



Islamic Development Bank (“IsDB”)

Investor Presentation

February 2020



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Mission Statement



“We are committed to alleviating poverty, promoting human development, science & technology, Islamic banking & finance and enhancing cooperation amongst member countries in collaboration with our development partners”

Agenda

I. Overview of Islamic Development Bank Group

II. Financial Profile of IsDB

III. IsDB in the Capital Markets

IV. Key Offering Terms & Investment Highlights

Appendix



Overview of Islamic Development Bank

Foster the economic development and social progress of member countries in a commercially viable manner

Overview

- Established in 1974 and headquartered in Jeddah, the Kingdom of Saudi Arabia
- Currently 57 member countries from the Middle East, Africa, the Asia-Pacific region, South Asia, Europe and South America
- Regional hubs in Morocco, Malaysia, Kazakhstan, Senegal, Turkey, Indonesia, Nigeria and Bangladesh and new openings expected in Egypt, Suriname, UAE and Uganda in addition to field representatives in several member countries
- All financial transactions are in compliance with Islamic law (Shariah)

Key Financial Indicators

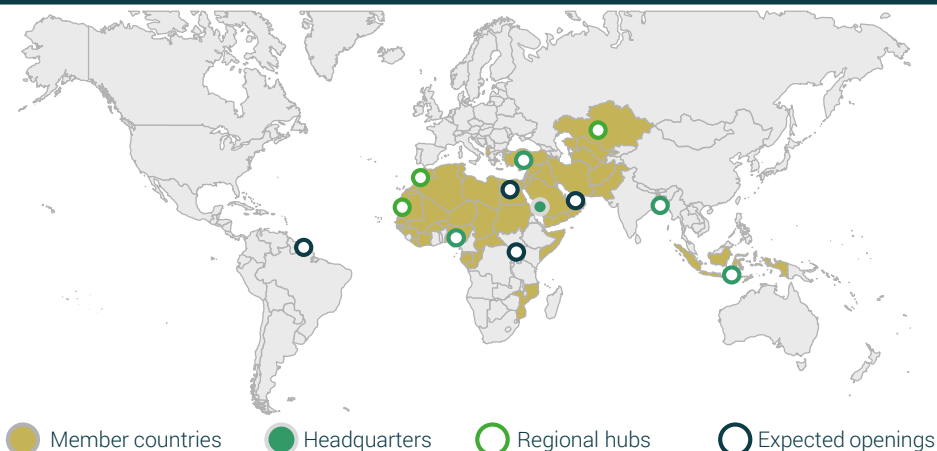
As of Year-End 2018

Ratings (Moody's / S&P / Fitch)	Aaa / AAA / AAA
Total Assets (US\$, bn)	30.6
Subscribed Share Capital (US\$, bn)	69.8
Paid-up Capital (US\$, bn)	7.8
Debt / Equity ¹	147.1%
Assets / Total Liabilities ¹	165.7%
Liquid Assets / Total Liabilities ¹	52.2%

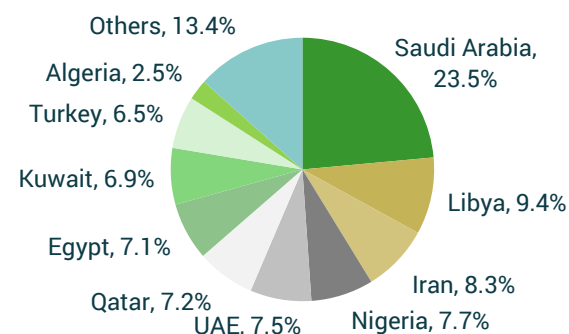
Notes: IsDB's unit of account is as follows: 1 Islamic Dinar = 1 Special Drawing Right of the IMF. Exchange rates utilized as of year-end 2008: 1ID=US\$1.54426, 2009: 1ID=US\$1.57085, 2010: 1ID=US\$1.53920, 2011: 1ID=US\$1.55621, 2012: 1ID=US\$1.52623, 2013: 1ID=US\$1.53175, 2014: 1ID=US\$1.48509, 2015: 1ID=US\$1.41162, 2016: 1ID=US\$1.34433, 2017: 1ID=US\$1.42413 and 2018: 1ID=US\$1.39079 used throughout this presentation. Throughout the presentation, financial data are based on Audited Accounts Year-end December 2018, Year-end December 2017, Year-end December 2016, Year-end October 2015, Year-End October 2014, Year-End November 2013, Year-End November 2012, Year-End November 2011 and other public information shared in IsDB's website and publications.

1. For a description of how the ratios above are calculated, please refer to the Base Prospectus dated September 19th 2019

Member Countries and IsDB Group Offices



Ownership Structure (as at 31 December 2018)



IsDB Group and Operations

IsDB Mission

- To promote comprehensive human development, with a focus on the priority areas of alleviating poverty, improving health, promoting education, improving governance and prospering the people

IsDB Activities

- Project Finance, Loans and Technical Assistance aimed at the development of:
 - Agriculture
 - Basic Infrastructure & Industrial sectors
 - Education
 - Healthcare and other Social Sector Institutions
- Equity Investment and Lines of Financing for the development of Financial Institutions

IsDB Priority Areas

- Human Development
- Agricultural, Rural Development and Food Security
- Infrastructure Development
- Science, Technology and Innovation
- Private Sector Development (ICD)
- Intra-Trade Among Member Countries (ITFC)
- Research and Development in Islamic Banking and Finance (IRTI)

Key IsDB Group Members¹



International Islamic Trade Finance Corporation (ITFC)

- Supports trade finance activities amongst member countries



Islamic Corporation for the Development of the Private Sector (ICD)

- Supports the development of private sector in the member countries



Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC)

- Provides investment protection and export credit insurance for member countries

1. These institutions have their own separate balance sheets, ratings and member countries

IsDB's Capital Structure & Strong Capital Base

Stable Capital Structure

- Ordinary operations are funded primarily by shareholders' equity from IsDB – Ordinary Capital Resources' ("OCRs") member countries and supplemented by resources mobilised from the market
- Authorized Capital of ID 100.0 billion (US\$139.1 billion), Subscribed Share Capital at US\$69.9 billion and Callable Capital at US\$56.8 billion
- Member countries are irrevocably committed to pay their portion of the subscribed capital
- Maintained a high equity to assets ratio of 39.6%¹ or above since inception
- Calls are made in freely convertible currencies acceptable to IsDB
- IsDB OCR's shares cannot be pledged or encumbered and cannot be transferred to any entity other than the IsDB – OCRs

Strong Capital Base

- Very strong capital base
- One of the strongest-capitalised MDBs with an equity-to-assets ratio of 39.6%
- Total amount of equity investment, outstanding loans and other ordinary operations cannot, at any time, exceed the total amount of unimpaired subscribed capital, reserves, deposits, other funds raised and surplus included in the IsDB - Ordinary Capital Resources

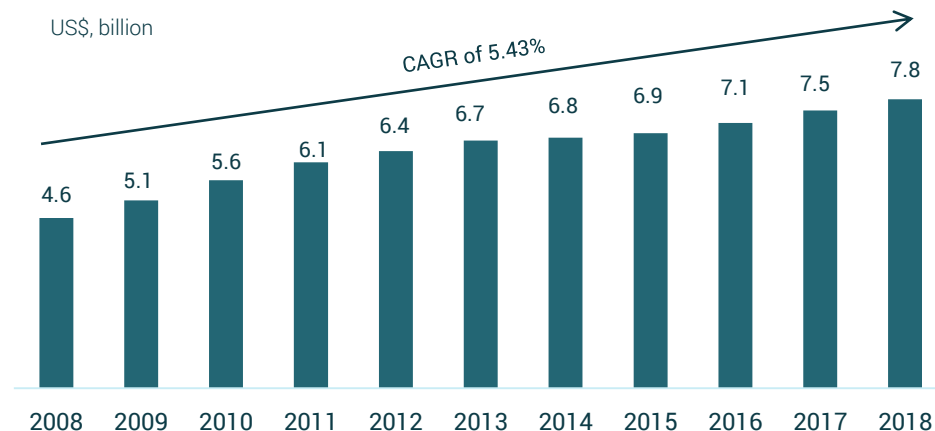
Source: 2018 Financial Statements

Notes: IsDB's unit of account 1 Islamic Dinar = 1 Special Drawing Right of the IMF

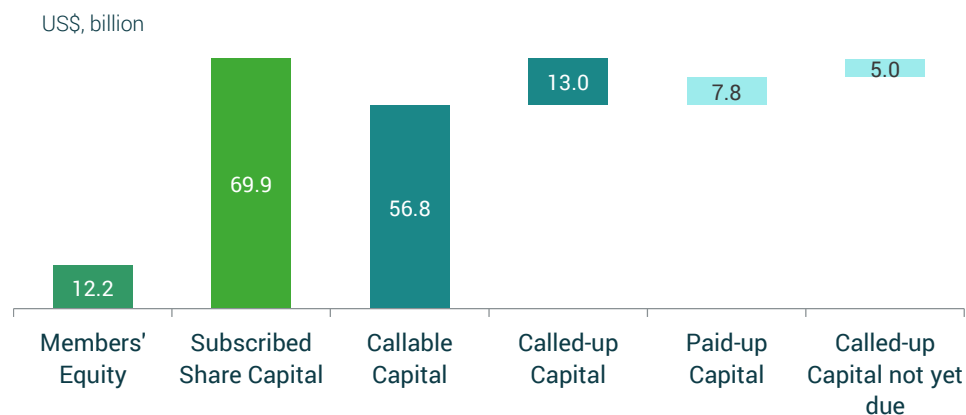
1. For a description of how the ratios above are calculated, please refer to the Base Prospectus dated 7 June 2018 and Supplement dated 9 April 2019

2. US\$ equivalent, ID to USD conversion rate used as of end of Year 2018 (1ID = US\$1.39079)

Paid-up Capital²



Capital Structure (as at 31 December 2018)



Note: Subscribed share capital comprises of called-up capital and callable capital; Called-up capital comprises of paid-up capital, instalments due but not yet paid and instalments not yet due

Conservative Risk Management

Risk Management Controls

- Exposure limits are determined by the Group Risk Management Department
- The Treasury department and the business units each have risk management functions that manage and control the exposures in the respective businesses

Credit Risk

- Preferred creditor status on sovereign financing:
 - 92% of all financing, excluding equity investments, is sovereign guaranteed
 - Remaining exposure to public private partnerships typically with elements of sovereign support
- Exposure to member countries is diversified with a view to avoid excessive concentration of risk. IsDB has established exposure limits for each country

Liquidity Risk

- Conservative approach to liquidity management; IsDB maintains sufficient liquidity levels to fulfill all commitments for a period of 12–18 months
- IsDB's policy with regards to liquidity management requires IsDB to hold substantial liquid assets, which include cash, cash equivalents, commodity placements and Murabaha financing with short-term maturity of 3-12 months
- The *Waqf* Fund (Endowment Fund) – provides an additional layer of liquidity protection with total assets of US\$938.8 million as at 31 December 2018¹

Currency Risk

- Investment portfolio is held in currencies in line with the Islamic Dinar (ID) basket currency which provides a natural currency hedge (consists of US\$:41.73%, EUR:30.93%, GBP:10.92%, JPY:8.09%, RMB: 8.33% since October 1, 2016)
- All of IsDB's financing operations are denominated in the component currencies of ID. IsDB does not trade in currencies

Interest Rate Risk

- IsDB endeavors to minimise rate mismatches in liabilities and financing portfolio
- IsDB utilises Shariah-compatible hedging to mitigate any mismatches

1. For IsDB's unit of account is as follows: 1 Islamic Dinar = 1 Special Drawing Right of the IMF. Exchange rate of ID1 = US\$1.39079 for the year ended 31 December 2018

Credit Ratings

Consistently rated 'AAA' by Major Rating Agencies

MOODY'S

(Since 2006)
Last Rating Review: July 2019

**STANDARD
& POOR'S**

(Since 2002)
Last Rating Review: November 2019

FitchRatings

(Since 2007)
Last Rating Review: May 2019
AAA credit rating reaffirmed with a Stable Outlook

01

"Strong Shareholder Support from Highly Rated Sovereigns..."

02

"Preferred Creditor Status..."

03

"Established Track Record in Terms of Asset Quality..."

04

"Strong Capital Base..."








05

"Low Leverage..."

06

"Solid Liquidity Levels..."

Ratings of IsDB and other Multilateral Development Banks ("MDB") Peers

	Moody's / S&P / Fitch	Standalone Rating (S&P)
 IsDB	Aaa / AAA / AAA	AAA
 EBRD	Aaa / AAA / AAA	AAA
 IBRD	Aaa / AAA / AAA	AAA
 ADB	Aaa / AAA / AAA	AAA
 EIB	Aaa / AAA / AAA	AAA*
 IADB	Aaa / AAA / AAA	AAA*
 AfDB	Aaa / AAA / AAA	AA+


* following the revision of Multilateral Lending Institutions and Other Supranational Institutions Ratings Methodology by S&P, the standalone rating of these institutions has been improved from AA+ to AAA

Regulatory Treatment for IsDB

The Bank for International Settlements provides IsDB, along with other MDBs, a zero-risk weighting as part of its eligibility criteria:

- i. A majority of an MDB's external ratings must be AAA
- ii. Shareholders include sovereigns with ratings of AA– or better, or majority of fund-raising is in the form of paid-in equity/capital with little or no leverage
- iii. Strong shareholder support demonstrated by paid-in capital and continued capital contributions and new pledges from sovereign shareholders
- iv. Adequate level of capital and liquidity
- v. Strict statutory lending requirements and conservative financial policies

Bank for International Settlements



- Zero-risk weighted¹


European Central Bank



EUROPEAN CENTRAL BANK
EUROSYSTEM

- A recognised Supranational issuer as per the European Central Bank (ECB)²

Bank of England



BANK OF ENGLAND

- Eligible as Level B collateral for the Bank's operations³

Financial Conduct Authority



FCA
FINANCIAL CONDUCT AUTHORITY

- Eligible for inclusion in the liquidity buffer of banks under the FCA supervision BIPRU 12.7.2⁴

No.	MDBs with Zero Risk Weighting from the BIS
1	African Development Bank (AfDB)
2	Asian Development Bank (ADB)
3	Asian Infrastructure Investment Bank (AIIB)
4	Caribbean Development Bank (CDB)
5	Council of Europe Development Bank (CEDB)
6	European Bank for Reconstruction and Development (EBRD)
7	European Investment Bank (EIB)
8	European Investment Fund (EIF)
9	Inter-American Development Bank (IADB)
10	International Bank for Reconstruction and Development (IBRD)
11	International Development Association (IDA)
12	International Finance Corporation (IFC)
13	International Finance Facility for Immunization (IFFIm)
14	Islamic Development Bank (IsDB)
15	Multilateral Investment Guarantee Agency (MIGA)
16	Nordic Investment Bank (NIB)

Sources:

1. Basel Committee on Banking Supervision - Basel III: Finalising post-crisis reforms (December 2017), Standardised Approach for Credit Risk, page 6
2. <https://www.ecb.europa.eu/paym/coll/standards/marketable/html/index.en.html>
3. <https://www.bankofengland.co.uk/-/media/boe/files/markets/sterling-monetary-framework/level-b-collateral>
4. <https://www.handbook.fca.org.uk/handbook/glossary/G2685.html>

Status of Selected SDGs Indicators

Select Strategic Initiatives¹



Islamic Financial services available in 56 countries offered by 1,389 institutions



Mainstreaming **Women empowerment** policy and **Youth Development** strategy – SheTrades, Tamkeen



Mainstreaming **climate change** by preparing screening tools in agriculture, energy, transport, water and sanitation



Science, Technology and Innovation fund of US\$ 500 million to finding development solutions



US\$ 3.9 million benefitting 15 non-member countries



Implemented **Fragility and Conflict-Affected Region Financing** to respond to humanitarian, reconstruction and resilience development

IsDB selected **380** students and scholars from **100** countries



Scholarships Distribution



Scholarship recipients
61% **39%**

In 2018, IsDB approved projects worth **US\$1.27 billion**



Energy sector accounted for **31%** of the approvals



Transportation **19%**



Health and Agriculture **13%** each



Water, Sanitation and Urban services **9%** each

¹. Source: IsDB Development Effectiveness Report 2018 – April 2019

Results from Projects completed in 2018 and 2019¹



- 272 Grant based operations
- Complete 71 Projects

- Complete 71 Projects
- 272 Grant based operations



Completed 7 projects in health and social services sector in the MCs with total spending of nearly US\$ 500 million



6 Projects and 112 grants operations in Education with an amount of US\$ 181 million benefiting six MCs



Completed 13 projects in the transportation sector totaling US\$ 905 million in 12 MCs



31 projects and grant operations in the agricultural sector amounting to US\$ 653 million covering 15 MCs



12 Urban development projects completed worth US\$ 800 million spread over 9 MCs



7 energy projects and 1 ICT totaling US\$ 700 million



Trained 2,000 people leading to new employment opportunities for 12,000 people



Provided 937 students from China with scholarships and dedicated US\$11.8m to educational, and health sector in various Chinese provinces



IsDB's Commitment to SDGs

Sustainable Development Goals ("SDGs") – The 2030 Agenda¹

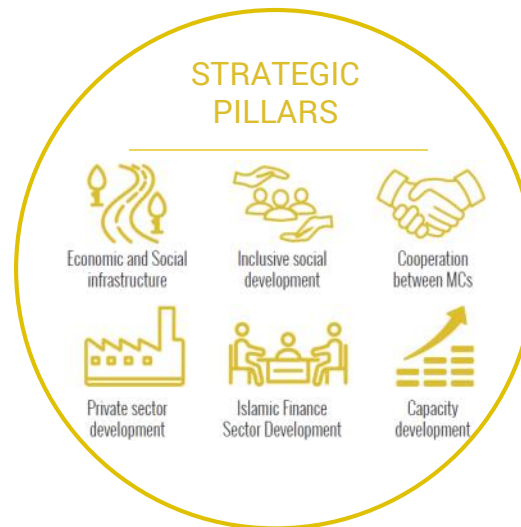
- In September 2015, countries throughout the world, spearheaded by the United Nations, signed up to a new agenda for comprehensive and sustainable human development
- The 2030 Agenda aspires to achieve **17 high SDGs** and **169 specific targets**, encompassing the social, economic and environmental dimensions of development

These aspirations for human dignity, and 'to leave no one behind', is fully in line with the principles and objectives of the IsDB

- The IsDB group is fully committed to the SDGs. It recognizes that development objectives vary from one country to another
- The IsDB group supports the implementation of this transformative agenda according to the needs and priorities of its member countries, through a collaborative approach, and in partnership with bilateral and multilateral development financing institutions, the private sector and civil society



IsDB Group 10 Year Strategic Framework (2016 – 2025)²



1. Source: United Nations Development Programme – Sustainable Development Goals

2. Source: IsDB Development Effectiveness Report 2018 – April 2019

Agenda

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Appendix



IsDB's Portfolio

A well-diversified portfolio with the lowest concentration of top 5 exposures among peers

Overview

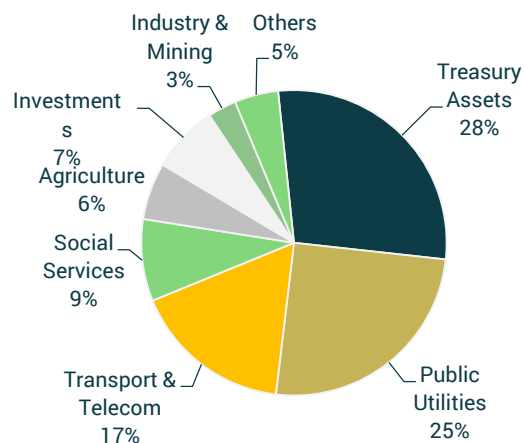
- IsDB conducts business across Asia, Africa and the Middle East through its 57 member countries
- In light of this, IsDB has one of the broadest operational scopes amongst major MDBs
- Exposure limits by country help achieve asset diversification and minimise excessive concentration of risk within member countries
- Similarly, IsDB's asset portfolio is well diversified by sectors within the existing policies and guidelines

Lending Profile vs other MDB Peers

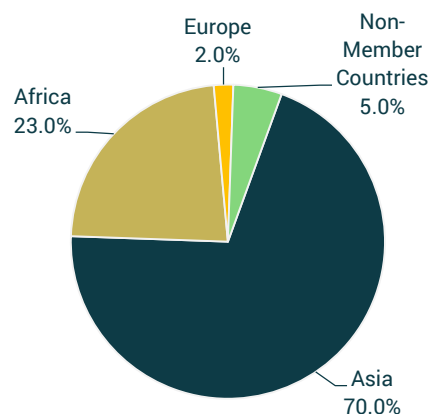
Regional Lending Profile of MDB Peers

IsDB	Middle East, Africa, Asia & Others
AfDB	Africa
EIB	Europe, esp. EU member countries
ADB	Asia-Pacific
EBRD	Europe, CIS & North Africa
IaDB	LatAm & the Caribbean

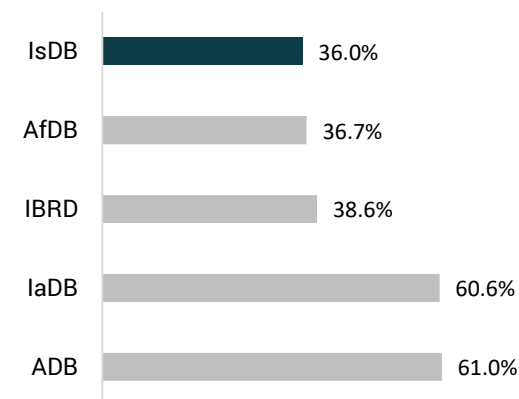
Asset Portfolio by Sectoral Distribution



Asset Portfolio by Geographic Distribution



Concentration of Top 5 Exposures / Total Loans



Sources:
 IsDB & IaDB: Financial Statements as of 31 December 2018
 AfDB: Financial Statements as of 31 December 2017
 IBRD: Financial Statements as of 30 June 2018
 ADB: Financial Statements as of 31 March 2017

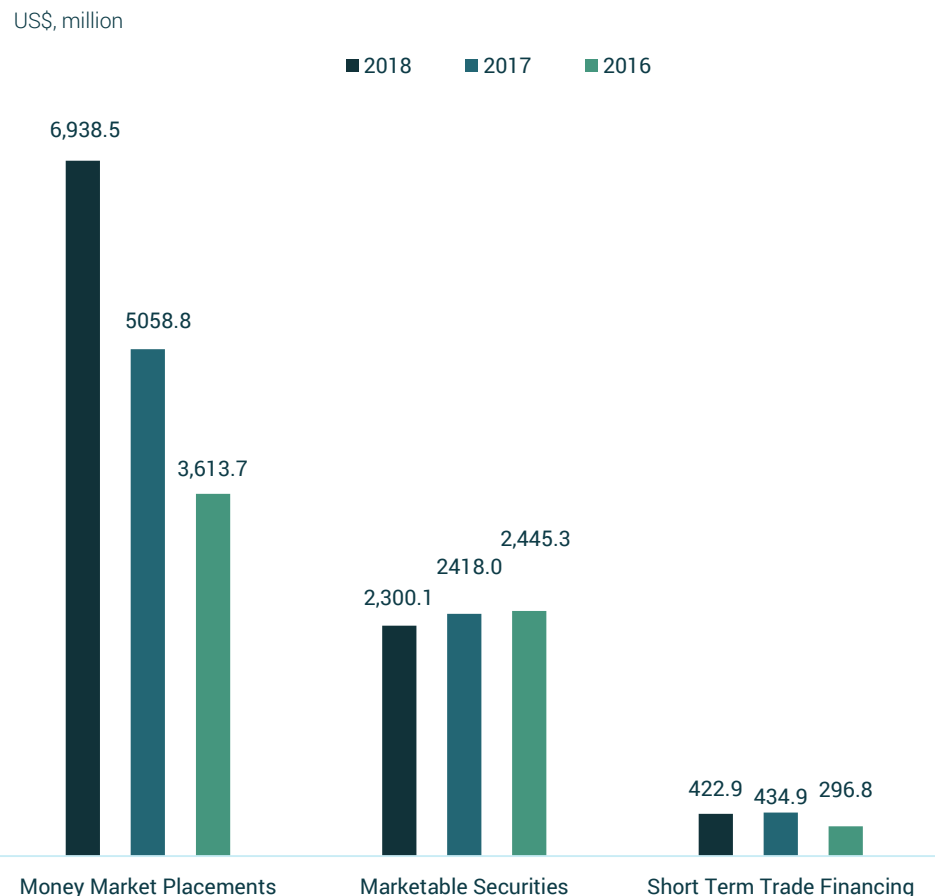
For a description of how the IsDB ratios above are calculated, please refer to the Base Prospectus dated 7 June 2018 and Supplement dated 9 April 2019

Total Sovereign Exposure (USD '000)	18,270,311.7	92.2%
Total Non-sovereign Exposure (USD '000)	1,554,472.1	7.8%
Total	19,824,783.8	100.0%

Source: IsDB's Financial Statements, as at 31 December 2018

Prudent Investment Management of Treasury Portfolio

Treasury Department manages more than US\$7 billion of Funds



Source: 2016-2018 Financial Statements

1 Money Market Placements = Commodity Placements + Cash and Cash Equivalents

2 Short-Term Trade Financing = Murabaha Financing with maturities of <6 months

A Money Market Placements¹

- Money market placements comprise about 72% of total treasury investment portfolio:
 - Minimum rating of single 'A' for non-member country FIs
 - For placements with member country FIs, at least 85% of exposure is to institutions rated "BBB" or higher
 - Conservative country and entity limits

B Marketable Securities

- Conservative approach to investments in marketable securities to better manage overall portfolio risk:
 - Investment grade for corporate papers
 - Selective approach for sovereign investments
 - Total size not to exceed 10% of total issuance

C Short Term Trade Financing²

- Similarly, IsDB maintains a prudent strategy for its short-term trade financing portfolio:
 - Mainly focused on member countries
 - Non-member countries are required to provide sovereign guarantees in order to avail trade financing
 - Total size of Murabaha financing does not exceed US\$1.0 billion







Key Performance Metrics

A highly conservative institution with high capitalization, high liquidity and low leverage versus other MDB peers

Selected Key Ratios (as at 31 December 2018)¹

Leverage Ratio		IsDB
Debt / Equity		147.1% ²
Capitalization Metrics		
Assets / Total Liabilities		165.7%
Equity / Total Liabilities		65.7%
Liquidity Metrics		
Liquid Assets ³ / Short Term Liabilities ⁴		562.3%
Liquid Assets ³ / Total Liabilities		52.2%

Other Key Ratios (as at 31 December 2018)⁵

	 IsDB البنك الإسلامي للتنمية Islamic Development Bank	 THE WORLD BANK IBRD · IDA WORLD BANK GROUP	 AFRICAN DEVELOPMENT BANK AFRICAN DEVELOPMENT BANK	 IDB	 ADB ASIAN DEVELOPMENT BANK	 European Bank for Reconstruction and Development
	IsDB	IBRD	AfDB	IADB	ADB	EBRD
Liquid assets / adjusted total assets	30%	18%	37%	25%	16%	47%
Liquid assets / gross debt	57%	55%	52%	36%	35%	71%
Risk adjusted capital ratio	35%	28%	21%	23%	40%	29%
Gross debt / adjusted total assets (%)	53.6%	51.6%	71.0%	69.7%	47.2%	65.9%

Source: 2018 Audited Financial Statements

- For a description of how the ratios above are calculated, please refer to the Base Prospectus dated 7 June 2018 and Supplement dated 9 April 2019
- Debt includes Sukuk issued and commodity purchase liabilities
- Liquid Assets include Cash and Cash equivalents, Commodity Placements and Investments in Sukuk
- Short Term Liabilities include commodity purchase liabilities

- Source: S&P "Abridged Supranationals Interim Edition 2019: Comparative Data For Multilateral Lending Institutions" – 15 July 2019

Financial Highlights

(US\$ million)	Year End 2018	Year End 2017	Year End 2016 ¹	Year End 2015	Year End 2014
Total Assets	30,663.4	28,021.1	24,395.3	22,723.5	22,388.1
Total Liabilities	18,507.7	15,894.9	13,197.5	11,643.0	10,921.6
Shareholders Equity	12,155.7	12,126.2	11,197.8	11,080.5	11,466.5
Total Income ²	747,826.4	819,564.0	925,087.3	567,131.0	529,961.8
Net Income	116.7	280.5	412.9	222.6	245.1

Balance Sheet Overview, US\$ million (as at 31 December 2018)



Source: 2014-2018 Audited Financial Statements

1. Financial Statements from 14 October 2015 to 31 December 2016

2. Income from Treasury Assets, Project Assets, Investment Assets and Other Income

3. Operating Assets include Istisna'a, Restricted Mudarabah, Instalment Financing, Loans and Ijarah

4. Liquid Assets include Cash and Cash equivalents, Commodity Placements, Investments in Sukuk and Murabaha financings

5. Other Assets include accrued income and other assets, investments in equity, investments in associates, investments in fixed assets

6. Other liabilities include other liabilities, wakala deposits and commodity purchase liabilities

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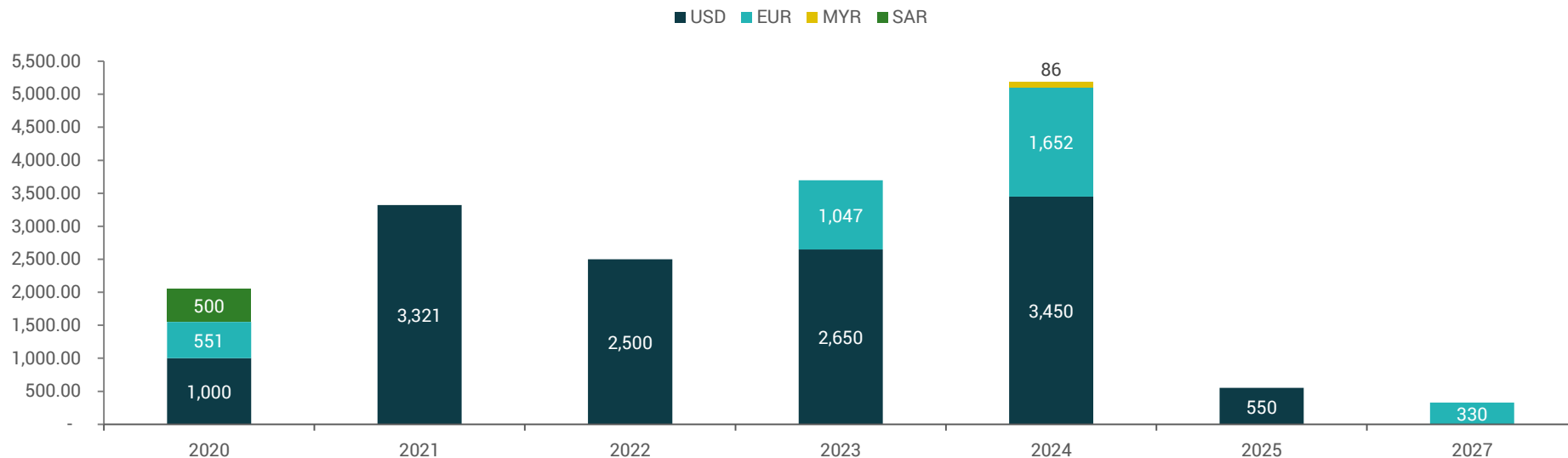
IV. Key Offering Terms & Investment Highlights

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IsDB's Funding Strategy

Borrowing & Redemption Profile in the Capital Markets for IsDB (in US\$ million equivalent)



- Primary driver of asset growth will be project financing in member countries as part of the Member Country Partnership Strategy (“MCPS”)
- IsDB has demonstrated its commitment to the Sukuk market with successive issuances after 2009 and strengthened its profile as a regular frequent issuer
- IsDB is a frequent US\$ issuer and intends to become a frequent EUR issuer
- While IsDB will be raising additional resources going forward, it will always maintain a conservative approach to leverage
- In addition to having tapped the public markets regularly since 2009, IsDB has also become a frequent issuer in raising funds in private placement format in various currencies
- IsDB has an EMTN/TCIP programme with a limit of US\$25 billion admitted to the official list and to trading on the Euronext Dublin, NASDAQ Dubai, and Bursa Malaysia (Exempt Regime)

Notes: Exchange rate of EUR1 = US\$1.1016; 1 US\$= SAR3.7511; US\$1 = MYR4.0645, as at 28th January 2020

IsDB's Funding Strategy *(continued)*

Funding Requirements and Objectives

- The funding program for the year 2020 is estimated at US\$ 5.5 billion
- IsDB's capital markets objectives:
 - Develop a liquid yield curve as part of IsDB's wider strategic objectives
 - Enhance its profile in the international capital markets and reach out to new investors
 - Establish a benchmark in the supranational market
 - Undertake issuance in or linked to different currencies

Public Issuances by IsDB

- Establishing a track record by issuing benchmark transactions in the RegS market
- Deepening and broadening investor base
- Policy of tapping markets every year through US\$ benchmark issuance(s)

Issue Date	Maturity	Amount (mn)	ISIN
Mar-15	Mar-20	US\$1,000	XS1200466677
Mar-16	Mar-21	US\$1,500	XS1365520151
Dec-16	Dec-21	US\$1,250	XS1529847409
Apr-17	Apr-22	US\$1,250	XS1595895951
Sep-17	Sep-22	US\$1,250	XS1687330032
Mar-18	Mar-23	US\$1,250	XS1789173157
Sep-18	Sep-23	US\$1,300	XS1882681536
Nov-18	Nov-23	EUR650	XS1898281792
Apr-19	Apr-24	US\$1,500	XS1984261484
Oct-19	Oct-24	US\$1,500	XS2059789508
Dec-19	Dec-24	EUR1,000	XS2089242064

Private Placement Issuances by IsDB

- Preparatory work in progress in several markets
- Tapped various currency markets in Asia, Middle East and Europe

Issue Date	Maturity	Amount (mn)	ISIN
Jul-15	Jul-20	EUR100	XS1260667248
Sep-15	Sep-20	EUR100	XS1291113485
Sep-10	Sep-20	SAR938	XS0540188603
Sep-10	Sep-20	SAR938	XS0540188868
Oct-15	Oct-20	EUR300	XS1304664946
Sep-16	Sep-21	US\$100	XS1485705583
Nov-18	Nov-21	US\$471	XS1916450064
Feb-20	Feb-23	CNY1,000	XS2116388260
Feb-16	Mar-23	EUR300	XS1373222691
Jul-18	Jul-23	US\$100	XS1857228131
Jan-20	Jan-24	EUR50	XS1936088092
Feb-17	Feb-24	EUR300	XS1571029237
Feb-17	Feb-24	EUR150	XS1568007832
Dec-19	Dec-24	US\$100	XS2092391759
Dec-19	Dec-24	US\$100	XS2092392211
Dec-19	Dec-24	US\$250	XS2092625842
Jan-20	Jan-27	EUR300	XS2104970137

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Key Terms of the IsDB's USD Benchmark Public Sukuk issuance

IsDB receives zero % risk weighting by Basel Committee, similar to other AAA-rated MDBs¹

Issuer	■ IDB Trust Services Limited ²
Guarantor / Obligor	■ The Islamic Development Bank
Issuer Ratings	■ Aaa / AAA / AAA (Moody's, S&P, Fitch)
Structure	■ Fixed Rate, Senior, Unsecured Trust Certificates
Format	■ Regulation S
Currency	■ USD
Amount	■ Benchmark
Tenor (Maturity)	■ 5-year
Coupon	■ [.]
Use of Net Proceeds	■ General corporate purposes
Joint Book runners:	■ Citi, Dubai Islamic Bank, HSBC, LBBW, Natixis, Standard Chartered Bank
Governing Law	■ English Law
Listings	■ Bursa Malaysia (Exempt Regime), Euronext Dublin, NASDAQ Dubai
ISIN	■ [.]

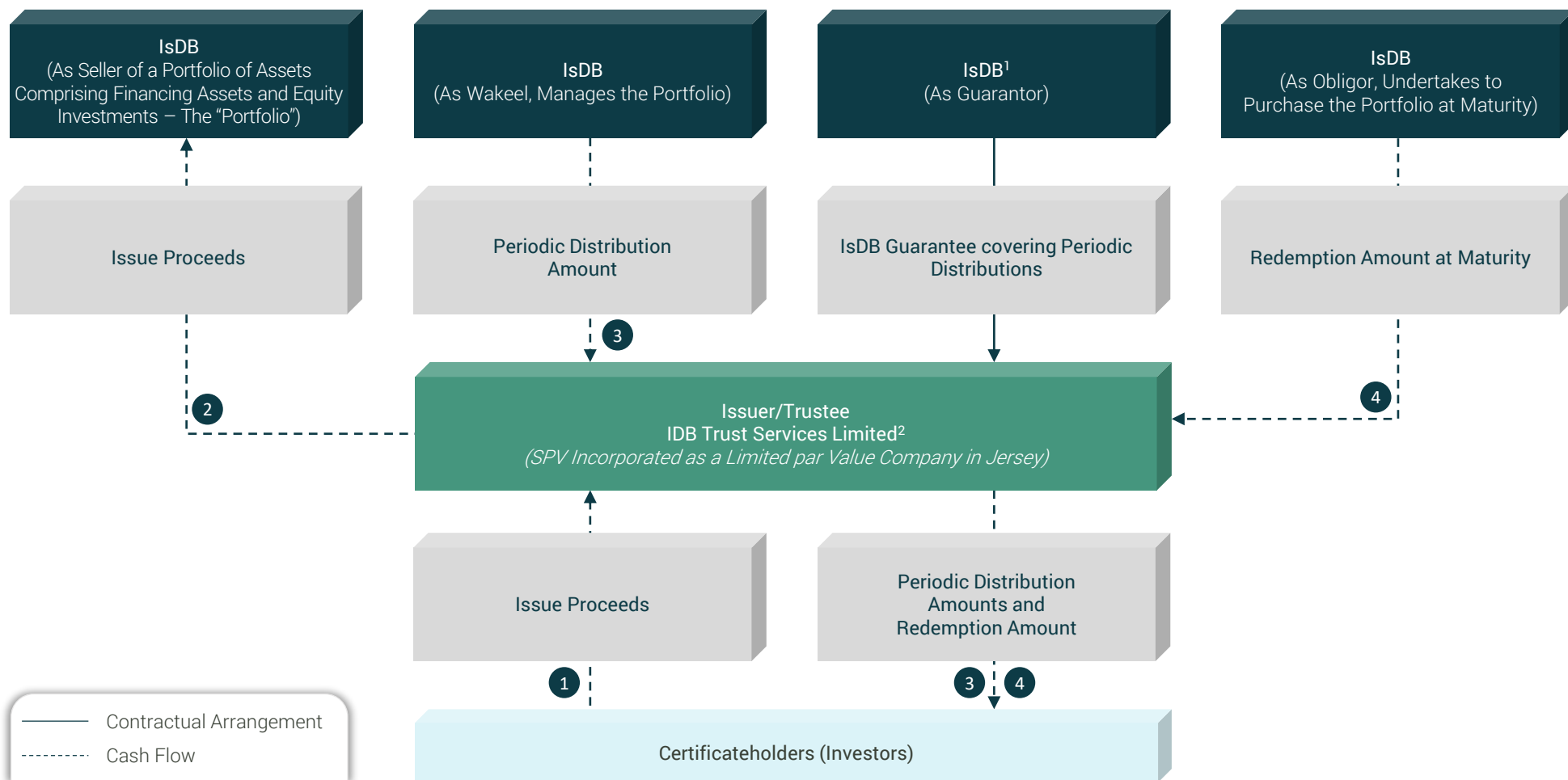
1. Source: Basel Committee for Banking Supervision

2. Subject to conditions Banks can substitute the risk weight of the counterparty with the risk weight of the Guarantor – Source: Basel Committee on Banking Supervision – Basel III: Finalising post-crisis reforms (December 2017) – Section 5 (iv) – Range of eligible guarantors (counter-guarantors)/ protection providers and credit derivatives – page 50

Key Investment Highlights



Trust Certificate (Sukuk) Structure Overview – Rated AAA by the three rating Agencies



The above is a summary of the key features of the structure of an offering under IsDB’s Trust Certificate Issuance Programme. For a complete description of the structure, please refer to the Base Prospectus dated September 19th, 2019.

1. IsDB receives zero % risk weighting by Basel Committee, similar to other AAA-rated MDBs
2. Subject to conditions Banks can substitute the risk weight of the counterparty with the risk weight of the Guarantor – Source: Basel Committee on Banking Supervision – Basel III: Finalising post-crisis reforms (December 2017) - Section 5 (iv) – Range of eligible guarantors (counter-guarantors)/ protection providers and credit derivatives – page 50

Sukuk Features & Comparison

- Sukuk is commercially identical to a conventional bond
 - It is an asset-based financing that eliminates the key prohibitions from conventional bonds (not asset-backed)
- Two components to every Sukuk structure:
 - The capital markets component; and
 - The Islamic structuring component

	IsDB Trust Certificate	Peer Conventional Bonds	Asset-Backed Securities
Debt Obligation	✓	✓	✓
Unsecured	✓	✓	X
Bullet Maturity	✓	✓	✓
Interest / Profit Rate	✓	✓	✓
Par Value	✓	✓	✓
Listing	✓	✓	✓
EMTN/TCIP Program	✓	✓	✓
Secondary Market Trading	✓	✓	✓

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Examples of Projects Co-Financed By IsDB

Turkey: Renewable Energy and Energy Efficiency Program

- Support Turkey's efforts to diversify its energy resources, increase energy supply security and improve energy efficiency
- Part of energy sector support programs resulting in new renewable energy power generation capacity, improved energy efficiency in industry and power distribution grids

Sponsors	Industrial Development Bank of Turkey
Total Amount	US\$1.1 billion
IsDB's Participation	US\$220 million
Date of Approval	27 th October 2013
Tenor	15 years including 3 years gestation
Financiers	IsDB, KfW, EIB, EBRD (all funds were managed through TSKB), Local Commercial Banks, ECAs, Equity

Republic of Indonesia: National Slum Upgrading Project

- Improve community access to appropriate infrastructure in order to alleviate slums in 116 cities across 15 provinces of Indonesia
- A part of the national "Cities without Slums" program adopting a Community Driven Development approach to sustainable poverty alleviation

Sponsors	Government of the Republic of Indonesia
Total Amount	US\$1.1 billion
IsDB's Participation	US\$329.8 million
Date of Approval	14 th February 2016
Tenor	14 years including 4 years gestation
Financiers	IsDB, WB, AIIB



Examples of Projects Co-Financed By IsDB *(continued)*

Pakistan: Energy Project

- Jamshoro 600 MW Coal Power Plant
- Construction of a new 600 MW supercritical coal-fired unit with state-of-the-art emission control devices at Jamshoro in south-east Pakistan.

Sponsors	■ Government of Pakistan
Total Amount	■ US\$983 million
IsDB's Participation	■ US\$100 million
Date of Approval	■ 11 th April 2019
Financiers	■ IsDB, ADB, OFID, SFD & KfAED

Cameroon: Roads and highways Project

- Construction of Lena-Tibati Road
- Development of the center and Adamaoua regions of Cameroon by improving the level of road service between Batchenga and Tibati and the living conditions of the people of these regions

Sponsors	■ Cameroon, Chad and Central African Republic
Total Amount	■ EU\$549.5 million
IsDB's Participation	■ EU\$167 million
Date of Approval	■ 26 th April 2015
Financiers	■ IsDB, JICA, AfDB, BEAC, AFD & GoC

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

17 PARTNERSHIPS FOR THE GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

17 PARTNERSHIPS FOR THE GOALS

Examples of Projects Co-Financed By IsDB *(continued)*

Senegal: Railways Project

- Entails the design, construction of a dual railway link of 36 km between the city center of Dakar and the new urban center of Diamniadio traveling at an average speed of 160 km/hour.

Sponsors	<ul style="list-style-type: none"> Government of Senegal
Total Amount	<ul style="list-style-type: none"> EU\$717.9 million
IsDB's Participation	<ul style="list-style-type: none"> EU\$300 million
Date of Approval	<ul style="list-style-type: none"> 31st July 2016
Financiers	<ul style="list-style-type: none"> IsDB, AfDB, AFD, GoF & GoS



Governance

IsDB has multiple governance bodies within the organization spanning oversight, risk, audit, compliance and departments to assess the Bank's development impact and effectiveness

Board of Executive Directors

President's Advisory Panel

Risk Management Department

Group Internal Audit Department

Group Integrity & Compliance Office

Group Operations Evaluation Department

Development Effectiveness Review

Shariah Audit