

2023 ESG REPORT



MAXIMISING
POSITIVE IMPACT

ABOUT THE REPORT

As a leading Islamic bank, Abu Dhabi Islamic Bank (ADIB) is committed to publishing regular updates and performance data in relation to environmental, social and governance (ESG) issues through our latest report on our ESG performance.

ADIB ensures that our efforts and activities within the sustainability realm are fully aligned to our core Shari'a principles. As such, much like

all other business activities we ensure that our approach to sustainability is in full adherence to these values and the rules and principles of Shari'a. Our Islamic values are the guiding foundation, and this is ensured through the Shari'a compliance framework that ensures this adherence.

Our approach to sustainability not only centers Shari'a compliance through negative screening, but also aims to show that positive screening for business activities can allow our positive social and environmental impact to truly represent the socially conscious roots of Shari'a.

This report has been prepared for key stakeholders, including employees, suppliers, customers, partners, and communities, to provide an in-depth overview of our performance on material ESG issues.

The report has been prepared in accordance with the GRI¹ Standards and the Abu Dhabi Stock Exchange (ADX) ESG Disclosure Guidelines, and aligns with the United Nations' (UN) Sustainable Development Goals (SDGs).

Unless otherwise stated, all information covers the 2023 calendar year (January 1 – December 31, 2023). Financial performance and economic impact data cover the entirety of the ADIB Group, while material ESG topics cover our operations in the United Arab Emirates (UAE). Non-financial data has been internally validated

by relevant departments. Financial statements have been independently audited by Deloitte.

All monetary values in this report are in United Arab Emirates Dirhams (AED), unless otherwise stated. You can access our previous reports, ESG commitments, policies and statements, and key ESG figures on the [Bank's Sustainability page](#).

We trust that this report provides a transparent and comprehensive overview of our ESG performance and demonstrates our commitment to sustainable business practices.

The Bank welcomes all feedback on this report: Investorrelations@adib.com

Forward-looking statements

This report contains statements that may be deemed as "forward-looking statements" that express how ADIB intends to conduct its activities. Forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events, or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

ADIB has made every effort to ensure the report is as accurate and truthful as possible. However, by their nature forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond ADIB's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.

¹GRI: Global Reporting Initiative

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A MESSAGE FROM OUR CHAIRMAN

On behalf of the Board of Directors, it's my pleasure to present to you ADIB's Environmental, Social and Governance (ESG) Report for 2023. It is with a visionary spirit that I articulate ADIB's sustained commitment to embedding ESG into the very essence of Islamic banking. Our ambition is clear: to unleash the untapped sustainability potential that Islamic finance holds and to firmly establish ADIB as the leader in sustainable Islamic banking.

Our resolve is to maximise and reflect our deep-rooted Islamic values in our sustainability performance and strategic vision. It is with this foresight that the Board has directed our collective efforts, ensuring that ADIB is synonymous with both sustainability and the profound principles of Islamic finance.

In the past year, we have witnessed ADIB's strategic endeavours translate into tangible economic, environmental, and social impacts. Setting the tone from the Board level involved the establishment of a Board Level ESG Committee, to ensure the oversight of the Board over the Bank's ESG activities. Our

commitment to these sustainability pillars is unwavering, as we strive to attract and retain clients who are drawn to the unique blend of our Islamic values and the impactful banking experience we provide. Our efforts are aligned with the UAE Vision, as we seek to accelerate our contributions to the nation's progressive ambitions and priorities. Looking forward, we anticipate a journey marked by strategic leadership in sustainability, embedding it into our Shari'a compliant products, services, and operations. We envision a future where ADIB is a leading driving force in the global movement towards sustainable development.

With steadfast commitment and a proactive approach to innovation, ADIB is poised to embrace the challenges and opportunities that lie ahead. Together, we will continue to pave the way for a future where Islamic banking and sustainability are inextricably linked, creating a legacy of positive impact for generations to come.

I extend my heartfelt gratitude to our customers, employees, and shareholders for their unwavering support and trust. Your partnership is the foundation upon which we build our shared, sustainable future.



H.E. Jawaan Awaidha Suhail Al Khaili
Chairman

AN INTRODUCTION FROM OUR **ACTING GROUP CEO**

“Across ADIB Group, we are driving our sustainability agenda forward and have formalised a 3-year ESG strategy that is woven into everything we do, ensuring we embed ESG into all aspects of our business.”

Abu Dhabi Islamic Bank is pleased to present its ESG Report of 2023. This past year has been a true testament to the impact of ADIB's purpose to being a lifelong partner to our customers, colleagues and our communities. This overarching goal permeates our bank's strategy and informs the way we move forward in our journey in being a leader in sustainable Islamic finance.

We are committed to supporting and aligning our strategy and

operations with the United Nations' (UN) Sustainable Development Goals (SDGs), which promote human rights, labour standards, environmental protection and anti-corruption. These actions have been captured by the improvement in our ESG ratings across multiple agencies, including an increase to 40 in the S&P CSA, a movement from high to medium risk in Sustainalytics, and maintaining our A rating on MSCI.

As a major institution in the UAE, we take inspiration from the national vision of the UAE and the leaders of the UAE who have again named this year the year of sustainability and are working in partnership with our stakeholders to create value and opportunities to all.

2023 was a landmark year for ADIB in our sustainability efforts during which we made tremendous strides from launching a defined ESG strategy, to

finalising our ESG governance framework and disclosing ESG related policies. One of the most impactful highlights of this past year has been the issuance of the world's first US dollar denominated Green Sukuk, at \$500 million, confirming ADIB as a leader in sustainable Islamic issuances and products. We moved forward this year in our Net Zero journey, with a full baselining of our operations and financed emissions, and the creation of Net Zero targets to support the decarbonisation of our portfolio. Our commitment was further solidified with ADIB becoming a member of the UNEP FI and a signatory to the Principles of Responsible Banking; a journey that we are excited to share with you in the coming years.

2023 saw progress being made in our sustainable finance targets with our portfolio reaching AED 5.567 billion, which we are committed to growing over the next few years. We have also seen progress in reducing our emissions at a Group level, and moving forward we aim to improve and align our tracking mechanisms to global standards. These efforts are only further bolstered by embedding ESG into the governance of the Bank, which we achieved through the

creation of board and management level ESG committees.

ESG awareness and education across the organisation was a key priority for us and continuous learning will ensure stakeholders are up to date on latest sustainability standards and regulations.

Our People-centric Organisation ethos has guided us in creating an inclusive and empowering workplace, aligning our human capital with our ESG objectives.

Our commitment to professional growth is evident in the increase in training hours and programs provided to our talents.

Finally, we recognise that the journey towards sustainability is ongoing, and we remain committed to continuously improving our ESG performance. I am extremely proud of our achievements to date, and look forward to continuing to work with our stakeholders on our sustainability journey. On behalf of everyone at ADIB, we look forward to working with all of you to create a better future.



Mohamed Abdelbary
Acting Group Chief Executive Officer

MESSAGE FROM THE SUSTAINABILITY DEPARTMENT

We are very pleased to introduce ADIB's 2023 ESG report. This report is an important component in our ongoing engagement with different stakeholders and it outlines all the progress that was made over the past year as well as our commitment and ambitions for the future.

In 2023, we made good progress in setting up our ESG foundations including establishing a new ESG department, finalizing our 3-year strategy, setting defined and clear targets for the future and starting on our Net Zero project.

AS PART OF THIS NET ZERO PROJECT, WE CALCULATED OUR BASELINES FOR FINANCED EMISSIONS ACROSS OUR PORTFOLIO AND DEFINED TARGETS FOR THE HIGHEST EMITTING SECTORS.

We also worked on finalising our ESG Governance and Risk Management framework, launched our ESG board and management committees and integrated ESG as a risk into our corporate enterprise risk register.

We advanced our journey to Net Zero in our own operations where we achieved a reduction of 7.9% in our scope 1 and 2 emissions per employee compared to our 2022 baseline. As we worked towards our goal of embedding ESG into our culture, we renewed our

commitment to ESG awareness where the ADIB Board, Executive Management and staff have placed greater emphasis on acquiring the knowledge and skills needed to promote sustainable development across the Group.

Our efforts have not gone unnoticed in our industry. We were awarded the best Islamic bank for ESG by Global finance, and we take great pride in such recognition, which we believe is the result of our continuous commitment towards sustainability.



PURPOSE-DRIVEN BANK

- ABOUT ADIB
- ADIB STRATEGY
- ADIB BUSINESS MODEL
- WHERE WE OPERATE
- INVESTMENT HIGHLIGHTS
- ESG HIGHLIGHTS
- KEY FINANCIAL HIGHLIGHTS
- AWARDS AND RECOGNITION

ABOUT ADIB

Abu Dhabi Islamic Bank (ADIB) is a leading bank in the UAE and one of the largest Islamic banks globally. Headquartered and listed in Abu Dhabi, ADIB was incorporated in 1997 to serve as the first Islamic bank in the Emirate of Abu Dhabi. The bank currently serves more than 1.2 million customers through a comprehensive range of Shari'a compliant products and services that combine a highly personalised customer experience with world-class digital banking services. We are a full-fledged financial service provider that offers Shari'a compliant banking solutions for individuals, corporates and affluent customers. In addition, the wider ADIB Group provides brokerage, real estate

and property management, payments and insurance services.

Since its foundation, ADIB's market position has been the go-to bank for UAE nationals.

Our national presence, innovation, relevance, and Shari'a compliant business model means that ADIB provides the right banking solutions for its customers, with a deep understanding of their needs and ambitions, their lives, and plans. ADIB is committed to being a responsible corporate citizen and to managing its business in a way that creates value for customers, shareholders, employees, and the communities in which we operate.

CREDIT RATINGS

ADIB has consistently showcased strong financial resilience as evidenced by the unwavering A2 and A+ ratings from Moody's and FitchRatings respectively from 2021 through 2023.

This sustained high-grade credit standing highlights the Bank's solid fiscal health and dependable creditworthiness.

MOODY'S		
2021	2022	2023
A2	A2	A2

FITCHRATINGS		
2021	2022	2023
A+	A+	A+

OUR STRENGTHS AND CAPABILITIES



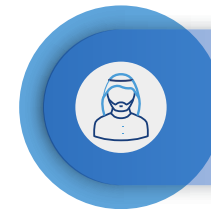
A DIVERSE AND EXPERIENCED TALENT POOL

More than 5,000 employees across 52 nationalities



A DIVERSIFIED BUSINESS MODEL

Full range of banking services available for more than 1.2 million customers



A UNIQUE MARKET POSITION

The go-to bank for UAE Nationals



STRONG FUNDAMENTALS

A record-breaking performance with one of the highest ROEs in the market

ESG RATINGS

Over the course of three years, we have maintained a stable 'A' rating from MSCI, reflecting consistent management of environmental, social, and governance risks. In a notable improvement, Sustainalytics has marked ADIB's transition from 'high risk' to 'medium

risk,' with the risk score dropping from 34.25 to 29.6. Furthermore, we have demonstrated significant progress in our S&P DJSI CSA scores, surging from 17 to 40, which signals a robust ESG performance and capability in managing ESG-related risks.

31.59	34.25 <small>HIGH RISK</small>	29.6 <small>MEDIUM RISK</small>	A	A	A
2021	2022	2023	2021	2022	2023
SUSTAINALYTICS			MSCI		

12	17	40
2021	2022	2023
S&P DJSI CSA		

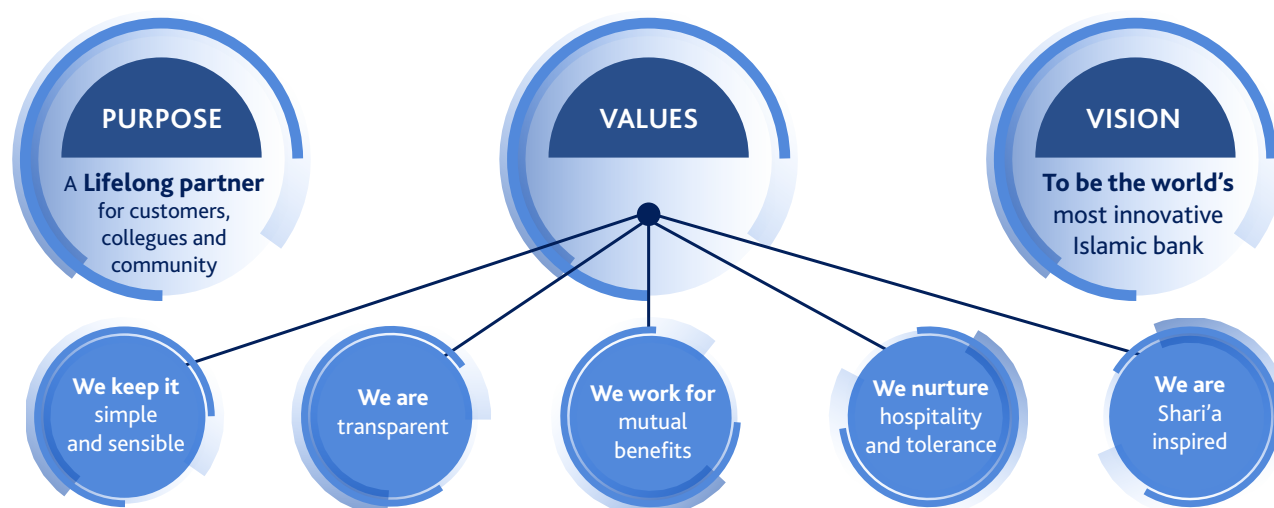
ABU DHABI ISLAMIC BANK'S CORPORATE STRATEGY

ADIB's five-year corporate strategic plan is designed to support the Bank's purpose, vision, and mission ensuring sustainable growth and impactful contributions across all operations.

The corporate strategy spans across four main pillars which are informed by ADIB's values and supports the Bank to continue to deliver value to both the business and its stakeholders.

ADIB Strategy

Our Purpose, values and vision are supported by a clear set of strategic goals.



CONTINUOUS INNOVATION	SEGMENT FOCUSED	DIGITAL EXCELLENCE	SUSTAINABLE FUTURE
<ul style="list-style-type: none"> Innovate Shari'a-complaint banking products Positioning ourselves at the centre of the Islamic FinTech Ecosystem, attracting the best capabilities through joint ventures and partnerships Deliver a market leading Islamic Wealth Management business Build and scale our Asset management capability 	<ul style="list-style-type: none"> Grow and strengthen existing segments, and expand to new segments Expanding Shari'a compliant products and services delivered to our existing strong Emirati customer base Selectively adding clients in segments such as Business Banking and Expats Expand offerings to large and medium-sized corporations Better cross sell Shari'a compliant products and services Establish FI as a major growth engine Growing share of wallet with existing clients and particularly their operating accounts 	<ul style="list-style-type: none"> Elevate customer convenience through digitalisation Build a modern technology foundation to create a bank of the future with market first propositions, new revenue models and disruptive technology Become a data-driven company through advanced analytics and AI Deliver operational and sales efficiency by migrating all sales and services to full end-to-end digital channels 	<ul style="list-style-type: none"> Optimise, grow & develop human capital Reinforce risk & compliance culture Embed sustainability into our Islamic banking DNA Develop and roll out an ESG strategy and roadmap that supports the UAE vision, using our Shari'a credentials to differentiate us Innovate new ESG focused Shari'a compliant banking services and products

BUSINESS SEGMENTS

ADIB conducts business across four main segments which include:

% of Group Revenue	Business Segment	Description
53%	Retail Banking	Targets individuals and SME entities Product ranges offered include everyday banking products such as current accounts, deposits, cards, finance, wealth products, etc.
15%	Wholesale Banking	Focuses on large corporations, Government-Related Entities (GREs) and financial institutions (FIs). Product offerings include investment and corporate finance, corporate banking, contracting and commercial banking, transaction banking, liquidity, trade finance, payments and cash management services. ADIB offers wholesale banking internationally in Iraq, Qatar and Sudan.
4%	Treasury	An active investor in the global sukuk market, offering investment opportunities to customers and using sukuk assets to manage the bank's balance sheet. Expertise in Shari'a compliant transactions including FX, rates, hedging, money markets, equity and sukuk execution. Treasury also manages ADIB's balance sheet and asset/liability mix.
28%	Other, including Associates and Subsidiaries	ADIB is present in the following countries for the following services: <ul style="list-style-type: none"> ADIB Egypt caters to the needs of corporate and retail customers. ADIB UK offers commercial and industrial real estate asset classes.

WHERE WE OPERATE

ADIB at a glance

ADIB is a full-fledged financial service provider that offers banking solutions for individuals, corporates and affluent customers. In addition, the wider ADIB Group provides brokerage, real estate and property management, payments and Takaful services.

Branches

100+

Subsidiaries & Joint Ventures

10

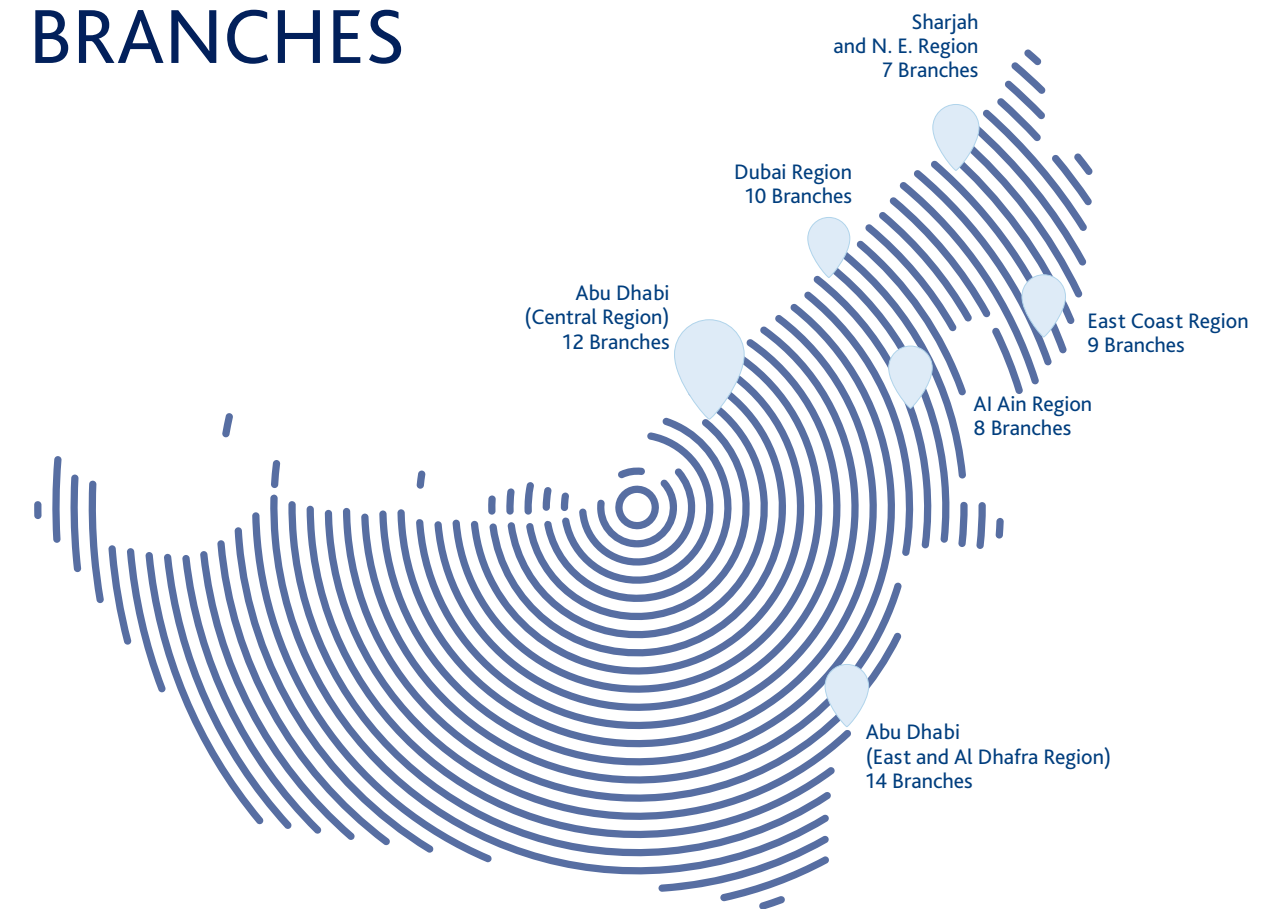
Representative offices

2

International Presence



BRANCHES



Abu Dhabi Central Region

1. Al Najda Branch
2. Al Wahda Mall Branch
3. Abu Dhabi Police GHQ Branch
4. Sheikh Zayed Main Branch
5. AD Chamber of Commerce Cash Office
6. Sheikh Khalifa Energy Complex Branch
7. ADIA Cash Office
8. Al Bateen Branch
9. Marina Mall Branch
10. Nation Towers Branch
11. Abu Dhabi Judicial Department Branch
12. Khalifa A City Branch

Abu Dhabi East Region

13. Baniyas Branch
14. Mussafah Branch
15. AD Airport Branch
16. Dalma Mall Branch
17. Bawabat Al Sharq Mall Branch
18. Shahama Branch
19. Yas Mall Branch

Abu Dhabi Al Dhafra Region

20. Madinat Zayed Branch
21. Al Sila Branch
22. Al Marfaa Branch
23. Dalma Island Branch
24. Liwa Branch
25. Gayathi Branch
26. Ruwais Mall Branch

Al Ain Region

27. Al Ain Branch
28. Al Jimi Mall Branch
29. Al Yahar Branch
30. Al Wagan Branch
31. Oud Al Tobba Branch
32. Al Bawadi Mall Branch
33. Makani Mall Branch
34. Al Tawaam Branch

Dubai Region

35. Sh. Zayed Road Branch
36. Arenco-DIC Branch
37. Dubai Mall Branch
38. Second of December Branch
39. Al Barsha Mall Branch
40. Nad Al Hamar Branch
41. Al Muhaisnah Branch
42. Al Qusais Branch
43. Nad Al Sheba Branch
44. Deira Branch

Sharjah and N.E. Region

45. Sharjah Branch
46. Ajman Branch
47. Zawaya Walk Branch
48. Umm Al Qaiwain Branch
49. Al Rahmania Mall Branch
50. Al Buhairah Branch
51. Al Juraina Branch

East Coast Region

52. Fujairah Branch
53. Ras Al Khaimah Branch
54. Dibba Branch
55. Khorfakkan Branch
56. Al Dhaid Branch
57. RAK Airport Road Branch
58. Kalba Branch
59. Al Hamra Mall Branch
60. Fujairah City Centre Branch

INVESTMENT HIGHLIGHTS

Strong Management, Solid Fundamentals and Clear Strategy

As one of the world's leading Islamic financial institutions, ADIB is focused on creating long-term value for all our stakeholders while delivering superior and sustainable shareholder return.

A Unique market position in the UAE

+200,000



New customers in 2023

1.2 million

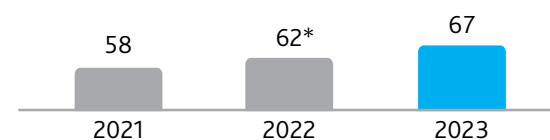
Customers

15%



UAE market share in Retail banking

Improving Net Promoter Score (NPS)



*Restated Figure

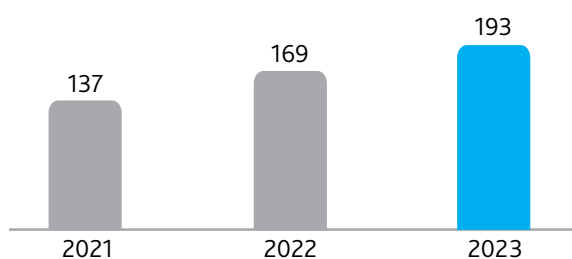
+600,000



UAE Nationals customers

Strong fundamentals

Total Assets (AED Bn)



- Robust governance framework and reputable Board
- Stable and experienced Executive Management
- Solid capital generation

12.2%

CET1



AED 37 Bn



Market capitalisation (As of Dec 31st 2023)

Geographic footprint

60



Branches in UAE

70



Branches in Egypt

+500



ATMs

7



Presence in 7 markets

Diverse ownership

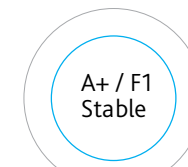
Other UAE Nationals
36%

Foreign Ownership
17.6%

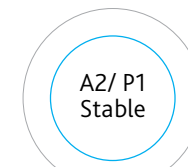


Emirates International Investment Company (EIIC)
46.4%

High investment-grade credit ratings

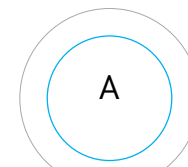


Fitch



Moody's

High ESG Rankings



MSCI



Sustainalytics



S&P Global

Organisational Strength

- Comprehensive professional training and career development programs
- Committed to diversity and inclusion

+300,000

Training Hours



+50

Nationalities

39%

Female

44%

Emiratisation

Committed to ESG and sustainability

- 3 year ESG strategy
- Pledge signed to align with UAE's Net Zero plan
- Robust ESG governance framework
- Inaugural green sukuk issued to finance green initiatives

AED 5.567 billion

Sustainable finance by 2023



ESG HIGHLIGHTS 2023

Establishment of
ESG BOARD
and Management Committees



Finalised a 3-year
ESG STRATEGY



Zero

Data Breaches



Female Board Representation
14%



ESG RATINGS

MSCI A | Sustainalytics 29.6 | S&P CSA 40



Setting
NET ZERO Targets



Total Training Hours
325,124



Number of Nationalities
50+



Local Procurement Spending Over
80%



Emiratization
44%



Community Targeted Initiatives
100



Women in Workforce
39%



Customer NPS score
67%



SME Financing Over AED
1.4 Bn



Sustainable Finance Facilitated Over AED
5.567 Bn



Sustainable Finance Framework
SPO
Approved



Developed
ESG Risk Policy and Framework



Issued the world's 1st dollar denominated green sukuk by a bank
USD **500 Mn**



2 NEW green finance products



ALIGNING TO THE GOVERNMENT ENVIRONMENTAL EFFORTS

The UAE's climate plan envisions a holistic transformation towards a green, inclusive, and resilient economy, aiming for net-zero emissions by 2050. In the latest update in 2023, the UAE has updated its Greenhouse Gas (GHG) target as part of its climate action plan signifying a proactive approach to mitigate climate change and align with international commitments. Nonetheless, the enhanced GHG target is described as an absolute economy-wide target, covering emissions from all sectors of the economy¹.

Our role as a financial institution is crucial to this strategy, as we can support mobilising investments in clean, sustainable, and renewable energy projects and enable sustainability across all sectors. This can be done through developing sustainable Shari'a compliant financing frameworks, issuing green Sukuk to fund 'green' projects, and aligning corporate governance with sustainability goals. We understand that our efforts are instrumental in channelling capital into initiatives that support the nation's climate objectives, facilitating the transition to sustainable infrastructure and technologies.

As a proud Emirati bank, we continually align our overarching goals and strategies with the national goals of the UAE, especially in regard to climate mitigation efforts.

National goals	Our contributions
Net Zero by 2050	ADIB is currently working on developing a Net Zero strategy.
30% clean energy capacity mix	ADIB's Sustainable Finance Targets & Green sukuk issuances support this target.
8% reduction in transport sector emissions	ADIB's supports this target through our VOLT Electric Vehicle financing product.
Renewable energy investments for 3x more renewables by 2030	ADIB's Green finance initiatives sustainable finance framework supports renewable energy projects.

¹UAE Third Version of Second NDC_v15.docx (unfccc.int)

A MILESTONE IN ISLAMIC BANKING

Geared to support and align with the UAE's Net Zero Goal 2050 and Abu Dhabi Economic Vision 2030, ADIB has recently completed its green USD Sukuk offering, successfully raising USD 500 million.

This issuance marks the first green US dollar denominated Sukuk issued by a financial institution. Furthermore, this Shari'a-compliant Sukuk will be listed and traded on the London Stock Exchange's International Securities Market and Sustainable Sukuk Market [\(read more here\)](#).



ADIB @ COP28

During the COP28 event, the UAE Banks Federation, of which ADIB is a member, committed to a monumental initiative to mobilise over AED 1Tn in sustainable finance by 2030. This commitment demonstrates ADIB's alignment with the national ambition for sustainable development and marks a significant contribution to the UAE's transition to a green economy.

CONTRIBUTIONS AT COP 28

The COP28 UN Climate Change Conference, held in Dubai, UAE, is a global event, which attracted over 85,000 participants, including 150 heads of state and government. As the conference marked the first 'global stocktake' under the Paris Agreement, it was a defining moment for climate action assessment. Revealing a need to address crucial areas, from emissions reduction to climate resilience and support for vulnerable nations, COP28 became a catalyst for a unified, accelerated response. Nations left with a renewed urgency to hasten the energy transition towards renewables, setting a decisive course for action up to 2030.



OVER **8,000**
VISITORS
ENGAGED WITH OUR STAND
AT COP28.



During this global gathering, ADIB showcased its contributions to Islamic financing which is fundamental towards achieving Net Zero and Sustainable Development Goals.

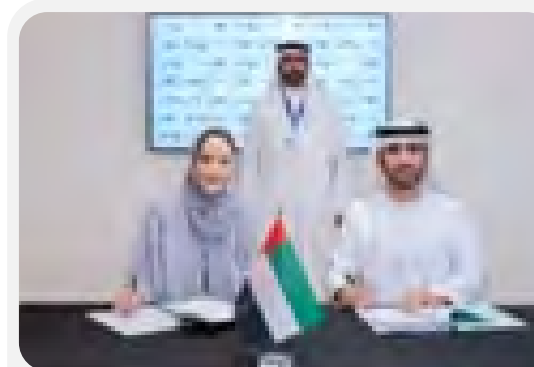
Highlights from COP



ADIB engages in a strategic partnership with the "Butterfly" foundation, which is specialised in supporting people of determination, to enhance its commitment to workplace inclusion.



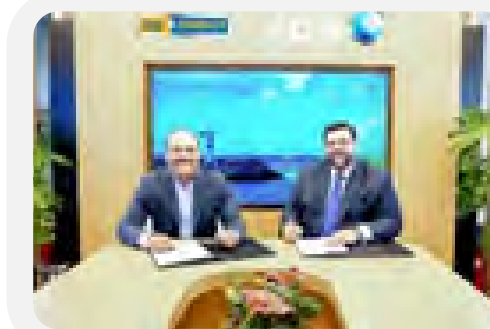
ADIB has formed a strategic partnership with UAE-based electric vehicle manufacturer NWTN to finance the purchase of Rabdan One, the first homegrown electric vehicle in the UAE with the lowest financing rates in the industry at 1.79%.



ADIB signs a partnership with Emirates Nature to help grow individual capacities for citizen science, nature and climate.



ADIB signs with the Principles of Responsible Banking (PRB) by UNEP FI, to enable the Bank's work towards creating more positive value.



ADIB has launched a green Shari'a compliant financing product in partnership with Sharaf DG Energy, aimed at facilitating the adoption of clean energy in homes across the UAE.

CARBON FOOTPRINT CALCULATOR

At COP28, ADIB showcased its carbon footprint calculator, a tool designed to engage users in an interactive assessment of their personal environmental impact.

By examining lifestyle choices, including transport, consumption, and purchasing habits, the calculator presents a tailored carbon emissions profile. It provides a detailed view of how individual behaviours contribute to overall emissions, empowering users to make informed decisions towards a more sustainable lifestyle by pinpointing opportunities for carbon footprint reduction.

ADIB led two panels on Islamic finance's pivotal role in the net-zero transition and societal empowerment through financial resilience. Highlighting a synergy between Islamic and green finance, ADIB engaged industry experts in exploring strategic contributions to sustainability and the expansion of market presence. The discussions underscored Islamic finance's potential in supporting green projects and social development—core aspects of ADIB's ethos.

Panel 1: Leveraging Islamic Finance to Achieve the Net Zero Transition

In the first panel, ADIB gathered experts to discuss the role of Islamic Finance in supporting the move towards Net Zero and improving market sustainability. The discussion included insights from leaders in the field highlighting how Islamic Finance can contribute to a sustainable future.

Panel 2: Empowering Society Through Financial Resilience

Keynote speakers for the second panel discussed the importance of building resilience at all levels of society for a stable and sustainable future. The discussion centred on enhancing financial resilience in society through financial empowerment and the role financial institutions can play to support, from promoting financial inclusion, education, to access to sustainable banking services.

As the region accelerates climate action, ADIB is proud to champion these efforts. In addition to the two panel discussions the Bank has hosted, ADIB contributed to a series of initiatives in thought leadership that centre on sustainable finance and transitioning to Net Zero.



ADIB JOINS A NETWORK OF BANKS WORLDWIDE, LEVERAGING OUR COLLECTIVE STRENGTH TO FORGE A SUSTAINABLE FUTURE

In a world where every decision impacts our shared future, we are proud to share that we have joined the Principles of Responsible Banking (PRB). Endorsed by the United Nations Environment Programme Finance Initiative (UNEP FI), the Principles of Responsible Banking are a catalyst for transforming the banking industry to a sustainable future. PRB aims to create a standardised and unified framework for the banking sector regarding a set of principles on increasing responsible banking commitments.

By becoming a signatory to these principles, we are aligning our business strategy and goals with the UN SDGs, and the Paris Climate Agreement. We aim to take a leadership role through applying these principles.

Through this membership, ADIB commits to:

- **Alignment:** Ensuring that our ESG strategy supports the wider societal goals, as outlined in the UN SDGs.
- **Impact & target setting:** Continuously increasing our positive impacts while reducing the negative impacts on our environment and society.
- **Clients & customers:** Working responsibly with our clients and customers to encourage sustainable practices and enable economic activities that create shared prosperity.
- **Stakeholders:** Proactively consulting, engaging, and partnering with relevant stakeholders to achieve greater societal goals.
- **Governance & culture:** Implementing a robust governance structure to monitor and be accountable for our actions on this journey towards responsible banking.
- **Transparency & accountability:** Reviewing and reporting on our positive and negative impacts in a transparent and accountable manner.

6 PRINCIPLES DRIVING CHANGE, REALIZING IMPACT



Alignment



Impact & target setting



Clients & customers



Stakeholders



Governance & culture



Transparency & accountability

KEY FEATURES OF THE PRINCIPLES



Comprehensive framework addressing the strategic, portfolio and transaction level across all of the bank's business areas



Alignment with the Sustainable Development Goals and the Paris Climate Agreement



Target-Setting in the areas of most significant positive and negative impact



Transparency and Accountability through public reporting and review

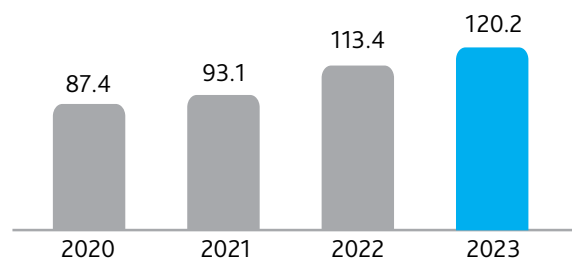


Guidance, expert advice and peer learning to support implementation

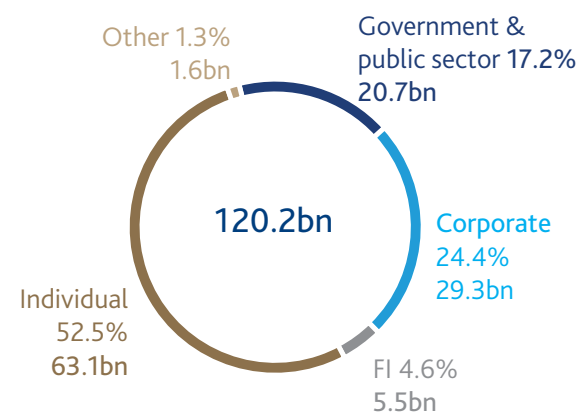
FINANCIAL HIGHLIGHTS 2023

Robust balance sheet

Customer financing, gross
(AED Bn)

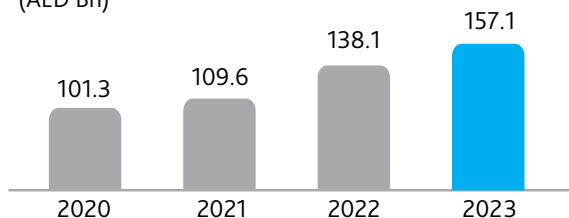


Well balanced customer portfolio



+8 billion AED
of new financing extended in 2023

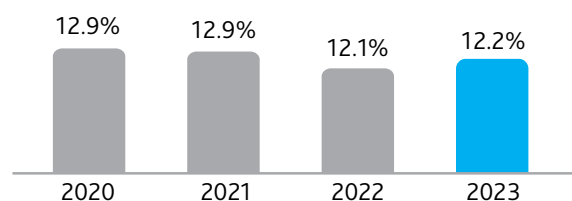
Customer deposits
(AED Bn)



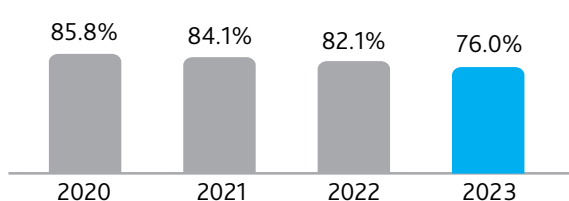
*CASA Ratio as a percentage from total deposits: 65.3%

Healthy capital and liquidity position

a. CET1 ratio

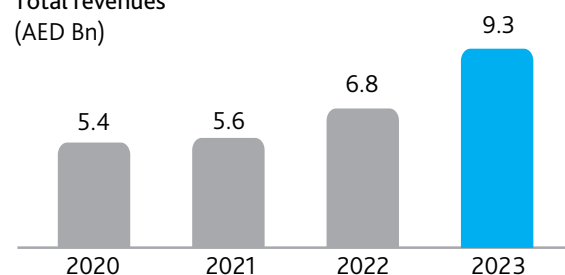


b. Advances to stable fund ratio

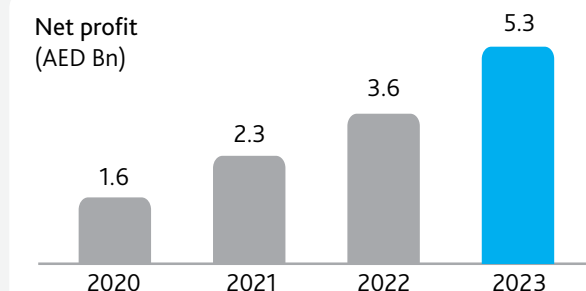


Strong profitability

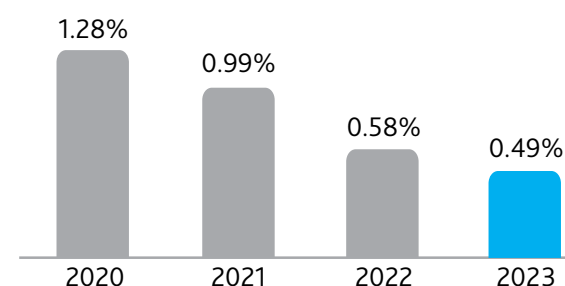
Total revenues
(AED Bn)



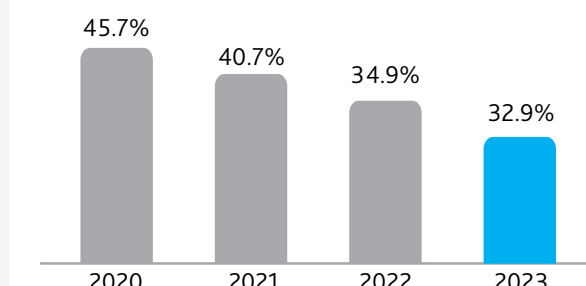
Net profit
(AED Bn)



Cost of risk well within guidance



Cost to income ratio (%)



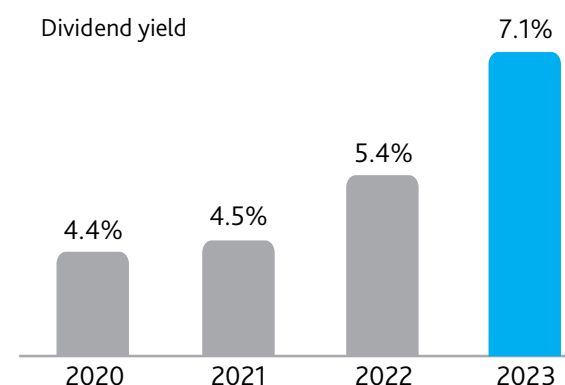
High shareholders' return

Earnings per share

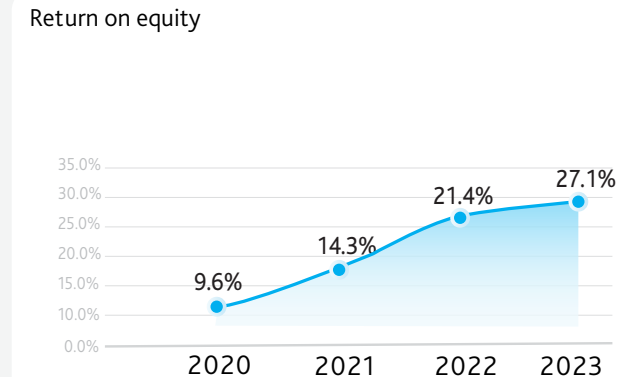
AED 0.9
2022

AED 1.2
2023

Dividend yield



Return on equity



OUR AWARDS AND RECOGNITION

The Sheikh Khalifa Excellence Award (SKEA)

Diamond
category winner

SKEA

MEED

MENA
Islamic Finance
Bank of the Year

MEED

IFN

Best
Corporate
Bank in the UK

IFN

Best
Investment
Bank in the UK

IFN

Best
Corporate
Bank in Egypt

IFN

Best
Investment
Bank in Egypt

IFN

Best
Islamic Bank
in Egypt

IFN

Most
Innovative
Bank in Egypt

IFN

EMEA

Best
Islamic bank
in the UAE

EMEA

The Digital Banker

Best Islamic
Retail Bank
– Middle East

The Digital Banker

Euromoney

Best Islamic
Local Currency
Deal - ADI Capital

Euromoney

Market
leader in Digital
by Euromoney
Market Leaders

Euromoney

Finance & Sukuk Middle East Awards

Global
Sovereign
Sukuk deal of
the year

Islamic
Syndication
of the Year

Real
Estate Finance
Deal of the
Year: Nakheel

Qorus

Silver
category winner
for Customer
Experience
Award

Airline Economics

Airline
Economics
Middle East &
Africa Islamic
Deal of the
Year

MEA Finance

Best Mobile
Banking Service
Implementation

MEA Finance

Best Sukuk
Deal of the Year

MEA Finance

Forbes

ADIB
ranked 34th in
the top 100 listed
companies in the
Middle East

Global Finance

Best Bank
in the UAE

Global Finance

Best
Islamic bank
for ESG

Global Finance

Best
Islamic bank
UAE

Global Finance

The
innovators
Top Innovators in
Finance2023 – Payments

Global Finance

2023
transaction
banking award

Global Finance

The Banker

Deal of the
Year - Africa
- Islamic Finance

The Banker

Best
Private Bank
for Islamic Services
(Global)

The Banker

Best
Private Bank in
the Middle East
for Customer Service (Regional)

The Banker

Best
Private Bank
in the UAE
(Country)

The Banker

OUR APPROACH TO SUSTAINABILITY

At ADIB, we believe finance has a key role to play in building a cleaner, fairer world. We believe that as a leading Islamic bank, we have a unique role to play in creating positive impact on our staff, communities, and customers. We are committed to playing our part and making a difference in the way we interact with our nature and with all our stakeholders.

Our commitment to ESG principles began in 2017 with the publishing of the Bank's first sustainability report ([read the report here](#)). Since then, ADIB's journey has been marked by strategic development, significant milestones, and a steadfast commitment to responsible banking.

In 2023, we finalised our ESG strategy, and continued to embed ESG into our day-to-day operations. Our ESG strategy guides our approach to manage ESG as we seek to create long-term value for stakeholders in a sustainable way. The strategy is built around three key pillars, reflecting the most important areas where ADIB can operationalise its vision and ambition over a three-year period, with clear

roles and responsibilities designated for the various teams and departments in the Bank.

At the heart of our strategy lies the unique, untapped potential of Islamic banking to foster sustainability. By aligning Islamic principles with sustainability objectives, ADIB not only aims to transition from negative to positive screening, but also seeks to occupy a pioneering role in a sector ripe for leadership.

Our roadmap and initiatives for each pillar are designed to embed sustainability into ADIB practices and DNA. This strategic endeavour aims to align with the UAE's Vision and to resonate with global sustainability commitments, thereby reinforcing our leadership in sustainable Islamic banking and operational excellence.



ADIB'S ESG STRATEGY FRAMEWORK



MANITAIN HIGH STANDARDS OF GOVERNANCE

- Integrate ESG into our governance structure
- Develop ESG procurement strategy
- Cultivate ESG driven culture through trainings and Key Performance Indicators
- Attain best-in-class data privacy and cybersecurity
- Report on ESG as per market and legal requirements
- Embed ESG risk framework



MAXIMISE POSITIVE IMPACT

- Issue Shari'a compliant sustainable and green finance products
- Develop a Net Zero strategy including finance emissions
- Integrate ESG considerations and due diligence in investment & finance decisions
- Build internal capabilities and financial solutions to support customers' transition to low carbon economy
- Integrated climate considerations into our risk management processes to ensure resilience of our business



BE A LIFELONG PARTNER

- Develop financial inclusion policy and programs
- Establish financial literacy programs for retail and SMEs customers
- Develop a gender diversity strategy
- Develop Employee wellbeing plan
- Become an increasingly learning-oriented organisation
- Implement Emiratization strategy
- Drive social responsibility via community engagements and volunteerism



OUR ESG JOURNEY

2017

- Published the first Sustainability Report "Exploring new avenues towards sustainable banking"
- Awarded for our commitment to (CSR) from the regional CSR Network Consultancy.
- Launched an award-winning Strategic Emiratization Programme.
- Received the LEED Gold certification for the HQ

2018

- Celebrated 20 years of operations
- Launched a new digital transformation strategy called ADIB Simple to enable accessibility to banking services

2019

- Opened the innovative digital lab "ADIB Simple Lab"
- Recognised by Mohammed bin Rashid Al Maktoum Business Awards

2020

- Named by customers as the "Most helpful bank during COVID-19".
- Received Gold category Sheikh Khalifa Excellence Award
- Contributed AED 25 million to Ma'an's 'Together We Are Good' programme,

2021

- ADIB revamped its business strategy with a new vision and purpose and embed sustainability as part of its strategic pillars.
- Developed new sustainability-linked Shari'a compliant financing solutions.
- Launched "Amwali" the first digital Islamic bank for youth.
- Became the first UAE bank to establish an on-site nursery for the children of employees.
- ADIB became signatory of Abu Dhabi sustainable finance declaration

2022

- Updated the bank's materiality and ESG framework.
- Partnered with Harvard to empower UAE National talent
- Participated in our first green finance deal in KSA with \$61 million green financing provision.



TODAY






OUR ALIGNMENT WITH LOCAL AND GLOBAL VISIONS, STANDARDS AND GUIDELINES

As a leading Islamic bank, we are committed to aligning our activities with local and global strategies including the Abu Dhabi vision, the UAE green agenda, the UAE Net Zero by 2050, the UN sustainable development goals and the UN Global compact.

SIGNATORIES

	Principles of Responsible Banking	In 2023, ADIB has joined the Principles of Responsible Banking (PRB). Endorsed by the United Nations Environment Programme Finance Initiative (UNEP FI), the Principles of Responsible Banking are a catalyst for transforming the banking industry to a sustainable future. By becoming a signatory to these principles, we are aligning our business strategy and goals with the UN SDGs, and the Paris Climate Agreement. We aim to take a leadership role through applying these principles.
	Abu Dhabi Sustainable Finance Declaration	ADIB is proud to be part of the Abu Dhabi Sustainability Group, and a signatory of UAE Sustainable Finance Declaration which supports sustainable financing for economic development.
	UAE Climate Responsible Companies Pledge	ADIB has signed the UAE climate responsible companies pledge. The pledge forms a nucleus of future collaboration among the private sector, NGOs, and international organisations.
	UAE Leaders of Change	ADIB partnered with Emirates Nature-WWF's 'Leaders of Change' programme, reinforcing its commitment to environmental stewardship and community engagement. 200 employees will be trained through the programme.

REPORTING

	GRI Global Reporting Initiative	Our non-financial reporting is presented in our annual ESG report that is done according to the GRI standards
	Green Bond ICMA principles	Our sustainable finance framework follows the international capital market association ICMA principles and Shari'a
	Abu Dhabi Securities Exchange ADX ESG disclosure guidance for listed companies	We disclose our ESG performance in alignment with ADX ESG guidelines

ALIGNMENT

	Abu Dhabi Vision	ADIB is committed to the growth of the UAE and Abu Dhabi by supporting the UAE sustainability objectives.
	UAE Net Zero by 2050	ADIB Net Zero transition initiative is aligned with the UAE Net Zero by 2050
	UN Sustainable Development Goals (SDG)	At ADIB, we align our business practices and sustainability performance to the relevant SDGs

OUR ESG MATERIALITY

ADIB's sustainability framework is structured around three themes and six pillars that enhance the Bank's values and mission, guided by the vision of becoming "The world's most innovative Islamic bank".

In line with our values of transparency and simplicity, the Bank has undertaken a review of the material topics, resulting in an update of material topic names to ensure they accurately reflect our ESG goals as stated in the ESG strategy. This process is not just about alignment, but about better telling ADIB's story and ESG journey, hence making the actions and intentions clearer to the stakeholders. For example, ADIB has updated the Environmental Footprint topic to become Environmental and Climate Impact, to further communicate the Bank's commitment to climate

and Net Zero national and international goals.

At ADIB, we ensure to include our internal stakeholders in the validation and review of the Bank's materiality assessment.

By conducting a thorough materiality, we have identified the topics through which it has the most significant positive and negative impacts. ADIB's management were integral in reviewing, validating and approving the materiality process, showcasing strong ownership and the importance of sustainability to the Bank. ADIB's approach to materiality and framework is both strategic and intentional as they both inform the Bank's ESG strategy and roadmap, influencing decision-making, resource allocation, and how efforts are communicated. **Refer to the ESG journey section to learn more about the Bank's progress.**

- ① Fostering Governance & Integrity
- ② Boosting Economic Prosperity
- ③ Enhancing Customer Experience
- ④ Ensuring Responsible Banking
- ⑤ Safeguarding Data Privacy
- ⑥ Managing Environmental and Climate Impact
- ⑦ Enhancing Innovation
- ⑧ Expanding Financial Inclusion and Access
- ⑨ Promoting Equal Opportunity
- ⑩ Empowering Learning & Development
- ⑪ Nurturing Community Relations
- ⑫ Prioritising Employee Wellbeing
- ⑬ Leading Emiratisation Efforts
- ⑭ Procuring with Purpose

OUR STAKEHOLDER IMPACT



OUR CUSTOMERS

We are committed to providing the right financial solutions for our customers.



OUR PARTNERS

We are committed to empowering our partners as we believe that our growth relies on our strong relationship with key partners



OUR SHAREHOLDERS

We are committed to delivering superior and sustainable returns to our shareholders



OUR COMMUNITIES

We play a key role in addressing societal needs and gaps



OUR STAFF

We are committed to ensuring the wellbeing of our employees and create an environment that empowers them



REGULATORS


We are committed to complying with all regulations and strive to be a good corporate citizen

STAKEHOLDER ENGAGEMENT





We have an ongoing dialogue with our key stakeholders, which helps us to continuously refine our business strategy.

We define our key stakeholders as those who are most impacted by our business, as well as those with the greatest ability to influence them. They include our investors, customers, employees, partners and communities, as well as regulators. We proactively

engage with these key stakeholders through a variety of channels to both understand and respond to their concerns and interests. The outcomes of the stakeholder engagement inform our understanding of the ESG factors that are material to our business, which helps to define our strategic priorities and guide the development and implementation of our initiatives.

STAKEHOLDERS	COMMITMENT	HOW DO WE ENGAGE
 SHAREHOLDERS	We provide timely and detailed disclosures to enable investors to make informed investment decisions. We also seek their perspectives on our financial performance and strategy, including sustainability matters	<ul style="list-style-type: none">• Quarterly result briefings.• Investor conferences• One-on-one and group meetings with over 250 investors, conducted• AGM• Annual report• Investor relations app



STAKEHOLDERS	COMMITMENT	HOW DO WE ENGAGE
 CUSTOMERS	We interact with customers to better understand their requirements so that we can provide the right financial Shari'a compliant solutions for them	<ul style="list-style-type: none">• Multiple service channels, including digital banking, call centres and branches.• Regular engagements via relationship managers• Active interaction and prompt follow-up to queries/ feedback received via social media platforms• Regular satisfaction surveys.• Customer Majles, to facilitate dialogue between customers from all segments and the senior bank executives to directly engage in dialog and share their feedback.
 STAFF	We communicate with our staff via multiple channels to ensure that our employees feel connected and informed	<ul style="list-style-type: none">• Staff Majlis where employees have an open discussion with the CEO• Group-wide townhall hosted by the CEO.• Regular department events held by senior management.• Annual "My Voice" Employee Engagement survey• Employee newsletter• Employee WhatsApp group• Mailer and intranet
 COMMUNITY AND PARTNERS	We are committed to engaging with the community and partners to better understand the role we can play to address societal needs and gaps.	<ul style="list-style-type: none">• Regular events and conversations with Businesses and community partners to understand the social landscape and how ADIB can partner to create impact.• Connection with government bodies and associations• Community engagement and partnerships within the public
 REGULATORS	We strive to be a good corporate citizen and advocate by providing input to and supporting the implementation of relevant local and global laws, regulations, guidelines, and public policies.	<ul style="list-style-type: none">• Regular engagement sessions with regulators and government bodies• Sharing insights and providing feedback to regulators• Actively participating in regulator working groups, committees or forums.• Actively participating in local, regional, and international industry forums on financial regulation.• Actively responding to, or providing feedback on Consultation Papers, draft regulations or guidelines, or policy statements or papers





PILLAR 1:

COMMITTED TO GOVERNANCE EXCELLENCE

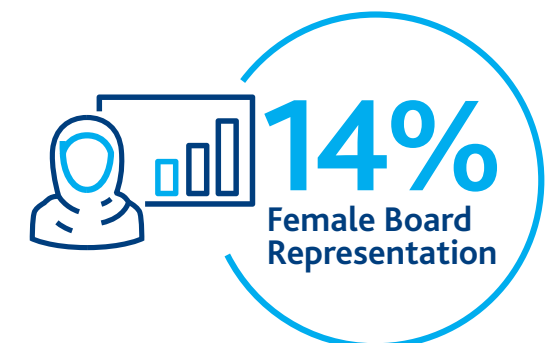
MATERIAL TOPICS	<ul style="list-style-type: none">Fostering Governance & IntegritySafeguarding Data Privacy
UNSDGs	<div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
UAE VISION 2030	<ul style="list-style-type: none">Building an open, efficient, effective and globally integrated business environmentDeveloping a sufficient and resilient infrastructure capable of supporting anticipated economic growth

COMMITTED TO GOVERNANCE EXCELLENCE

ADIB's commitment to governance excellence is grounded in relevant laws and regulations and marked by a consistent dedication to transparency and high governance standards, in line with our commitment to build an organisation that is best-in-class, resilient, and responsible. Embodying the Bank's value of transparency, our goal is to enhance our reputation and adherence to Shari'a governance requirements, increase long-term value and secure trust and confidence from

investors, regulators, current and future employees, communities and wider stakeholders to ensure accountability for sustainable performance.

Our ESG governance is embedded within our existing governance structure ensuring effective governance and board oversight on ESG related matters to ensure resilience and drive long-term value creation. At ADIB, the Board is collectively responsible for the long-term success of the bank and has ultimate responsibility of our sustainability strategy and reporting. It provides direction and strategic advice to the management.

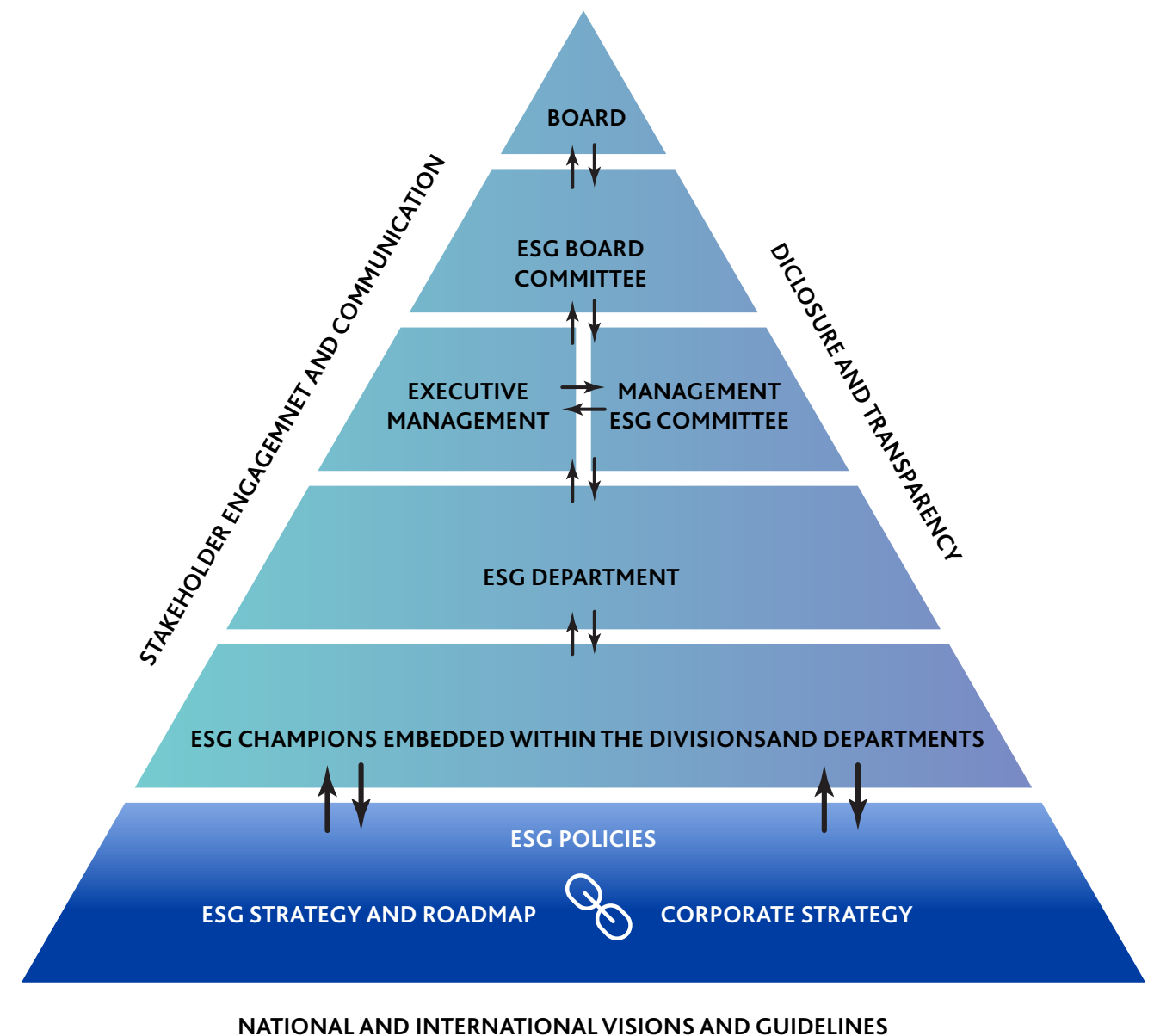


OUR ESG GOVERNANCE APPROACH

In 2023, ADIB further institutionalised ESG principles within its operations. Recognising the critical importance of governance in driving ESG initiatives as well as the Bank's vision, ADIB has established a dedicated ESG Committee both at the Board and the management level, ensuring oversight and strategic alignment with the overarching goals. Moreover, the Board remains the highest sustainability decision making authority. The ADIB's ESG governance framework is a multi-tiered structure that ensures the ESG strategy is both reflective of, and integral to, our corporate

strategy. Anchored by the Board's oversight, ESG responsibility is cascaded through the organisation via the Board ESG Committee, Management ESG Committee, ESG Department, and dedicated ESG Champions within each division. This hierarchy enables the integration of ESG principles into the Bank's corporate strategy and everyday operations, while being guided by our robust ESG policies and aligned with Islamic values and global standards.

Furthermore, stakeholder engagement and communication are also key components of this framework, facilitating a two-way dialogue to incorporate stakeholder feedback into the ESG approach enables a productive dialogue for integrating feedback into our strategic direction. This engagement is critical for maintaining our values of transparency and accountability.



ADIB BOARD OF DIRECTORS

ADIB's Board of Directors plays a critical role in steering the Bank towards achieving our strategic goals. The Board of Directors consists of seven members, all of which are non-executive directors and 71.4% of them serving as independent board members. Members are elected at the Annual General Meeting (AGM), and in line with the regulations of the Central Bank of UAE (CBUAE), and the Group CEO does not serve as the Chair.

The Nomination and Compensation Committee plays a crucial role in succession planning, actively identifying and nominating potential candidates for

future directorship. This includes a concerted effort to nominate female directors across ADIB Group's subsidiaries and affiliates. Detailed performance data can be found on page 176.

The Board undergoes an internal annual assessment process which is in line with the Board Assessment Policy, with an independent assessment conducted at least every five years. Read more about it in 2023 Annual Report [here on page 117](#).

In 2023, the Board has received 10 hours of training, 20% of which covered ESG related topics, mainly on managing ESG related risks.

List of trainings provided to the Board:

- 1 Mergers, Acquisitions and Integration and Group Oversight of Subsidiaries and Affiliates
- 2 Principal Risk Management
- 3 International Financial Reporting Standards
- 4 Financial Crime and Regulatory Compliance
- 5 Shari'a Governance Standards
- 6 Understanding ESG Risks
- 7 Global Macroeconomic Uncertainty and Trends – Inflation and Recession



BOARD COMMITTEES

The Board of Directors is supported by six committees, each dedicated to assisting the Board in its governance and strategic oversight responsibilities.

This year, the Board and its committees have held 57 meetings in total to fulfil their responsibilities effectively. Read more about our committees in the [2023 Annual Report](#).

Nomination and
Compensation
Committee

Risk
Committee

Strategy
Committee

Audit
Committee

Credit and
Investment
Committee

ESG
Committee



ESG BOARD COMMITTEE

The Board established our Board ESG Committee (BESGC) to provide greater governance and oversight over our sustainability agenda, including our Net Zero commitment, which is a strategic priority for the bank. The committee is chaired by Mrs. Maha Al Qattan who brings a wealth of experience in sustainability and ESG, with membership by Mr. Abdullah Al Ahbabi and Abdul Wahab Al Halabi who come from different business backgrounds and bring together complimentary skills and experience. The Board receives regular updates on key sustainability matters. The BESGC is tasked with reviewing findings from audits or performance reviews related to the ESG activities and providing quarterly updates on the progress towards achieving ESG targets, strategies, and initiatives to the Board of Directors. Additionally, it offers guidance and support on ESG matters to the ESG Management Committee

and advises the Board on key ESG trends, risks, and opportunities. This structured approach to governance ensures that oversight, delegation, and accountability are vested at the most appropriate levels within the Bank.

At ADIB, we take an integrated approach to governance of sustainability and climate-related risks and opportunities. The Board Risk Management Committee (BRMC) also have oversight responsibilities for sustainability-related activities. ADIB also has an Internal Shari'a Supervisory Committee (ISSC) which is independent from the Board of Directors and the administrative structure of the Bank. The ISSC is mandated to supervise and monitor the activities and operations of ADIB and its operative charters to ensure compliance with the rules and principles of the Islamic Shari'a. Learn more about the committee's duties, work, and responsibilities in its Annual Report.

ESG MANAGEMENT COMMITTEES

At the management level, the Group ESG committee oversees the execution of sustainability initiatives across the bank. The committee is chaired by the Group CEO and comprises of senior managers from various business and support units.

The committee meets frequently, on a monthly basis where possible. The committee coordinates sustainability efforts and serves as an executive forum for discussions and operational decision-making on sustainability matters.



ESG TRAINING

We have tailored ESG training to support our employees in building skills related to ESG and sustainability. In order to implement our ESG strategy,

we recognise that all employees should be familiar with ESG related matters and therefore, we have made ESG training compulsory for all ADIB staff.

BREAKDOWN OF ESG TRAINING HOURS

TRAINING AND AWARENESS

ADIB Group regularly conducts ESG related trainings for its staff in accordance with the training calendar developed by the Group Learning and Development in agreement with business and other functions. Tailored trainings are conducted for the audience depending on their role in the ESG and ESG risk management process.



ESG POLICIES AND FRAMEWORKS

In 2023, ADIB has also developed and adopted a comprehensive ESG Policy Framework ([read here](#)), which sets the direction for responsible and sustainable practices across our operations. To transparently communicate the Bank's stance and progress on key ESG topics, ADIB has published a suite of ESG-related policies available on the website ([read here](#)).

The entire governance model emphasises disclosure and transparency, reinforcing the Bank's commitment to ESG and our role in sustainable finance.

To integrate an ESG perspective into all of our existing risk management processes, we launched our Group ESG risk policy and framework that will help set an effective ESG risk governance structure and oversight with clear responsibilities across the three lines of defence.

To know more [click here](#).

ESG RISK

ESG related risks as well as the impact they create have become increasingly relevant for financial institutions. We believe that integrating ESG considerations in our financing and investment decisions in alignment with Shari'a principles supports the bank to contribute towards the UN SDGs for building a sustainable world. Within our ESG strategy, we are committed to incorporating ESG considerations within our enterprise risk management framework and establishing robust risk management processes for our financing and investing activities.

Our ESG Risk Policy, including the sector specific guidelines for high-risk activities, integrates ESG risks emanating from credit customers and investees within ADIB's Group's businesses and processes. The Policy is designed to cultivate a strong ESG risk culture within the ADIB Group driven by the Board and emanating to all levels across the organization. The implementation of the Policy follows a phased approach and the ESG risk assessment supplements our customer credit assessment and approval process. Screening criteria under the ESG risk assessment process are applied in parallel to the criteria under ADIB Group's existing credit process.

Key objectives of our ESG Risk Policy:

Integrate material ESG risks into the overall risk appetite framework of ADIB Group.

Establish governance and oversight over ESG risks with clear responsibilities across the Three Lines of Defence.

Identify transmission channels for ESG risks and defining common terminologies and understanding for ESG risks.

Establish, identify, assess, monitor, and report material ESG risks faced by ADIB Group.

Support capacity development for ESG risk management as and when required.

Develop ESG risks awareness and understanding at all levels as well as embed the importance of sustainability in the existing risk culture.

To enhance internal capabilities and create awareness, we conducted focused workshops for our relationship managers (RMs), Credit, and Risk Management teams on the ESG due diligence process and toolkit.

ESG RISK GOVERNANCE

ADIB is fully committed to effective governance with the objective of protecting the interests of all stakeholders. Our ESG risks are managed at three levels as follows:

- Transaction and customer level;
- Portfolio level;
- Enterprise level (stress testing and scenario analysis).

Governance of ESG Risks at ADIB Group is structured across the three lines of defence as follows:

- First Line of Defence (Business Units and RM's): Being originators of ESG risks, the first line identifies, assesses and monitors the risks to ensure the ESG Risk Policy is implemented.
- Second Line of Defence (Credit and Risk Management): The second line ensures compliance with the Bank's ESG risk policies and procedures, sets the ESG risk appetite, reviews ESG risks at the customer and portfolio levels and performs an advisory role for the first line of defence.
- Third Line of Defence (Group Internal Audit): The third line is responsible for independently evaluating the credit and investment portfolios' quality and associated ESG risk management processes for compliance with ADIB Group's policies and procedures.

STRESS TESTING AND SCENARIO ANALYSIS

In line with regulatory requirements, ADIB Group conducts Climate Risk Scenario Analysis and Stress Testing to assess the resilience of exposures to climate-related risks. The Scenario

Analysis and Stress Testing is conducted by Group Risk Management with support from other relevant groups within ADIB Group.

Additionally, specific roles and responsibilities across the governance levels within the ADIB Group are outlined below:

- Board of Directors (BoD): Ultimately responsible for effective implementation of ADIB Group's ESG risk framework. The Board directs the ESG strategic initiatives of ADIB Group through two of its committees, the Board Risk Committee and the BESGC.
- Board Risk Committee (BRC): Ensures a robust ESG risk management culture within ADIB Group by delegating responsibilities for decision making and controls to the relevant internal stakeholders. The BRC oversees ESG risks within the Group and is responsible for approving the ESG Risk appetite and framework.
- Board ESG Committee (BESGC): Oversees ADIB Group's ESG strategy and policies with the objective of setting the tone from the top from an ESG perspective and embedding ESG across ADIB Group's operations in alignment with the relevant laws, regulations, Shari'a requirements and standards.
- Enterprise Risk Committee (ERC): Reviews and recommends ADIB Group's ESG Risk appetite and framework to the BRC for approval. The ERC is responsible for closer technical oversight of ESG risks within the ADIB group and reviews portfolio level assessments, scenario analysis and stress testing results.
- ESG Management Committee: Performs an advisory role for the first and second lines of defence on ESG in consultation with Group Risk Management. The Committee stays updated on the initiatives undertaken by the ERC and Group Risk Management.

ESG RISK STRATEGY

ADIB Group regularly conducts assessment of the various ESG risks and opportunities and their impact in the short, medium, and long term. Such information helps in apprising the stakeholders on the preparedness of ADIB in tackling current and future ESG driven risks.



ESG RISK APPETITE

Group Risk Management is in the process of setting ESG risk thresholds and key risk indicators within ADIB's Group overall risk appetite statement. The indicators are a mix of qualitative and quantitative criteria and are reviewed and approved by the BRC on an annual basis and monitored on a quarterly basis.

ESG RISK IDENTIFICATION

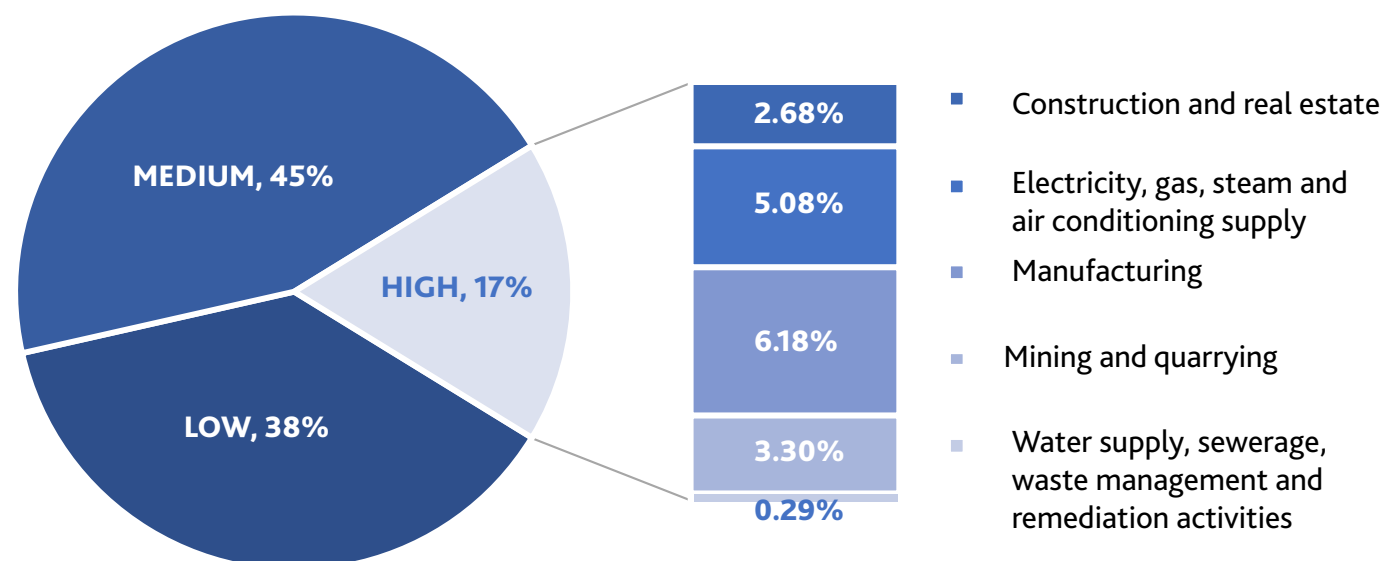
ADIB Group has established a process for identifying ESG risks that could materialise from both direct (through operation of ADIB Group's own premises, infrastructure, and organisational culture) and indirect

(the financial services and support that ADIB Group provides to its customers who may be exposed to ESG risks) channels. The risks and their transmission channels are reviewed by ADIB Group on an annual basis.

MATERIAL HIGH RISK SECTOR

ADIB Group assesses its financing and investments portfolios to identify material restricted and high-risk sectors as per ADIB Group's classification and the concentration of exposure in such sectors relative to the total portfolios. Materiality assessment is performed annually by Group Risk Management as part of its portfolio monitoring mandate. The outcome of the materiality assessment guides credit decision-making through the identification of the high-risk sectors and enables senior management to apply relevant measures and checks to ensure ADIB Group's exposure and concentration remain in accordance with the ESG risk appetite.

ADIB PORTFOLIO ESG RISK



ESG RISK ASSESSMENT

ADIB Group has established an ESG risk assessment process supplementing the existing credit assessment and approval process. Customers and transactions are assessed across multiple ESG dimensions before a decision is made on providing financing or investments. The ESG risk assessment is conducted at the onboarding phase of new customers and as part of periodic credit review for existing customers. The outcome of the assessments four risk categories and will follow the approval as follows:

- **Low Risk:** Standard credit approval process can be followed in disbursing the funds to the customer.
- **Medium Risk:** Whilst the risk is assessed to be at an acceptable level, Business and Group Credit Management may obtain additional ESG information to gain comfort that the risk is unlikely to escalate to High or Severe levels.
- **High Risk:** ADIB Group performs Enhanced Due Diligence to assess in detail the profile of the customer and the characteristics of the proposed transaction before deciding on a financing or investing decision.
- **Severe Risk:** ADIB Group will decline the transaction unless exceptionally approved based on the results of the Enhanced Due Diligence and after agreeing specific risk mitigation plans with the customer.



ADIB Group recognises that certain sectors and activities are more likely to be exposed to higher ESG risks. Accordingly, where a customer or transaction relates to a high-risk sector or is assessed to be High or Severe risk as part of ESG risk assessment process, ADIB Group engages with current and prospective customers in conducting an enhanced due diligence of their profiles, characteristics of the transaction, and agreeing specific risk mitigation actions to bring the ESG risks to an acceptable level.

ESG RISK MONITORING AND REVIEW

ADIB Group actively monitors ESG risks at both the customer and portfolio level on an ongoing basis for

any adverse ESG risk related activity, or potential non-compliance with ADIB Group's policies.

ESG RISK REPORTING

Updates on ESG risk management are reported to ADIB Group's Board and Senior Management on a quarterly basis. The updates and reports consist of quantitative metrics and qualitative assessment to provide a comprehensive view of ADIB Group's exposure to ESG risks. Additionally, ADIB Group publishes sustainability reports based on international standards and expectations and in line with industry standards.

Last year and under guidance by the Central Bank of the UAE, we conducted our first climate stress testing exercise. We are currently in the process of enhancing our methodology for both top-down and bottom-up stress tests and incorporating ESG risks within ICAAP.

We have also established our Net Zero targets and strategy having completed our corporate and financed emissions baselining last year.

Our targets are sector specific which will guide our portfolio alignment efforts and ESG risk assessment activities to ensure our financing and investments are in line with our overall Net Zero strategy.

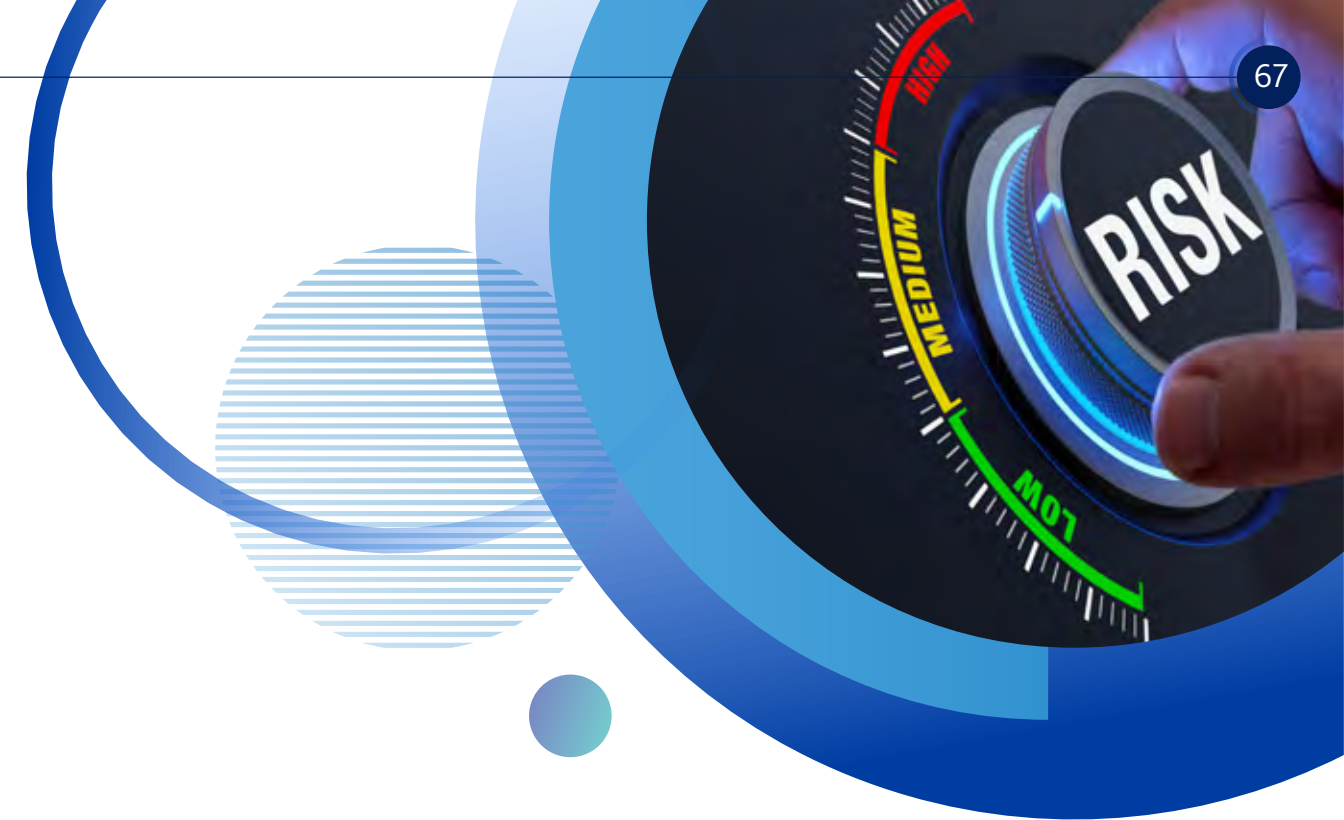
CONFLICTS OF INTEREST AND RISK MANAGEMENT

In managing conflicts of interest, the Bank adheres to structured policies and processes, with supporting mechanisms like maintaining a directors' policy, procedure, and register, to prevent and address potential conflicts proactively.

Communication of critical concerns to the Board of Directors is streamlined through established risk escalation processes. These include management information packs presented to the Board Audit Committee (BAC) and incident management processes integrated into the Bank's Operational Risk Management (ORM) framework through the Governance, Risk, and Compliance (GRC) system. Throughout the year, formal critical concerns, including unsatisfactory reports from

the Group Internal Audit and final reports from the Central Bank of the UAE Thematic Reviews, are communicated to the BAC and addressed appropriately.

Additionally, risk incident reports are directed to the BRC, facilitating prompt and appropriate corrective actions to uphold governance and ethical standards. The upcoming formal integration of ESG risks into ADIB's risk management policy will extend ESG considerations to the BRC. Learn more about the Bank's risk management framework and approach on page 75 in the 2023 Annual Report [here](#).



RISK ASSESSMENT

We have established a risk assessment process that is designed to assess and provide our customers and portfolio with ESG risk ratings.

We combine inputs from our ESG due diligence toolkit that has a list of questionnaires formulated on customers' position related to ESG considerations.

RISK TYPE	DESCRIPTION
Operational risk	The Bank has implemented a detailed Operational risk framework in accordance with Basel guidelines. The Operational Risk management processes are designed to function in a mutually reinforcing manner, and it encompasses Risk & Control Self-Assessment, Loss Data Management, Key Risk Indicators, control testing, Issues & Actions Management and Reporting.
Fraud risk	ADIB Group Fraud Risk Management programme objective is to develop and establish the basis of fraud risk management and anti-fraud controls required for the deterrence, prevention, and detection of fraud against ADIB and its subsidiaries. The Fraud Risk Management programme applies to all ADIB Group departments, subsidiaries, international locations, and business units including all ADIB employees, shareholders, consultants, vendors, contractors, and/or any other parties maintaining a business relationship with ADIB. The programme prescribes the standards to be adhered to by each Business Unit. It also forms the base policy that must be referred to while drafting all policies and operating procedures within ADIB.
Market risk	The Bank uses appropriate models for the valuation of its positions and receives regular market information to regulate market risk. Market risk arises from changes in market rates such as profit rates, foreign exchange rates and equity prices, as well as in their correlation and implied volatilities. The Bank is exposed to diverse financial instruments including securities, foreign currencies, equities, and commodities. Profit Rate Risk arises from the possibility that the changes in profit rates will affect either the fair values or the future cash flows of the financial instruments. The Bank has established commission rate gap limits for stipulated periods. The Bank monitors its structural daily positions about profit rate risk and its impact on earnings as well as the economic value of its shareholders' equity, and it also uses gap management strategies to ensure maintenance of positions within the established gap limits.
Enterprise risk	Detailed reporting of industry, customer and geographic risks acquired takes place frequently. These reports are examined and discussed closely in a series of quarterly portfolio reviews held with senior business and risk managers. Decisions on risk appetite, adjustments to financing criteria and other initiatives are taken as a result of these meetings. Risk reports are presented to the Chief Executive Officer, ERC, the BRC, and the Board regularly. The primary objective of the ERC is to ensure the Bank's enterprise Risk Governance Framework, related policies, systems and practices are fully aligned with the Board approved strategy and risk appetite. The ERC also ensures risk governance of the Bank is sufficiently robust to meet the needs of the business. ERC has membership from Group Heads of all business functions and Risk and is chaired by the Group CEO. The Committee reviews and monitors key enterprise risk profiles, trends, and exceptions on a periodic basis.

RISK TYPE	DESCRIPTION
Credit risk	The credit risk is measured in terms of expected credit loss (ECL). The Bank has developed a range of statistical and judgmental models to estimate ECL through a proprietary risk methodology. The Bank has designed a master rating scale, which has 22 risk grades reflecting assessment of default probability of the customer. The master rating scale, based on quantitative and qualitative factors, comprises 19 performing grades and 3 non-performing grades. The risk rating process is intended to advise the various independent approval authorities of the inherent risks associated with the counterparty and assist in determining suitable pricing commensurate with the associated risk.
ESG risks	<p>ADIB Group aims to measure and manage ESG risks in order to achieve the stated Net-Zero targets and enhance the relevant ESG ratings for ADIB Group. As such, ADIB will not take on exposures which could lead to damage to the reputation or sustainability of the franchise.</p> <p>The ESG Risk Policy lays out the principles of ESG risk management and addresses, solely, the indirect ESG risks and impacts emanating from customers. It does not cover the direct ESG risks arising from ADIB Group's own internal business activities. These are covered as part of other policies within ADIB Group.</p>

ADIB undertakes a risk-based customer due diligence, identification and verification, alongside Know Your Customer procedures, including enhanced due diligence for those customers presenting higher risk, such as politically exposed persons. Our comprehensive policies, including those on Anti-Bribery and Anti-Corruption, Gifts and Entertainment, Anti-Money Laundering (AML), and Counter Terrorist Financing (CTF), align with global standards like the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act and the Wolfsberg anti-bribery and corruption compliance programme to mitigate fraud risks effectively.



BUSINESS CONTINUITY

The central goal of our operational structures is to ensure that the risks that may impact business continuity are identified and appropriately managed. Business continuity is integrated into our own operations ensuring that services are uninterrupted. Risks that can interrupt our services can arise from phenomena such as natural and terrorist disasters, or major technological issues to name a few. Our governance structures target risk identification and management, to ensure that they do not pose a threat

on business continuity. We ensure this through a robust business continuity framework which is complemented by a crisis management framework and incident reporting procedures.

Our aim is to ensure we are ready for any challenge in our business so our customers can rely on us where all measures related to business continuity are always tested and reviewed to ensure organisational resilience in an event of major crisis.



BUSINESS ETHICS AND COMPLIANCE

As a leading Islamic bank, our commitment to maintaining high ethical standards, Shari'a compliance and applying international best practices of governance and transparency is crucial to our operation and to creating long term values for our stakeholders. We have a zero tolerance policy when it comes to unethical practices. The Bank's commitment to ethical business conduct is outlined within the Code of Conduct and is supported by comprehensive policies, procedures, and training programs which are all informed by our corporate values.

We provide training to all employees and new hires to ensure that the Bank's policies and procedures are effectively implemented. Through the ADIB Academy, and in collaboration with LinkedIn and other external consultants, we provide role-based training via online and in-person training.

ADIB's Board is ultimately responsible for the Group's compliance and ensuring adherence to relevant laws and regulations, including those set by the

CBUAE, and by regional and international bodies. We maintain a strict policy against noncompliance, continually emphasising the importance of adherence throughout the organisation. Compliance issues are thoroughly reported every quarter to the Compliance and Control Committee, reflecting our commitment to transparency and regulatory conformity.

Compliance news updates disseminate important compliance matters and awareness. In 2023, the total number of whistleblowing cases filed in the reporting period were 26, with 16 having been resolved. Of the remaining 10 cases 7 had been closed at the end of Q1 2024 and the remaining 3 to be closed by the end of Q2 2024.

In 2023, the bank implemented a number of regulatory projects and initiatives that have improved the effectiveness of compliance. These include:

- Conducting all ADIB businesses with honesty and integrity by complying with applicable laws and regulations.
- Instituting a robust control environment to mitigate the underlying risks from corporate wrongdoing, corruption, fraud, bribery, offenses, and breaches of relevant laws and regulations.
- Implemented regulatory gap assessment process to ensure sound understanding of applicable laws, regulation, rules, and standards relevant to ADIB and to ensure consistent approach to compliance with regulatory requirements and assist stakeholders across the Bank to manage their regulatory obligations effectively.
- Compliance Monitoring & Assurance Testing (CMAT) is an independent second line monitoring and assurance function that provides independent assurance to Senior Management that the compliance controls instituted by the Business Units and support functions are in adherence with internal compliance policies and procedures, and regulations requiring Compliance monitoring.
- One of the most significant regulatory changes introduced by the CBUAE during 2023 is the introduction of the Skilled Persons Review (SPR) to have independent third-party consultants assessing robustness of the Compliance function across the industry. CBUAE will conduct SPR annually.
- Follow Consumer Protection, Outsourcing and Corporate Governance rules and regulations as issued by Central Bank of the UAE.
- Continue to enhance the compliance framework and infrastructure accordingly including changes to policies, procedures, training, systems, controls and assurance processes.
- Continued enhancement of the effectiveness and efficiency of Group Compliance systems, with a focus on increasing screening coverage and efficiency, and upgrading Anti Money Laundering (AML) transaction monitoring systems.
- Continued improvements to the Group’s mandatory AML and Sanctions Compliance training programs with updated content in line with new regulatory requirements and tailored to better support the Group’s main businesses taking into account staff in customer-facing/non-customer-facing roles.
- Initiated revision of Group Compliance Ethical Policies covering Personal Account Dealing, Chinese Walls, Gifts and Entertainment, Outside Business Activities, Market Abuse and Conflict of Interest.

ADIB’S DISCIPLINARY CODE OF CONDUCT

ADIB’s Disciplinary Code of Conduct outlines many conducts related requirements to enhance work environment, security and data privacy within ADIB Group. Concurrently with internally communicating and introducing the Grievance Committee, ADIB employees can now escalate their cases should they need to read more in the Grievance section on page 156.

Moreover, our Employee Conduct and Disciplinary Action applies to UAE based employees and group companies. The framework aligns with the UAE Federal Law and outlines the Bank’s response to any occurrence of misconduct and the corresponding disciplinary actions.

The framework covers the following offences:

Offences concerning conduct	Offences concerning electronic systems and e-mail	Fraud-related Offences	Financial Offences
Offences concerning proprietary ADIB information	Offences concerning attendance, official working hours, unauthorized absences and other	Offences concerning work performance	Offences concerning security, health and safety regulations and instructions
Offences concerning medical information	Offences concerning ADIB property	Offences concerning ADIB accommodation	Gifts and Entertainment Policy breaches
Offences related to Uniforms / Dress Codes			



ADIB is ISO 9001 for Quality Management System certified.

WHISTLEBLOWING

Ensuring our employees and stakeholders have the confidence to report any compliance issues or concerns is critical to our compliance framework. We have established a Grievance Committee and a Whistleblowing Policy (read here) to safeguard against retaliation, alongside mandatory, ongoing training for all personnel to reinforce our commitment to a transparent and compliant workplace.

The reporting mechanism allows employees to raise serious concerns without fear of retaliation. A preliminary investigation will be carried out to assess whether or not a complete inquiry should be carried out and by whom. The whistleblower has

Whistleblowing is enabled through a range of secure and protected channels including:

- E-mailing to hotline (wb hotline@adib.ae)
- ADIB's intranet site <http://intranet.adib.ae/>
- ADIB's website www.adib.ae

the right to be notified of the result of his or her disclosure as well as the findings of any investigation. All reportable cases are processed by a relevant investigation team following Whistleblowing Committee approval.

The approved WB Policy applies to all employees of the ADIB Group, including all branches and subsidiaries, its management, and all other parties (e.g. consultants, third-parties, service providers) associated with the Bank. All subsidiaries/branches are required to ensure compliance with their local

obligations and wherein the local regulations differ, the more stringent requirements should be applied and adhered to. The WB Policy is designed to allow employees and third parties to raise a "Reportable Conduct". Reportable conduct includes but is not limited to:

- ⦿ Criminal offences, including fraud, money laundering, embezzlement, bribery, breach of trust, abuse of public functions or authorities, damage to public property and the concealment of the proceeds of any of these crimes;
- ⦿ Infringement of ethics or integrity;
- ⦿ Failure to comply with legal obligations;
- ⦿ Failure to comply with Shari'a rules and principles;
- ⦿ Endangering the health and safety of any person;
- ⦿ Fraudulent or unethical (suspicious or actual) activities committed or likely to being committed;
- ⦿ Suspicious or actual violation of the law and/or the Group's ethical and other policies and procedures;
- ⦿ Acts that may jeopardise ADIB's IT systems;
- ⦿ Manipulation of the product programme process to reflect an incorrect picture;
- ⦿ Acting outside financial accounting, reporting, and auditing standards;

[Read the full Whistleblowing Policy Statement Here.](#)

FINANCIAL CRIMES

ADIB has zero tolerance for actions and activities that knowingly and/or intentionally breach AML, CTF, Sanctions and Anti Bribery and Corruption (AB&C) laws and regulations. The Group Anti-Money Laundering – Counter Terrorist Financing Policy, Group Sanctions Policy and Group

Anti-Bribery policy provides a globally consistent framework around systems, products, processes and controls to identify and mitigate financial crime risks; and comply with the applicable laws and regulations.

IN 2023 THERE WERE NO INCIDENTS OF CORRUPTION OR BRIBERY REPORTED.

ANTI-MONEY LAUNDERING AND ANTI-CORRUPTION

ADIB and its subsidiaries, controlled affiliates, and international operations are committed to applying Shari'a Rules and Principles and the highest level of standards to manage AML and CTF risks and ensure transparency in its business activities. We have implemented AML/CTF Compliance Programme, which is fundamental to manage compliance with relevant and

applicable laws and regulations relating to money laundering and terrorist financing. The Group Anti-Bribery and Anti-Corruption (ABAC) Policy provides the guiding principles that set the tone and provide the direction or course of action to ensure compliance with relevant and applicable laws and regulations relating to bribery and corruption.



The Group ABAC Policy covers the following:

- Prohibits giving, receiving, requesting, or promising of bribe or facilitation payments in return for business advantage or favourable treatment.
- Governs gift policies.
- Charities and Donations Committees have been set up which operate independently of any Business Unit in the Bank and have the sole discretion to approve or reject any request for a Charitable Contribution or Donation from a third party.
- Prohibits all interactions with a domestic or foreign government public official for the purpose of influencing a business decision or securing an improper advantage are strictly prohibited.

SANCTIONS

ADIB is committed to complying with all international sanctions, laws and regulations. We operate according to key principles including :

- Screening customers and transactions against global sanctions lists
- Prohibits any activity that violate sanction policies
- Real time transaction screening to persons, entities subject to sanctions
- Reporting sanction breaches to relevant authorities

ANTI-CORRUPTION DATA

In 2023, 100% of business units were screened for risks related to money laundering and CTF, including the introduction of a 24/7 real time fraud monitoring system.

In 2023, mandatory training and assessments were delivered to those in roles exposed to any of the risk areas above. Financial crime compliance training was also provided to ADIB Board and Senior Management.

ADIB has screened all of the 12 business units for risks related to corruption in 2023, resulting in the identification of a single corruption incident. This incident was promptly addressed according to the Bank's policies, resulting in disciplinary actions against employees involved in the incident.

DATA PRIVACY AND CYBERSECURITY

Our dedicated Information Security department worked on enhancing the Bank's cybersecurity framework and data protection measures. Through strategic initiatives and collaborations,

ADIB significantly advanced its security capabilities, optimised operational efficiency, and reinforced our commitment to safeguarding customer information and organisational assets.

2023 key highlights included:

Successfully secured the cloud migration journey, safeguarding over 2,600 digital assets.

Proactively mitigated over 9,000+ attacks against the Bank's internet.

Enhanced ADIB's data privacy framework by completing 210 data flow maps and 47 new data privacy impact assessments and signing data processing agreements with essential service providers.

Maintained rigorous compliance with industry standards, achieving certifications such as PCIS DSS, SWIFT, and NESA.

Integrated information security functions for the Egypt and Iraq subsidiaries, ensuring a cohesive security posture across the organisation.

Undertook comprehensive assessments, including cloud security, security architecture reviews, control assurance, user access reviews, and data protection assessments, to fortify the protection of ADIB's customers and sensitive information.

Enhanced the incident response capabilities by internalising processes, significantly boosting the Bank's ability to protect and secure confidential information, with an incident response time reduced to under two hours.

Throughout the year, ADIB evaluates the security of the IT infrastructure through comprehensive assessments and cybersecurity stress tests. Our approach encompasses penetration testing, vulnerability assessments, red teaming, cyber risk assessments, and data privacy risk and impact assessments. To maintain the highest standards of privacy and security management, ADIB ensure to conduct thorough internal and external audits. These are performed annually, both by the internal audit team and by externally qualified assessors, including NESA, PCI DSS, and SWIFT, alongside red teaming exercises. Moreover, an annual data privacy assessment further solidifies the Bank's commitment to safeguarding information.

ADIB has implemented an extensive awareness and training programme, which includes an annual plan designed to elevate the cybersecurity and data privacy knowledge of both customers and staff. This is achieved through a

variety of channels, including direct communications, email campaigns, tests, competitions, and regular reminders. Furthermore, we dedicate an entire month each year to cybersecurity and data privacy awareness, filled with activities, competitions, and prizes aimed at engaging and educating the community.

The Bank's Data Security and Privacy policies apply Group-wide and on our suppliers, with the matter being of utmost importance, embedded in the Bank's processes from a risk and compliance management perspective. We have a zero-tolerance policy towards data privacy and data breaches, and have been able to maintain zero breaches thus far. Internal audits of data privacy are routine.



ISO 18788:2015 certified for Management System for Private Security Operations Requirements.



ISO 27001 Information security, cybersecurity and privacy protection certification

PARTNERSHIPS FOR COLLABORATIVE SUCCESS

ADIB actively engages in both public and private partnerships to navigate the complexities of security and risk management. The Bank's leadership in these collaborative efforts is exemplified by ADIB's role as the Chair of the UAE Bank Federation's Information Security Advisory Committee, represented by ADIB's Group Chief Information Security Officer (CISO).

In 2023, ADIB participated in significant initiatives, including the creation of a comprehensive financial

sector threat landscape report. This report, a collaborative effort involving 22 banks and the Central Bank of the UAE, outlines critical actions for combating cyber threats within the banking sector and is set to be updated annually. Additionally, ADIB established the first Cyber Defence Working Group, aiming to standardise best practices and foster a unified response to cyber-attacks amongst UAE banks. This initiative encourages the sharing of knowledge and expertise, enhancing the collective cyber resilience of the banking sector.

GOVERNANCE AND CONSUMER PROTECTION

At ADIB, the governance of data privacy and cybersecurity is a cornerstone of operational integrity and customer trust. ADIB's Information Security department, under the stewardship of the Group's Chief Information Officer (CIO), is at the forefront of overseeing ADIB's comprehensive data privacy and security programme. This includes planning, directing, and coordinating of information security policies, alongside setting procedures and guidelines to ensure the functional, secure, and protected status of all information systems across the Bank.

Central to data governance is the Data Privacy Policy, which outlines the minimum requirements for handling personal and special personal data.

ADIB is firmly committed to transparent communication with customers regarding policy changes or in the event of a data breach. To enhance the Bank's defences, a standard privacy risk assessment process is applied to critical business areas where personal data is collected and processed, ensuring a robust privacy framework.

In 2022, ADIB launched a dedicated Cybersecurity Strategy, affirming our commitment to systematically detecting cybersecurity vulnerabilities. This strategy is rigorously audited by the Compliance and Control Committee on a monthly basis, embodying the Bank's proactive stance against cyber threats. Moreover, our cybersecurity team is composed of

specialists in various domains, including malware protection, network security, and data privacy, to name a few, ensuring a comprehensive approach to digital security.

ADIB's organisational structure includes a dedicated Data Security department, managed by the Head of Data Security & Access Management, and a Data Privacy function led by the Data Protection Officer (DPO).

Furthermore, the Chief Technology Officer (CTO), reporting to the CIO, is responsible for managing the design, development, and implementation of ADIB's technologies. Cybersecurity, however, is independently managed by the Group Chief Information Security Officer (CISO), who reports directly to the Group Chief Risk Officer (CRO), highlighting the specialised focus and importance placed on cybersecurity within the governance structure.

ADIB has established and implemented a robust information security incident management and response framework. The Global Information Security Department (GISD) works in close

collaboration with the fraud management and investigation teams to effectively address any incidents or breaches related to data privacy and information security. Furthermore, GISD maintains a specialised team tasked with evaluating the risks and threats posed by emerging technologies. This team is responsible for devising and applying appropriate mitigations and controls, ensuring the Bank's resilience against evolving cybersecurity challenges.

ADIB's CISO continuously updates ADIB's Executive Management and Board through monthly, quarterly, bi-annually and annual meetings. In addition, ADIB developed an Information Security Committee to update Middle and Senior Management of the latest cyber risks, attacks, vulnerabilities, and status.

To align with international standards and regulations, ADIB adheres to the UAE Central Bank's Consumer Protection Regulation (CPR) for safeguarding customer data and privacy.

SHARI'A COMPLIANCE

ADIB commits to enhancing its reputation as a leading Islamic banking institution, underpinned by robust governance and strict adherence to Shari'a principles. This commitment aligns seamlessly with our focus on ESG principles and the pursuit of sustainable value for all stakeholders.

All employees are trained in the principles of Shari'a finance, with a total of 17,846 hours delivered in 2023, the equivalent to 9.8 hours per employee.

HUMAN RIGHTS

At ADIB, we continue to adopt principles of the UN Convention on Human Rights and fully supports SDG 8, which advocates for decent work conditions, and adherence to UAE labour laws.

Our Human Resources policies and ESG Policy Framework are a testament to this ongoing commitment, ensuring the protection of the rights of people of determination, upholding workers'

rights, addressing reports of discrimination, and actively opposing human trafficking.

Furthermore, the Bank remains dedicated to supporting women's rights within the UAE. Training on human and labour rights remains accessible through ADIB's LinkedIn learning platform.





PILLAR 2:
**MAXIMIZING
POSITIVE IMPACT**

MATERIAL TOPICS	<ul style="list-style-type: none">Ensuring Responsible BankingEnhancing InnovationBoosting Economic ProsperityProcuring with Purpose
UNSDGs	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
UAE VISION 2030	<ul style="list-style-type: none">Develop a sufficient and resilient infrastructure capable of supporting the anticipated economic growthEnable financial markets to become the key financiers of economic sectors and projectsEstablishing a resilient monetary and financial market environment with manageable levels of inflationEnable financial markets to become the key financiers of economic sectors and projects

OUR PATH TO NET ZERO

At ADIB, we recognise the importance of transitioning to a low carbon economy given the impact of climate change to the environment and society.



WHY NET ZERO

Now more than ever, climate change and its wide range of impacts need to be addressed. Addressing climate change requires collective efforts. The Intergovernmental Panel on Climate Change has called on governments, businesses and individuals to unite in halting and reversing global warming to 1.5°C above pre-industrial levels by achieving a Net Zero level of greenhouse gas (GHG) emissions by 2050. This was endorsed both by the global scientific community and through the Paris Agreement. In order to achieve this target, we collectively need to deliver a Net-Zero economy by 2050. This can only be achieved through global decarbonization efforts. So far approximately 196 countries including the UAE have announced Net Zero targets, as well as many regions, cities and companies.

Global investment in clean energy will need to be accelerated and nearly every industry will need to invest in clean energy.

This transition will bring new risks and uncertainties, which need to be carefully managed. These range from

energy security and risks related to new critical and volatile supply chains, through to the impact of transition policies and regulations on credit risk or forward-looking asset prices, technology risks or corporate liability risks. For economies to decarbonise while still serving the social and economic needs of countries, businesses across all industrial sectors will need to find and invest in alternative technological solutions and business practices to lower their greenhouse gas emissions, and consumers will need to adopt the ensuing new solutions at scale. Industrial transformation on this scale will require significant investment over the next 20 to 30 years. Such investment will require unprecedented cooperation between public sector finance and private sector finance?

At ADIB , we will be playing our part - We are working on setting a comprehensive set of targets for our Scope 3 financed emissions. These targets will guide us on strategically channelling financing away from high-emitting activities towards low-carbon alternatives.

UAE AND NET ZERO

The UAE Net Zero by 2050 strategic initiative is a national drive to achieve Net-Zero emissions by 2050, making the Emirates the first Middle East and North Africa (MENA) nation to do so. The initiative aligns with the Paris Agreement, which calls on countries to prepare long-term strategies to reduce greenhouse gas (GHG) emissions and limit the rise in global temperature to 1.5 C compared to pre-industrial levels.

In March 2023, the UAE took another step to confirm its Net Zero target as a domestic policy objective by signing the "UAE Governments Net Zero 2050 Charter".

The deployment and use of clean energy solutions is one of the main pillars of the UAE's model of addressing the challenge of climate change and reducing GHG emissions. The country began financing clean

energy projects more than 15 years ago, and has invested over 40 billion USD in the sector to date. Current trends predict the production capacity of clean energy, including solar and nuclear, to reach 14 GW by 2030, up from about 100 MW in 2015 and 2.4 GW in 2020.

The UAE supports green infrastructure and clean energy projects worldwide, and has invested in renewable energy ventures worth around 16.8 billion USD in 70 countries with a focus on developing nations. It has also provided more than 400 million USD in aid and soft finances for clean energy projects.

1. IPCC (2018) Special Report: [Global Warming of 1.5°C](https://www.ipcc.ch/sr15/). <https://www.ipcc.ch/sr15/>

2. Net Zero Tracker. <https://zerotracker.net/>

3. IEA (2022) World Energy Outlook 2022. <https://www.iea.org/reports/world-energy-outlook-2022/key-findings>



ADIB AND NET ZERO

As a leading Islamic bank, we aim to take advantage of the overlap between the principles of Shari'a and ESG integration to maximize our positive impacts, therefore we recognise the responsibility we have protecting those who are at risk from the effects of climate change while supporting the UAE and the region's ability to achieve sustainable growth.

In 2023, we have made significant progress in our Net Zero plan. We have finalised our baseline for our operational and portfolio emissions. This critical step enabled us to set clear

decarbonization targets that will guide our business and operations, empowering us to define robust decarbonization objectives and contribute significantly to the climate transition efforts of both our clients and the UAE.

We also issued policies restricting our financing and investments to coal projects and to those using Fracking and unconventional oil and gas or any project that is related to tar sand extractions or deforestation. To read our exclusions list, please view our ESG Risk Policy [here](#).



launched new green Shari'a compliant finance products including Volt auto green finance



Started our Net Zero project



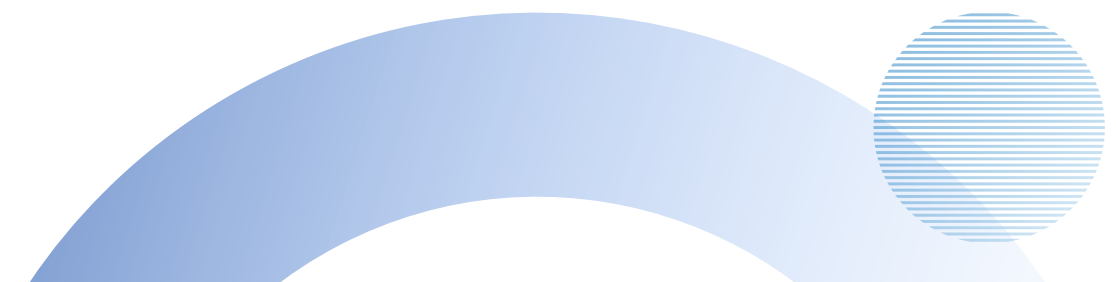
Set baseline for finance emissions



Reduced our total scope 1 emissions by 65%



Set targets for our finance and own operations

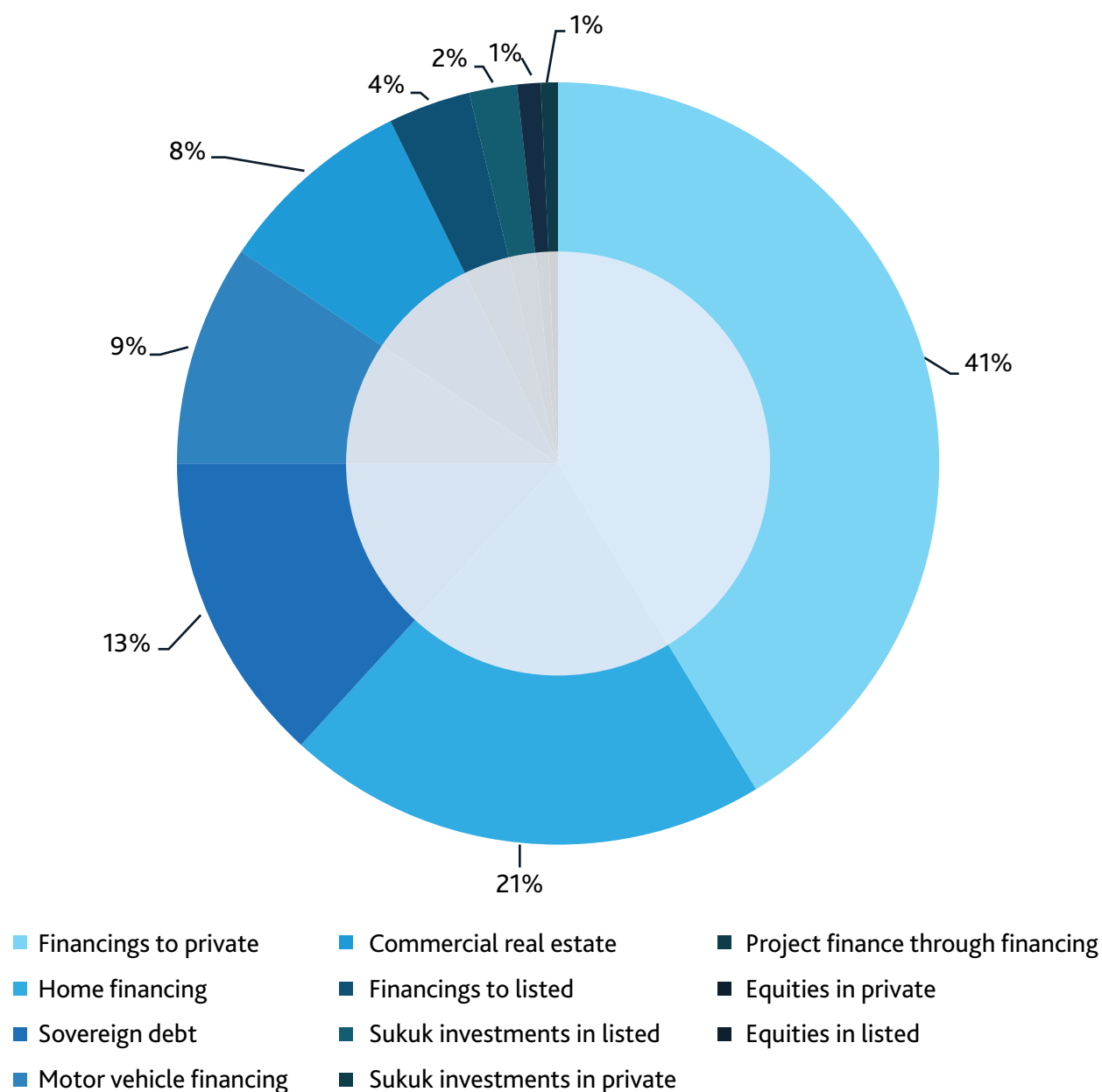


START OF NET ZERO

We are currently working on our Net Zero transition plan to provide an overview of our approach to Net Zero and the actions we will take to help meet our ambition. We want to be clear about our approach, the change underway today and what we plan to do in the future. We also want to be transparent about where there are still uncertainties and dependencies.

PORTFOLIO COMPOSITION

As part of our commitment towards decarbonization of our portfolio with impact, we calculated the baseline of our financed emissions of our portfolio as at 31st December 2022. The assessed portfolio currently stands at approximately AED 85.8 billion, excluding personal finance and card balance sheet along with the following composition:



FINANCED EMISSIONS

As a leading Islamic bank, we believe that engaging and supporting our customers in their transition to Net Zero will contribute significantly to the UAE Net Zero plan. We believe it is our responsibility to support customers in reducing their GHG emissions through reducing our scope 3 category 15. In 2023, we baselined finance emissions across our portfolio and defined targets for the highest emitting sectors in our portfolio including home finance, auto finance, real estate activities, aviation, electricity gas and steam and air conditioning supply and petroleum manufacturing. These sectors represent around 50% of our total exposure.

Across these sectors, we have decided on production-based carbon intensity targets to be able to measure emissions' performance and to support customers in their decarbonization efforts.

FINANCE EMISSION CALCULATION

In order to calculate the portfolio financed emissions, we adopted the globally accepted Partnership for Carbon Accounting Financials (PCAF) standard for all the available asset classes. We note that the PCAF Standard does not yet define an attribution factor for all relevant asset classes. We stayed ahead of industry developments and adapted our approach as standardised methodologies are made available.

SECTORAL CLASSIFICATION

The scope of clients under analysis is determined based on sectoral filtering. For the wholesale financing portfolio, we use NACE16 codes. NACE codes are assigned at the individual counterparty level, and we then determine the counterparty group level NACE code by assessing financing limits provided by ADIB to each individual counterparty within the counterparty group. The NACE code that applies to the individual counterparty with the largest total financing limit is then assigned to the counterparty group as a whole.



FINANCED EMISSIONS AND ATTRIBUTION FACTOR

We used PCAF guidance to calculate on-balance sheet financed emissions for wholesale portfolio including business finance, trade and receivables finance. The PCAF Standard quantifies emissions which are being produced by a counterparty, and attributes a proportion of these emissions to the institution responsible for financing them. The general calculation, shown below, uses counterparty emissions and an attribution factor to assign emissions to our financing activities.

$$\text{On-balance sheet financed emissions} = \text{attribution factor} \times \text{counterparty emissions}$$

We accounted for a portion of the annual emissions of the financed counterparty by determining the ratio between our outstanding amount of counterparty finance (numerator) and the economic value of the financed counterparty (denominator). This ratio is called the attribution factor.

$$\text{Attribution factor} = \frac{\text{outstanding amount}}{\text{economic value}}$$

The outstanding amounts for on-balance sheet financed emissions are represented by the drawn amount of funds provided to counterparties based on the end of year balance sheet (31 December 2022). We believe this better reflects current financing and funds currently contributing to activity in the real economy. It aligns with the PCAF Standard which recommends using the value of debt owed by a counterparty, defined as the disbursed amount minus any repayments.



UNCERTAINTIES, DEPENDENCIES AND CHALLENGES

Being a bank having large part of our exposure in the UAE, the most significant challenge in baselining the financed emissions at this early stage is the relative novelty of the process and the uncertainty in many of the areas we are seeking to address. This includes evolving science, methodologies, scenario analysis and industry standards, challenges on data quality and availability, and the need to build data sets and reporting infrastructure for types of data that financial institutions historically have not gathered.

Not all counterparties in our portfolio publicly report/disclose their emissions, this means that we used proxies to estimate emissions when reported emissions data is unavailable. When calculating counterparty emissions, we adopted the PCAF data quality hierarchy to help provide transparency in our calculation methodologies. We will be selecting proxies on the following basis:

- **Availability** - Are there any data gaps?
- **Transparency** - What types of data sources were identified and investigated? Is the data publicly available?
- **Accuracy** - What are the assumptions made? How accurate are the results?
- **Simplicity** - How simple is this to input into the model? Is it easily replicable across clients?
- **Relevance** - How relevant is the calculation for different types of clients?

BENCHMARK AND TARGET SETTING

For our benchmark and target setting, we used the International Energy Agency's (IEA) Net Zero Emissions (NZE) scenario by 2050 which is a single-scenario reference benchmark to assess our financed emissions. It provides us with industry specific emissions projections from which we will construct benchmark pathways. This benchmark helps us set targets that align the provision and facilitation of finance with the goals and timelines of the Paris Agreement at a portfolio level globally. The NZE scenario 2030 in line with a 1.5°C warming outcome with no or low temperature overshoot. We chose emissions as the primary marker of transition progress. Alternatively, we will consider production-based benchmarks for a small number of sectors, and we believe the use of emissions data permits transparent disclosures and year on year tracking, facilitating impactful client engagement. Currently, we adopted a sector based approach for benchmarking and expect to disclose and increase portfolio and financed emissions coverage for benchmarking and target setting via a phase-wise approach.

Summary of our 2030 Net Zero financed emissions and data coverage targets set for priority sector

Sector	Sub-sector	Scope *	Scenario **	Baseline (2022)	Target metric	2030 Target Reduction
Real Estate	Home finance	Scope 1 & 2	IEA NZE scenario, APS	57.6	Kg CO ₂ e/ m ²	39%
Transportation	Auto Finance	Scope 1 & 2	IEA NZE scenario, APS	180.7	g CO ₂ e / passenger.km	19%
Real Estate	Real estate activities (developers)	Scope 1, 2 & 3	IEA NZE scenario, APS	57.62	kgCO ₂ e/m ²	41%
Transportation	Air transport	Scope 1, 2 & 3	IEA NZE scenario, APS	107	g CO ₂ e / passenger.km	28%
Utilities	Electricity, gas, steam and air conditioning supply	Scope 1, 2 & 3	IEA NZE scenario, APS	0.538	tCO ₂ e/ MWH	37%
Manufacturing	Petroleum manufacturing	Scope 1, 2 & 3	IEA NZE scenario, APS	0.0122	tCO ₂ /GJ	18%

* Estimated data (100%)

** Aligned with ADIB's business growth assumptions and UAE Announced Pledges (APS)

OWN OPERATIONS EMISSIONS

Reducing the emissions of our own operations is an integral part of our Net Zero pathway. We have the dedication and commitment to managing our environmental footprint with a focus on long-term sustainability. We strive to identify and address environmental challenges at every stage of our operations. To address our carbon, energy, water and waste footprint, we have identified different levers to systematically drive progress.

CALCULATING OUR OWN OPERATION EMISSIONS

Across our locations, our operational environmental data is collated from different sources, including metered data and utility bills. Improving the reliability of data, particularly from third party vendors, is an area we are focused on continuously improving. All operational environmental data disclosures in this report are subject to rigorous internal checking and review. The boundary for ADIB's carbon footprint inventory covers the

emissions from the Bank's operations within its offices and branches. The Emissions have been consolidated using the operation control approach of the World Resources Institute Greenhouse Gas (GHG) Protocol. The report covers the operations across the UAE, Egypt, and the UK. A total of 172 assets were considered.

The total carbon footprint of ADIB's 2022 operational activities was 19,319 tCO₂e tonnes of carbon dioxide equivalent.

Emission Source	UAE	UK	Egypt	Group
Scope 1 (tCO₂e)	1,479	0	1,601	3,081
Stationary combustion	2	0	6	8
Mobile combustion	141	0	168	309
Fugitive emissions	1,336	0	1,427	2,763
Scope 2 (tCO₂e)	12,367	20	3,851	16,238
Electricity	12,323	30	3,851	16,194
District cooling	44	0	0	44
Group Emissions intensity*	3.9 tCO₂e/FTE			

Scope 1 emissions: emissions from stationary combustion, mobile combustion and refrigerant leakage.
Scope 2 emissions: emissions from electricity and district cooling chilled water usage.

ENVIRONMENTAL MANAGEMENT

ADIB is committed to addressing environmental risks and challenges, starting with the footprint of our own operations. ADIB is dedicated to addressing critical environmental issues by properly managing resources, such as energy and water, reducing emissions, and minimising paper consumption.

To align with the UAE's Net Zero ambition, the Bank assessed its baseline across key environmental performance indicators and setting ambitious emission reduction targets through the development of a Net Zero strategy.

In support of the Bank's commitment, we have developed and publicly disclosed an Environmental Policy, [read here](#). Additionally, ADIB's operations have maintained certification in ISO 41001 for Facilities Management and ISO 14001:2015 for Environmental Management Systems, underlining the Bank's adherence to high environmental management standards. Moreover, we have also maintained a clear environmental management procedure to guide our practices. Notably, ADIB has not incurred any fines for non-compliance with environmental laws and regulations

for the 3rd consecutive year, reflecting our strong commitment to environmental excellence and effective governance.

The Bank's approach to environmental management involves rigorous practices to monitor and enhance performance, encompassing all activities and services. We believe that every employee at ADIB plays a vital role in upholding the principles of environmental stewardship, adhering to all relevant environmental laws and regulations. Therefore, and complementing their efforts, ADIB has implemented a series of training programmes in 2023 to deepen the team's understanding of environmental issues and practices:

- ISO 14001 Awareness Training, specifically designed for Real Estate and Administration (REA) Team, focusing on the fundamentals of environmental management systems.
- Environmental Awareness Training on Sustainable Waste Management, which was attended by ADIB staff, highlighting the importance of responsible waste handling and disposal.
- Extensive Environmental Awareness Training conducted quarterly by ADIB Soft Services provider covers waste management, waste segregation, and waste recycling, ensuring staff are well-versed in sustainable practices.

CLIMATE CHANGE AND ENERGY MANAGEMENT

ADIB is committed to aligning with UAE national plans and visions, including UAE's Net Zero 2050 roadmap, Principles of the 50 and Climate Change National Plan, and the National Green Economy for Sustainable Development to ensure Net Zero emissions by 2050 is achieved.

In 2023, our total Scope 1 emissions saw a notable reduction of 65% compared to last year. Our total emissions in 2023 amounted to 13,933 tonnes CO₂e, including Scope 3 emissions which cover business airline travel category 6.

	2021	2022	2023
Total scope 1 emissions (Tonnes CO ₂ e)	472*	1,479*	523
Total scope 2 emissions (Tonnes CO ₂ e)	20,112	12,367*	13,310
Total scope 3 emissions – Category 6 (Tonnes CO ₂ e)	30	71	100
Total scope emissions (Tonnes CO ₂ e)	20,614**	13,917**	13,933

*Figures are restated due to enhanced calculation methodology

**Figures are restated to include scope 3 emissions



The total direct energy consumption decreased by approximately 33.2% from the previous year. This year we have replaced 2,391 inefficient Compact Fluorescent Lamp (CFL) light bulbs with energy efficient LEDs.

Furthermore, the “On-grid Solar Panels” project for ADIB’s Jafza building has been approved and

initiated and is due to be fully implemented in 2024. It is expected that this project will reduce energy consumption by 12%.

	2021	2022	2023
Total amount of energy directly consumed (GJ)	3,576*	4,477	2,991
Total amount of energy indirectly consumed (GJ)	107,047**	150,342	97,013

*Figures are restated due to enhanced calculation methodology

Nonetheless, this year ADIB enhanced its calculations’ methodologies for both energy and GHG emissions to ensure transparent and accountable reporting. Performance data can be seen on page 176.



B.

CASE STUDIES

EV CHARGERS

In partnership with CATEC, ADIB has installed and offered Electric Vehicle (EV) chargers at no cost for both staff and customers. This initiative aims to promote the adoption of electric vehicles, contributing to a cleaner emission commute.

ADIB becomes the first bank in the MENA region to sign up for DHL Go Green Plus

In a pioneering move towards environmental sustainability, ADIB has partnered with DHL to significantly reduce carbon emissions associated with their shipments, leveraging Sustainable Aviation Fuel (SAF). This collaboration, a first of its kind in the MENA region through DHL's GoGreen Plus service, positions ADIB as a leader in integrating sustainable practices within Islamic banking. The initiative directly supports the UAE's ambitious goal to cut emissions by 40% by 2030, marking a significant stride towards the Bank’s long-term objective of completely offsetting its Scope 3 emissions. This initiative not only demonstrates ADIB's commitment to sustainable logistics and banking practices but also sets a new standard for corporate environmental responsibility in the region. Rigorously audited and verified by the Société Générale de Surveillance (SGS), the partnership ensures the highest levels of accuracy and credibility.

LEED PLATINUM AND GOLD CERTIFICATES

ADIB has taken significant strides in sustainable development, culminating in six ADIB buildings and branches receiving LEED Gold certifications.

The awarded certifications reflect high standards in six critical categories:



The LEED v4 Gold Certifications were awarded for Interior Design & Construction, with notable achievements including:



These certifications were attained through various innovative measures, such as:

- Utilization of energy-saving LED lighting and sensors to reduce workplace energy consumption.
- Adoption of sustainable carpet materials to minimise environmental impact.
- Implementation of a comprehensive waste management programme emphasising recycling and circular economy principles.

Specific projects contributing to these achievements include:

- The BMS Project for the ADIB HQ by Siemens, aimed at energy efficiency and decarbonisation.
- A partnership with IMDAAD for replacing all standard lighting with LED alternatives, significantly reducing energy consumption from lighting.
- Collaboration with BSH Trading for the provision of sustainable carpet materials.

We have engaged in strategic collaborations with leading contractors for the sustainable development of branches and offices.



CASE STUDY

NEW DALMA BRANCH DESIGNED TO BE GREEN

Complying with this vision, ADIB sought to build a healthier, more productive workplace which is less costly to operate and has a reduced negative impact on the environment and improving the human health performance within the LEED certified Branch space by ensuring and implementing the below criteria:

The branch has been designed with 25% more energy efficiency and over 45% of water saved.

Occupant control and daylighting control are adopted throughout the whole branch for the lighting system, which minimises lighting energy consumption.

All new purchased equipment is ENERGY STAR rated.

Over 90% of construction waste and packaging debris was diverted to recycling centres instead of being sent to the landfill.

A reduced average number of sick days per employee from 0.18 per month to 0.12 per month during the first 6 months of occupancy.

Lighting and Heating, Ventilation and Air Conditioning (HVAC) systems which utilise efficient layout and an adaptive control scheme to optimise energy performance.

Improved Indoor air quality through increased outdoor air ventilation rate, CO₂ monitoring and low Volatile Organic Compounds (VOC) materials selection.

This branch is located in Abu Dhabi, Dalma Mall, which has a well-developed community, plenty of services, advanced transportation access and good access to natural daylight.

WASTE MANAGEMENT

ADIB's Sustainable Waste Management programme is a key component of the Bank's commitment to environmental responsibility. Focusing on three main offices, we actively work to minimise waste and amplify recycling efforts.

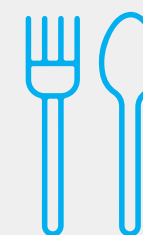
Collaborations with third-party services have been instrumental in ADIB's waste management efforts. Partnering with ENDOSHRED, ADIB has managed the shredding and recycling of 11,038 kilogrammes of confidential paper. Moreover, ADIB is also working with AGFS for a comprehensive waste management service.

Significant measures in waste reduction include:

Eliminating the use of single-use plastic forks and spoons across all UAE locations, preventing the use of approximately

840,000

pieces of plastic annually.



Implementing service automation for ADIB access card requests, leading to a paperless process and saving an estimated

5,000

sheets of paper each year.



Even though our total waste and paper consumption have increased in 2023, ADIB has managed to enhance its recycling efforts. ADIB introduced three-stream bins for effective waste segregation in main ADIB's buildings, aiming to increase the proportion of recyclable waste. This year, recycling of non-hazardous waste has increased by more than 4 times, and paper recycling has increased by 17% since 2022.

	2021	2022	2023
Non-hazardous waste recycled (Kg)	28,715	25,920	38,567
Confidential paper waste recycled (Kg)	19,358	19,116	22,353

Additionally, we have successfully automated the service for ADIB physical security access card requests, transitioning to a paperless process and resulting in an annual reduction of paper use by at least 5,000 sheets. Additionally, the Bank has incorporated 6,132 square metres of fully recycled carpet materials across ADIB's premises in the UAE.

For 2024, the Bank is focused on enhancing staff awareness and participation in recycling through incentive programmes and reward schemes. ADIB is also planning the replacement of the plastic bottles provided in meeting rooms and to customers, as well as the expansion of ADIB's effective waste management programme for waste segregation to increase recyclable waste.



WATER MANAGEMENT

Water conservation remains a priority for ADIB's Facilities Management (FM) team. In 2023, the team established a cost-effective water conservation process by installing water aerators and implementing measures to curtail water spillage and excess usage.

Looking ahead to 2024, the FM team plans to develop a comprehensive set of Water Conservation Guidelines that align with LEED standards for sustainable development. These guidelines will not only promote efficient water use but also incorporate water recycling methods. Additionally, the Bank has already embarked on water and electricity conservation projects aimed at enhancing energy efficiency and further reducing water consumption.

	2021	2022	2023
Total water consumption (m ³)	90,921.8	39,114*	22,353

*Figures are restated due to enhanced calculation methodology

Our water consumption has decreased by

5%

compared to last year,

while our water consumption intensity per employee stands at

40.9

cubic meters per employee.

CREATING A STRONG ECONOMIC IMPACT

As a leading Islamic bank, the largest impact we create is through our financing activities. It is critical that we continually strengthen our capabilities to support a more sustainable and prosperous society.

A key priority for us is to continue to channel capital towards sustainable activities, finding a right balance between economic growth and inclusive development.

ADIB drives UAE's economic progress by offering Shari'a compliant financing products and services that deliver values for our stakeholders and different customers. Our corporate banking solutions cater to the demand for ESG-conscious investments within Islamic finance, aligning with UAE Vision 2030 and ensuring investor returns through targeted, sustainable sectors.

Moreover, by embedding ESG principles into the Bank's operations and procurement, ADIB seeks to strengthen its supply chain's sustainability and create shared value, in line with the UAE's national priorities.

1. FINANCIAL PERFORMANCE

ADIB produced outstanding results in 2023 exceeding the AED 5 billion milestone in net profit. The substantial increase in profitability and the strength of our capital position has allowed us to recommend an increase in our dividend payouts to 71 fils per share compared to 49 fils last year. The record return on equity of 27% for the full year reflects the healthy and resilient local economy coupled with our focus on delivering transformational initiatives. For more information see the 2023 Annual Report and 2023 Full Year Financial Results Report .

ADIB Full year 2023 net profit rises 45% YoY to a new historical record of
AED 5.25 billion

Fourth quarter earnings reached a new high of
AED 1.5 billion
up 29% versus last year



+36% increase in Revenues



+45% increase in Net Profit



+40% increase in Earnings per Share



+14% increase in Total Assets



+6% increase in Gross Customer Financing



+14% increase in Deposits

In 2023, ADIB experienced robust growth across key performance indicators compared to 2022. Retail banking customers increased by approximately 9%, reaching 1.2 million. The number of corporate and institutional banking customers saw an increase of about 2%. Furthermore, ADIB's retail portfolio expanded significantly by approximately 12%, totalling AED 60.4 billion, indicating strong performance and customer trust in the Bank's services.

	2021	2022	2023
Retail banking customers (Number)	995,940	1,101,000	1,200,000
Corporate and institutional banking customers (Number)	226*	220*	224
Retail banking portfolio (AED bn)	48.85*	53.74*	60.4
Corporate and institutional banking customers (AED Bn)	35.3	45.3	50

*Restated figures

2. RESPONSIBLE PROCUREMENT

As a leading financial services group, we engage diverse suppliers, both locally and globally, to provide efficient and sustainable goods and services for the business. We integrate environmental and social considerations into procurement decision-making, alongside financial factors. Our procurement activities are managed in accordance with our formal policies and processes including our Group Procurement Policy. The policies outline our strategy for the purchasing of goods and services to meet our requirements while minimising risks and maximising value and outlines the expectations we have of our suppliers in upholding health and safety, environmental sustainability, business integrity and ethics, data privacy and confidentiality, as well as in complying with ADIB Human Rights Policy.

2A. PROCUREMENT POLICY MANUAL

The majority of ADIB's expenditure is on services and is managed through a governance framework which ensures that the Bank follows the highest standards in terms of sourcing, awarding and on-boarding. Our procurement activities are centralised through our strategic vendor management department which sets the policies and guidelines for handling all the Bank's purchases, facilitates contracts with suppliers and develops sourcing strategies.

ADIB follows a Procurement Policy Manual that reinforces our expectations of the highest professional and ethical standards, as well as vigilance around key risks. It applies to all employees, contractors and consultants undertaking any procurement activity with third party vendors. Vendor registration and records also require:

- Vendor due diligence and risk assessments.
- Competitive tendering.
- Periodic risk identification and assessment.

All ADIB staff are expected to be vigilant about the potential for bribery and corruption behaviour while engaging with third party vendors in accordance with the Outside Business Interest Policy, Gift and Entertainment Policy and Conflict of Interest Policy.

2B. ONBOARDING NEW SUPPLIERS

In order for new suppliers to enter the supply chain, ADIB's Group Procurement department evaluates them before business is awarded. We ensure that UAE labour laws are applied at all times with the way we manage our procurement process.

The onboarding process starts with the evaluation of prospective suppliers, which is accomplished through the use of the online vendor registration system. Supplier Onboarding Terms & Conditions must be reviewed and accepted by any supplier before they can proceed with the online registration process. Suppliers must also adhere to ADIB's Code of Conduct, which is necessary for any new vendor onboarding. The Bank does not knowingly participate in relationships with suppliers involved in modern slavery and human trafficking.

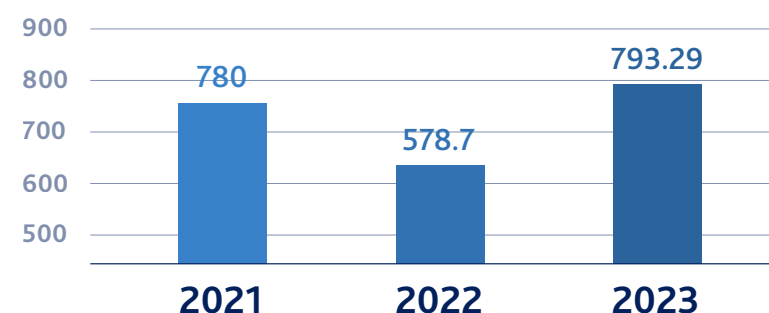
We conduct due diligence on our supplier base and adopt a risk-based approach to the governance of sustainability in our supply chains. We utilise a comprehensive set of processes and tools in an iterative manner to govern our supplier base. We are piloting to add additional ESG related parameters to the supplier evaluation metrics. This will enable us to evaluate suppliers on their commitment to internationally recognised responsible and sustainable business practices, including specific factors such as environmental and workplace health and safety standards and supply chain governance. We will be rolling this out in phases and specifically targets higher risk category items with higher value contracts.



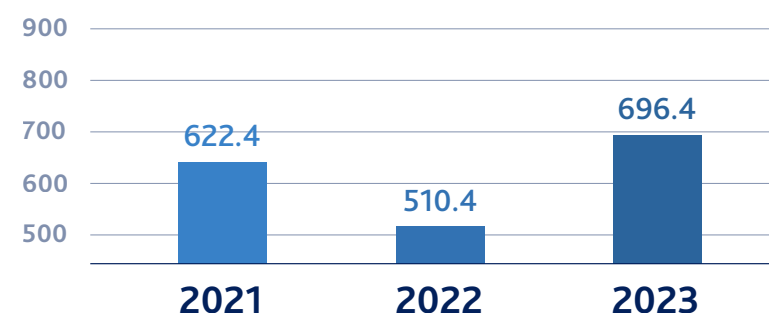
2C. COMMITMENT TO LOCAL SUPPLIERS

Our commitment to local suppliers remained strong and we make sure that our procurement activities provide a direct contribution to the local economies and the UAE. We buy goods and services from local suppliers as much as possible as we believe investing in local suppliers creates jobs, builds local capacity and create economic impact. Today local suppliers account for 88% of total procurement spending in both 2022 and 2023, up from 80% in 2021. This showcases our dedication to supporting the local economy and suppliers, aligning with its our national goals.

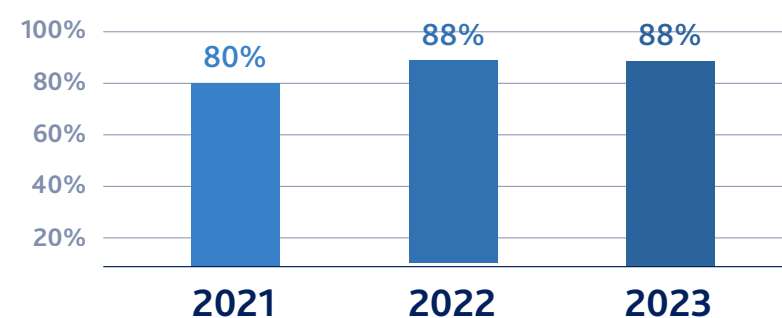
Total procurement spending (AED mn)



Procurement spending on local suppliers (AED mn)



Percentage of spending on local suppliers (%)



3. SUSTAINABLE FINANCING AND INVESTING

Anchored in ethical Shari'a Principles, ADIB commits to maximise positive impact through our green and sustainable Shari'a compliant products. We plan to continue delivering Islamic banking services that are inspired by sustainability, addressing the varied needs of our clientele. This involves the integration of ESG principles into both retail and wholesale banking products and affirming our position as a lifelong financial partner.

ADIB's corporate strategy has been supported with a new three-year ESG strategy, helping to embed sustainability into the corporate vision of the Bank, and ensuring that all departments within contribute tangibly to a more sustainable future. This strategic commitment to sustainability has been made concrete through embedding ESG-related KPIs into the balanced scorecards across the Bank's departments.

ADIB's sustainable finance journey has been a key focus this year, with the Bank making significant progress towards developing a Net Zero strategy.

ADIB has also integrated two forms of screening into the transaction and financing processes. On the risk management front, an ESG risk due diligence process has been integrated into the Bank's credit process. On the financing front, the Bank has published its Sustainable Finance Framework which details the criteria for projects and financing deemed as green, social or sustainable financing, adhering to stringent global and industry level criteria. Our Sustainable Finance Framework ([Learn more here](#)) aligns to the extent meeting Shari'a rules and principles and requirements, with the core components set forth by the International Capital Markets Association (ICMA), the Green Loan Principles, the Social Loan Principles, issued by the Loan Market Association (LMA) and SCA the decision of the chairman of the SCA No (21/R.M) year 2023 regarding the regulation of green and sustainability linked Sukuks. In 2023, we announced our new sustainable finance targets to ensure that our financing continues to drive positive impact.

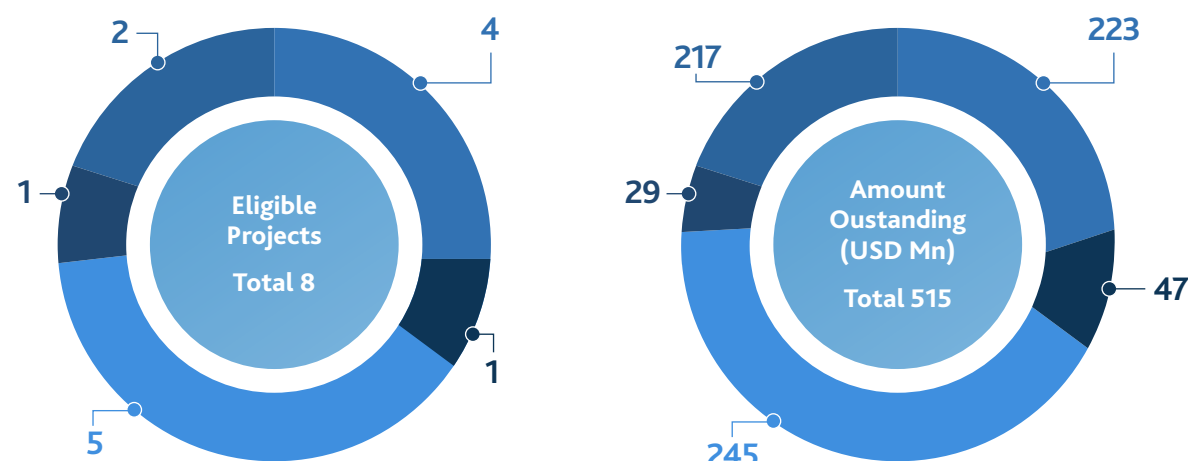
ADIB's sustainable financing activities have grown consistently, with the portfolio of environmentally and socially sustainable transactions financing exhibiting strong growth. The total sustainable financing portfolio in 2023 reached AED 5.567 billion, encompassing 14 transactions. All project financing deals have been screened using the ESG due diligence toolkit, which is fully in

line with the requirements of the Equator Principles, positioning ADIB to become a signatory in the near future. Moreover, we have also invested AED 1.677 billion in sustainable/green Sukuks.

We facilitated over
AED 7.637 billion
in green and
sustainable finance

We have financed
AED 5.567 billion
qualified under our Sustainable
Finance Framework

Eligible Assets with Green Benefits



ICMA Eligible Categories

- Renewable Energy: Solar Power Generation
- Sustainable water and wastewater management
- Wastewater Treatment
- Water Desalination
- Energy Efficiency: District Cooling

3A. ISSUANCE OF **GREEN SUKUK**

ADIB'S LANDMARK USD 500 MILLION GREEN SUKUK ISSUANCE

Green and sustainable sukuk present a good opportunity to finance environmental and social change while securing fixed income returns. Our involvement in the green and sustainable sukuk spanned over different roles from an issuer to a bookrunner and investor.



In November 2023, ADIB launched a green Sukuk offering, raising **USD 500 million**, marking it as the first dollar denominated Green Sukuk by a bank globally. The five-year senior Sukuk, rated A+ by Fitch, featured a **5.695 percent annual profit rate** and was listed on the London Stock Exchange's International Securities Market and Sustainable Bond Market.



The offering attracted significant interest, with over **100 investors** contributing to an **oversubscription rate of 5.2 times** and a final order book of

USD 2.6 billion.

This demand enabled a tightening of the final price guidance by 30 basis points.



ADIB plans to use the net proceeds to fund eligible green projects, in line with the eligibility criteria outlined in our Sustainable Finance Framework, promoting climate transition. This initiative is supported by a Second Party Opinion from ISS Corporate Solutions, confirming alignment with key ICMA and Loan Market Association principles.

3B. GREEN FINANCE: CASE STUDIES

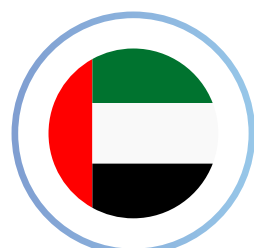
ADIB has established itself as a significant supporter of sustainable projects, focusing on project finance to facilitate large-scale renewable energy initiatives, such as photovoltaic and concentrated solar power facilities. The Bank also invests in sustainable water and wastewater management projects. This includes the construction, operation, maintenance, or upgrade of water collection, recycling, transportation, and treatment technologies.

Notably, ADIB finances water and wastewater treatment plants, sewer systems, pumping stations, projects improving water-use efficiency, and water desalination projects employing reverse osmosis (RO) technology, emphasising its commitment to environmental sustainability and resource management.

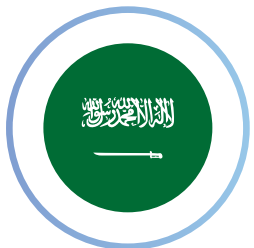
Within our target market, ADIB actively engages in projects that yield significant social benefits, particularly focusing on education and support for small and medium-sized enterprises (SMEs). By financing large-scale educational projects and universities, we create opportunities for students to gain specialised knowledge in their fields of study, hence contributing to employment generation.



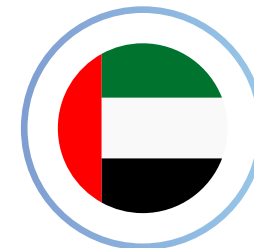
Shuaa Energy 3
(DEWA V)



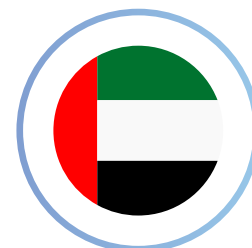
Dhafrah Solar Energy
Holding Company LLC



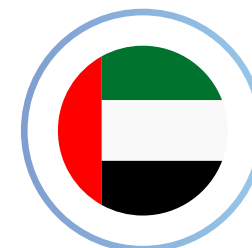
Al Ghazala Energy
Co (Repdo 3)



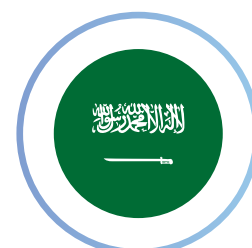
National Central
Cooling Co "Tabreed"



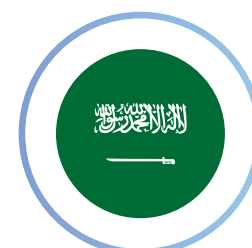
Pal Shams
Cooling LLC



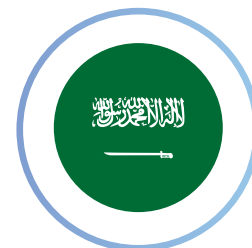
Pal Saraya
Cooling



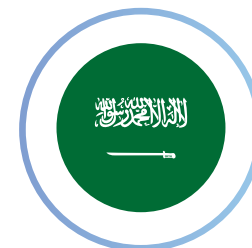
Madinah SWTP – KSA –
Sewage water plant (ARRATIL)



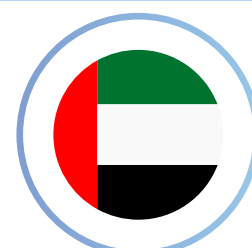
Tabuk SWTP – KSA –
Sewage water plant (ALEQAD)



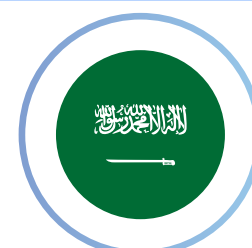
Buraydah SWTP – KSA –
Sewage water plant (Desert Well)



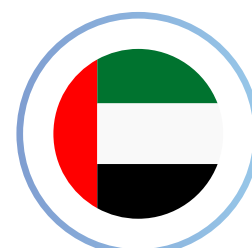
Jazlah Water KSA – KSA –
Desalination (Jubail 3A)



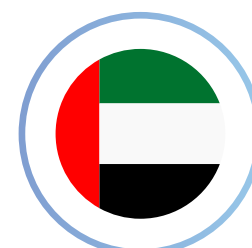
Taweelah RO – UAE –
Desalination



Shuaibah 3 – KSA –
Desalination



Mirfa 2 – UAE – RO
Desalination



Project Wave - Seawater Treatment
and Water Transportation

SHUAA ENERGY 3 (DEWA V)

Shuaa Energy 3, part of the ambitious Mohammed bin Rashid Al Maktoum Solar Park, marks a significant leap towards sustainable energy in Dubai. This project, under

a 25-year Power Purchase Agreement (PPA), aims to supply solar energy to power 270,000 homes, contributing to the Dubai Clean Energy Strategy 2050.

THE GOAL IS CLEAR: TO SOURCE 75% OF DUBAI'S TOTAL POWER OUTPUT FROM CLEAN ENERGY BY 2050.

The necessity to diversify energy sources and reduce carbon emissions has driven the development of Shuaa Energy 3. The project's 900 MW capacity, harnessed through photovoltaic

solar panels, began commissioning in stages from Q3 2021.

Shuaa Energy 3's development was strategically divided into three phases to ensure efficiency and scalability:

Phase A:

Successfully commissioned

300 MW

on 24th July 2021.

Phase B:

Added another

300 MW

to the grid on 11th October 2022.

Phase C:

Anticipated to contribute an additional

300 MW

by 2nd December 2023.

Currently in the construction phase, Shuaa Energy 3 is poised to make a tangible environmental impact by powering 270,000 homes and significantly reducing Dubai's carbon footprint by reducing 1.18 million tonnes of carbon emissions annually.



MIRFA 2 (ENGIE)

Mirfa 2, developed in partnership with Engie, stands as a pioneering water desalination project aimed at addressing the growing water demands within the Emirates. Utilising cutting-edge RO technology, this initiative is pivotal in securing a sustainable water supply.

The need for low-carbon, intensive RO desalination solutions is critical in the UAE. Mirfa 2 RO, Emirates Water and Electricity Company's (EWEC) fifth project of its kind is set to become the third-largest RO plant in the country. Expected to produce 120 million imperial gallons per day (MIGD), or approximately 550,000 cubic metres of potable water daily, the project underscores the UAE's commitment to sustainable water resource management.

Owned jointly by TAQA (60%) and ENGIE (40%), Mirfa 2 is slated for completion in Q4 2025. This collaborative ownership extends to the operations and maintenance (O&M) of the plant, with ENGIE taking a 60% stake and TAQA 40% in the O&M company. EWEC will procure the water from Mirfa 2 under a 30-year agreement, ensuring long-term water security for the Emirates.

Currently under construction, Mirfa 2 is set to make a significant environmental impact by generating potable water through RO.



3C. ESG TOOLKIT

ADIB has deployed an ESG due diligence toolkit supporting the teams to assess ESG risks and opportunities across our portfolio including climate change risks. [Learn more about ADIB's ESG risk approach here.](#)

The toolkit guides Risk Managers (RMs) to evaluate ESG risks and opportunities consistently, forming the basis for more informed client engagements. This enables the bank to gain clearer insights on our customers' risk management measures as well as financing and transition needs. This facilitates more in-depth and forward-looking conversations to guide our clients in operationalising their decarbonisation plans more effectively.

3D. ESG RISK ANALYSIS

ADIB has proactively integrated ESG factors into its financing processes, reinforcing our commitment to sustainable finance. From the early stages of project selection and consideration, ESG aspects and risk factors are meticulously evaluated, ensuring that financing aligns with sustainability goals. This approach is manifested in the Bank's preference for projects with significant ESG impacts, where, for example, specific sections of the Common Term Agreement are dedicated to detailing the implementation processes of such projects.

The engagement with companies within the financing portfolio extends to addressing environmental and social issues, reflecting the importance the Bank place on these dimensions. The Project Finance Department, operating under the Corporate Finance and Investment Banking (CFIB) umbrella, has successfully closed four projects with green qualifications in 2023 alone. These projects include Repdo 3 (Jinko Power), Mirfa 2 (Engie), Wave (Metito & Orascom), and Shuweihat S4 (GSinima). Each of these initiatives undergoes an Environmental & Social Impact Assessment (ESIA), allowing for continuous interaction between financiers and project operators to assess and mitigate environmental and social impacts.



VOLT GREEN FINANCING

In line with ADIB's commitment to promoting sustainability and supporting the UAE's Net-Zero economy goals, ADIB's programme offers a highly competitive financing rate of 1.79%, the lowest in the industry for new cars (EVs).

Key highlights of ADIB's Electric Vehicle Finance programme encompass a financing rate of 1.79% which is the lowest rate available in the market for Passenger car segment. With the flexibility to secure financing up to AED one million, ADIB empowers customers to make eco-conscious choices while accommodating their diverse automotive preferences. In response to the growing global

interest in Electric Vehicles, and as part of ADIB's Environmental, Social, and Governance (ESG) commitment, ADIB's Electric Vehicle Finance programme is designed to encourage consumers to reduce their carbon footprint by making EV ownership more financially accessible.

"VOLT" car finance is part of a series of initiatives undertaken as part of ADIB's commitment to sustainable development.

VOLT

PILLAR 3:
**A LIFELONG
PARTNER**





A LIFELONG PARTNER FOR OUR CUSTOMERS

MATERIAL TOPICS	<ul style="list-style-type: none"> Enhancing Customer Experience Expanding Financial Inclusion and Access
UNSDGs	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>
UAE VISION 2030	<ul style="list-style-type: none"> Enable financial markets to become the key financiers of economic sectors and projects Develop a sufficient and resilient infrastructure capable of supporting the Anticipated economic growth

A. LIFELONG PARTNER FOR OUR CUSTOMERS

We place customer experience at the heart of all our operations. We seek to be respectful, accessible and fair to our customers and dependable in every aspect of our customer interactions.

AWARDS



ADIB's aim is to become an integral partner through every stage of our customers' lives, consistently delivering exceptional customer experiences and expanding access to financial services. ADIB ensures to design Shari'a compliant products and services to support key life milestones.

Our commitment to financial inclusion reaches underserved groups, including those in remote areas, SMEs, people of determination, and the youth. The Bank is committed to making its physical and digital platforms accessible to everyone and will implement programmes to boost financial literacy and inclusivity.



MAKING BANKING CONVENIENT

With a vision to be the world's most innovative Islamic financial institution, we have made significant strides in 2023, particularly in adopting cutting-edge technology to elevate banking services. We are re-designing our processes and re-engineering our Backoffice(?) to bring new changes in the way we deliver our products and services. In all our digital journeys, we are adopting a human-centred design, developing solutions based on our customers' perspective rather than the limitations imposed by our current systems and processes. We have expanded our digital distribution channels to enable customers to transact seamlessly across multiple touchpoints. We updated our mobile app with new look and feel adding 59 new features, we enhanced our corporate internet banking platform, and we launched a new mobile app for ADIB securities.

In 2023, we increased our technology investments in a way that allowed us to move into a new chapter of transformation

to deliver superior customer experiences. We invested in technology capabilities such as Cloud, AI/ MachineLearning (ML) and data to scale new heights and revolutionise the future of banking. Our move to a hybrid, cloud infrastructure resulted in greater resiliency and efficiency scalability. We have made substantial progress in customers' journeys and improved our baseline and time to market. The synergy between Business, Operations and Technology teams co-leading the transformation of operations and customer servicing has provided differentiated digital customer and employee journeys.

Digital adoption metrics showed growth in 2023 of 24% with number of digitally active customers jumping from 638,000 to 800,000 customers.

Subscriptions to the ADIB Mobile Banking app increased to more than 800,000 customers, with 80% of retail customers now registered to the Bank's digital channels. Activity on digital services continued to increase, with average log in per month reaching 29,000 while digital fund transfers through mobile banking were up 25% from the previous year.

In partnership with Cloud4C, an Azure expert known for its advanced cloud-managed services, ADIB has embarked on this transformation journey. This collaboration is grounded in Cloud4C's extensive cloud service portfolio, commitment to security excellence, and deep financial services expertise. This strategic move allows for the rapid deployment of new applications while maintaining the highest security standards. The successful migration of a high percentage of our applications including customer-facing platforms and strategic core banking applications, to the Azure Cloud marks a pivotal achievement. Utilising cloud computing services such as Blockchain, AI, and Data Warehouse, this transformation not only modernises ADIB's infrastructure, but also enhances service availability, digitises banking operations, and deploys new customer experiences.

ENHANCING CUSTOMER EXPERIENCE WITH NEW DIGITAL SERVICES AND FEATURES

ADIB has refined its digital strategy with a customer-centric approach, prioritising the delivery of services that enhance the customer experience and alleviate the operational burden on branch staff. The Bank has successfully launched a suite of digital services, including Customer Segment Upgrade, Cheque Book Issuance, Certificate of Currency, and Balance Transfer.

A feature on Instalment Postponement has been added to ADIB's mobile App which aims to help enhance customers' experience, through increasing customer digital usage and reduce the need for customers to visits branches or contact call centres.



59%

of new accounts opening are done digitally



50%

of personal finance applications are done digitally



80%

of ADIB customers use the mobile app



Nº1

Number 1 rating on APPLE AND GOOGLE store



54

new digital features introduced in 2023

1A. CUSTOMER EXPERIENCE

Aiming to become the bank of choice for customers in the UAE and beyond, we established a Customer Excellence Group to enhance customer-centric practices throughout the organisation, thereby fostering trust and loyalty. In line with the Bank's brand promise to be a lifelong partner for our customers, ADIB prioritises customers' needs and is dedicated to delivering superior service.

The Customer Excellence Group launched a customer service charter, to improve employee-customer relationships through open and honest communication. We have also created a robust and comprehensive consumer insights programme, as well as a strong root cause analysis (RCA) methodology for investigating and resolving customer complaints and issues.

Based on the resulting data and insights, a number of improvement efforts are

being implemented across the Bank in order to further enhance the experience customers have with ADIB.

ADIB ensures to expand or modify personal products and services to proactively support key socio-economic goals at various stages in life, incentivise lifestyle shifts towards excellent sustainability, and maximise positive impacts of client wealth support principled living through positive social and environmental impacts.

The Bank's customer NPS score shown below, is for all different customer segments including (Retail, Wholesale, MPM, International Banking Group (IBG), Financial Institutions/Non-banking Financial Institutions (FI/NBFI)) and has increased by 5% since last year. Moreover, mystery shopper reported a 96% satisfaction score this year.

KPIs	2021	2022	2023
Overall customer satisfaction* (%)	82	83	N/A**
Customer NPS Score* (%)	58	62	67
Mystery Shopper Score (%)	95	95	96

*Programme started in August 2021

** The Bank has moved forward with only Customer NPS scores as a measure of customer satisfaction from 2023 onwards.



1B. TRANSPARENT AND CLEAR **COMMUNICATION WITH CUSTOMERS**

We consider it crucial to provide our employees with the right tools and training that enable them to establish strong relationships with our customers. This includes providing training to relevant staff involved in the sale of financial products, ensuring they are well-versed in customer suitability ensuring they are duly licensed for conducting financial planning.

We value our customers' feedback and strive to improve our

customers' banking experience by reviewing and reevaluating all highlighted areas of concern. We look at all customers enquiries and concerns and assess the root cause as we believe these are valuable indicators of potential issues. We ensure that customer feedback is handled effectively and resolved in a fair and consistent manner. We have put standards in place for complaints handling and resolution, including appropriate timeframes to acknowledge complaints.

CUSTOMER MAJLES

ADIB strives to maintain an open and transparent communication channels with our customers and we are constantly working on maintaining a close partnership with them. We have hosted a series of Customer Majlis to facilitate dialogue between customers from all segments and the senior bank executives to directly engage in dialog and share their feedback.

This council, which is the first of its kind in the banking sector, comes within the framework of ADIB's efforts to achieve the highest levels of customer satisfaction.

SERVICE COUNCIL

To ensure all customers feedback is properly handled in the bank, we established a service council with members from the senior leadership team. The service council meet on monthly basis and review all related complaints and service excellence KPIs.



1C. FAIR DEALING WITH **CUSTOMERS**

At ADIB, we adopt a customer-centric approach to continuously improve the way we deliver our products and services. We consistently do the right things with the highest level of integrity to uphold our customers' trust in us. Our main values is Mutual benefit and we strongly believe in embedding a culture of mutual benefit or fair dealing among our employees to ensure that we operate in a transparent and ethical manner with our customers. Our board and senior management set the tone from the top to instill a strong culture of fair dealing across the Group. We play a vital role in supporting our customers to make sound financial decisions. Our customers rely on us for relevant information, quality advice and appropriate recommendations. By focusing on acting in the best interest of our customers, we

are committed to conducting our business in a responsible manner. We demonstrate this through our interactions with our customers as per the below principles:

Communicating with our customers in a clear and transparent manner.

Understanding our customers' risk profile and financial needs to tailor quality advice accordingly.

Ensuring the suitability of financial products and services for target customer segments.

Responding promptly and honestly to our customers' requests and feedbacks.

- Ensuring that pricing and customer engagement practices are in line with regulatory standards and industry best practices.
- Our product due diligence involves a wide team of experts including Shari'a, legal, compliance and operational personnel. Formal management approval for the financial product would be obtained prior to the distribution to the appropriate customer segments.
- Providing a smooth digital banking experience to all customers. We evaluate our products and services with a commitment to financial inclusion, ensuring that every customer is accorded the fair level of banking experience they deserve. This includes enhancing our digital banking user interfaces to improve readability and accessibility for demographic groups such as the elderly and the visually impaired.

OUR COMMITMENT TO FAIR DEALING

Only sell products and services that are suitable for our customers. Ensure our sales staff are thoroughly trained and equipped with the necessary knowledge and skills to provide quality information to our customers.

Be clear and transparent to our customers, keep them fully informed.

Be responsive to our customers' needs and requests.

Review and attend to complaints.

Strengthened our sales process, putting in expanded fact sheet process.

Staff training and testing our staff on their product knowledge and skills regularly.

Ensure that our staff remuneration is based on a balanced scorecard approach.

1D. CUSTOMER PROTECTION AND COMPLAINTS

As a leading Islamic bank, ADIB is fully compliant with the consumer protection regulation CPR and all its standards that were issued by the UAE central bank in 2021. These standards ensure that all banks and financial institutions operate in a matter that is fair to customers and promotes stability and credibility in the financial sector.

Consumer protection e-learning is mandatory for employees in relevant roles, with an over 90% completion rate in 2023. ADIB products and services follow Customer Protection Regulations, as well as a new Responsible Marketing Policy which has been developed and launched in 2023 ([read here](#)).

ADIB is proud to hold quality management for customer satisfaction certifications ISO 10002:2018 Guidelines for Complaints Handling in Organisation and ISO 10004:2018 Guidelines for Monitoring and Measuring; standards that represent our commitment to quality management and customer

satisfaction. These certifications guide ADIB's approach to effectively handling complaints and rigorously monitoring and measuring services, ensuring the Bank consistently meets its customers' expectations.

A centralised complaints resolution is part of the mandate of the Customer Excellence Group. Complaints are assessed using root cause analysis, with commonly reported issues being thoroughly investigated and relevant processes amended. In 2023, the number of complaints reported has increased by around 32% in comparison with 2022 due to a spike in one-offs which occurred during the year. However, the Bank is proud to report that 99% of these complaints have been resolved. On the other hand, general complaints have dropped by 8% compared to the previous year.



FINANCIAL INCLUSION

Access to affordable and appropriate financial services is crucial for addressing rising inequality, and enabling inclusive economic growth. At ADIB, we are committed to meet the needs of all customers through innovative financial services that make banking more inclusive and accessible. We aim to make banking services more accessible by expanding our reach and provide financial access to serve the underbanked population like women and youth. We are supporting small and medium enterprises and proactively address working capital requirements and we are educating the community at large in making and executing better financial decisions while adopting good cyber hygiene practices online.

The Bank's goal is to promote economic vitality and enhance access to finance across the communities it serves. By offering a wide range of Shari'a-compliant products and services, alongside an expanding array of digital options and educational initiatives, ADIB aims to meet the diverse needs of its customers. The Bank provides essential banking services, including basic accounts, ATM cards, and cash transaction facilities for all customers.

ADIB firmly believes in the importance of digital banking solutions in providing secure, efficient, and accessible banking experiences for everyone. Within the digital banking space, ADIB introduced the first-ever digital account opening service, allowing customers to open accounts remotely using a government-linked facial recognition system, underscoring the Bank's commitment to innovation and inclusivity in banking.

Moreover, we proactively engage SMEs to extend working capital and business transformation support. The Bank has approved over AED 2 billion of financing to SMEs in 2023 which is about 19% more than those approved in 2022.

In 2023, the Bank welcomed 6,604 youth customers through Amwali programme that launched in 2021.

[Read the Bank's Financial Inclusion Policy Statement here.](#)

Moreover, ADIB works with partners and aims to provide Shari'a compliant products to support financial inclusion, such as:

Sheikh Zayed Housing programme has supported

1,382 beneficiaries with
AED 1.063 billion.

In 2023, **21,227** customers
have been financed under the
Yusr Salary Advance
Finance with a total of
AED 503 million.

In a strategic partnership with UAE-based electric vehicle manufacturer (NWTN) the Volt Electric Vehicle financing is a product introduced in 2023. It has a profit rate of 1.79%, which is the lowest in the industry for new electric vehicles (EVs), reached a total financing of AED 112 million, [learn more here.](#)

Launched a green Shari'a compliant financing product in partnership with Sharaf DG Energy, aimed at facilitating the adoption of clean energy in homes across the UAE. It enables customers to finance the installation of Solar PV Systems through personal finance or ADIB cards at preferred rates. [Learn more here.](#)

GRACE PERIOD AND POSTPONEMENT INSTALMENT

High inflation, elevated rates, and global economic uncertainty are intensifying cost-of-living pressures. This affects the overall financial health and wellness of many, especially the most vulnerable in society. Against this backdrop, helping our customers deal with the rising cost of living is of paramount importance to ADIB. We are offering a grace period of 7 months on our personal finance programme in addition to the opportunity to postpone their monthly instalment once a year at no fees or extra charges. The postponement aims to provide customers with cash flow relief during month of higher spending, as well as supporting customers in terms of better managing their mid- to long-term financial commitments.





ISTIKRAR

Due to the higher rate environment, ADIB introduced 'Istikrar', the UAE's first long-term, fixed-rate home finance. This unique product offers customers a consistent, fixed monthly installment throughout the chosen tenor rate, eliminating any variations or fluctuations.

The new offering provides customers with more property financing options amid a high-rate environment. Fixed term schemes, unlike floating-rate home finances, offer stability and predictability for customers when managing their budgets. The carefully designed fixed-rate tenor offered by the bank guarantees homebuyers a worry-free experience, free from any large final payment or unexpected changes in instalments.

AMWALI

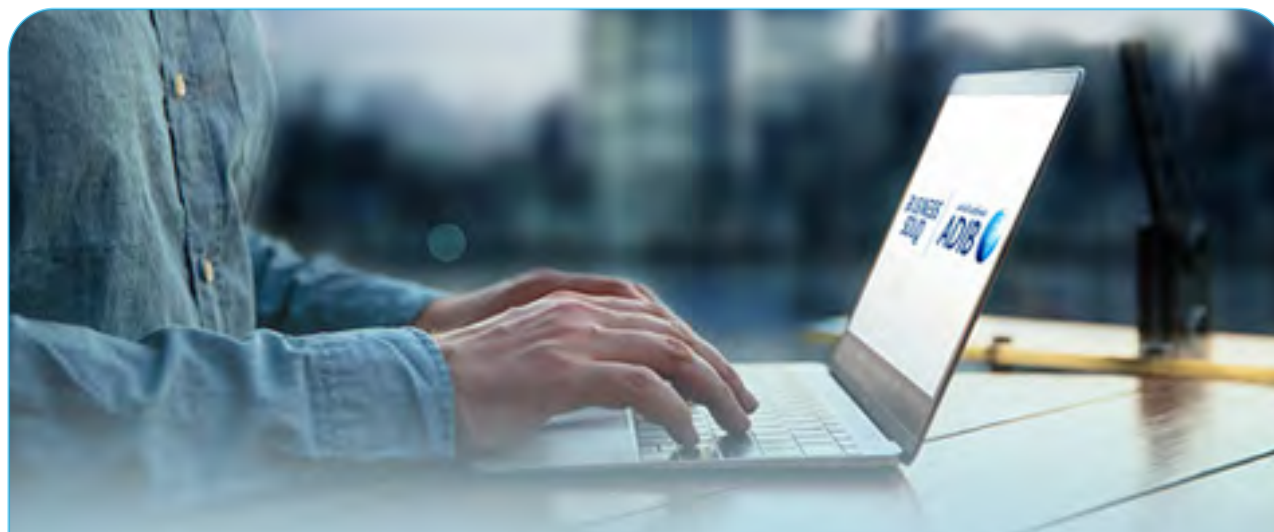
In 2023, ADIB reported significant growth achieved by 'Amwali' in the first year of its operation. The world's first Islamic digital bank account gained high traction with 27% month-over-month growth over 12 months.

With over 16,000 total accounts opened since August 2021, ADIB's Amwali aims to address the gap in a demographic that has been largely underserved in the region. Currently, 74% of customers are Emiratis with a ratio of 61% male, 39% female. In addition, 54% of accounts are in the age group between 15 – 18 years.

When Amwali was first introduced in August 2021, it was intended to empower youth to develop financial management skills early in life. Over the past year, ADIB witnessed that youth are inclined towards acquiring the knowledge and skills to build responsible financial behaviour and make informed financial decisions. Amwali enables them to practice sound money management at a young age while building their financial literacy in the process.

Amwali provides tailored banking experience for target customers' segments with a plethora of niche features including receiving money from parents and family, tracking balance and spending, creating saving goals, paying friends, and more. Customers of Amwali receive a debit card to use for day-to-day shopping, online payments, cash withdrawals, and can even add it to Apple Pay and enjoy exclusive offers on fashion, electronics, gaming, entertainment, online shopping and more to help them grow into financially smart and successful adults.





ADIB LAUNCHES (B2B) MARKETPLACE TO EMPOWER SMALL AND MEDIUM ENTERPRISES

ADIB introduced ADIB Business Souq, an innovative digital marketplace designed to provide comprehensive support to Small and Medium-sized Enterprises (SMEs). This all-in-one digital platform aims to significantly reduce the cost of doing business by offering a wide range of exclusive offers and discounts. ADIB Business Souq is an online ecosystem for SMEs which allows businesses to digitally access multiple services and offers. The platform continuously adds new services and offers from various businesses in the UAE. Users can access these offers by visiting the ADIB Business Souq platform, where they can log in using their UAE mobile number, name, and OTP. Once logged in, they can select the desired offer, fill out a request form, and expect partner brands to respond within 48 working hours to process the request.

ADIB is committed to supporting SMEs beyond the Business Souq, the platform is not exclusive to ADIB customers and is accessible to all SMEs in the UAE. In addition to accessing a wide array of services and offers, business owners can also expect a ready community of suppliers, all available through this free-of-charge service. Furthermore, new SME customers can open an ADIB account instantly through a fully automated process.

BUILDING FINANCIAL LITERACY

Better financial decisions lead to more successful lives, which is why ADIB is committed to equipping customers and the wider society with the tools they need to manage their finances responsibly. Financial literacy initiatives include:

- The Moneysmart online community ([learn more here](#))
- Complimentary webinars for SMEs
- Financial literacy programmes in schools and corporates

Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers

2021	2022	2023
4,339	4,595	2,715

ADIB has launched a series of sessions through the Financial Education programme (FEP) aimed to educate young people about financial culture, enhance awareness of the importance of saving and financial investment as well as financial inclusion.

More than 20 workshops have been organized targeting about 2,715 members of society and the programme courses are offered in Arabic and English targeting schools and university students, in the public and private sectors. [Read more here.](#)



A LIFELONG PARTNER FOR OUR PEOPLE

MATERIAL TOPICS

Promoting Equal Opportunity
Empowering Learning and Development
Prioritising Employee Wellbeing

UNSDGs



UAE VISION 2030

Develop a sufficient and resilient infrastructure capable of supporting the anticipated economic growth
Develop a highly skilled, highly productive workforce



A LIFELONG PARTNER FOR STAFF

ADIB recognises that its employees are fundamental to the Bank's success. ADIB's commitment to being an employer of choice is reflected in the ongoing efforts to provide diverse talent with opportunities for personal and professional growth. This includes investing in practical training, ensuring equal opportunities, and fostering inclusive, healthy workplaces.

Building upon the achievements of the previous year, we remain steadfast in our dedication to creating an environment where employees can thrive both personally and professionally.



All our people practices and programmes are designed to help employees feel empowered, engaged and valued. We are working on transforming the way we work in a way that we break down silos, align team members to a common goal and have team members shared accountability. Such an approach drives better business outcomes and enables us to make work more purposeful for our employees. We help our employees feel engaged by building different networking opportunities such as staff majlis. Additionally, our senior leadership regularly conducts office visits across premises to engage directly with employees. Furthermore, we consistently invest in our employees and provide an array of developmental opportunities to help them grow in their careers. We offer a comprehensive suite of employee benefits, rewards and recognition.



TRAINING AND DEVELOPMENT

ADIB is committed to becoming a learning-centric organisation, aspiring to be the preferred employer for both prospective recruits and existing colleagues by fostering a culture of job satisfaction and wellbeing.

The Bank empowers employees to grow, pursue their aspirations, and equip them with the skills required for the future. Accordingly, we have developed and publicly disclosed a [Learning & Development Policy](#) covering training requirements, career development programmes, talent development and succession planning, employee engagement, and performance evaluation.

To enhance employee skills, we offer digital learning programmes focusing on technical and behavioural development. These include ADIB Retail Digital Products Programme, Branch New Joiners' programmes that cover all sales, service, and systems training, in addition to role-based Compliance, Operational Risk, Business Continuity, and Health and Safety programmes. To guarantee top-quality performance, ADIB mandates AML/KYC, and Ethical and Islamic Banking training programmes. The Bank's training portfolio

provides online and in-person training, and encompasses Orientation, Cybersecurity, Fraud and Risk, and ESG programmes. The Bank's training portfolio provides online and in-person training, and encompasses Orientation, Cybersecurity, Fraud and Risk, and ESG programmes.

Collaborating with esteemed local and global partners like the Emirates Institute of Finance, ADGM, Informa, PWC, and globally recognised LinkedIn Learning, the Bank continues to provide top tier learning opportunities for the workforce.

In 2023, ADIB launched the Senior Sustainable Leadership Programme to develop future leaders, and the High-flyer Programme which is applicable for a diversified talent pool from all backgrounds.

Recognising the diverse aspirations and career trajectories of our leaders, the Senior Sustainable Leadership Programme aimed through coaching session to assist leaders in identifying the skills needed for their career goals and recommends the relevant opportunities for them. This programme ensures that our employees across various regions can benefit from personalised development plans, aligning their skills with their career ambitions.

THIS YEAR, OVER

600

programmes were offered internally

OVER

16,000

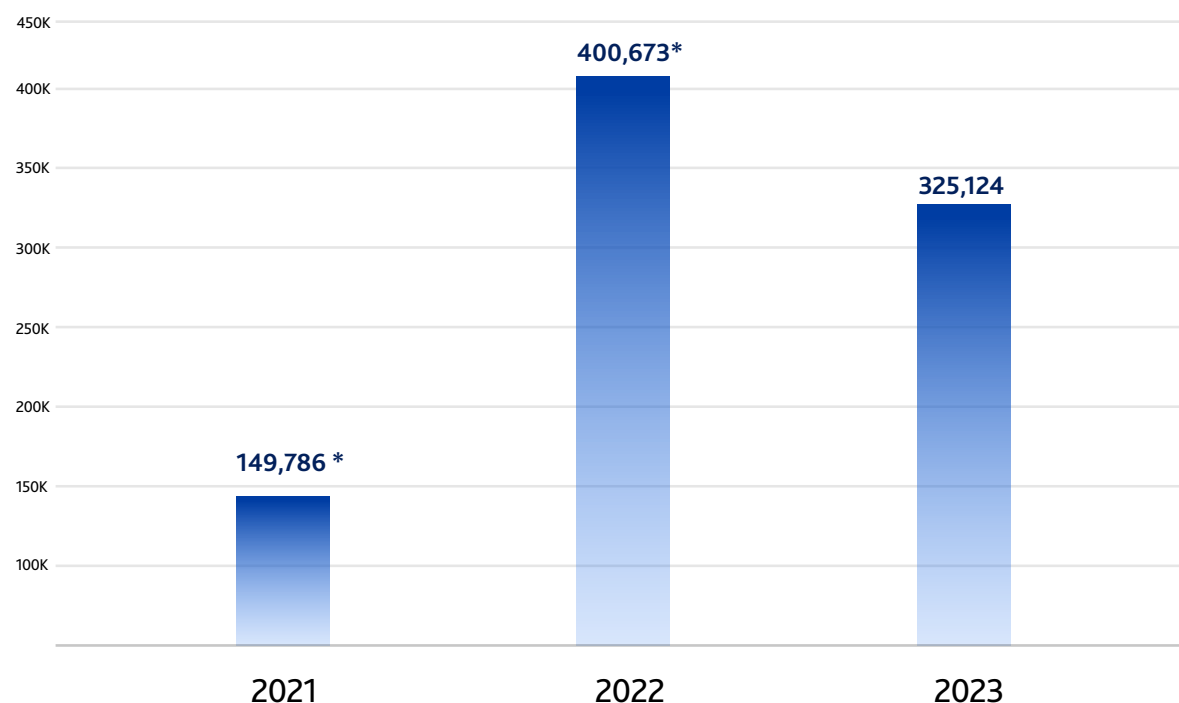
videos from the LinkedIn learning platform were shared

SPECIAL CERTIFICATES

Ensuring that ADIB's professionals are equipped with the necessary skills, we invest in audited training and globally recognised certifications. These programmes, spanning business, technology, and banking, are designed to address both business needs and regulatory requirements, demonstrating ADIB's commitment to excellence and compliance. The Bank's commitment is underscored by the certification of over 200 UAE Nationals from esteemed bodies including Association of Certified Anti-Money Laundering Specialists (ACAMS), Association of Chartered Certified Accountants (ACCA), 6 Sigma, Project Management Professional (PMP), and CISCO, amongst others.

TOTAL TRAINING DELIVERED (HOURS)

*Restated figures



561 employees completed sustainability-related awareness/ training programmes compared to 8 last years; as part of the Bank's active support of sustainability training for all staff. Sustainability training has also been included as part of mandatory staff training modules which will be reflected in 2024 figures.

Annual mandatory training is rolled out across our workforce to raise awareness of critical business matters and other regulatory matters such as risk, fraud, governance, ESG and customer protection. Through ADIB Banking Academy, we are able to track the performance of all of these training programmes. All staff are required to complete the mandatory annual trainings.

We developed structured learning roadmaps and certification programmes to ensure our workforce is equipped with functional knowledge and up-to-date expertise. We have over 30 training modules that span a wide range of skills, such as credit assessment, data and digital, product sales, risk and control and sustainability. Additionally, employees can access educational courses from a library of more than 10,000 curated courses on our learning portal.

Internal career opportunity

Employees can move to new roles and grow in their careers.

In 2023,

about 30% of jobs were filled by internal candidates.

Employee Education

Percentage of employees formally trained on information security, data privacy, and protection (%)

2021

36%

2022

86%

2023

99%

Percentage of workforce who have formally acknowledged compliance with the Employee Code of Conduct (%)

45%

99%

99%

Percentage of workforce formally trained on the anti-corruption/ bribery policy (%)

90%

85%

96%



325,124

training hours



Above 90%

attendance rate for mandatory training

TALENT REVIEW

In 2023, we conducted a comprehensive bank-wide talent review, which takes into consideration our business strategy, the operating model and the skills required to drive our business outcomes. It was a rigorous process which includes inputs from the Group Functional Heads. The aim was to identify potential successors for different positions. Development

plans are then formulated to address their leadership gaps and prepare them for succession. To build the pipeline of future leaders, we also have a High Potential (HIPO) identification process. All identified HIPOs undergo an accelerated growth and development programme based on a comprehensive framework.

PERFORMANCE MANAGEMENT

The Performance Management System is crafted to empower employees to realise their performance potential, aligning with ADIB's vision and mission. This structured system consists of three key cycles: goal setting, mid-year evaluation, and year-end evaluation. All employees who joined ADIB before July 1st of the relevant performance year are required to undergo a performance evaluation.

Our appraisal system is based on evaluating staff based on the balanced score card of employees, which incorporates the Bank's performance and a management by objectives system against individual KPIs. When relevant, we have also introduced team-based appraisals.

DIVERSITY AND INCLUSION

In line with its values and commitment to Shari'a compliance, the Bank's HR approach is anchored in principles of equality and non-discrimination. The Bank remains dedicated to cultivating a workforce that mirrors the diversity of the communities it serves, ensuring equal opportunities for all. This commitment extends to safeguarding the dignity of employees and fostering a workplace environment built on mutual respect. To emphasise the Bank's commitment to diversify its workforce while ensuring equality, ADIB has developed and publicly disclosed a [Diversity and Inclusion Policy](#) which all employees including temporary staff, agents, representative or contracted employees working in or providing services to ADIB are required to abide by.

At ADIB we embrace diversity and inclusion in its hiring practices, welcoming candidates across all demographics. The bank's commitment is reinforced by a suite of policies, including the Employee Code of Conduct and the Anti-Bullying and Harassment Policy, ensuring a workplace where respect, dignity, and equality prevail. This approach not only fosters a positive work environment but also enhances employee morale, engagement, and well-being, contributing to lower staff turnover and a productive workplace.

All employees and contractors are required to take personal responsibility to comply with the rules, including conducting themselves in a manner that demonstrates appropriate, non-discriminatory behaviours. The Bank strives for recruitment, appraisals, pay and conditions, training, development, succession planning, promotion, grievance/ disciplinary procedures and employment termination practices that are inclusive and accessible; and that do not directly or indirectly discriminate. Recruitment, employment, training, development and promotion decisions are based on the skills, knowledge and behaviour required to perform the role. ADIB will also make reasonable workplace adjustments (including during the hiring process) to ensure all individuals feel supported and are able to participate fully and reach their potential.

All policies and employment contracts meet or exceed UAE Labour Law. This begins at recruitment, and ADIB was delighted to welcome

66 additional female employees in

2023 comprising a
quarter
of our total new hires.

There were

63 new recruits in the 18-30 age bracket

joining the Bank in 2023

ADIB'S DIVERSE STAFF INCLUDES 2,161 EMPLOYEES FROM 52 DIFFERENT COUNTRIES, 39% FEMALE AND 41% UAE NATIONALS.

New employees by gender	2021	2022	2023
Female (Number)	67	270*	66
Male (Number)	132	235*	196
New employees by age bracket**			
Age 18-29 (Number)	60	287*	63
Age 30-50 (Number)	130	206*	195
Age 51+ (Number)	9	12*	4

*2022 figures were restated.

**Age categories were modified

See all performance data on page 176

INCLUSIVE EMPLOYMENT

ADIB has partnered with "The Butterfly" a prominent advocate for People of Determination and their families in the Emirate of Abu Dhabi, marking a significant step in supporting People of Determination.

This collaboration will enrich ADIB with crucial resources and training, aimed at enhancing disability inclusion and affirming the Bank's commitment to diversity and equality. Under the terms of the MoU, ADIB will gain access to a comprehensive set of resources and initiatives designed to enhance disability inclusion within the organisation.

The benefits include:

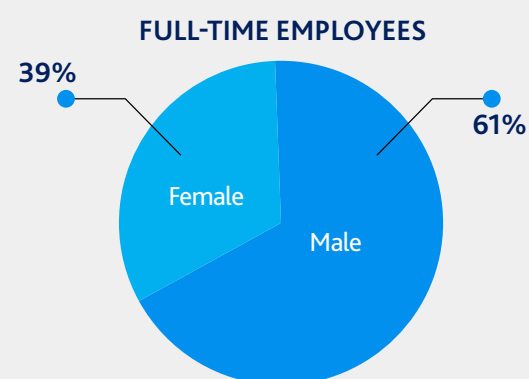
- An initial self-assessment questionnaire based on UN ILO international best practice standards.
- A brief assessment report to prioritise improvement areas.
- Participation in monthly workshops and roundtables on disability pillars of inclusion and equality.

In addition, ADIB will receive disability awareness training for all staff, access to a pool of CVs of candidates with disabilities, and participation in employment Inclusive Career Fairs. The partnership also provides ADIB with priority invitations to national and international events in the disability field, further reinforcing the Bank's dedication to driving positive change.

IMPROVING GENDER DIVERSITY

Addressing gender diversity is a critical focus in the finance industry, given its historical male-dominated landscape. This emphasis aligns with the UAE Emiratization Strategy and the Bank's recognition of the importance of creating a diverse workplace that is highlighted in ADIB's Diversity and Inclusion Policy.

In 2023, women made up 39% of the workforce and we are determined to achieve gender parity in our workforce in alignment with the UAE gender balance strategy through its proactive recruitment and engagement programmes.

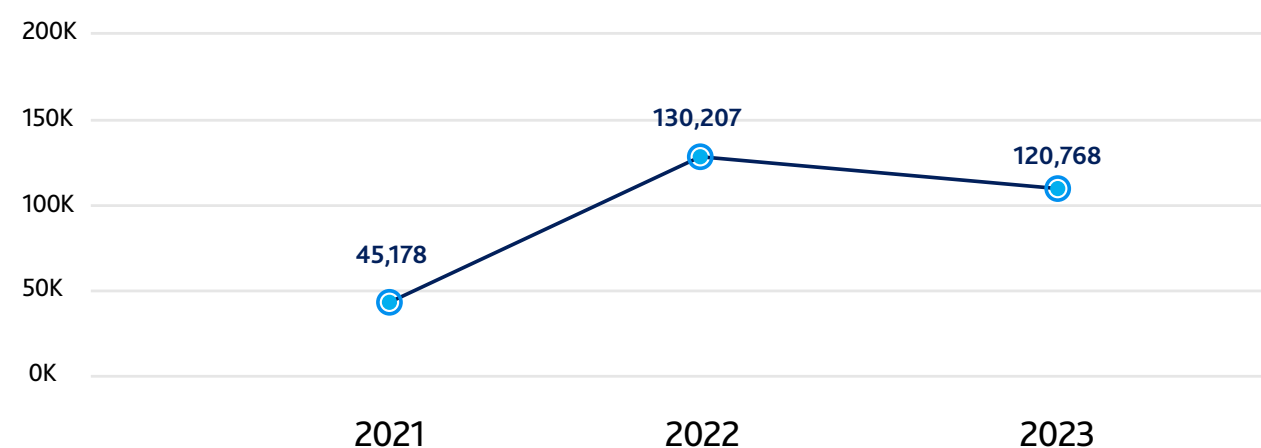


Proactive measures include ensuring hiring processes remove any unconscious biases and recruit from diverse pools – open days conducted in partnership with inclusive organisations such as Higher Colleges of Technology are one such example. Additional benefits are made available to women, such as household expenses, education, dependent children air ticket allowances and medical insurance; maternity leave; and targeted development programmes including Qiyadat and Tamkeen are specifically designed to empower female employees to advance into management positions.

A total of **120,768** hours of training were taken up by women in 2023.

FEMALE EMPLOYEES TRAINING (HOURS)

*Training restated as hours instead of days



Whilst the Bank practices equal pay for men and women in the same roles, with salary scales built on managerial level and not gender, due to the legacy of more senior management positions being held by men, the Bank continued to report a gender pay gap in 2023. In 2023, the median salary, encompassing employees of all levels, was 1.37 times higher for men than for women.

	2022	2023
Mean gender pay gap (Ratio men : women)	1.37 : 1	1.37 : 1
Median gender pay gap (Ratio men : women)	1.2 : 1	1.2 : 1
Mean bonus gap (Ratio men : women)	2.48 : 1	2.48 : 1
Median bonus gap (Ratio men : women)	1.87 : 1	1.87 : 1

EMIRATISATION

In 2023, we continued to deliver against our target of 50% Emiratisation rate by 2030. Our focus on this target has resulted to reach an Emiratisation rate of 44% . We continued to implement an Emiratisation strategy as part of our commitment to unlock the potential of UAE nationals. Proudly, ADIB maintains one of the highest Emiratisation rates in the local banking and financial services industry. To know more about our Emiratisation Plan, [click here to read the annual report](#).

In 2023, the Bank had a total of 947 Emirati nationals among its workforce. Emirati women make up 72% of all Emiratis at ADIB, while 20% of senior management positions are held by Emiratis.

	2021	2022	2023
Nationals among total full-time workforce (%)	40%	45%	44%
Female National full-time employees (Number)	503*	700*	682
Male National full-time employees (Number)	241*	278	265

*Figures are restated



HASAAD

A development programme in collaboration with UAE International Auditors Association (UAE IAA) aimed at training new graduates who are willing to join the internal audit profession.

ETHRAA

In collaboration with the Emirates Institute of Finance (EIF) aiming to attract and prepare national competencies to work in the UAE's financial sector and properly integrate them.

MASRAFI

Based on the cooperation between the Emirates Institute for Banking and Financial Studies (EIBFS) and the Ministry of Human Resources and Emiratisation (MOHRE) to achieve the vision of the UAE through developing national knowledge and skills.

ADGM-JOB CENTER

In collaboration with the Abu Dhabi Global Market (ADGM), ADIB gets access to talented and skilled UAE national talent and helps to integrate them in the job market.



5. GRIEVANCE PROCEDURES

In line with the ADIB's values, any employee should be able to report any concern relating to discrimination or any other issue without fear of retribution. A Grievance Committee oversees how employee complaints are addressed in an unbiased way. It considers cases that have been formally submitted in writing by the employee, via the confidential Grievance Committee email address or as referred from the GCEO or HR. All procedures are outlined in the Employee Handbook.

The Handbook provides a formal framework to deal with concerns that employees have in relation to their employment or another colleague, which affects them directly. Employees can raise grievances to their People Leader or a Human Resources (HR) Representative.

The following committees investigate misconduct instances:

The Disciplinary Committee:

examines reports provided by the Fraud Investigation Unit and determines suitable disciplinary measures according to the established disciplinary action framework.

The Conduct Disciplinary Committee:

conducts investigations upon receiving credible information regarding significant wrongdoing, misconduct, or ethical lapses. It then issues appropriate disciplinary actions in accordance with the disciplinary action framework.

The Grievance Committee:

reviews grievances and appeals that fall within its jurisdiction upholding a transparent environment that offers equal opportunities to all ADIB employees.

ADIB's approach to grievances incorporates an HR representative and a business member to review and investigate complaints, providing resolutions in writing. Remedial actions may involve policy adjustments or disciplinary reviews if necessary. The Group Grievance Standard is regularly updated in collaboration with HR, Legal, and Compliance departments, ensuring responsiveness to emerging trends and fostering a fair, transparent grievance process.

ADIB has established various internal communications' channels to encourage employees to confidently raise their grievance requests should they feel or think the disciplinary imposed was not just, so the Grievance Committee can review and investigate their cases independently.

In 2023, 108 grievances were filed. The noticed increase in grievance requests submitted to the Grievance Committee was mainly driven by the increased number of staff education campaigns on our internal grievance process, which made more employees aware of grievance procedures. This number does not indicate substantiated grievances against the ADIB Code of Conduct or policies.



EMPLOYEE WELLBEING

Ensuring the health and wellbeing of the workforce is fundamental to ADIB's business success. The Bank has implemented a range of policies, programmes, and initiatives dedicated to supporting the physical, emotional, and financial wellbeing of its employees.



HEALTH & FITNESS

TOGETHER TOWARD HEALTHY LIFESTYLES

Roadshows, consultations and webinars were held in Abu Dhabi HQ on three consecutive weeks covering the importance of a healthy lifestyle on staff overall health and productivity.

HEALTHY WEIGHT COMPETITION (LOSE WEIGHT AND WIN GOLD)

ADIB staff enjoy complimentary BMI evaluations and dietitian consultations, both on-site and throughout the UAE. ADIB's yearly competition promotes balanced diets and healthy weight, offering enhanced pricing for weight loss programmes and rewards for winners.

QUIT SMOKING CAMPAIGN

Primary and secondary smokers at ADIB's HQ in Abu Dhabi were offered consultations and support to quit smoking.

STAFF WELLNESS WEEK AND STRESS MANAGEMENT AWARENESS CAMPAIGN

Staff in Abu Dhabi HQ were offered consultations and support to take care of their physical, psychological, and mental health, through webinars. Additionally, Employee Stress Management Programmes are available on ADIB Learning Portal.

SPORTS AND EXERCISE

Promote national sports competitions amongst staff and encourage participation. Providing tools for exercise and exclusive offers, the Bank fosters a culture of active lifestyle choices. With enhanced access to ADIB Gyms and fitness facilities, staff can stay healthy and active conveniently.

FLEXIBLE WORK HOURS POLICIES

Covers eight hours of duty per day. Official work timings commence anytime between 07.30 – 09.00 a.m.

STAFF FINANCE POLICY

Where staff can access banking products and services at highly competitive rates and in some cases at no cost.



STAFF LEAVES

MATERNITY LEAVE

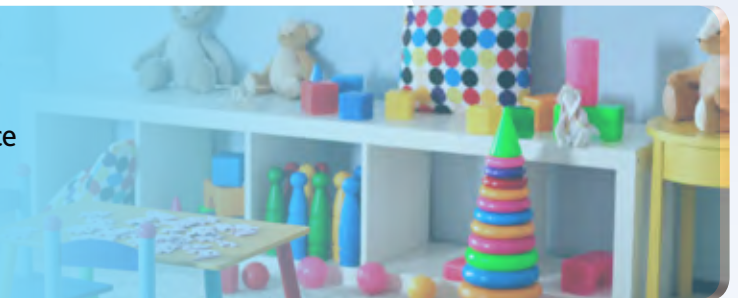
Maternity leave of 90 calendar days at full pay for employees employed for over a year, or 50% at half pay for those employed under a year. Those who have worked for less than a year can access 45 days at full pay and 45 days at half pay.*

PARENTAL LEAVE

Fathers can access five paternity days at full pay, which can be taken on consecutive or non-consecutive days at any time within six months of the child's birth.

SUPPORTING FAMILIES

ADIB kids' nursery at the Head office at high standards and supported by affordable prices.



SUPPORTING PARENTS

During the first six months, mothers are entitled to a one-hour break each to nurse their child (also applies through Ramadan).

COMPASSIONATE LEAVE

ADIB Staff also have access to compassionate leave in the event that death or health issues occur in their life.

Dedicated rooms for breastfeeding with refrigerators are available across ADIB UAE locations upon female staff requests.

SUPPORTING PEOPLE OF DETERMINATION

We are actively working to increase the educational support we provide for employees whose children are recognised as People of Determination (POD), with plans to enhance the financial allowance allocated for their education in 2024 by AED 10,000 without age limits and until their graduation from university.

*The same applies in the event of the delivery of a stillborn baby or in the event that the baby dies after birth (with the only adjustment being 15 days at half pay instead of 45 for those who have been employed for less than a year). An additional 30 calendar days of maternity leave (with full pay) will be granted to employees who give birth to a child of determination or sick child whose health conditions require a 'constant companion', which can be further extended for an additional 30-day unpaid leave. The eligible female employee shall provide a medical certificate, birth certificate or certificate from the hospital stating a birth through the HR system.



STAFF OFFERS

Exclusive offers to staff for hotels at weekends.

Exclusive offers for getting exceptional summer vacations in Europe.

Exclusive offers and discounts for ADIB staff kids for training football in a high standard club in Abu Dhabi.

Royal membership discount for staff to get unlimited access to wellness and fitness destinations.

Exclusive ticketing discounts for staff with unlimited use.

Fazaa card.

Mazaya card.

ADIB smart deals.

Dining and leisure time.

Retails.

Tickets to entertaining destinations.



HEALTH AND SAFETY

The Bank is resolute in its determination for zero accidents and injuries. Our ISO 45001 Occupational Health and Safety accreditation is reflective of preventative and corrective actions taken. An Occupational Health & Safety System is in place, which includes health and safety procedures, in addition to a publicly disclosed Health & Safety Policy Statement. The system is in line with the UAE regulations under Occupational Safety & Health Abu Dhabi (OSHAD).

In 2023, an internal health and safety audit was conducted. This year, 201 employees received health, safety and wellbeing training. These were personnel who are exposed to health and safety risks, with First Aid, emergency preparedness and fire drills amongst topics covered. Ongoing awareness is raised by email and intranet campaigns.

Whereas 132 HSE trainings were conducted by ADIB & Facility Management contractors with a total of 186 training hours marking a 29% increase compared to 2022. In 2023, 12 Fire Drills were completed, featuring

a comprehensive drill at both HQ towers. This HQ drill, conducted in collaboration with the Abu Dhabi Civil Defence, earned a score of 97%. The fire safety procedures and emergency procedures of ADIB, are part of the newly launched ADIB Health & Safety Awareness Online Training on the ADIB Online Training Academy.

In accordance with our parental leave policy, 138 employees took parental leave during 2023, achieving a 99% return to work rate and a 92% retention rate. For further details, please refer to page 192 in this report. Please note that we have revised our calculation method and restated last years' figures accordingly.

From 2020 to 2023, no serious injuries or fatalities were recorded. Although minor incidents did occur during this period, they were promptly addressed to prevent future occurrences. Additionally, there were isolated cases of staff experiencing minor health incidents, all of whom received immediate medical attention from our medical team.

A LIFELONG PARTNER FOR OUR COMMUNITIES

MATERIAL TOPICS

Nurturing Community Relations
Leading Emiratization Efforts
Managing Environmental and Climate Impact

UNSDGs



UAE VISION 2030

Develop a sufficient and resilient infrastructure capable of supporting the anticipated economic growth
Develop a highly skilled, highly productive workforce

BANKING SERVICES FOR COMMUNITY PARTNERS

Community Banking is a specialised customer segment that is dedicated to serve non-profit organization's (NPOs). It stands as a testament to the Bank's dedication to serving the community, specifically focusing on NPOs.

THIS SPECIALISED SEGMENT IS COMMITTED TO:

Supporting ADIB's mission and shared values to support community service.

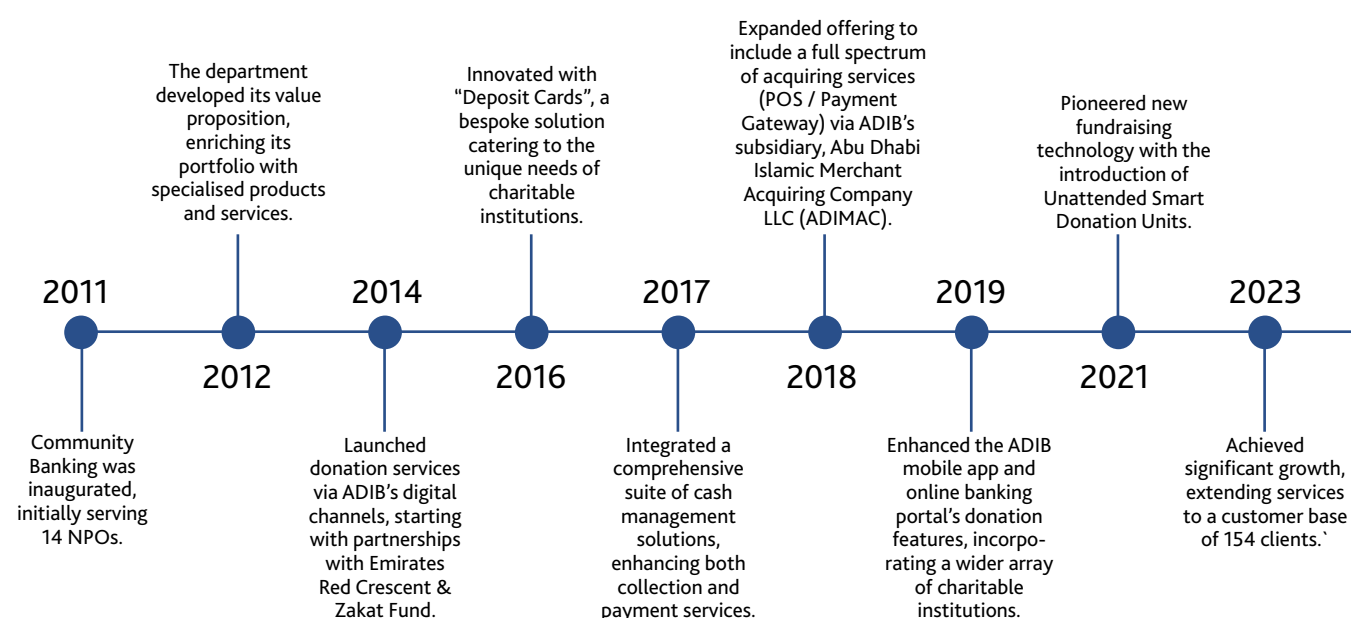
Delivering an array of value-added products and services designed for NPOs to enhance their operational efficiency.

Providing NPOs with special considerations, including discounted fees and tariffs, to aid in maximising funds for their noble causes.

Supporting and sponsoring NPO-organised events and campaigns that have a positive impact on both the community and individuals.

HISTORY AND MILESTONES OF COMMUNITY BANKING

The timeline below shows Community Banking's evolution and dedication to fostering a supportive ecosystem for NPOs.



COMMUNITY BANKING TODAY

ADIB has leveraged the Mobile App and Online Banking platform to facilitate donations, offering users an accessible way to contribute to causes they care about. During 2023, we facilitated over AED 130 million worth of donations to the charities shown below through ADIB's mobile banking application and online banking portal.

Associations available on ADIB's Mobile App & Online Banking donation's menu:

- Emirates Red Crescent
- Zakat Fund
- General Authority of Islamic Affairs & Endowment
- Authority of Social Contribution (Maan)
- Cancer Patient Care Society (Rahma)
- Faraj Fund

As a key coordinator for CSR activities, Community Banking liaises with ADIB's CSR Committee to orchestrate various initiatives and partnerships with charitable organisations. Over the years, these collaborations have led to impactful campaigns including Ramadan fast-breaking, food saving (حفظ النعمة), winter clothing distribution (كسوة الشتاء), UAE National Day celebrations, and educational Ramadan Seminars for staff in cooperation with the Zakat Fund, amongst others.



In line with the Bank's strategy, ADIB is dedicated to empowering the local communities in the Net Zero transition, making sure that financing for essential infrastructure and technologies is both affordable and accessible. Furthermore, the Bank is committed to nurturing a new generation of Emirati talent in Shari'a banking and finance through comprehensive career pathways, guidance, mentoring, and resources. This approach underscores our long-term dedication to the social and economic wellbeing of communities and citizens, reinforcing the Bank's role as a committed and responsible business.

COMMUNITY ENGAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

Guided by ADIB's values and principles, we are dedicated to generating a meaningful and enduring impact within the communities we serve. Over the years, ADIB has maintained strong partnerships with local organisations to support community initiatives. Encouraging staff to actively participate in volunteer efforts beyond their professional duties, the Bank has worked alongside numerous non-profit and charitable organisations to address and mitigate the pressing social, economic, and environmental challenges faced by the communities. All donations and sponsorships are agreed according to the Bank's Donations and Sponsorship Policy, approved by the Board of Directors. All Charity contributions must be in line with the Code of Conduct, the Bank's values and its Shari'a compliance.

OUR APPROACH TO COMMUNITY ENGAGEMENT

- **Volunteering:** we encourage all our employees to support the community through volunteering programmes.
- **Community initiatives:** we are partnering with government and NGOs to support their initiatives and work with them through funding and allocating resources and assets to support.
- **Sponsorship:** we support and sponsor government initiatives that are aligned with our objectives and strategy.
- **Banking services:** through our community banking department, we support our community partners by providing banking services and solutions.



In 2023, total community investment amounted to AED 24.9 million, a 5.5% increase on the previous year.

	2021	2022	2023
Community Investment (AED millions)	20.8	23.6	24.9



1. MASS WEDDINGS

ADIB, embracing its roots as an Emirati bank, is dedicated to nurturing the nation's identity through various initiatives, notably by facilitating the coming together of young people in matrimony. Recognising the financial burdens that weddings can impose on

the youth, ADIB is committed to alleviating these pressures. A prime example of this commitment was our collaboration with the Ministry of Community Development (MOCD) to organise a mass wedding in Al Ain (Al Qoa Area).

Impact: investing in 15-20 Emirati Families



impacted by the devastating earthquakes in Turkey and Syria.

2. EMIRATES RED CRESCENT – VOLUNTEERING PROGRAMME

ADIB's volunteers demonstrated their commitment to global humanitarian efforts by participating in the Bridges of Giving initiative, in collaboration with Emirates Red Crescent. This initiative was focused on providing aid to those



3. BLOOD DONATIONS

In 2023, ADIB organised a series of blood donation drives across the UAE, reflecting its commitment to contributing to the health and well-being of the community. A total of 32 drives were held in key

locations including Abu Dhabi, Al Ain, Al Dhafra, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah, and Fujairah.

Impact: These efforts brought together 1,160 generous donors, successfully collecting 522 litres of blood.

VOLUNTEERS

Moreover, ADIB's employees are actively involved in the Bank's community engagement and investment through a number of volunteering activities. In 2023, **1,895** of our staff have completed a total of **3,122** hours of volunteering work across a number of different initiatives.

	2021	2022	2023
Employees participating in volunteering programmes (Number)	1,164	2,869	1,895



RAMADAN AT ADIB

Breaking the Fast Initiative

As part of the annual strategy partnership with Emirates Red Crescent, ADIB staff volunteered in the distribution of breaking the fast meals across the UAE.



Iftar Meal Distribution

In collaboration with the Ministry of Interior, and the Police General HQ of all Emirates, ADIB distributed Iftar Meals across the UAE.

Number of Iftar meals distributed:
62,000 Iftar Boxes

Number of volunteers participated:
Staff Volunteers: **1,695**
Non-Staff Volunteers: **1,879**

Islamic Art Exhibition

ADIB organised an Islamic Art Exhibition "The Road from Jerusalem to Mecca and Medina" which includes scale model of Holy Mosques and educational videos.

Number of visitors:
1,500 visitors



Zakat Fund Webinars

In collaboration with Zakat fund, ADIB arranged three webinars which aimed at increasing the awareness on the importance of Zakat to customers and staff.

Raffle winners: total of nine winners (each webinar had three winners)

Session attendance:
Registrations: **1,743**
Views: **3,216**

WOMEN RELATED INITIATIVES

Breast Cancer Awareness

ADIB partnered with Mediclinic to host two webinars in English and Arabic for customers and staff aiming to provide a comprehensive understanding of Breast Cancer, its early detection, and Prevention measures to a diverse audience. Moreover, ADIB partnered with Pink Caravan to host two webinars in English and Arabic and clinical examination was conducted for ADIB female staff at Head Quarters

Mediclinic session attendance:
Registrations: 764

Views: 1,195 (3 raffle winners each get AED 500)



International Women's Day

In occasion of International Women's Day, offers and discounts were provided to female Staff and customers from different brands.

Emirati Women's Day

In collaboration with strategic partners, ADIB organised a special Emirati Women's exhibition at ADIB HQ. The purpose of the event is to express pride in women's achievements and to celebrate the achievements of female colleagues at ADIB.

Participants included Abu Dhabi Police, Khalifa Bin Zayed Al Nahyan Foundation, General Women's Union, Emirates Heritage Club, Al Ghadeer UAE Crafts, Miral and Sno Clinic.



OTHER INITIATIVES

Year of Sustainability Competition

In line with the Government announcement that 2023 is the Year of Sustainability, ADIB launched a competition where staff can submit ideas that may result in a practical impact of protecting the environment and how the same can be applied in ADIB.

Three winners were selected.



Labour Segment Initiative

In collaboration with Ministry of Human Resources and Emiratization, ADIB organised a voluntary initiative to show appreciation and respect for the workforce in the Emirates, where 1,500 gifts and meals were distributed to the labourers.



Emirati Genome

In collaboration with Emirati Genome Programme, the Bank arranged an event to encourage UAE Nationals at ADIB to participate in donating 8ml of blood to the Genome Programme.



Financial Literacy

In 2023, the Financial Literacy initiative saw a total of 2,715 attendees participate across 24 sessions. These educational sessions were part of a comprehensive Financial Education programme, which was conducted in collaboration with both government and private entities.



In ongoing efforts to foster the development of the local economy and support the community, ADIB has actively participated in a variety of initiatives throughout 2023.

Initiative	Description	Beneficiaries
Emirates Red Crescent	Strategic sponsor for 2023 Campaigns including ADAHI, Ramadan, Winter, education, orphanage, and water campaigns	
Mohamed Bin Rashid Al Maktoum Global Initiative (MBRGI)	Sponsored the 1 million Meals in 1 billion Meal Endowment Initiative	
Dar Al Ber Society	Sponsored Ramadan Meer distribution to 100 low-income families	100 low-income families
General Women's Union	Sponsored Ramadan Meer distribution to 100 low-income families	100 low-income families
Holy-Quran Tahbeer and its Science Award	Sponsored the 9th edition award – 2023 titled "The Year of Sustainability"	
Faraj Fund	Supported inmates in penal and correctional institutions	24 inmates
DIHAD Humanitarian College	Sponsored 30 students for the master's programme in Sustainable Humanitarian action	30 students
Dubai International Holy Quran Award	Sponsored the printing and publishing of 3,000 copies of a book	
Sheikh Zayed Heritage Festival	Platinum Sponsor from 17 November 2023 – 09 March 2024	
Khalifa Bin Zayed Al Nahyan Foundation	Sponsored KBZF's programmes for low-income individuals in the UAE	Low-income individuals
Nursery Sponsorship	Contract with Kids Fantasy Nursery; Staff pay 50%, ADIB pays 50%	

DATA AND DISCLOSURES

In line with the Bank's commitment to transparency and integrity, the following chapter includes detailed and specialist disclosures for ESG technical requirements. It also gives a comprehensive stakeholder engagement map and list of awards and memberships in 2023.

PERFORMANCE AGAINST STRATEGIC KPIS

Governance Excellence KPIs	2021	2022	2023
Total number of board members	6	7	7
Total number of independent members	4	5	5
Total number of non-independent members	2	2	2
Total number of executive members	0	0	0
Total number of non-executive members	6	7	7
Total board seats occupied by men	6	6	6
Total board seats occupied by women	0	1	1
Total number of whistleblowing cases filed in the reporting period	8	12	26
Total number of whistleblowing cases addressed or resolved in the reporting period	3	0	16 ¹
Amount of fraudulent transaction activity (total value of account holder transactions refunded to account holders due to fraud) (AED mn)	8.76	4.3 ³	5.71
Activity from card-not-present fraud (%)	99.5	99.6	97.5
Activity from card-present and other fraud (%)	0.5	0.4	2.5

¹The remaining 10 cases will be addressed in 2024.

³Fraud losses controlled and reduced after implementing robust Antifraud Controls across ADIB. Fraud prevention and detection Rules/Scenarios/ parameters enhanced by schemes (VISA / Master Cards) as well. Implemented 24/7 fraud monitoring mechanism. Further Enterprises Fraud Monitoring system also implemented by ADIB to control frauds in real time.

Number of business units analysed for risks related to AML and CTF	12	12	12
Business units analysed for risks related to AML and CTF (%)	100	100	100
Transactions screened for money laundering (%)	2	2	2
Number of high data security breaches ⁴	0	0	0
Number of high data security breaches involving customers' personally identifiable information ⁵	6	7	7
Percentage of high data security breaches involving customers' personally identifiable information ⁶ (%)	6	6	6
Number of account holders whose information is used for secondary purposes ⁷	0	1	1
Total training related to data security & customer privacy (Hours)	8	12	26
Attempted cyberattacks ⁸	3	0	16 ¹
Actual high cyberattacks ⁹	1	2	1

Strong Economic Impact KPIs	2021	2022	2023
Total number of board members	6	7	7
Total number of independent members	4	5	5
Total number of non-independent members	2	2	2
Total number of executive members	0	0	0

⁴Measured against Confirmed data breaches/leakage to unauthorized destination (including P1 criticality incident)

⁵Measured against Confirmed data breaches/leakage to unauthorized destination (including P1 criticality incident)

⁶Measured against Confirmed data breaches/leakage to unauthorized destination (including P1 criticality incident)

⁷Number of active customers who have opted in to marketing (secondary processing)

⁸Measured against attempted email phishing attacks received by users

⁹In 2023 we had 5 cyberattacks with low impact and no ADIB data loss

Number of retail banking customers	995,940	1,101,000	1,200,000
Value of retail banking portfolio (AED bn)	48.85*	53.74*	60.4
Number of corporate and institutional banking customers	226*	220*	224
Corporate and institutional banking (AED bn)	35.3	45.3	50
Total number of suppliers engaged	437	383	458
Total number of local suppliers engaged	376	305	381
Total number of SME suppliers engaged	207	171	179
Total number of women-owned suppliers engaged	20	19	21
Total procurement spending (AED mn)	780	578.7	793.29
Procurement spending on local suppliers (AED mn)	622.4	510.4	696.4
Spending on local suppliers (%)	79.79	88.21	87.78
Number of suppliers assessed against sourcing code of conduct	437	383	458

Maximising Positive Impacts KPIs	2021	2022	2023
Average training per employee in alignment with Islamic principles (Hours)	12.3*	8.8*	9.8
Total training delivered in alignment with Islamic principles (Hours)	5,005 *	28,693 *	17,846
Gross total Shari'a financing (AED bn)	93.1	113.4	120.2
Gross Murabaha (AED bn)	45.5	63.6*	70.79
Al Khair Financing (AED bn)	5.8	7.9*	8.7
Gross Ijarah (AED bn)	47.6	48.5	50.7
Digitally active customers (%)	60.1*	73.8*	76.4

New customers onboarded digitally (%)	37.6	40	59.2
Credit cards sold digitally (%)	4.6	5.9	4.4
Number of online/mobile transactions, (mn)	37.75 (from March 21)*	76.37*	95.33 (No of transaction done in mobile and Internet banking)

Lifelong Partner for our Customers KPIs	2021	2022	2023
Overall customer satisfaction (%)	82	83	N/A
Net Promoter Score (%)	58	62*	67
Mystery Shopper (%)	95	95	96
Number of complaints received	6,528*	4,412	5,813
Number of complaints resolved	6,401*	4,305	5,743
Number of First Call Resolution	0*	84,457	123,652
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	4,339	4,595	2,715
SME customers (Number)	5,005 *	28,693 *	34,514
SME value of transactions (AED mn)	1,346*	1,722*	2,051
All new youth accounts opened	2,874*	6,731*	6,604
Sheikh Zayed Housing Programme (AED mn)	N/A	52	1,063
Number of Branches in low populated and economically disadvantaged areas*	9	9	9
Number of ATMs in low populated and economically disadvantaged areas*	16	16	16

* Low populated and economically disadvantaged areas include: Dibba, Ghayathi, Hayer, Hisn, Liwa, Madam, Mirfaa, Ruwais, Qidfaa, Silaa, Sweihan, Wagan, Yahar

Lifelong Partner for our Communities KPIs	2021	2022	2023
Community investment (AED mn)	20.8	23.6	24.9
Community investment as a proportion of pre-tax profit (%)	0.9	0.64	0.46
Employees participating in volunteering programs	1,164	2,869	1,895
Nationals FTE (%)	40	45	44
Female national FTE	503*	700*	682
Male national FTE	241*	278	265
Nationalisation among the total workforce (%)	40	45	44
Nationalisation in senior management (%)	21	22.5	20
Total number of nationalities	53	53	52
Direct GHG emissions (Scope 1) (tCO ₂ e)	471.47*	2,905.79*	522.98
Indirect GHG emissions (Scope 2) (tCO ₂ e)	20,112	12,367*	13,310.45
Other indirect GHG emissions: air business travel (Scope 3), (tCO ₂ e)	30.29	70.82	100
Total GHG emissions (tCO ₂ e)	20,613.76**	15,343.6**	13,933.42
GHG emissions intensity (tCO ₂ e / employee)	11.12**	6.98**	6.45

Energy from petrol consumption (GJ)	3,093.28*	1,998	2,454.74
Energy from diesel consumption (GJ)	482.80*	24	536.25
Energy consumption from fuel consumption (GJ)	3,576.08*	2,022	2,990.99
Electricity consumption (office, storage, facilities, etc.) (kWh)	29,735,411*	31,171,512	28,192,196
Energy from electricity consumption (GJ)	107,047.48	112,217	93,278.64
Energy consumption intensity (GJ/employees)	59.70*	53.60	46.28
General waste (Kg)	25,640*	156,600*	194,870
Non-hazardous waste recycled (Kg)	28,715*	25,920*	38,567
Total water consumption (m3)	90,921.8	93,114*	88,434
Water consumption intensity (m3/employees)	49.1	42.4*	40.9

*Figures are restated

** Figures are restated to include scope 3 emissions

People-Centric Organisation KPIs	2021	2022	2023
Senior management training (Hours)	9,793*	12,040*	13,085
Middle management training (Hours)	95,809*	171,304*	102,848
Non-management employees training (Hours)	44,184*	217,329*	209,191
Total number of employees who left the bank	277	247*	281
FTE turnover	277	247*	281
Percentage of employee turnover (voluntary and involuntary) (%)	15	11	13
Percentage of employee turnover (voluntary only) (%)	8.6	9	11
New female employees	67	270*	66
New male employees	132	235*	196
New employees age 18-29 ***	60	287*	63
New employees age 30-50 ***	130	206*	195
New employees age 51+	9	12*	4
Total number of employees	1,853*	2,197*	2,161
• FTE employees	1,853*	2,197*	2,161

FTE in senior management	70*	63*	66
• Female	5*	4	4
• Male	65*	59*	62
FTE employees in middle management	1,672*	1,997*	1,974
• Female	546*	767*	745
• Male	1,126*	1,230*	1,229
FTE employee staff (other levels)	111*	137*	121
• Female	93*	102*	86
• Male	18*	35*	35
Female FTE	644*	873*	835
Male FTE	1209*	1324*	1326
Age 18-29*** FTE	204*	415*	359
Age 30-50*** FTE	1,469*	1,569*	1,572
Age 51+ FTE	180*	213*	230
Median gender pay gap (ratio men : women)Basic remuneration of women to men (%)	NA	1.2: 1	1.2: 1

Male employees training hours	104,608*	270,466*	204,356
Female employees training hours	45,178*	130,207*	120,768
Number of grievances filed	40	36	108
Number of these grievance addressed or resolved	22 closed with no action. 16 out of scope. 1 closed with action. 1 rejected.	20 closed with no action. 8 out of scope. 6 closed with action. 2 under review	9
Percentage of employees formally trained on information security, data privacy and protection (%)	36	86	99
Percentage of workforce who have formally acknowledged compliance with the Employee Code of Conduct (%)	45	99	-
Percentage of workforce formally trained on the anti-corruption/bribery policy (%)	90	85	96
Number of employees that took parental leave	94*	128*	138
Number of employees who returned to work after parental leave ended (return to work)	93*	125*	136
Number of employees returned from parental leave who were still employed twelve months after return to work (retention)	82*	117*	127
Return to work rate (%)	99*	98*	99
Retention rate (%)	87*	91*	92
Employee absentee rate (% of total days scheduled)	1.6	1.4	1.74
Number of employees who completed health, safety, and wellbeing training	157*	196*	201

*Figures are restated

** Figures are restated to include scope 3 emissions

*** Age categories changed from 18-30 to 18-29 and 31-50 to 30-50

GRI CONTENT INDEX

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.



**CONTENT INDEX
ESSENTIALS SERVICE**

2024

Statement of use

Abu Dhabi Islamic Bank (ADIB) has reported in accordance with the GRI Standards for the period 01.01.2023 - 31.12.2023.

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)

None

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	14 - 19	A blue cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	2-2 Entities included in the organization’s sustainability reporting	2 - 3			
	2-3 Reporting period, frequency and contact point	2 - 3			
	2-4 Restatements of information	20, 97, 98, 105, 107, 146, 150, 153, 154, 180 - 193			
	2-5 External assurance	No external assurance			
	2-6 Activities, value chain and other business relationships	2 - 3			
	2-7 Employees	188 - 191			
	2-8 Workers who are not employees	0			
	2-9 Governance structure and composition	56 - 59, 176			
	2-10 Nomination and selection of the highest governance body	Annual report, P. 89			
	2-11 Chair of the highest governance body	H.E Jawaan Awaidha Suhail Al Khaili			
	2-12 Role of the highest governance body in overseeing the management of impacts	52, 54 - 59, 61, 63			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	52, 54 - 59, 61, 63			
	2-14 Role of the highest governance body in sustainability reporting	54 - 55			
	2-15 Conflicts of interest	67			
	2-16 Communication of critical concerns	73 - 75, 156			
	2-17 Collective knowledge of the highest governance body	Annual report , P. 110			
	2-18 Evaluation of the performance of the highest governance body	56			
	2-19 Remuneration policies	Annual report , P. 263 - 265			
	2-20 Process to determine remuneration	Annual report , P. 263 - 265			
	2-21 Annual total compensation ratio	Not disclosed	Omitted	Confidentiality constraints	This disclosure is considered confidential due to the sensitivity of the information.
	2-22 Statement on sustainable development strategy	6			
	2-23 Policy commitments	70 - 77, 82 Disclosures			
	2-24 Embedding policy commitments	70 - 77, 82			
	2-25 Processes to remediate negative impacts	156 - 157			
	2-26 Mechanisms for seeking advice and raising concerns	74 - 75			
	2-27 Compliance with laws and regulations	96			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-28 Membership associations	42			
	2-29 Approach to stakeholder engagement	48 - 49			
	2-30 Collective bargaining agreements	Not disclosed	Omitted	Legal prohibitions	Prohibited in the UAE

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	44	A blue cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics	45			
Boosting Economic Prosperity					
GRI 3: Material Topics 2021	3-3 Management of material topics	106 - 107			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	33			
Leading Emiratization Efforts					
GRI 3: Material Topics 2021	3-3 Management of material topics	154			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	154			
Procuring with Purpose					
GRI 3: Material Topics 2021	3-3 Management of material topics	108 - 110			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	110			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
Fostering Governance & Integrity					
GRI 3: Material Topics 2021	3-3 Management of material topics	52 - 77			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	77			
	205-2 Communication and training about anti-corruption policies and procedures	147			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	15, 151, 176			
Managing Environmental and Climate Impact					
GRI 3: Material Topics 2021	3-3 Management of material topics	86 - 103			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	98, 186			
	302-2 Energy consumption outside of the organization	98, 186			
	302-3 Energy intensity	186			
	302-4 Reduction of energy consumption	98			
GRI 303: Water and Effluents 2018 [~]	303-5 Water consumption	105			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
Managing Environmental and Climate Impact					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	97			
	305-2 Energy indirect (Scope 2) GHG emissions	97			
	305-3 Other indirect (Scope 3) GHG emissions	97			
	305-4 GHG emissions intensity	97			
	305-5 Reduction of GHG emissions	116			
GRI 306: Waste 2020	306-3 Waste generated	186			
	306-4 Waste diverted from disposal	186			
Promoting Equal Opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	149 - 153			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	189			
	401-3 Parental leave	161			
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	153			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
Prioritising Employee Wellbeing					
GRI 3: Material Topics 2021	3-3 Management of material topics	158 - 161			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	161			
	403-3 Occupational health services	161			
	403-5 Worker training on occupational health and safety	161			
	403-6 Promotion of worker health	158 - 160			
Empowering Learning and Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	144 - 149			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	146			
	404-2 Programs for upgrading employee skills and transition assistance programs	145 - 147			
Nurturing Community Relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	164 - 173			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	118, 166 - 167			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION / DIRECT ANSWER / LINK	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
Safeguarding Data Privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	78 - 81			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	179			
Topics that are not covered by the GRI Topic Standards					
Ensuring Responsible Banking					
GRI 3: Material Topics 2021	3-3 Management of material topics	111 - 119			
Enhancing Innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	127 - 128			
Enhancing Customer Experience					
GRI 3: Material Topics 2021	3-3 Management of material topics	126 - 133			
Expanding Financial Inclusion and Access					
GRI 3: Material Topics 2021	3-3 Management of material topics	134 - 139			