabilities, religion, ethnicity, etc.) and healthy workplaces, as well as support professional growth of staff members, including Emiratization where senior appointment and retention of Emirati employees is encouraged;
- Support financial inclusion of the under-banked population and access to financial services for all segments of society;
- Treat customers fairly and engage in responsible lending;
- Contribute to empowering communities and society locally or abroad by, e.g., employee volunteering, donations to charity organizations, sponsoring events, awareness raising, campaigning and educating young people on financial management and entrepreneurship;
- Integrate, locally or globally, sustainability requirements into existing financial products, and/or establish new products which help reduce unsustainable activities, create a positive impact on sustainable development, and encourage ESG risk management or which facilitate clients' action for and investment in sustainable development; and
- Integrate ESG criteria and climate change factors into the risk assessment processes for the business lines the institution is engaged in, e.g., lending, project finance, investment and insurance.

To ensure the effective introduction and implementation of the above actions, we strive by 2021 to:

- Share knowledge and experiences and support learning and capacity building with other financial institutions;
- Refer to international best practices and guidelines of sustainable finance and investment, e.g., Equator Principles, Principles for Responsible Investment, International Finance Corporation (IFC) Performance Standards, Principles for Sustainable Insurance and the UNEP Finance Initiative;
- Collectively help identify a public policy framework and measures that would enable financing, investment and insurance in the projects, businesses and customers in the country with sustainable purposes;
- Set clear targets and an implementation plan of the actions and monitor progress by each institution;
- Regularly compile and publish a sustainability/CSR report, locally and/or globally, in accordance with international standards, e.g., Global Reporting Initiative (GRI) Standards; and
- Encourage other institutions to also take up the above actions by expanding the national learning network and collaboration with the international community.