



مصرف أبوظبي
الإسلامية



2018

Sustainability Report

2ND EDITION

Sustainable Banking as it Should be

Abu Dhabi Islamic Bank

2018

2ND EDITION

Sustainability Report

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Chairman's Statement

(102-14)

H.E. Jawaan Awaidah Suhail Al Khaili



Dear Stakeholders,

On behalf of the Board of Directors, it gives me great pleasure to present to you ADIB's second sustainability report. As a member of the UAE Declaration for Sustainable Finance, this report marks another year of our devout commitment to sustainable and responsible practices.

This year, ADIB has been blessed to celebrate 20 years of operations as a leading Islamic Finance Institution in the UAE.

Our success is the direct result of the immense work and communication efforts put in with each and every stakeholder, which remains both transparent and inclusive to accurately identify their needs. We are dedicated to placing their concerns at the heart and core of everything we do.

(102-14)

ADIB has always taken a proactive approach to conducting responsible business. Hence, in order to solidify our principles, we have commenced investing in a five-year sustainability strategy that will continue to generate mutual benefits to all our stakeholders, especially in the social and environmental fields.

Environmental, social, and governance (ESG) topics are growing increasingly important in this day and age, which is why we align our workings with both national and international standards (UN SDGs, GRI, UAE vision, etc.) Notable accomplishments in 2018 include, but are not limited to, being diligent in achieving digitalisation in all areas of the bank, being awarded the CSR label for the second year, and being able to closely align our community initiatives with the Year of Zayed.

Year after year, we remain the preferred workplace amongst Emirati employees in the sector. In addition, to keep on this positive path, ADIB has put together an Emiratisation Strategy, that not only asserts our commitment in attracting, retaining, and developing local talent, but also ensures that we are accountable in our human resource management.

We are also delighted to have won the title of The Best Islamic Digital Bank by Global Finance Magazine, which further conveys our upward trajectory thus motivating us to improve our innovation strategies.

Our stakeholders require the assurance that the partners they collaborate with are abiding by ESG initiatives. We aspire to delve into how these stakeholders contribute to ESG matters on a daily basis and what pre-emptive approaches have been, and should be, taken to address them.

Lastly, I would like to thank ADIB employees and stakeholders for their continued effort and cooperation this year. We look forward to our ongoing journey towards being the leading sustainable Islamic bank over the coming years by leveraging stakeholder engagement.

Chief Executive Officer's Statement

(102-14)

Mazin Manna



Dear Stakeholders,

As we enter into our second year of sustainability reporting, we have begun to better measure the relationships we share with our stakeholders and the influence that our day-to-day activities have on them.

Over the past year, ADIB has proudly cemented new foundations for its journey towards being the foremost source of Sustainable Islamic Banking in the region, through a dynamic approach to incorporate the best international sustainability practices into our core principles of Sharia values.

We have improved access to our financial services both digitally and physically, by means of various delivery channels. On another note, we have also observed enhanced customer satisfaction scores. It is a privilege

(102-14)

for us to work with our customers not just merely as a bank, but as a long-term partner that yields ethical financial solutions for every stage endured by our customers.

For our second report, we measured our ESG sustainability practices to evaluate our performance and highlight areas of improvement. To do so, we address topics that are material to our stakeholders and gather their feedback. Additionally, we discuss how we see ourselves contributing to the development of the UAE economy.

This year we continued on our digital transformation journey making steady progress. We saw the launch of our new digital transformation strategy, the formation of ADIB Simple, and the strengthening of ADIB technological infrastructure.

Our engagement with the community has grown over the past year to assist our knowledge of the role we play to a larger extent. We worked with the community through various initiatives and partnerships. Attaining the financial literacy of all community members remains our strongest passion, and this year

we have increased our advocacy through our Money Smart platform, as well as our youth financial literacy education programmes. 2018 marked the 'Year of Zayed' and our 100 actions for 100 years of Zayed initiative brought even higher community involvement.

Building upon our work 2017, we looked to refine the monitoring and tracking of our environmental data. One of our biggest successes is the inclusion of all UAE-based ADIB branches in our tracking and monitoring of environmental data. Similarly, there has also been a significant push for leadership on the importance of ecologically-friendly operations and the awareness around how employees and customers can contribute to such operations.

We are excited to continue 2019 on a high note in terms of our sustainability achievements. Our belief in the creation of mutual benefits for all our stakeholders remains a driving force. We look forward to seeing further advancement this year and invite all our stakeholders to help us along by reaching out with new and innovative ideas, or simply providing thoughts and responses.

About this Report

(102-45), (102-46), (102-48), (102-49), (102-50), (102-51), (102-52), (102-53), (102-54), (102-56)

We are proud to present our second consecutive sustainability report for the year 2018. Over the last year, we have worked with different business units across ADIB to consolidate the interpretation of sustainability. This report serves as a reflection of our sustainability performance with respect to governance, social, environmental, operational, and financial topics. It also serves to highlight the most significant improvements and the actions we have observed and taken over the year 2018. This report has been prepared in accordance with the GRI Standards: Core option. We have also referred to other guidelines, including the GRI G4 Financial Services Sector Disclosures and the United Nations Global Compact (UNGC) principles, which regulate sustainable business practices globally.

Scope

Our focus for this report is ADIB's sustainability performance for the calendar year 2018 with regards to the UAE only. Since last year, the scope of the report has increased from just ADIB's Headquarters and some main branches, to cover all of ADIB's operation within the UAE. It, however, does not consider impacts from overseas operations, subsidiaries, partners, sister companies, and third-party suppliers. For our Financial Performance and Economic Impact figures, the reporting scope does include ADIB Group, and we duly communicate this in the relevant section for clarity purposes. All monetary values in this Report are expressed in Arab Emirates Dirhams (AED) unless otherwise stated.

Assurance

For our second annual sustainability report, we have opted not to utilize external assurance. We have followed an internal assurance process, in which all internal stakeholders involved are made to revise and approve content relating to their department. That being said, the financial statements in this report have been independently audited by Ernst & Young. Our financial statements and annual reports can also be found on our website adib.com.

Contact Point

Should you like to receive more information on our sustainability practices, or if you would like to provide feedback on the same, please contact:

✉ **CSR COUNCIL**
CSR@adib.com

Sustainability Reporting (102-53)

In alignment with our strategy and our new sustainability operations, we commit publishing a sustainability report annually. These reports will highlight our improvements and efforts to become the leading sustainable bank in the region. The 2019 sustainability report will focus on strategic initiatives such as responsible finance and support to local economy.



Bank Overview

(102-1) (102-2), (102-3), (102-4), (102-6), (102-7), (102-10)

About ADIB

Over the last 20 years, ADIB has exemplified what it means to be a top Islamic financial institution within the region. This is because we believe that it is not only important to operate in an ethically responsible manner, but also to hold ourselves accountable to the communities we serve by recognizing our social and environmental responsibilities. Our work and progress have not only made ADIB a strong pillar of the global Islamic banking industry but has also grown and diversified the UAE economy.

Based on current figures ADIB has more than AED 125 billion in assets within six strategic markets: Egypt - where it has around 70 branches - along with the Kingdom of Saudi Arabia, the United Kingdom, Qatar, Sudan and Iraq. We have one of the largest distribution networks, with more than 70 branches and over 600 ATMs that provide the highest level of care and benefits to our customers. ADIB's digital presence has developed over the years, with ADIB's app now handling over 1 million transactions every month.

In 2018, ADIB has made key infrastructural upgrades to ensure that we provide our customers with a secure and personalised offering. As a result, ADIB's new digital transformation strategy called ADIB Simple was born with the vision of making Banking "simple, friendly, and convenient". ADIB is investing in technology and revamping all delivery channels and banking platforms to enable customers to conduct their banking in a simpler and more intuitive manner.

ADIB retains its position as the leading bank for recruitment development of its workforce with over 2,000 employees within the UAE. We also place importance in investing in local talent in each market that we operate in.



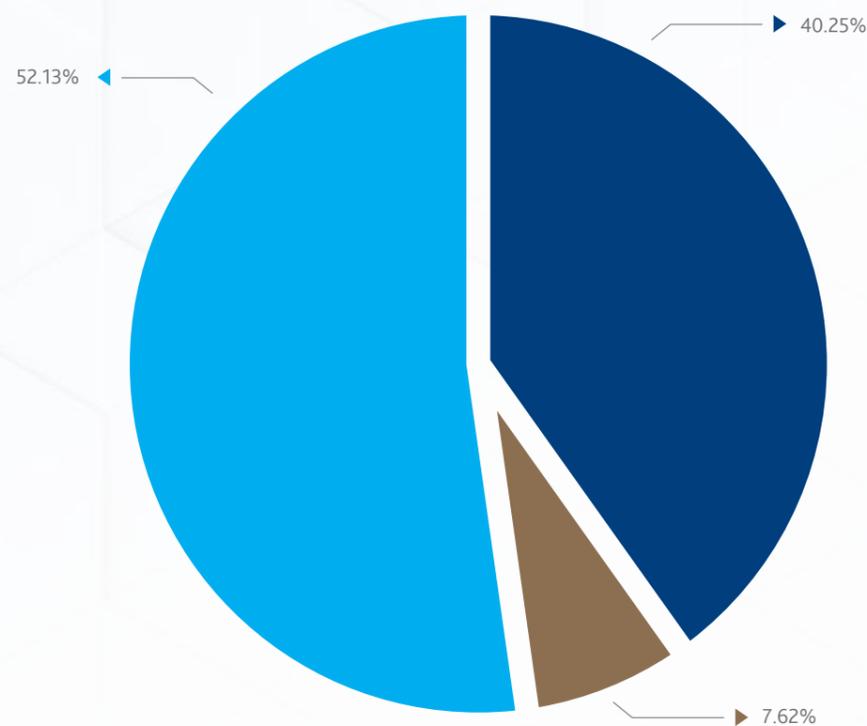
BANK OVERVIEW

- ▶ About ADIB
- ▶ ADIB Ownership Structure
- ▶ Key Highlights
- ▶ Awards & Recognition
- ▶ Memberships & Associations
- ▶ Financial Performance
- ▶ ADIB Group
- ▶ Credit Rating

ADIB Ownership Structure

(102-5)

In 2018, the Executive Council of the Emirate of Abu Dhabi has approved ADIB's request to allow non-UAE nationals to own ADIB's shares up to the limit of 25% of as per Article 7 of the Bank's Articles of Association. Accordingly, ADIB Board of Directors, in its meeting of 11th November 2018, decided to implement the said Article effective 19th November 2018.



- ▶ EMIRATES INTERNATIONAL INVESTMENT CO. LLC
- ▶ ABU DHABI INVESTMENT COUNCIL
- ▶ OTHER INVESTORS

Key Highlights

(102-15)



ADIB celebrates **20 years** of operations



More than **70 branches** in operation, including **3 Express branches** and more than **600 ATMs**



ADIB met the **point targets** assigned by Central Bank on Emiratization



Engaged **605 staff volunteers** for the 100 years of Sheikh Zayed initiative



AED 2,501 million in Net Profit



AED 5,769 million in Total Revenues



2,021 full time employees



47,825 Kgs of paper saved

(102-15)



AED 125.2 billion
in Total Assets



89% satisfaction rate with digital banking, a **12% growth** as compared to 2017



93% satisfaction rate with branch services level



1 million transactions handled via mobile banking app every month



21% reduction in paper consumption

Awards & Recognition

(102-12), (102-13)

<p>WORLD'S BEST ISLAMIC BANK by Banker Magazine FT</p>	<p>BEST ISLAMIC BANK IN THE MIDDLE EAST by Banker FT</p>	<p>BEST ISLAMIC BANK IN THE MIDDLE EAST Banking Awards</p>	<p>BEST ISLAMIC BANK IN UAE by EMEA Finance</p>
<p>BEST ISLAMIC BANK IN THE UAE by Banker FT</p>	<p>BEST ISLAMIC DIGITAL BANK by Global Finance Magazine</p>	<p>BEST ISLAMIC BANK IN EGYPT Global Finance Magazine</p>	<p>BEST OVERALL BANK IN CUSTOMER EXPERIENCE by Ethos Consultancy</p>
<p>BEST OVERALL CALL CENTER IN THE UAE by Ethos Consultancy</p>	<p>BEST ISLAMIC PRIVATE BANK by Islamic Finance News Awards</p>	<p>BEST PRIVATE BANK IN THE MIDDLE EAST for Islamic Finance by Private Banker International Magazine</p>	<p>BEST PRIVATE BANK IN THE UAE by Banker FT</p>
<p>BEST ISLAMIC FINANCE HOUSE by EMEA Finance</p>	<p>BEST ISLAMIC BORROWER BY EMEA Finance for our work with Airport Financing Company FZE "FINCO"</p>	<p>BEST IPO IN EMEA by EMEA Finance</p>	<p>BEST STRUCTURED FINANCE HOUSE IN THE MIDDLE EAST by EMEA Finance</p>
<p>SYNDICATED DEAL OF THE YEAR by IFN</p>	<p>UAE DEAL OF THE YEAR by IFN</p>	<p>MUSHARKAH DEAL OF THE YEAR by IFN</p>	<p>GITEX AWARD FOR MOBILE TRADING APP by Dubai Financial Market</p>
<p>PROPERTY CONSULTANCY OF THE YEAR by African & Arabian Property Awards</p>	<p>REAL ESTATE AGENCY OF THE YEAR by African & Arabian Property Awards</p>	<p>BEST HOME FINANCE IN THE MIDDLE EAST by Asian Banker</p>	<p>EIBFS HUMAN RESOURCES DEVELOPMENT AWARD</p>
<p>BEST EMIRATIZATION INITIATIVE by Naseeba</p>	<p>BEST IN TALENT MANAGEMENT by MENA HR Excellence Awards</p>	<p>CSR LABEL FROM DUBAI CHAMBER OF COMMERCE</p>	<p>BEST SPORT CSR INITIATIVE OF THE YEAR by SPIA</p>
<p>BEST YOUTH DEVELOPMENT PROGRAM by SPIA</p>	<p>EXCELLENCE IN CSR INITIATIVES FOR ISLAMIC BANKS by Regional Network Consultancy</p>	<p>BEST PRIVATISATION DEAL (EQUITY MARKETS) by EMA finance for its role on the ADNOC Distribution Initial Public Offering</p>	<p>INFORMATION SECURITY EXECUTIVE OF THE YEAR AWARD at MESA Conference & Awards</p>
<p>BEST STRUCTURED FINANCE DEAL IN THE MIDDLE EAST by EMEA finance, for its contribution to Dubai Aerospace Enterprise's US\$75.6 million syndicated aircraft financing</p>	<p>BEST SHARIA'A SAVINGS ACCOUNT PROVIDER OF THE YEAR at the second annual Yalla compare award</p>	<p>BEST SYNDICATED MURABAHA / IJARA FACILITY by EMEA finance for its role as an Initial Mandated Lead Arranger, Bookrunner and underwriter for a or GEMS MENASA (CAYMAN) LIMITED</p>	

Memberships & Associations

(102-12), (102-13)



Financial Performance

((103-1), (103-2), (103-3), (201-1))

Below is an overview of our financial performance for the calendar year January to December 2018. For a detailed review of our economic impact and financial performance, please refer to our annual report, which can be found on our website (www.adib.ae).

TOTAL ASSETS (BILLION)	125.2
EQUITY (BILLION)	17.7
TOTAL CUSTOMER DEPOSITS (BILLION)	100.4
CUSTOMER FINANCING TO DEPOSIT RATIO	78.4%
NET PROFIT (MILLION)	2,501
NET PROFIT FOR 2018 INCREASED BY 8.7% TO AED 2,501 MILLION	
TOTAL REVENUES (MILLION)	5,769
TOTAL REVENUES FOR 2018 INCREASED BY 2.4% TO AED 5,769 MILLION	

ADIB Group

(103-1), (103-2), (103-3), (201-1)

SUMMARY INCOME STATEMENT	2018 AED mn	2017 AED mn	2016 AED mn	2015 AED mn	2014 AED mn
Net Revenue from financing	3,906.7	3,769.6	3,921.0	3,771.3	3,505.0
Fees, Commissions and Foreign Exchange Income	1,315.7	1,300.6	979.6	965.0	798.7
Investments and Other Revenues	547.1	562.1	484.9	398.1	279.3
TOTAL REVENUES	5,769.5	5,632.3	5,385.5	5,134.4	4,583.0
Operating Profit (margin)	3,125.7	3,123.1	2,937.6	2,760.3	2,512.0
Credit Provisions and Impairment Charge	620.1	790.4	970.0	820.0	757.8
NET PROFIT AFTER ZAKAT & TAX	2,500.8	2,300.1	1,953.6	1,934.0	1,750.7

Summary Balance Sheet					
Total Assets in AED (Billion)	125.2	123.3	122.3	118.4	111.9
Customer Financing in AED (Billion)	78.7	76.5	78.2	78.4	73.0
Customer Deposits in AED (Billion)	100.4	100.0	98.8	94.9	84.8

Financial Ratios					
Customer Financing to Deposit Ratio	78.36%	76.53%	79.15%	82.59%	86.12%
Risk Asset Ratio - Total (CAR, %) - Basel II	17.18%	16.09%	*15.25%	*15.14%	*14.36%
Cost Efficiency Ratio	45.82%	44.55%	45.45%	46.24%	45.27%

Credit Ratings

(103-1), (103-2), (103-3), (201-1)

CREDIT RATINGS	Long term	Short term	Outlook
MOODY'S INVESTORS SERVICE	A2	P1	Stable
FITCH RATINGS	A+	F1	Stable
RAM RATINGS	AAA	P1	Stable

Internal Control

(102-11), (102-16), (102-17), (103-1), (103-2), (103-3), (205-1)

Our internal control system was designed to ensure operational efficiency, reliable financial reporting, compliance with regulations and policies, risk management, cyber security requirements, and best standards. Over the years, ADIB has developed a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board is responsible for ensuring that ADIB management maintains a system of internal control that provides effective operations, internal financial safeguards, and legal adherence. The Board also ensures that internal controls reduce, manage and mitigate risks.

ADIB's system of internal control includes:

- ▶ An organisational structure with clearly defined authority limits and reporting mechanisms to senior levels of management and the Board.
- ▶ A risk management function with responsibility for ensuring that risks are identified, assessed and managed throughout the Bank's operations.
- ▶ An information security function with responsibility to protect the bank information assets and secure confidentiality, integrity and availability.
- ▶ A set of policies and guidelines relating to credit risk management, asset and liability management, compliance, operational risk management, information security and business continuity planning.
- ▶ An annual budgeting and monthly financial reporting system for all Group business units, which enables progress against plans to be monitored, trends to be evaluated and variances to be acted upon.
- ▶ An internal audit function to evaluate the adequacy and effectiveness of governance, risk and control systems, and to review the management's compliance with policies and procedures.
- ▶ A Group level Control and Compliance Committee that provides oversight on the operational risk and compliance to regulations, laws, policies and procedures, while ensuring the implementation of a strong internal control framework within ADIB Group. The Committee also ensures that the Group internal control framework is robust and supports effective and efficient management of compliance, anti-money laundering and operational risk. It escalates all material issues to the Enterprise Risk Management Committee, the Steering Committee, and the Audit Committee.

The Board and Audit Committee are responsible to review the effectiveness of the ADIB internal control system. During 2018, the Board received regular reports from Internal Audit and the Group Audit Committee on significant risks the business is facing, and the remediation action management has taken or will be taken to address any weaknesses identified in these reports. In addition, external auditors present a series of reports that include details of any significant internal control matters which they identified to the Group Audit Committee. Furthermore, the system of internal controls of the Group is also subject to regulatory oversight by the UAE Central Bank.

INTERNAL CONTROL

- ▶ Governance
- ▶ Compliance
- ▶ Risk Management
- ▶ Business Continuity
- ▶ Cyber Security

Governance

(102-18), (102-19), (102-20), (102-22), (102-23), (102-24), (102-25), (102-26), (102-27), (102-28), (102-29)

Board of Directors

The Board of Directors of ADIB (the "Board") is responsible for supervising the management of the Group's business affairs. These include Abu Dhabi Islamic Bank PJSC, and its Subsidiaries. The Board provides leadership in developing and implementing the Group's Vision and Mission. The Board is ultimately responsible for the Group's success and delivering sustainable shareholder value within a framework of prudent and effective controls.

The Board carries out the responsibilities and duties set out below, either directly or through its committees, currently comprise the Strategy Committee, Audit Committee, Governance & Risk Policy Committee, Risk & Investment Approval Committee, Remuneration Committee, and Nomination Committee. The Board derives its authority to act from the Bank's Memorandum and Articles of Association and other laws governing companies and Banks in UAE and the Emirate of Abu Dhabi. Its responsibilities include:

- ▶ Supervising the management of ADIB's business affairs.
- ▶ Providing leadership in the development and implementation of the Group's vision and mission, both within the UAE and as the Group expands abroad.
- ▶ Establishing and overseeing ADIB's risk management framework, approving the Bank's overall risk appetite and ensuring that business is conducted within this framework.

Independence from Management

The roles of the Chairman and the Group Chief Executive Officer are distinct and separate, with a clear division of responsibilities.

The Chairman leads the Board and ensures the effective engagement and contribution of all directors. The Chief Executive Officer has responsibility for all ADIB Group businesses, including its strategy, policy and operational management, and he acts in accordance with the authority delegated by the Board. The Board establishes the rules relating to administrative, financial and employee matters, sets out the requirements for carrying out Board business and meetings, and mandates the roles and responsibilities of the Board members.

Selection and Qualification of Board Members

The Group Nomination Committee is responsible for identifying, evaluating and selecting candidates for the Board. In doing so, it seeks to identify the skills that the members of the Board and Board Committees need to discharge their responsibilities effectively. As part of its evaluation, the Committee takes into account the Group's risk profile, business operations and business strategy.

(102-18), (102-19), (102-20), (102-22), (102-23), (102-24), (102-25), (102-26), (102-27), (102-28), (102-29)

Election of Directors

In compliance with the Bank's Articles of Association, the shareholders elected the Board members at the Annual General Meeting held on March 2019, for a three years term.

Information, Induction and Ongoing Development

The Directors receive accurate, timely and clear information on all relevant matters and have access to the advice and services of the Head of Legal & Corporate Secretary, responsible for ensuring that Board procedures are followed, and applicable rules and regulations complied with.

A formal induction process exists for new Directors joining the Board. It includes visits to ADIB's major business areas, meetings with other directors and key members of senior management. It is important to us that we provide every resource to enable Board members and other directors need to do their job with peak effectiveness. In this respect, the Bank provides them with any professional development they need to assist them in carrying out their duties. The directors are also updated about the new regulations and standards, developments in banking business, and the changes in information technology and information security.

Directors' and Board Assessments

During 2018 ADIB has internally conducted Board self-assessment exercise that includes self-assessment of the Board by each Board member, each board member's assessment by the Chairman, Board committees' self-assessment and Chairman's self-assessment. The results have been presented to the Board Nomination Committee to share with the Board.

The Board comprised the Chairman, Vice Chairman and five other members. Majority of the Board members are UAE nationals, as required by the Federal Commercial Companies Law and the Bank's Articles of Association.

The Board Committees

The Board Committees comprise Directors and external independent subject matter experts, with a diversity of backgrounds aimed at ensuring that no undue reliance is placed on any one individual.

Compliance

(102-30), (102-33)

Fatwa and Shari'a Supervisory Board

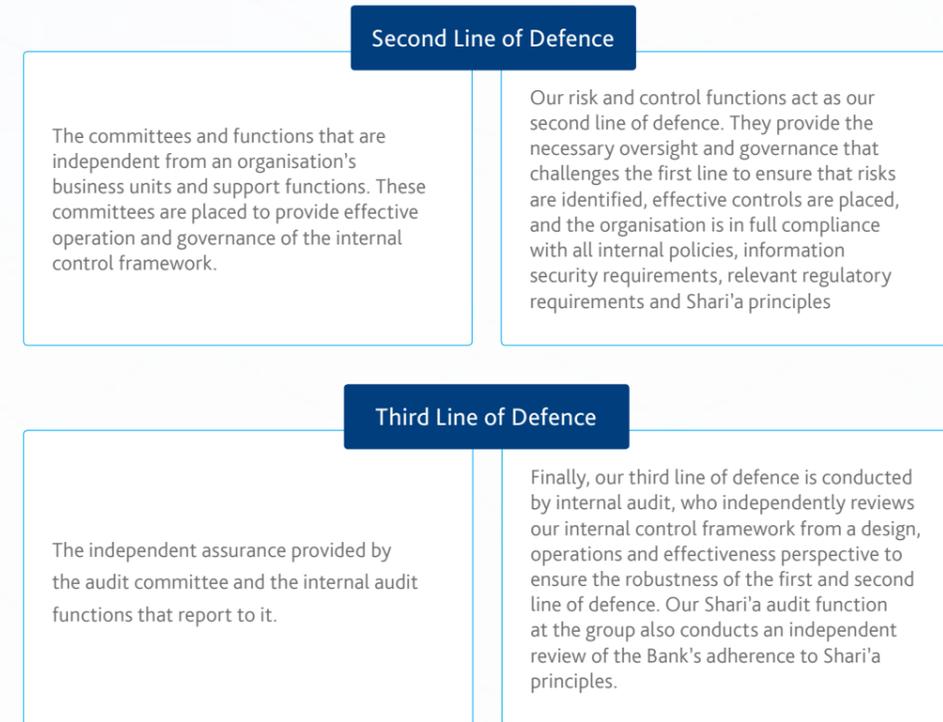
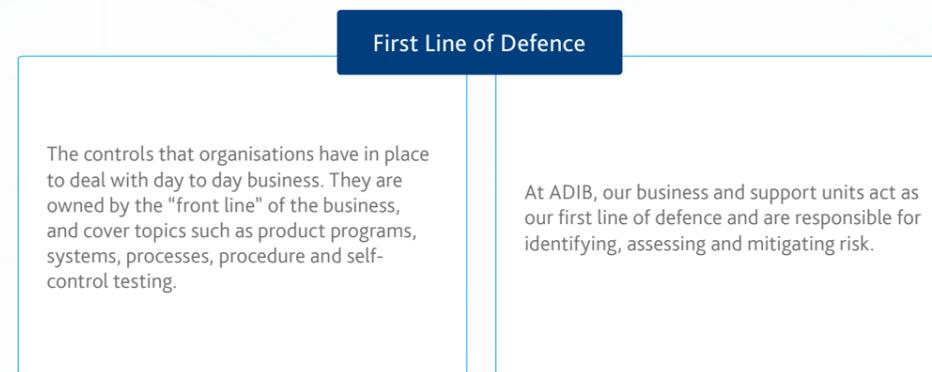
The members of the Fatwa & Shari'a Supervisory Board were appointed in the General Assembly Meeting in compliance with the Bank's Article of Association. The Fatwa & Shari'a Supervisory Board, whose members are not members of the ADIB Board, have a term of one year. It has the mandate of: Issuing Fatwas pertaining to the Group's activities at the request of the executive management or Board, Supervision and control of the validity of ADIB's activities to ensure that they comply with principles and rulings of the Islamic Shari'a, and provides its recommendations, submitting written objections to the Board of Directors with respect to any of ADIB's activities which it considers do not comply with any of the principles and rulings of the Islamic Shari'a, reviewing all forms of contracts and agreements relating to any of ADIB's business and products to ensure their compliance with Islamic principles, and reviewing ADIB's books, records and documents, and request any information it may deem necessary. The members of the Fatwa and Shari'a Supervisory Board held four meetings during 2018.

Risk Management

(102-30), (102-33)

Lines of Defence

ADIB operates a three lines of defence model, each 'line' ensures clear distinction of responsibilities between day to day operations, monitoring and oversight as well as independent assurance. The three lines of defence are:



Risk Management Framework

(102-30)

At ADIB, we have identified seven key types of risk:



ADIB has an established and comprehensive risk management framework, owned by the Group Chief Risk Officer who reports to the Board's Group Governance and Risk Policy Committee. He is also a member of the Enterprise Risk Committee and responsible for the management of all risks as shown above. The Board sets the tone from the top by means of an articulated risk culture, principles and appetite. The Risk management and Internal control infrastructure is reviewed on an ongoing basis at both management and Board levels.

External Auditors

(102-16), (102-17), (103-1), (103-2), (103-3), (205-1)

The Group Audit Committee undertakes an annual evaluation to assess the independence and objectivity of the external auditors and the effectiveness of the external audit process. It is responsible for making recommendations to the Board on the appointment, reappointment, remuneration and removal of external auditors. The Group Audit Committee also carries out a review of all non-audit services provided by the external auditors, in line with ADIB's policy to ensure external auditor independence. The shareholders approved the appointment of Ernst & Young as the external auditors of ADIB for 2018 at the General Assembly Meeting held on 21st of March 2018.

The Employees' Code of Ethics and Standards of Professional Conduct

(205-1)

The Employees' Code of Ethics and Standards of Professional Conduct ("Code") aims to establish an ethical, moral and professional work environment within Abu Dhabi Islamic Bank PJSC, Abu Dhabi, UAE, ("ADIB") and ADIB subsidiaries of the Abu Dhabi Islamic Bank Group ("Group"). Every employee contributes to the development of an ethical culture by committing to demonstrating professional, ethical and moral conduct compliant with the best international practice standards of Islamic financial institutions. The Code aims to establish best practice guidelines for employees to follow in order to maintain a professional and ethical work environment.



Grievance Management

(205-1)

We have policies in place to ensure that all grievances are handled with care and compassion. We have a dedicated Grievance Committee, which was formed for the purpose of listening to any complaints from employees on work-related issues. The committee can offer an unbiased and fair response to each case and have the ability to resolve issues which cannot be solved through normal processes.

The Grievance Process entails that employees first raise the issue with their line manager or with the human resources department. If the situation cannot be resolved in this case, then employees can apply in writing to the Grievance Committee Coordinator who will review the complaint and try to resolve the issue. If the issue is still not resolved, the Coordinator will then hand the complaint over to the Grievance Committee.

Finally, the committee will meet with all parties concerned to assess the situation. They then submit their opinions in writing to the concerned Division Head, all involved parties and the Head of HR. It is down to the Head of HR to make a final decision.

Whistleblowing

(102-16), (102-17), (103-1), (103-2), (103-3), (205-1)

We conduct all of our business with honesty and integrity and in alignment with international best business practice. We stand against corporate wrongdoing, corruption and offences in every jurisdiction that we operate, by complying with all applicable national laws.

We have a dedicated hotline number and email where individuals can report any activities they deem suspicious. All calls received on the hotline number are confidential and are recorded and monitored for the purpose of evidence and investigation.

Anti-Harassment

Our Employee Handbook states that all employees must act in a respectful and professional manner. Any form of harassment, immorality, licentiousness (verbal or non-verbal), slander or innuendo is not tolerated and will be dealt with accordingly. We do not allow for any expression of favouritism or discrimination within the workplace. We expect all of our employees to share our values of respect by not acting in any way that demeans or humiliates their colleagues.

Business Continuity

The introduction of digital channels, automated/interactive teller machines, and other technology-based utility services has increased technology risk, which is why ADIB continues to invest in business continuity, infrastructure, recovery planning, and related resources to mitigate such risks.

Our Business continuity plan is a system of internal controls and infrastructure that act as a proactive approach to avoid and mitigation risks. However, there are no assurances that ADIB's preventative measures will continue to mitigate technology risk, which is also why we have in place a disaster recovery plan to respond to any event that may disrupt day to day business operations.

During 2018, ADIB has taken a proactive role in business continuity. The year saw the establishment of a business continuity team and a strengthened business continuity strategy, but also a command centre, acting as the main structure and focal point that allows for automation and greater data integrity. ADIB also launched their business continuity week, in efforts to raise awareness and promote better practices around the potential risks, their impacts and the preventive measures.

Cyber Security

(103-1), (103-2), (103-3)

As the industry matures into higher levels of digital sophistication cybersecurity becomes an increasing concern for many banks. Therefore, during 2018, ADIB has made it one of the focus areas for 2019 as we embark on our digital transformation journey. During the year, we continued to take significant measures to secure our customers and business operations against potential cybersecurity threats. Our Information Security reached the following milestones:

- ▶ Establishing Group Information Security Department
- ▶ ISTP Year 1 Completed with (12) initiatives successfully closed including but not limited to:
 1. Advanced Cyber Intelligence
 2. Stronger Monitoring & Data Leakage Controls
 3. Developed Policies & Frameworks
 4. Building capability in information security departments across the Bank. Increasing knowledge and awareness

(103-1), (103-2), (103-3)

5. Process – Developing and enhancing business, operational and technical processes to withstand and manage cyber-attacks and security breaches.
6. Technology – Designing and deploying technical controls that can enhance our capability of protecting, detecting, responding and recovering from cyber attacks
7. HIMAYA is our Information Security brand which we developed as the centrepiece of our awareness and training programme.
8. Information Security Awareness and Training Programme with the aim to improve information security policy compliance, reduce risks, avoid losses and failures and therefore cut costs. The programme is intended to raise awareness about information security concepts and to ensure that best practices are adopted across the board.
9. Information Security Campaigns have hosted several events, including panel discussions and debates in partnership with Abu Dhabi Police, AQDAR and E-Safe to promote awareness about information security.
10. Cyber Security on Social Media - We recognise the power of sharing knowledge via our popular social media channels. We utilise these tools in many ways, including educating our customers on Information Security issues through various Information Security campaigns.



Sustainable Banking

(102-21), (102-31)

The concept of Islamic Banking promotes responsible banking practices by default, which is why ADIB takes an energetic approach to reconciling sustainability and responsible banking. We see our sustainability practices a device for us to reinforce the principles of Islamic banking and the significance of the leading responsible Islamic bank in the country. We have combined the principals of Shari'a with leading sustainability practices across the world to provide our stakeholders with a mutual benefit while delivering on a robust ethical banking system.

Sustainability Management

Listening to our Stakeholders

Stakeholders are the heart of every organisation. In order to understand how our stakeholders are impacted by our work, we make it a priority to engage with them frequently using different methods and channels. This is illustrated in the table below which lists ADIB's different stakeholder groups, and explains the engagement methods, their frequency, and the feedback we received from them throughout 2018.

During 2018, we also conducted a stakeholder mapping exercise for our new 5-year sustainability strategy. Stakeholder inputs were gathered in a systematic order, compiled, and analysed to allow for the final input to be fed into the overall strategy.



SUSTAINABLE BANKING

- ▶ Sustainability Management
- ▶ Focus Areas
- ▶ Sustainability Governance Structure
- ▶ The Dubai Declaration on Sustainable Finance
- ▶ Alignment with the United Nations Sustainable Development Goals (UNSDGS)
- ▶ Alignment with the UAE Vision 2021

(102-21), (102-31), (102-40), (102-42), (102-43), (102-44)



STAKEHOLDER GROUP	ENGAGEMENT METHOD & FREQUENCY	REFLECTIONS & FEEDBACK FOR 2018 STRATEGY
 Investors	Quarterly financial results Annual analysts and investors meeting Annual report Press releases The Annual General Meeting The dedicated "Investor Relations" section on our website	Stability of Financial Performance Cost management measures Strong capital positioning Digital transformation Dividends distribution Transparent Communications
 Employees	Annual engagement survey "Soutak" Monthly engagement polls targeted at 10% of employees Periodic team meetings as needed Employees' performance assessments Internal communication programmes	Working culture Training and development Talent attraction and development Compensation Engagement strategy and knowledge sharing Corporate Volunteering Healthy and safe work environment

(102-21), (102-31), (102-40), (102-42), (102-43), (102-44)

STAKEHOLDER GROUP	ENGAGEMENT METHOD & FREQUENCY	REFLECTIONS & FEEDBACK FOR 2018 STRATEGY
 Customers	Daily face-to-face interactions when customers visit our branches Call centers, emails Press releases Social media Brand activations Account relationship management Customer satisfaction surveys Other service channels (phone banking, internet banking, SMS)	E-banking and digital services Privacy & security Competitive products, services and rates Customer experience Responsiveness through all customer touch points Transparent and accurate communications
 Suppliers	Pre-tendering meetings Quarterly town hall meetings for approved vendors Project-based satisfaction surveys Debriefing reports after each tendering stage Tailored communication plan for critical suppliers	Clarifications on the tendering process and lifecycle The automation process of our relationship with suppliers The new ERP system Clear and fair terms and conditions Cost negotiations and payment terms
 Environment	Compliance with the US Green Business Council to acquire the Leadership in Energy and Environmental Design (LEED) certificate Press releases Project partnerships to benefit the local community	Monitoring our carbon footprint Paper recycling Waste management
 The Local Community	Partnerships with non-profit organisations and civil society groups Roll out of social investment programmes and initiatives Cultural and social events Sponsorships and donations	Financial inclusion Support in sports activities Youth Empowerment Women Empowerment Celebration of local culture Philanthropic and Humanitarian efforts Environmental stewardship

(102-21), (102-31)

Materiality Matrix

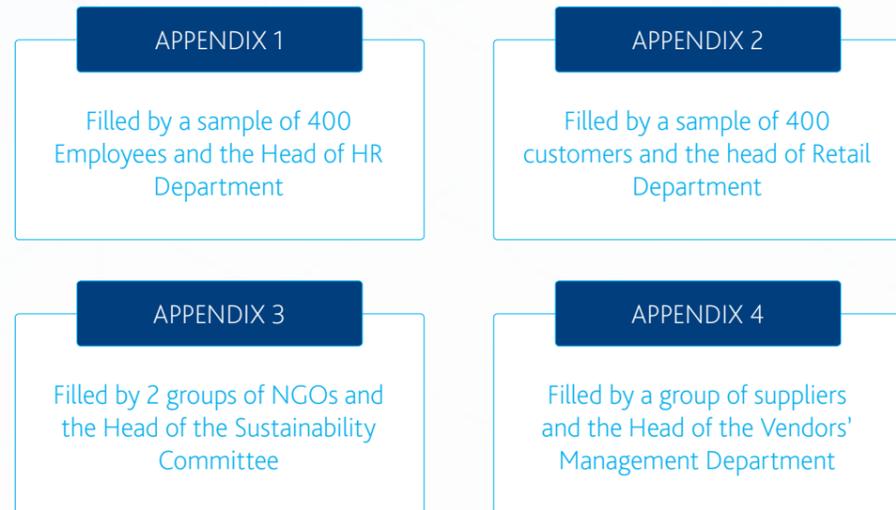
To define our sustainability strategy, we identified a list of topics that would substantially influence the assessments and decisions of stakeholders and engaged them through a survey. We followed the GRI's definition of materiality for sustainability reporting and in order to define the report and strategy content.

The objective of the materiality analysis is to identify the "most important" and critical economic, environmental and social issues, which may either reflect a significant impact on ADIB's business performance or substantively influence the assessments and decisions of its stakeholders.

Process for Implementing the Analysis:

As a result of the comprehensive stakeholder mapping exercise outlined above, a number of social, environmental and economic issues were identified by each stakeholder group, which is identified in the following.

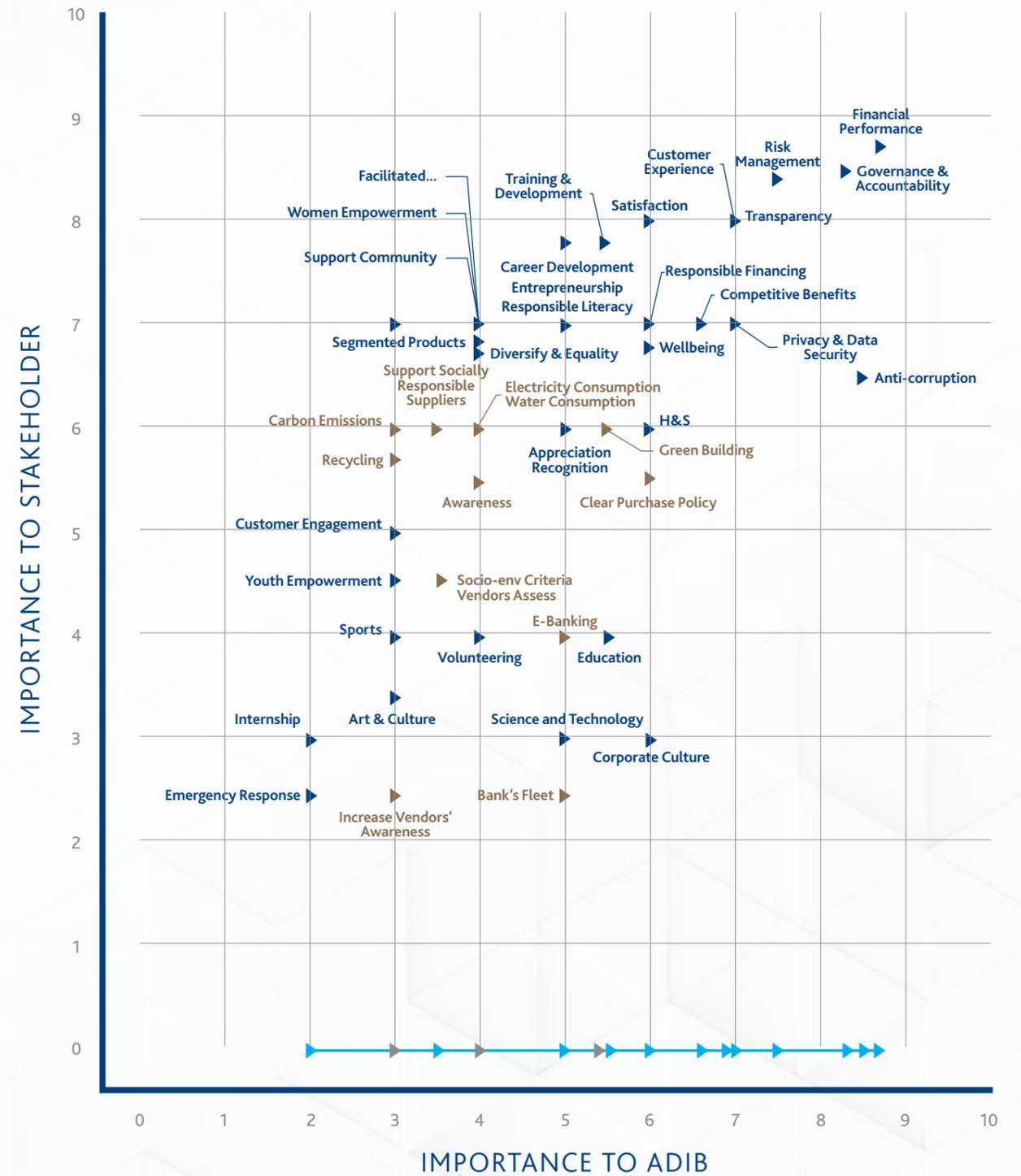
The materiality analysis comes to prioritize these areas and to highlight its relevance for each stakeholder group and for the Bank accordingly. To hold an accurate materiality analysis, a comprehensive questionnaire was prepared and sent for a sample of each stakeholder group, where they were asked to rate each social, environmental and economic aspect from 1-10 (having 10 as highly important "material" and 1 as lowest important "lowest material"). Appendices 1-5 highlight the questionnaires that were sent and filled up by ADIB's senior Managers and Stakeholders, as the following



It is important to note that the only stakeholder group that was not approached was Shareholders, whom with we will be carrying out the analysis on by mid this year.

The results of the questionnaires were analysed and the following diagram was prepared, identifying the aspects that are highly material (to be considered by ADIB and integrated into their strategy) and those that are least material and can be overlooked.

(102-21), (102-31)



Impact Boundaries (102-47)

The table below lists all Material Topics together with the corresponding GRI Standard, sets out the impact boundaries, and provides references to pages where the topics are addressed.

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL	IMPACT BOUNDARIES	PAGE NO.
Anti-Bribery & Anti-Corruption	Anti-Corruption	Investors, Customers & Employees	19, 24, 25
Appreciation & Recognition	Labour/Management Relations, Training and Education	Employees	58, 59
Art & Culture	Local Communities	Community	87, 88, 89
Environmental Awareness	Environmental Compliance	Environment, Community and employees	79, 80, 81, 86
Carbon Emissions	Environmental Compliance	Environment	79, 80
Training And Career Development	Labour/Management Relations, Training and Education	Employees	56, 57, 58, 59
Clear Policies And Procedure	Procurement Practices	Suppliers	77, 78
Competitive Benefits	Labour/Management Relations	Employees	59, 60, 61
Corporate Culture	Labour/Management Relations	Employees	45, 46, 47, 49, 58
Customer Engagement	General Disclosures (Organisational Profile - Products and Services)	Customers	63, 64, 65, 66, 69, 71
Digitalisation	General Disclosures (Organisational Profile - Products and Services), Procurement Practices	Customers, Suppliers	65, 66, 67, 68, 69, 71, 72, 73, 75, 76, 77
Diversity & Equality	Labour/Management Relations, Training and Education	Employees	49, 50, 51, 52
E-Banking	General Disclosures (Organisational Profile - Products and Services), Procurement Practices	Customers	66, 67, 68
E-Channels (Cardless Withdraw)	General Disclosures (Organisational Profile - Products and Services), Procurement Practices	Customers	69, 72, 73

(102-47)

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL	IMPACT BOUNDARIES	PAGE NO.
Education	Local Communities, Labour/Management Relations, Training and Education	Community	71
Electricity Consumption	Environmental Compliance	Environment	79
Emergency Response	Local Communities	Community	67, 68
Entrepreneurship	Local Communities	Community	72
Express Branches	General Disclosures (Organisational Profile - Products and Services)	Customers	65
Facilitated Instalments	General Disclosures (Organisational Profile - Products and Services)	Customers	69
Financial Literacy	Local Communities	Community, Customer	71
Financial Performance	Economic Performance	Investors	16, 17
Governance & Accountability	General Disclosures (Governance)	Investors	20, 21, 22, 23
Green Building	Materials, Energy, Water, Environmental Compliance	Environment	79
Health And Safety	Occupational Health & Safety	Employees	46, 47
Increase Vendors' Awareness	Procurement Practices	Suppliers	77, 78
Internship	Local Communities, Employment	Community	55
Monitor Bank's Fleet	Environmental Compliance	Environment	79

(102-47)

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL	IMPACT BOUNDARIES	PAGE NO.
New ERP System	Procurement Practices	Suppliers	77, 78
Privacy & Data Security	Customer Privacy	Customers, Governance	26, 27
Recycling	Environmental Compliance	Environment	81
Reduce Plastic Consumption	Environmental Compliance	Environment	81
Relationship Management	General Disclosures (Governance)	Investors	12, 20, 21
Reputation Management	General Disclosures (Governance)	Investors	20, 21, 22, 23
Responsible Finance	Ethics & Integrity, Environmental Compliance	Customers, Environment	29, 71
Risk Management	General Disclosures (Governance)	Investors	22, 23, 24, 25
Employees' Satisfaction	Labour/Management Relations	Employees	58
Science & Technology	Local Communities	Community	74, 75, 79, 80
Segmented Products	General Disclosures (Organisational Profile - Products and Services)	Customers	63, 64, 65, 66, 69
Shareholder Value Growth	Economic Performance	Investors	20
Social - Environment Criteria Of Vendors In Assessment Forms	Procurement Practices	Suppliers	78

(102-47)

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL	IMPACT BOUNDARIES	PAGE NO.
Sports	Local Communities	Community	85, 86
Support Segmented Groups (Poverty, Elderly, People With Determination)	Local Communities	Community	49, 84, 85, 87
Support SMEs, Women, Local Vendors	Local Communities, Procurement Practices	Suppliers	46, 55, 60, 63, 70, 76, 78, 88
Transparency	General Disclosures (Governance), Employment	Investors, Customers, Employees	20, 63, 77
Vendors' Support To Community	Procurement Practices	Suppliers	78
Volunteering	Local Communities	Community, Employees	49, 70, 83, 84, 85, 86, 87, 88, 89
Waste Reduction	Environmental Compliance	Environment	81
Water Consumption	Environmental Compliance	Environment	80
Wealth Management	Economic Performance	Investors	14, 16, 17
Employee Wellbeing	Labour/Management Relations, Training and Education,	Employees	46, 47, 58, 59
Women Empowerment	Local Communities, General Disclosures (Organisational Profile - Products and Services)	Employees, Community, Customers	46, 55, 60, 63, 70, 88
Youth Empowerment	Local Communities, General Disclosures (Organisational Profile - Products and Services)	Community, Customer	64, 85, 86

Sustainability Framework

By implementing our new strategy and by engaging our stakeholders for the second time, we updated our sustainability framework. We believe that our framework and our strategy should be continuously updated to align with the direction of our business objectives.

All our sustainability programs come under 5 main focus areas, which are aligned with our business objectives and stakeholders' needs.

Our Purpose:

SUSTAINABLE BANKING AS IT SHOULD BE



Values

- Sharia' Inspired
- Simplicity
- Sensibility
- Transparency
- Mutual Benefit
- Hospitality
- Tolerance

Mission

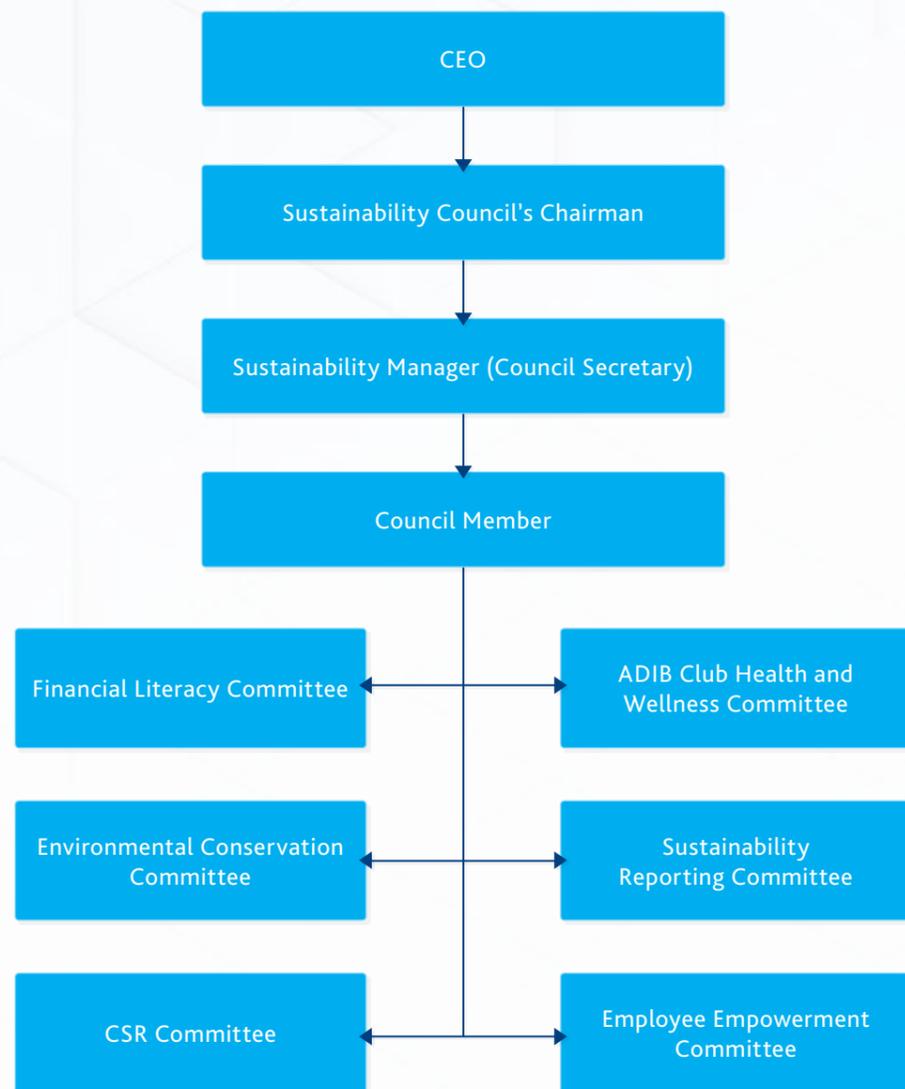
To provide sustainable and customer-focused financial solutions by integrating responsible social, environmental and governance commitments into our operations, aiming to create value for our stakeholders

Vision

To become a top tier Sustainable Bank in the region

Sustainability Governance Structure

To enhance our commitment, we created a Sustainability Governance. Every member is in charge to improve the Bank impact on the sustainability path.

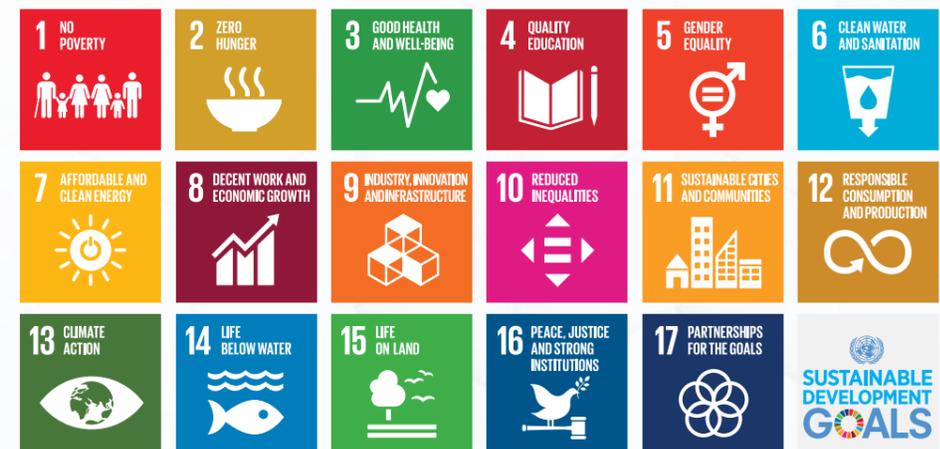


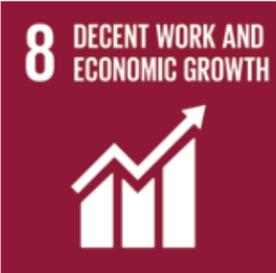
The Dubai Declaration on Sustainable Finance (307-1)

ADIB is proud to be one of the 11 financial institutions in the country to have signed the "Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance." It reinforces every year our commitment to align the Bank's activities with the UAE Vision 2021, the UAE Government's commitment to the Paris Climate Agreement, United Nations Convention for the Rights of Persons with Disabilities, the United Nations' Sustainable Development Goals and the UAE Green Agenda 2015-2030.

Alignment with the United Nations Sustainable Development Goals (UNSDGS)

For the second consecutive year, we monitored our operations and we identified that some of them are aligning with the UNSDGs. We are aiming to align with more of them every year.



GOAL	OUR 2018 IMPACT
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Our new HQ has a full-fledged gym for the good health of our employees</p> <p>Our investment in technology is providing convenience services to customers</p> <p>163 employees participated in the Fire Warden Training</p> <p>To ensure the safety of our employees and customers, we restocked 197 of our first aid kits during the second half of 2018.</p>
 <p>4 QUALITY EDUCATION</p>	<p>An average of 5.77 days of training per employee.</p> <p>In 2018, we offered 70 internships to students from local UAE universities.</p>
 <p>5 GENDER EQUALITY</p>	<p>Women represent 32% of our workforce, and we are constantly working to increase this percentage</p> <p>Our Tamkeen Programme is designed to encourage more women to progress to senior leadership roles within the Bank by further developing the skills needed for senior management level. In 2018, 9 UAE women participated in this program.</p> <p>Emiratization team worked hard on the project of establishing an on-site nursery/daycare in the new ADIB HQ.</p> <p>Our female and male employees are receiving almost the same amount of days of training (6.9 – 5.4)</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>As a leading bank in the UAE, our annual growth and financial performance contribute to the overall economy</p> <p>We concluded over 20 high profile transactions across structured and syndicated finance,</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>We monitor our consumption of water, electricity, fuel and ensure we have controls in place to monitor and manage usage.</p> <p>Our strategic approach generates maximum value for all stakeholders while operating in a responsible manner.</p> <p>We encourage our stakeholders to make environmentally-friendly choices by digitalising our procurement systems.</p> <p>The agreement between ADDC and MPM properties aimed to reduce water and electricity consumption.</p> <p>To reduce paper consumption, ADIB express branches don't ask any papers document from the customers.</p>

Alignment with the UAE Vision 2021



As a leading bank in the UAE, every year we ensure to align our practices with the UAE vision. Below are a few examples of your contribution.

VISION ELEMENT	OUR IMPACT
 <p>UNITED IN PROSPERITY Sustainable Environment and Infrastructure</p> 	<p>We monitor our consumption of water, electricity, fuel and ensure we have controls in place to monitor and manage usage.</p> <p>Our strategic approach generates maximum value for all stakeholders while operating in a responsible manner.</p> <p>We encourage our stakeholders to make environmentally-friendly choices by digitalising our procurement systems.</p> <p>The agreement between ADDC and MPM properties aimed to reduce water and electricity consumption.</p> <p>To reduce paper consumption, ADIB express branches don't ask any papers document from the customers.</p>
 <p>UNITED IN KNOWLEDGE Competitive Knowledge Economy</p> 	<p>Being in the banking sector, we directly contribute to non-oil GDP growth</p> <p>36% of our employees are Emiratis. We have one of the highest percentages of Emiratization in the Sector</p> <p>We currently source 97% of our needs from selected local vendors.</p> <p>Met the target points of Central Bank on Emiratization</p>
 <p>UNITED IN RESPONSIBILITY Cohesive Society Preserved Identity</p> 	<p>Some of our community initiatives were intended to enhance literature and all forms of art in order to reinforce the UAE's national identity, preserve its rich culture and educates both the local and international community.</p> <p>We support faith-based activities by for example distribution 29,735 grocery items during Ramadan.</p>

Our CSR Label

Another key highlight of the year is that we have been awarded the Dubai CSR Label Award for the second time. The CSR label is the highest level of recognition for the CSR efforts of businesses in the UAE. It is an honour and a privilege for us to be receiving this award and look forward to continuing our legacy over the coming years.

Enabling Our People

(103-1), (103-2), (103-3)

Here at ADIB, our people are at the heart of our business. We take pride in helping our employees to reach their full potential with tailored support, development opportunities and advice. By enabling our employees, ADIB creates the right organisational environment for our staff to grow in and to directly contribute to our overall vision and objectives, which gives them a sense of ownership, responsibility and purpose.

It is important that we ensure that our staff and line managers are equipped with the relevant support, training, practices and policies needed for them to perform effectively in their roles. Hence, our Human Resources (HR) department works closely with our various business units across the employment life cycle to understand capacity requirements, existing gaps in skills or competencies needed to support business needs, and to facilitate appropriate performance management, talent and reward initiatives that enable the Bank to deliver its strategic objectives.

Our leaders play a crucial role in promoting a positive organisational culture through actively articulating the Bank's vision, mission, policy, strategy and values, with an open and transparent approach to leadership. The leadership team believes that every employee's ideas and views are important. Employees are encouraged and empowered to get involved in finding ways to improve what we do and to actively participate in decision-making.



ENABLING OUR PEOPLE

- ▶ Occupational Health and Wellbeing
- ▶ Volunteering
- ▶ Employee Empowerment
- ▶ Happiness

Occupational Health and Wellbeing

(103-1), (103-2), (103-3), (403-2)

ADIB is committed to provide all persons within its employ with a safe and healthy work environment. It is ADIB's aim to continuously improve the high level of Health & Safety. By making the right decisions and taking the appropriate actions in order to protect our colleagues and others. In recognition of this we will continue to strive to:

- ▶ Develop, implement and maintain programs which prevent injury and illness
- ▶ Meet or exceed all legislative requirements and standards or good practice within the industry
- ▶ Identify and mitigate as far as reasonably practical workplace hazards.
- ▶ Ensure that any significant health and safety risks escalated and considered at senior management level, as appropriate.
- ▶ Continual improvement of the ADIB H&S management system.
- ▶ Ensure consultation and participation of workers in ADIB H&S matters.
- ▶ The success of the health and safety program requires the dedication and participation of all employees. All employees will be held accountable for implementing the Occupational Health and Safety Program.

ADIB's New Headquarters

At ADIB, we believe in the importance of home, family and taking care of each other. When we moved to our new office headquarters, we created a place that felt welcoming and reflected the forward-thinking nature of both our employees and our business.

Our values have been the foundation for our success as a business since the beginning. Our new headquarters have been designed with our employees in mind, inspiring us to live our values each day.

Features of the office space in our new headquarters:

- ▶ The desks and chairs for each workstation are ergonomically designed with comfort in mind. They are easily adjustable to fit the individual user.
- ▶ Our staff cafeteria is located on the sixth floor and is open each working day from 7am to 4pm. There is also a dedicated dining area for women in the staff cafeteria.
- ▶ There is a communal kitchen inside each office area on every level. Each kitchen is equipped with a refrigerator, microwave, coffee machine, dishwasher and filtered water dispensers.
- ▶ Our new HQ boasts ample parking spaces for both visitors and employees.
- ▶ Other amenities include shared meeting rooms, prayer facilities, storage spaces, gym facilities for both male and female users, and mail and distribution services.



ADIB Club

(403-2)

The ADIB Club consists of a team of employees selected from different departments with various backgrounds. The team is dedicated to promoting and maintaining a good work-life balance. The Club is responsible for arranging a variety of social and sporting activities which are designed to encourage all employees to feel involved and deepen their connection with one another through recreational activities. The ADIB Club holds events throughout the year, including sports tournaments, family days, excursions and more. Our employees have the opportunity to take part in a range of activities, giving them the opportunity to connect with their colleagues outside of the usual office environment, forming stronger bonds which ultimately enriches the working life of all involved.

The ADIB Club also seeks offers and promotions from various retailers, hotels and outlets in the region to be enjoyed by our employees. This activity falls under the umbrella of our Vendor Promotion Committee.

Health and Safety Training

All of our health and safety training sessions are recorded in a calendar detailing the type, frequency and logistics of each session.

	Number of Participants	
	2017	2018
First Aid Training	90	76
Fire Warden Training	73	163

Due to the nature of our business and the robust health and safety measures we have in place, no work-related injuries or fatalities have been reported this year.

Accident Register

The ADIB Real Estate Team continuously monitors and reports all incidents that take place in our offices or branches.

Two minor incidents took place during 2018. Both incidents were followed up closely and appropriate measures were taken. Fortunately, neither case resulted in any long-term pain or trauma.

To support with the incidents and accidents throughout ADIB premise, First aid boxes have been set up throughout all ADIB locations, which are regularly re-stocked, in addition to the certified first aiders within ADIB who have been trained to deal with medical emergencies within the office.



Volunteering

As 2018 was the year of Zayed, we have aligned our Corporate Responsibility (CSR) actions with the "Year of Zayed" government initiative. This led to our vision of 100 CSR activities for the 100 years of Sheikh Zayed. During the year, we were able to reach more than 20,000 beneficiaries with the participation of more than 600 volunteers (please find page 83 for more details on the number of volunteers and activities implemented).

We are working to create a comprehensive volunteering policy that organizes employees' participation in different activities that we implement. The policy includes instructions, approval processes and procedures required to complete the registration process properly. This policy and procedures will further enable us to better track our volunteering hours for each employee and we will be reporting on next year.

Employee Empowerment

Diversity & Inclusion

(102-8), (103-1), (103-2), (103-3), (401-1), (405-1)

Our working culture reflects the diverse, multicultural population of the UAE. Our staff have the benefit of working in an environment where over fifty nationalities come together every day, sharing their unique perspectives and experiences. At ADIB, all cultural backgrounds are celebrated, respected and embraced, and every individual is welcomed with open arms to our international family.

As we consistently endeavour to strengthen our diversity, this year we have added the objective of 'welcoming more people with disabilities' to our sustainability strategy. We provide an environment where individuals from all backgrounds, abilities and demographics have the opportunity to thrive both in their personal lives and careers.



Full-Time Employees
BROKEN DOWN BY GENDER

(102-8), (405-1)

	2017	2018
Number of Full-time Employees	2,039	2,021
Females	676	646
	33%	32%
Males	1,363	1,375
	67%	68%

Newly Hired Employees Annually
BROKEN DOWN BY GENDER

(401-1), (102-8), (405-1)

	2017	2018
New Hires	198	260
Females	71	108
	36%	42%
Males	127	152
	64%	58%

Full-Time Employees
BROKEN DOWN BY AGE

(102-8), (405-1)

	2017	2018
18 - 24 years	168	54
	8%	3%
25 - 34 years	618	559
	30%	28%
35 - 44 years	849	937
	42%	46%
45 - 54 years	328	384
	16%	19%
55+ years	76	87
	4%	4%

Newly Hired Employees Annually
BROKEN DOWN BY AGE

(102-8), (401-1), (405-1)

	2017	2018
18 - 24 years	20	23
	10%	9%
25 - 34 years	91	118
	46%	45%
35 - 44 years	70	90
	35%	35%
45 - 54 years	16	26
	8%	10%
55+ years	1	3
	1%	1%

Full-Time Employees
BROKEN DOWN BY YEARS OF SERVICE

(102-8), (405-1)

	2017	2018
0 - 4 years	1148	1035
	56%	51%
5 - 9 years	452	471
	22%	23%
10 - 14 years	338	398
	17%	20%
15 + years	101	117
	5%	6%

Full-Time Employees
EMIRATIS AND EXPATRIATES

(102-8), (405-1)

	2017	2018
Emirati Employees	778	732
	38%	36%
Expatriate Employees	1,261	1,289
	62%	64%

Newly Hired Employees Annually
EMIRATIS AND EXPATRIATES

(102-8), (401-1), (405-1)

	2017	2018
Emirati Employees	50	114
	29%	44%
Expatriate Employees	120	1,144
	71%	56%

Full-Time Employees BROKEN DOWN BY NATIONALITY

(102-8), (405-1)

	2017	2018
Number of countries	51	51
UAE	38%	36%
Jordanian	12%	12%
Indian	11%	11%
Pakistani	9%	9%
Egyptian	6%	7%
Other	24%	24%

Turnover Rate of All Employees BROKEN DOWN BY GENDER

(401-1), (102-8)

	2017	2018
All Employees	17%	14%
Female	38%	21%
Male	24%	11%

Turnover Rate of All Employees BROKEN DOWN BY AGE

(401-1), (102-8)

	2017	2018
18 - 24 years	40%	22%
25 - 34 years	18%	35%
34 - 44 years	10%	28%
45 - 54 years	6%	7%
55+ years	25%	8%

Top Management BROKEN DOWN BY GENDER

(102-8), (405-1)

	2017	2018
Female	14	14
	8%	9%
Male	166	150
	92%	91%

UAE National Talent Empowerment

“The UAE citizen is a true asset in our development goals, and will always be our top priority when implementing our programmes. Therefore, we strive to use our full potential to secure a happy, healthy and high standard of life for our citizens.”

- His Highness Sheikh Khalifa Bin Zayed Al Nahyan

ADIB remains the leading bank in the region advocating the recruitment, development, and promotion of local talent. We recognise the importance of investing in the development of a new generation of Emirati professionals.

In 2018, His Excellency, the Minister of Human Resources and Emiratisation and the Chancellor of Higher Colleges and Technology recognised ADIB for our contributions in hiring UAE national graduates. Furthermore, MOHRE also awarded us the third place for outstanding efforts in the initiative of government accelerators to promote Emiratisation in the private sector.

Emiratisation Strategy

At ADIB we believe in planning for our successes. In order to do so, ADIB has put together a 2020 Emiratisation strategy, that not only solidifies our commitment in attracting, retaining, and developing local talent, but also ensure that we are being transparent and accountable in our commitments.

Vision

To be the UAE national's employer of choice in the financial services sector by engaging, recruiting, and retaining the best local talent by offering them world-class training and development opportunities following their on-boarding. Through our forward-thinking approach, we are ready to take on the ever-changing landscape of an increasingly digital banking industry.

Strategic Objectives

Our 2020 vision has been developed with a clear set of objectives when it comes to national talent. These objectives include:

1. To be an industry leader in Emiratisation
2. To become an increasingly learning-oriented organisation
3. To be recognised as having the best work environment for UAE nationals

The Central Bank Points Scheme

In response to the 2021 UAE vision and the UAE Government National Agenda, ADIB has adopted Central Bank's points-based system to meet Emiratisation goals. In 2018, we are pleased to announce that we have exceeded the required targets.

Dedicated Emiratisation Department

A specialised dedicated department was created to attract UAE Nationals and fresh graduates, develop them professionally for middle and senior management roles and to offer continued support throughout their career with us. This department consists of four team members who report directly to the head of HR.

Scorecards

Our Strategic Emiratisation Programme is the responsibility of the head of HR, who is under the supervision of the CEO. Our Emiratisation goals are aligned with the direct reports from the CEO on the annual performance scorecards, which are reviewed on a bi-annual basis.

Recruitment Mechanisms

Attracting local Emirati talent will always remain a priority for ADIB, and to do so we have developed a set of tools and partnerships that enable us to gain access to local talent of different calibre.

- ▶ Referral system where existing employees can refer talent.
- ▶ Headhunters and placement agencies.
- ▶ Partnerships with the Ministry of Human Resources and Emiratisation (Tanmia), the Emirates Institute for Banking and Finance Studies, The Abu Dhabi Tawteen Council and the Ibshir Initiative.
- ▶ Participation in career fairs and university open days in the UAE, the UK and the US in coordination with UAE embassies.
- ▶ Signing 'memorandums of understanding' with key educational institutions in the UAE in order to sponsor students and participate in the development of academic programmes.
- ▶ Exhibiting opportunities for Emirati graduates using the Tawdheef platform

Emiratisation Programmes

ADIB's goals for Emiratisation to ensure that

1. Each individual is able to reach their full potential through excellent training and development programmes.
2. Efficient succession planning with the priority of the selections of UAE nationals
3. Retaining local talent by providing them with personal and professional development opportunities, a great work-life balance and a rewarding career path.

To achieve this ADIB has partnered with prestigious educational institutions to develop a suite of world-class training programmes aimed at building the skills and capabilities of UAE national employees.

Certified Branch Manager Foundation Programme

This programme is designed for UAE nationals who are in branch manager positions. The programme ensures that they have what it takes to lead their team and do so in accordance with the high standards of the Bank.

High Potentials (HIPO) Programme

Our HIPO action plan identifies Emiratis who have shown promise as a potential leader. Our 'high potentials' are then given the opportunity to train and enrol in various training programmes, as well as having tailored made career development plans helping them to work towards a future in leadership.

Tamkeen

Tamkeen is designed to encourage more women to progress to senior leadership roles within the Bank, by developing the skills they will need to succeed. This programme is available to all of female Emirati employees. Each participant in Tamkeen goes through a comprehensive leadership training programme and is paired with an executive coach.

Qiyadat

This 18-month programme is aimed at 'high potential' local talent. The programme offers world-class learning opportunities in partnership with Abu Dhabi University.

ADIB Leadership Programmes (ALP)

Our leadership programmes are aimed at young Emiratis and local graduates. The programmes are designed to train and inspire the banking professionals of the future.

Internships

Each year, we offer around 70 internships to students from universities in the UAE. These internships vary in scope and length, depending on the needs of the department and the availability of the student.

The Graduate Trainee Programme

Our Graduate Trainee Programme is designed to give young Emiratis a robust foundation on which they can build their careers, where they will soon be the primary source of leadership talent within the organisation.

PROGRAMME NAME	NO. UAE NATIONALS ENROLLED
Certified Branch Manager Foundation Programme	12
HIPO (High Potentials)	26
Tamkeen	9
Qiyadat	35
ADIB Leadership Programmes (ALP)	60

Absher Programme

The Absher programme was developed by the government of the UAE. An initiative that supports Emiratisation efforts by providing special benefits for Emiratis in the private sector. Any UAE nationals working with us get full benefits of the Absher programme.

Fazaa Programme

Frontier by Social Security Fund of UAE Ministry of Interior, the project provides a wide and unique range of services designed to support its members and is aimed at developing social interdependence and bonds of solidarity to the highest levels. In 2018, We distributed Fazaa cards to all of our employees, not just Emiratis, which enables holders to take advantage of an array of discounts and benefits.

Learning & Development

(103-1), (103-2), (103-3), (404-1), (404-2), (404-3)

We are committed to creating an organisation that puts a focus on the learning and development of each individual working for us. We know that the knowledge and skills of our employees is the key to our success and will enable us to continually deliver high-value services to our customers that in turn will allow us to grow as a business. We want to be recognised as a place that not only offers great job satisfaction but gives our employees the opportunity to grow and develop a long, fulfilling career. To facilitate our vision, our Human Resources and Learning and Development departments provide access to a variety of internal and external courses.

In 2018, we are pleased to announce that we have received that Human Resource Development Award by HH Sheikh Dr. Sultan Bin Mohammed Al Qasimi, Ruler of Sharjah and Member of the Supreme Council 2018, recognising our efforts in talent development.

Average Annual Training Days for an Employees BROKEN DOWN BY GENDER

	2017	2018
All Employees	6.15	5.77
Female	5.9	6.9
Male	6.4	5.4

The ADIB Banking Academy

The ADIB Banking Academy offers a suite of customised and accredited programmes, with options of completing these courses either in-person or via e-Learning channels depending on the learning needs and preferences of our employees. We partner with established educational institutions both locally and internationally, and all material offered is accredited by the Chartered Management Institute (CMI) and International Leadership Management (ILM).

(404-2), (404-3), (205-2)

The Academy provides three types of training courses: Mandatory Training, Required Modules and Leadership & Supervisory Training. The courses are broken down as follows:

Mandatory Training

- ▶ Orientation
- ▶ Financial Crime & Compliance Risk Awareness
- ▶ Islamic Banking 1
- ▶ Corporate Governance & Ethics
- ▶ Cyber Security Essentials

Required Modules (for specific positions)

- ▶ Compliance 2
- ▶ Fraud & Risk Awareness
- ▶ ADIB Branch Management Foundation
- ▶ Sales Manager Guide to Success
- ▶ Solutions Selling
- ▶ Relationship Selling
- ▶ Project Management Programme (PMP)
- ▶ Basic Legal
- ▶ ADIB Credit (1, 2 & 3)
- ▶ Global Transaction Solutions

- ▶ Treasury Cross-Selling Solutions
- ▶ Real Estate Valuation
- ▶ Retail Banking Orientation
- ▶ Retail Banking 1
- ▶ Retail Credit
- ▶ Shape 2 - Corporate Session
- ▶ Shape 2 - Retail Session
- ▶ Islamic Financial Qualification
- ▶ Microsoft Excel (Intermediate & Advanced)

Leadership & Supervisory Training

- ▶ ADIB Leadership (1, 2 & 3)
- ▶ ADIB Coach (1, 2, 3 & 4)
- ▶ Emotional Intelligence
- ▶ Supervisory Skills
- ▶ Breakthrough Customer Experience
- ▶ Time Management
- ▶ First AID

Supporting Continuous Education

We support a life-long dedication to learning and encourage all employees to pursue certifications within their industry. Such certifications include; Certified Management Accountant (CMA) and Chartered Financial Analyst (CFA). On average, we provide this opportunity to 11 employees each year.



Happiness

Employee Engagement (402-1)

Soutak

Soutak, which translates to "your voice", is ADIB's annual platform of seeking engagement feedback from employees. Since its inception three years ago, Soutak has ensured that all employees have their voices heard. This allows us to set our employees' value proposition and ensures optimal satisfaction, motivation and engagement across the organisation, enabling us to identify our areas of strength and see where improvements are needed.

	2017	2018	2019
Participation Rate	65%	78%	86%
Overall Satisfaction Rate	66%	65%	70%

Apart from Soutak, every month we engage with approximately 5% of our employees through an explicitly focused anonymous pulse survey based on overall job satisfaction. The survey results feed into our regular metrics to assess and monitor engagement throughout the year.

The Employee Handbook

The Abu Dhabi Islamic Bank Employee Handbook provides a summary of our key human resource policies and procedures, as well as general employment practices and regulations. The handbook serves as a tool to improve the awareness of our new employees, ensuring that they are informed of their rights and obligations. The handbook also contains information such as our 'Code of Ethics' and relevant guidance on expected conduct and behaviours.

Rewards & Recognition

(103-1), (103-2), (103-3), (404-2), (404-3)

Grading System

Our grading system is based on the job evaluation methodology of the Hay Group. Using this method, each level is differentiated by three factors; know-how, problem solving and accountability. Each organisational level consists of roles that require a certain level of knowledge and experience in the workplace, with managerial components ranging from the management of one's own work, to the management of the Bank. Roles also vary in accountability when working towards a certain result, taking into consideration individual impact and contribution. The combination of these factors provides the 'weighting' of the various roles and levels within the Bank.

Performance Appraisals

(401-2), (404-2), (404-3)

Performance appraisals are an ongoing process which involves two formal meetings conducted on a bi-annual basis. These meetings are an opportunity for an open, two-way discussion to make sure that business and development goals are met and are assessed regularly. These appraisal discussions are a chance for employees to reflect on their achievements throughout the year, to set new goals with their line manager and create their own personal development plans.

Employee Benefits

(401-2)

Flexible Working Hours: In order to support a good work-life balance, our employees are given some flexibility to determine the start and end of their contractual working hours based on what best suits them and their own personal situation, aligned to business needs.

Employee Financing: Each employee has the opportunity to request employee financing. Each application is assessed on a case-by-case basis.

Annual Umrah Programme: Each year, a selected number of employees are given the opportunity to perform Umrah, with all expenses covered by us.

Financial Support for Employees in Need: Our Charity Committee manages profits that the Bank receives from any financial transactions deemed non-compliant with Shari'a law. These profits are granted to employees in need as the committee sees fit, with any additional amounts being donated to local charities.

Employee Financing: All ADIB employees are offered financing at special rates for certain services.

Other Benefits:

- ▶ Medical Insurance
- ▶ Life Insurance

Revision of Job Profiles

(401-2)

Our HR department reviews all our existing job profiles on a bi-annual basis, including compensation and benefits, to ensure that our profiles are consistently competitive. We have successfully kept in alignment with the industry's best compensation and benefits packages, establishing ourselves as a 'Key Pay Master' and 'Preferred Employer of Choice'.

Leave (401-3), (401-2)

LEAVE TYPE	DESCRIPTION
ANNUAL LEAVE	Employees are entitled to between 22 to 25 business days of paid annual leave.
SICK LEAVE	<p>Annual sick leave is available as follows:</p> <ul style="list-style-type: none"> ▶ First 15 calendar days, full pay ▶ Next 30 calendar days, half pay ▶ Thereafter, unpaid leave of a maximum period of 30 calendar days can be taken. <p>A medical report /certificate from a Registered Medical Practitioner needs to support any leave taken.</p>
COMPASSIONATE LEAVE	<p>Compassionate leave will be granted in cases involving the death of an immediate family member (parents, spouse, children or siblings) whether inside or outside UAE:</p> <ul style="list-style-type: none"> ▶ Up to 3 calendar days paid leave if the incident takes place in the UAE; or ▶ Up to 5 calendar days paid leave if the incident occurs outside the UAE. <p>In the case of the death of a spouse, additional unpaid leave is considered and evaluated on a case-by-case basis.</p>
MATERNITY LEAVE	<ul style="list-style-type: none"> ▶ Female employees who have completed one year of service with us are entitled to maternity leave with full pay for a period of 45 calendar days. Employees who have not completed a full year are entitled to the same amount of days with half pay. ▶ After returning to work, female employees are eligible for an additional one-hour break every day for 18 months. ▶ Our Emiratization team have established an on-site nursery/day-care in our new headquarters. This nursery facilitates new mothers returning to work after their maternity leave.
PATERNITY LEAVE	Male employees are entitled to 3 calendar days of paid paternity leave, to be taken within 1 month of their child's birth. If the birth takes place outside the UAE, the total number of days increases to 5.

(401-2)

HAJJ LEAVE	All Muslim employees are entitled to Hajj leave with full pay once during their time of service with us. In order to be eligible, employees must complete at least one year of service at ADIB.
ESCORT LEAVE	We consider up to 30 calendar days paid escort leave in cases if employees have to escort members of their immediate family for treatment overseas.

Parental Leave BROKEN DOWN BY GENDER

(401-3)

	2017		2018	
	Female	Male	Female	Male
Employees entitled to parental leave	307	1,219	325	1,230
Employees who took parental leave	56	110	58	128
Employees who came back to work after parental leave	54	110	57	128
Employees who came back to work after parental leave and were still employed 12 months later	47	100	51	116
Retention Rate	84%	91%	88%	91%



Customer Focus

(103-1), (103-2), (103-3)

Customers today want a bank who will support them and their finances throughout all stages of life; they demand transparency and ethical financial services. In response to our values and our customer's needs, we ensure that all our services are made with our customer in mind, from concept to execution. For over 20 years ADIB has championed excellent customer experience through consistent engagements, and customer needs assessments.

During 2018, ADIB continued to push for customer excellence through various investments made in several focus areas. One of our biggest motivations since the start of 2017 is ADIB's push towards digitisation and the usage of technology to enhance various touch points for customers.

Listen to our Customers

ADIB Women's Banking – Dana

Our ADIB's Women's Banking sector, Dana, is an exclusive banking experience catering specifically to our growing base of female clientele.

Dana means 'the pearl of all pearls' in Arabic, alluding to the exclusivity and value delivered to our customers. Dana is an entirely new banking experience created with our female customers in mind. The Dana experience includes special lifestyle privileges and all-women branches, with professional female staff on-hand offering their expert financial advice. Our customers have access to world-class banking privileges which are in line with their Islamic and cultural values.



CUSTOMER FOCUS

- ▶ Listen to our Customer
- ▶ Engage our Customers in the Community
- ▶ Financial Literacy
- ▶ Innovation Products and Services

بنون حساب Children's
التوفير Savings
للصغار Account

Banoon: Children's Savings Account



We are proud to be the first bank to offer the opportunity for women to open an account for their children, in accordance with the principles of Shari'a.

Youth Account

Youths between the ages of 13 and 17 can access our youth account, which is a prepaid debit card. This is an opportunity for children to gain an insight into the world of banking and finance, it is a chance for them to learn how to handle finances in a controlled manner.

By supporting our younger customers until they are of graduation age, we can help them to build a solid foundation of knowledge about savings and finances, giving them a head-start as they enter the world of work and take on more financial responsibilities. You can find out more about our youth programmes and initiatives in our social investment chapter.



World Class Delivery Channels



ADIB Express

An initial phase in our Digital Transformation Strategy was the launch of ADIB express, a new generation of technology-enabled branches which bring together the convenience of automation and excellent service. These branches have been a great success with our customers and have left our employees with more time to address the more specific needs of our customers and deliver tailored financial advice.

We currently have five express branches (three in Dubai and two in Abu Dhabi). This is a new in-branch experience for our customers which enables them to open a new bank account and obtain a new card and cheque book within half an hour.



Gold Centres

ADIB Gold offers a wide range of accounts so we can help our members make the most out of their money. We currently have 12 Gold Centres in the UAE, which are for the exclusive use of our Gold members. We go above and beyond the normal services of a bank in our Gold Centres, where our members have access to an internationally certified relationship manager, a dedicated call centre and fast track services in all of our branches. We also offer numerous lifestyle privileges, including access to health and golf clubs, more than 850 airport lounges internationally, valet parking services at selected ADIB branches, and much more.

In 2018, we expanded the scope of our Gold Centres to 14 branches, with the opening of two new centres - in Abu Dhabi and Dubai's Al Barsha Mall. Here we continue to offer our exclusive Gold service to even more priority clients.

ADIB's New Headquarters

In 2018, ADIB moved into its new LEED gold certified headquarters located near Zayed City in Abu Dhabi. This 14-storey towers cover approximately 97,000 square metres with a ground floor, mezzanine level and 12 upper floors, as well as four levels of basement parking.

The towers complement each other both in terms of design and functionality. With one tower providing accommodation for the Bank and the other offering a grade A speculative office space. The atrium forms the entrance for the towers and accommodates retail outlets, a cafe and a bank branch. The main entrance to the atrium is accented by a continuation of the flowing form of the roof, which gives a sense of invitation as both employees and visitors are welcomed into the towers.



600+ ATM Network

In order to provide an optimised experience for our customers, we are proud to have over 600 ATMs installed throughout the region.

ADIB Mobile App & GenY (Smart Banking)

In order to better accommodate the needs of our customers, we have redesigned our mobile banking app, putting the needs of our customers at the centre. The app offers innovative features such mobile payments, while an immersive design keeps the users engaged. As a result, our banking app has rapidly grown to be the favoured channel of interaction between us and our customers. We are now reaching over 1 million transactions every month via this platform. We are continuously updating the services on our app in order to keep things fresh, interesting and convenient for our customers.



Our app enables customers to take care of their personal finances on-the-go. Its innovative features are easy-to-use and secure. On the app, users can make local and international payments, check account balances and statements, pay utility bills, apply for various financing options, and more. The app is available in English and Arabic on both Android and Apple devices.

Engaging with Our Customers

(103-1), (103-2), (103-3)

Customer Satisfaction

In 2018, ADIB became the first bank to place a customer feedback machine at every employee's desk. After some research, we found that this more convenient placement encouraged a greater number of customers to give feedback. In 2018, 96% of our customers said they were 'very happy' or 'happy' with the service they received.

2018	OVERALL HAPPINESS SCORE	TOTAL SURVEYED	CUSTOMER SERVED	SURVEY %
TELLERS	94%	54,362	704,110	8%
CRO	91%	17,263	393,815	4%
TOTAL (CRO + TELLERS)	93%	71,625	1,097,925	7%

We understand the importance of maintaining high quality accessibility to our services, over 2018 we see improvement with our digital banking services, reaching to 89% satisfaction rate.

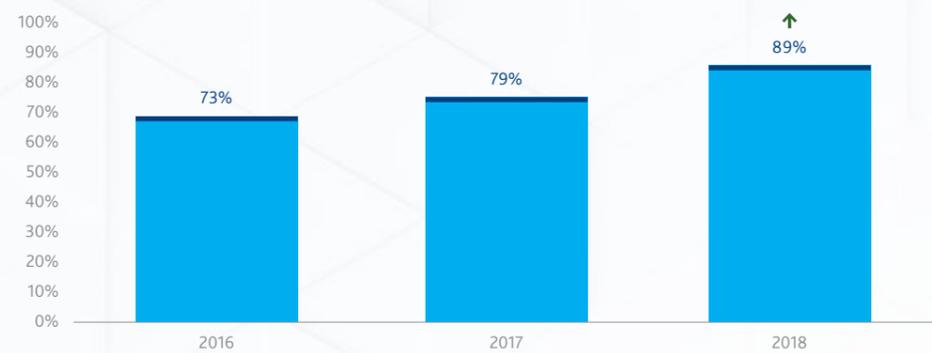
UAE PRIORITY AND RETAIL BANKING COUNCIL H2 2018

Satisfaction with digital banking

Satisfaction with digital banking services has grown continued to substantially grow year on year since 2016.

Thinking about the recent interactions with your main financial institution, how strongly do you agree with the following statements:

"Has good digital banking services"
Very satisfied (8+/10): ADIB main bank customer



RFi Research Base: ADIB main bank customers: (2016: n=2017, 159; n=2018, 206; n=209)
 ↑ Significantly higher than 2017 ↓ Significantly lower than 2017

7-star Journey

In 2018, ADIB has begun preparation for its 7-star journey. Seven Star rating system is UAE Government's vision of delivering the highest standards for customer Service in the United Arab Emirates to achieve the overall objective of Society welfare & happiness. Central Bank will be implementing the Global Star Rating System for all Services in the country including Banks, each of which will be awarded between 2 – 7 stars.

The system assesses and measures each department's service centre performance on a scale of 'two to seven' star ratings, through an official assessment process conducted under the umbrella of The Prime Minister's Office (P.M.O).

Around 200 criteria will be assessed using the Global Star Rating Program.

Engaging through Social Media

At ADIB, we recognise the power of sharing and connecting with our customers through social media. Our social media channels are not only used to share updates and reply to enquiries, we utilise these channels to:

- ▶ Gather customer feedback for future products
- ▶ Celebrate customers who have won prizes through saving
- ▶ Invite customers to participate in community events
- ▶ Raise awareness on financial education
- ▶ Promote CSR activities and various community occasions.



Facilitated Payments

Al Khair Debt Settlement

Al Khair Debt Settlement is a consolidation programme which enables customers to bring together multiple sources of finance into a single bundle. Under this programme, we work closely with clients to establish a manageable budget and repayment plan, so they can steadily reduce any debt they might have. There are absolutely no hidden fees or charges associated with this programme. We want to empower our customers, help them to bring their finances under control, reduce strain on their household and enable them to shift their focus to more productive financial tasks, such as building their savings for the future.

Rehab Unit

We have created a specialised unit to assist our customers who are facing challenging financial situations. The Rehab Unit works with customers to develop customised debt management plans and offer guidance on debt reduction and the management of financial obligations. The unit shares insights and tips on money management, giving our customers the knowledge, they need to maintain better financial health going forward.

Postponing Instalments

We were the first bank in the UAE to allow the postponement of financial instalments. It has become an annual tradition that each year during Ramadan we offer flexible financing options. This is part of our efforts to address our customer's personal finance requirements and needs, making life easier for everybody.

Engage Customers in the Community

Our customers as part of the ADIB family, are encouraged to take action when it comes to our CSR activities.

Blood Donation

The bank's annual blood donation campaign is a meaningful way to engage employees and clients to give back to society and save lives. In 2018 a total of 36 campaigns attracted 1,337 registered blood donors who donated 601, 46% higher than the previous year.

Breast Cancer

We ensured the health and livelihood of women through our breast cancer awareness campaigns. During 2018 ADIB sponsored the pink caravan event in The Galleria mall which attracted 514 attendees with 100% screening. ADIB also held its first staff event in Emaar square achieving 100 check-ups in ADIB premises.



Financial Literacy



Moneysmart Community

To increase our customer's knowledge and awareness around financial topics, we launched a platform where financial experts share their personal tips and insights on using money in a smart way. The platform creates an opportunity to spark online discussions, where Moneysmart users can interact and share their own insights and experiences via comments, blogs and articles. This online community was created as a response to a growing demand, particularly from our 'millennial' customer base for a new, dialogue-based approach to personal finance.

Financial Literacy Roadshows

As the leading advocate for the financial education for young people, ADIB's impact reached 690 students across 15 universities in the UAE. Students got a chance to learn how to make smart decisions by learning from industry leaders. These roadshows focused around the areas of budgeting, saving and avoiding debt cycle.

Objectives:

- ▶ Educate students on budgeting and saving their money
- ▶ Interact with students to build awareness on managing their finances
- ▶ Provide students with maximum information about Financing and Budgeting



Innovative Products and Services

As part of our innovation strategy, we had the opportunity to participate in different summits and programmes to increase our learning opportunities.

DIFC FinTech Hive Accelerator Programme

Over the past five years, there has been an influx of financial technology (FinTech) start-ups disrupting the financial services industry, with the implementation of new, innovative ways of managing money and payments. We strongly advocate the collaboration of FinTech start-ups with traditional banking institutions and believe that together, through an exchange of knowledge and experience, we can create a more exceptional banking industry where everybody will benefit. In the spirit of collaboration and innovation, ADIB have partnered with the DIFC FinTech Hive accelerator programme that is run in partnership with Accenture.



The participants of this accelerator programme were chosen based on their business maturity, potential to thrive in the DIFC ecosystem and ability to align with partnering financial institutions, such as ADIB.

The first step was a 'speed meeting' session, where participating FinTech companies shared ideas and experiences through a series of presentations and constructive dialogues. Our experts, led by the Bank's Head of Retail, Philip King, and our Chief Digital Officer, Serhat Yildirim, were on-hand to provide strategic insights and inspiration to participants, which comprised of entrepreneurs and businesses from countries including the UAE, USA, UK, India, Jordan and Singapore. After these sessions, an ADIB team leader was assigned as a mentor to each FinTech company who provided guidance, reviewed business plans and suggested product improvements. In some cases, fully functioning products were launched and tested on a group of consumers.

In collaboration with Bank Buddy, we developed a voice-based Google assistant by sponsored the localisation of this natural language processing device. We provided Bank Buddy with access to expert resources, both internal and at Google Dublin, and encourage customers to interact with the voice assistant. The fully functional product was presented as part of Bankbuddy.ai's investor pitch on graduation day.

ADIB also provided mentorship and consumer insight to Money Mall, a UAE-based personal finance portal created to help consumers improve their financial situation and credit profile. As part of the mentorship, we reviewed their business plan and suggested improvements to help our mentee reach ROI quickly and more efficiently.

There are multiple projects currently underway between ADIB and DIFC Fintech Hive graduates, the above are two examples of completed projects. Our journey in this space has just begun and we look forward to the endless learning possibilities of these collaborations.

The Global Islamic Economy Summit (GIES)

The Global Islamic Economy Summit (GIES) is an annual event organised by the Dubai Chamber of Commerce and Industry and the Dubai Islamic Economy Development Centre (DIEDC). This year's summit was organised under the theme, "A Shared Future". The fourth edition of the summit addressed the key trends and technologies currently transforming the Islamic economy. The summit was held under the patronage of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai.

In 2018, we were proud to be a Gold partner of GIES. With our Chief Digital Officer, Serhat Yildirim, as a speaker sharing ideas on the Islamic economy in a distributed, digitalised and decentralised world, blockchains, cryptocurrencies, marketplaces and digital identities. Serhat is currently driving the bank's digital and innovation agenda across key markets, he is leading our Digital Transformation strategy and strengthening our digital suite of products and services.



Sustainable Operations

(103-1), (103-2), (103-3), (307-1)

Abu Dhabi Islamic Bank "ADIB" understand the role its value chain plays in the day to day and overall success of the bank. Sustainable operations enhancement is a fundamental requirement and a continuous effort for ADIB as part of its ongoing journey of success in today's environment of change and challenge. Investing in sustainable operations will lead to liberated resources and improved efficiencies which will filter to all areas of our business. While grown and customer satisfaction is important, we also understand our ethical responsibility in conducting our operations in an environmentally and socially friendly manner.

System Optimisation

Digital Innovation - ADIB Simple

At ADIB, we believe that the heritage and ethical values of Islamic banks enable us to lead the debate on developing the banking and financial sectors in a way that brings maximum benefit to both the banking industry and the community.

In 2018 we have launched the ADIB Simple Brand with the vision of making Banking "simple, friendly, and convenient". ADIB Simple is bank-wide and applies not just to Digital Transformation, but to other key projects. In order to create processes and procedures for our upcoming projects, we started the development of our Operating Model, which is a step-by-step manual for our cross-functional teams, allowing us to align multiple departments and reach project targets.



SUSTAINABLE OPERATIONS

- ▶ System Optimisation
- ▶ Responsible Supply Chain
- ▶ Environmental Consciousness
- ▶ Sustainability Reporting



Digital Transformation Strategy

In June 2018, we began our Digital Transformation Journey. This began with an engagement with McKinsey to create and execute our Digital Transformation Strategy (DTS). This is in alignment with our aspirations to make banking simple, friendly and convenient.

Organisational Structure & Recruitment

This year, we established our Digital Transformation department and welcomed our Chief Digital Officer to the ADIB family. With the continuous support of the HR department, we have filled all the necessary key management roles in our organisation. As the need for developers increases, we have 19 shortlisted candidates, who have since joined our team.

Digital Curriculum

To start off our Digital Transformation journey, we conducted training on Agile methodology and JIRA/ Confluence upskilling for key stakeholders and SMEs involved in the development of our customer journeys. This year, we also began the development of a digital curriculum, which was rolled out in April 2019.

All employees at ADIB will undertake dedicated learning and development, which will equip them with core knowledge about the principles that underpin our Digital Transformation journey. We have developed dedicated e-learning modules for Agile, Design Thinking and the Power of Digital, which will provide a good foundation of knowledge in these areas.

These modules will be followed by classroom-based training for employees who are directly involved in the Digital Transformation journey and will thus require a more in-depth understanding of these topics.

Digital Lab

We have created an interim physical space in our Al Bateen building with facilities designed to optimise and promote collaborative working. We are in the process of creating a bigger permanent space, our Digital Factory, which will be the home of our digital teams. The first phase of this permanent space has already

been opened and squads have moved in and started working from this location. The factory will utilise the latest technology and include dedicated spaces for customer testing, breakout rooms, project areas, an amphitheatre and other features. The concept of our Digital Factory was announced in August 2018 and has been delivered in 8 months.

Responsible Supply Chain

(102-9), (103-1), (103-2), (103-3), (412-1), (414-1)

As a leading responsible bank, ADIB is committed to the highest professional and ethical standards and absolute business integrity; accordingly, all procurement processes within the bank demonstrate full systematic consideration of the environment, social & cultural aspects of the business operations. The objective of which is to create a long-term business value, profitability and sustainable economic performance.

Vendor Management & Centralized Procurement Department "VMCP" offers internal and external customers the best procurement experience; which will deliver value in an agile manner, with all necessary control and governance aligning to ADIB core values.

VMCP execute in a process driven manner following ethical procurement practices aligning to associated laws and relevant policies and procedures. Following an independent audit, ADIB has been awarded the Procurement Excellence Standard Certification from the Chartered Institute of Procurement & Supply Chain "CIPS"; thus becoming the first Islamic Bank – globally- to achieve such a renowned recognition. (December 2018)

VMCP will continuously identify opportunities for efficient and effective execution of the procurement lifecycle as well as opportunities to drive cost down and cost out opportunities in line with our vision of being recognized as the best Procurement Department for financial services in MENA by 2020.

Procure to pay

To accelerate ADIB journey to strategic procurement, with the underlying goal to maximize the value of expenditure, Vendor Management & Centralized Procurement Department "VMCP" successfully digitised the end-to-end procurement source-to-settle lifecycle in 2018 through the adoption of SAP Ariba. This has delivered significant value for both internal and external stakeholders via efficient and effective execution institutionalizing ethical and transparent procurement best practices such as:

- ▶ Enhanced spend Control & Governance (Commitment & Payment)
- ▶ Transparency of decision making
- ▶ Efficiency savings
- ▶ Holistic reporting
- ▶ Risk Reduction
- ▶ Effective KPI

Supplier assessment and on-boarding

(102-9), (103-1), (103-2), (103-3), (412-1), (414-1)

ADIB provides an online Self-Service registration process for all vendors seeking business relationship with us, by which ADIB aims at raising the bar and driving standards into our vendors, which reduces the risk for all stakeholders.

A set of best-practice process guidelines determine the prerequisite ethical, legal & compliance requirements for successful registration with ADIB.

Vendor risk assessment is performed as per corporate policies and procedures in line with the Central Bank regulations.

Supplier engagement

VMCP adopts an established Supplier Relationship Management process "SRM" focused at developing two-way, mutually beneficial relationships with supply partners to deliver greater levels of innovation and Competitive Advantage throughout ADIB's supply lifecycle than could be achieved by operating independently or through traditional, transactional purchasing arrangements.

In addition, Vendors' development activities are followed by VMCP as part of its SRM strategy; the objective is to assess and improve the Vendors' performance and/or capabilities to meet ADIB's short or long-term supply needs through result-oriented and process-oriented development activities.

Maintaining strong relationships with our suppliers is important to us. We do this by frequently engaging with them through various methods throughout the year. Two of our most notable changes are:

- ▶ **Town Hall Meetings:** Where we invite suppliers to discuss important material topics and encourage them to give us feedback. This feedback is captured in a systematic manner to feed into periodic reports and gap analysis documents. In 2018, over 800 vendors attended our town hall meetings.
- ▶ **Satisfaction surveys:** The survey has open-ended questions that encourage suppliers to share feedback, project progress and overall relationship with ADIB. If issues do arise, we follow up with the concerned supplier(s) to dig deep into the challenge areas and put forwards solutions, noting that grouped themes have been incorporated into our FY19 plan

Localised procurement

(204-1)

ADIB understands that the impact they make in the local economy is not limited to investing in the community, but each business decision made is an opportunity to contribute back to the economy. We believe in an inclusive way of conducting operations which is why we currently source 97% of our needs from selected local vendors.

Environment Consumption

(103-1), (103-2), (103-3), (302-1), (302-3), (302-4)

As part of our responsibility to operate as a sustainable Islamic bank, we continued to monitor our environmental footprint to make improvements in the way we conduct business to ensure that we are conscious in our day to day operations. We monitor electricity, water consumption and fuel consumption for all ADIB branches and offices, including MPM Properties, a company in the ADIB Group.

Green building

We believe that buildings have an impact on its occupants, visitors and the environment in general. Which is why we decided that it was important to us that our HQ building that was designed according to the Gold Certification standards of the Leadership in Energy and Environmental Design, developed by the U.S Green Business Council (USGBC). Green buildings are designed to use fewer resources, reduce waste and negative environmental impacts.

Energy Consumption

(103-1), (103-2), (103-3), (302-1), (302-3), (303-4)

Electricity

During 2018, the bank has worked hard to expand their scope of tracking environmental data from 9 of our main branches to include all of ADIB's branches present in the UAE.

	2017 (9 Main branches)	2018 (For all branches)
Electricity consumption (KWH)	2,575,157	15,832,304
Average Electricity consumption per Employee (KWH)	1,263	7,834

Fuel Consumption

ADIB owns and rents a number of cars to facilitate business trips for our employees. Buses and group commute solutions are also offered to employees, to promote environmentally-friendly commuting options. During 2018, we see a decrease in fuel consumption by 5%. The table below shows the fuel consumption for cars owned by ADIB Bank and MPM Properties, a company in the ADIB Group.

	2017	2018
Fuel Consumption by vehicles owned or leased by the Bank (Petrol, Litres)	85,284	81,195

Greenhouse Gas (GHG) Emissions

(103-1), (103-2), (103-3), (305-1), (305-2), (305-3), (305-4)

In 2018, we see an improvement in our GHG emissions in some areas, the increases in the other areas are due to the inclusion of all ADIB branches within the UAE. We look forward to continuously making improvements that will result in an overall reduction in our GHG emissions.

	2017	2018
Scope 1: Direct Emissions Fuel consumption by vehicles owned or leased (tCO2e)	198	188
Scope 2: Indirect Emissions Electricity consumption (tCO2e)	1,656	10,180
Scope 3: Other Indirect Emissions Air travel (tCO2e)	234	231
Total Emissions (tCO2e)	2,088	10,599
Average Emissions per employees (tCO2e)	1.02	5.24

Water Consumption

(103-1), (103-2), (103-3), (303-1)

During 2018, the bank has worked hard to expand its scope of tracking utility water consumption from 9 of our main branches to include all ADIB's branches present in the UAE. Throughout the year the bank has campaigned awareness on efficient water consumption in order to educate our people on the importance of saving water as much as possible. We look forward to continuing our journey and seeing an improvement over the coming years.

(303-1)

	2017 (Main 9 Branches)	2018
Utility Water consumption (litres)	1,331,644	2,311,114
Drinking water consumption (litres)	1,792,895	1,784,567
Total Water consumption (litres)	3,124,539	4,095,681
Average water consumption per employee (litres)	1,532	2,027

Waste Management

(103-1), (103-2), (103-3), (306-2)

Paper

We understand the role we play in reducing negative environmental impacts, which is why ADIB always recycles paper waste. Over the year 2018, we have taken progressive steps to reduce the consumption of paper through awareness campaign both with our people and our customers. This helped us reduce our consumption by 21%

	2017	2018
Paper waste Weight of paper recycled (kg)	60,475	47,825*

*There was no report for recycled paper for the month of April, as we were in the process of changing our vendor.

Community Development

(103-1), (103-2), (103-3)

ADIB goes beyond existing values to take a leading proactive role in sustainable development that ensures all our stakeholders are mutually benefiting. One of the ways we do this is by investing in developing our local communities.

During the year 2018, it was declared by The UAE President and Ruler of Abu Dhabi, His Highness Sheikh Khalifa bin Zayed Al Nahyan, that 2018 would be the Year of Zayed. In efforts to show solidarity, we have aligned our Corporate Responsibility (CSR) actions with the “Year of Zayed” government initiative. This led to our vision of 100 CSR activities for the 100 years of Sheikh Zayed.

ADIB CSR Fact Sheet

INITIATIVE NAME	ACHIEVEMENTS
ADIB RAMADAN IFTAR	<ul style="list-style-type: none"> ▶ 22,000 iftar boxes distributed ▶ 110 volunteers
ADIB RAMADAN GROCERY	<ul style="list-style-type: none"> ▶ 29,735 grocery items were distributed ▶ 301 grocery items were donated through ADIB branches & Offices ▶ 29 Volunteers
PLANTATION	<ul style="list-style-type: none"> ▶ 1,500 trees across the UAE
FINANCIAL EDUCATION	<ul style="list-style-type: none"> ▶ 15 University visits ▶ 690 Students trained on financial management
BLOOD DONATIONS	<ul style="list-style-type: none"> ▶ 1,337 Donors ▶ 601, 650 ML of Blood Collected
VISITING PEOPLE OF DETERMINATION, HOSPITALS AND THE ELDERLY	<ul style="list-style-type: none"> ▶ 12 visits conducted by ADIB Volunteers

COMMUNITY DEVELOPMENT

- ▶ ADIB CSR Fact Sheet
- ▶ ADIB Truck
- ▶ Khairkom Sabeq – Senior Citizens
- ▶ Sports
- ▶ Environment
- ▶ Mass Weddings
- ▶ Other Sponsorship

ADIB Ramadan Food Truck

(103-1), (103-2), (103-3), (413-1)

One of ADIB's CSR programmes that takes place during the holy month of Ramadan across the UAE has two initiatives under its umbrella and focuses on bringing together ADIB volunteers as well as community volunteers to create an impact.



Iftar Box Distribution

22,000 Iftar boxes were distributed across the UAE; a 10% increase when compared to the previous year; We reached 15 mosques, 3 special needs centres, 3 taxi companies and 1 municipality labour camp. 110 volunteers from ADIB participated in the distribution.

Grocery Truck Distribution

The Grocery truck which distributed 29,735 (14% increase compared to the previous year) dry food and non-food items and gave a choice for people to pick up what they require. Items were donated by customers and staff through donation boxes placed at 16 ADIB branches/offices across UAE. 29,735 grocery items were distributed across the UAE. We reached 6 mosques, 6 residential/commercial areas and 2 labour camp areas. 29 volunteers from ADIB participated in the distribution.



Khairkom Sabeq – Senior Citizens

(413-1)

Elderly Nursing

During the holy month of Ramadan, our employees had the chance to visit the elderly nursing home in Ajman. We distributed food and gifts to around 25 citizens.

Elderly Entertainment

At ADIB, we want to give a special attention to our senior citizens; therefore, during the year we visited them for catering and have an entertainer for storytelling and board games.

Our employees and volunteers spend quality time with the elder citizens and give them vouchers. We also had the chance to enrol some students to visit them. This initiative was held by the Ministry of Community Development Dubai and ADIB is very proud to have participated with.



Sports

(413-1)

Future Champions League

The ADIB Future Champions leagues started as a single tournament featuring under 500 participants between the ages of 10 and 14 in 2012. Since then the league has expanded nationwide, and now offers thousands of children annually the opportunity to join in a truly competitive tournament at professional-class venues. The league attracted the participation of 3,005 players, 253 teams from 135 schools, leading to a 7% growth in participation this year and was awarded the Best Sports CSR Initiative of the Year at the 2018 Sports Industry Awards (SPIA) awards for the second year in a row.

Jiu Jitsu

ADIB is proud to be the Diamond Sponsor of the 10th edition of Abu Dhabi World Professional JiuJitsu 2018 which reflects our commitment to supporting CSR. The tournament brought together over 9,000 athletes from 120 countries.



Environment (413-1)

Plant a Tree

Leaving a positive impact on the environment has been a recent growing priority for ADIB. Which is why during 2018, 200 ADIB Volunteers and 150 school children came together for the "Plant A Tree" initiative that has led to 1,500 trees across the seven Emirates.

Clean up UAE

ADIB understands the roles that it plays in the development of the local community. This also means investing in addressing key environmental issues now, for a better future. To do this ADIB partnered with Emirates Environmental Group to host the Clean Up UAE in 2018. The initiative not only aims at collecting waste but also teach its volunteers the importance of waste management in the local environment.



Mass Weddings (413-1)

ADIB has regularly engaged in the sponsorship of mass weddings for various groups within UAE society. The aim is to address some of the social and financial issues and to promote positive social and environmental change by creating a platform to reduce the food wastage associated with wedding events. In 2018, we organised mass weddings for two different tribes in the UAE:

TRIBE'S NAME	NUMBER OF BRIDES AND GROOMS
DAROU' TRIBE	25 brides and 25 grooms

AWAMER & AFAR'S TRIBE	7 brides and 7 grooms
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Other Sponsorships (413-1)

Emirati Women Day

We believe that empowering women will have a positive impact in the UAE economy, which is why for Emirati Women's day, we invited all our female employees and women customers to participate in a special celebration held in their honour at the ADIB headquarters. The event had a lot of empowering messages for women to encourage them to take up the next leading roles in their life and showed our appreciation for their roles by providing them with roses.

Flag Day

Even when we progress forward, culture, heritage and history remains very important for ADIB. Our national flag was created on December 2, 1971, because of the country's formation through the union of the seven sheikdoms; It stands for a symbol of unity. During Flag Day a special event was conducted at the ADIB Headquarters to raise the flag in celebrations of UAE's remarkable accomplishments.



Sponsoring Best Quran recitation competition at Ramadan Festival 2018

Over there years the Quran competition held at the Emirates heritage festival has helped in linking different demographics of people; young and old people of different nationalities; with UAE's heritage. It has been the bridge for communications and spirituality among the public, which is why it gave us great pleasure to sponsor such an event this year.

(413-1)



HH Sheikh Zayed quotes initiative sponsorship

To mark the centennial of the UAE's founding father, ADIB sponsored Al Ain municipality's 'Year of Zayed' initiative, "a 100 quotes" by the late Sheikh Zayed bin Sultan Al Nahyan. The book contains quotes in Arabic and English on various topics, including unity, youth, the Arab world, women empowerment, the establishment of the federation, and achievements.





For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNCC Principles	
				Part Omitted	Reason	Explanation		
GRI 101: FOUNDATION 2016								
GENERAL DISCLOSURES								
GRI 102: GENERAL DISCLOSURES 2016	Organisational Profile							
	102-1 Name of the organization	11						
	102-2 Activities, brands, products, and services	11						
	102-3 Location of headquarters	11						
	102-4 Location of operations	11	Bank Overview					
	102-5 Ownership and legal form	12						
	102-6 Markets served	11						
	102-7 Scale of the organization	11					No Specific COP Requirements	
	102-8 Information on employees and other workers	49, 50, 51, 52	Enabling our People					
	102-9 Supply chain	77, 78	Sustainable Operations					
	102-10 Significant changes to the organization and its supply chain	11	Bank Overview					
	102-11 Precautionary Principle or approach	19	Internal Control					
	102-12 External initiatives	15, 16						
	102-13 Membership of associations	15, 16	Bank Overview					
	Strategy							
	102-14 Statement from senior decision-maker	4, 5, 6, 7						
	102-15 Key impacts, risks, and opportunities	13, 14	Bank Overview				Statement of Continuing Support	
Ethics and Integrity								
102-16 Values, principles, standards, and norms of behavior	19, 24, 25							
102-17 Mechanisms for advice and concerns about ethics	19, 24, 25	Internal Control				No Specific COP Requirements		

GRI STANDARDS CONTEXT INDEX (102-55)

- ▶ General Disclosures
- ▶ Material Topics
- ▶ Environmental Standards Series
- ▶ Social Standard Series



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Governance							
GRI 102: GENERAL DISCLOSURES 2016	102-18 Governance structure	20, 21	Internal Control				Principles 1-10
	102-19 Delegating authority	20, 21					
	102-20 Executive-level responsibility for economic, environmental, and social topics	20, 21					
	102-21 Consulting stakeholders on economic, environmental, and social topics	29, 30, 31, 32, 33	Sustainability Management				
	102-22 Composition of the highest governance body and its committees	20, 21	Internal Control				
	102-23 Chair of the highest governance body	20, 21					
	102-24 Nominating and selecting the highest governance body	20, 21					
	102-25 Conflicts of interest	20, 21					
	102-26 Role of highest governance body in setting purpose, values, and strategy	20, 21					
	102-27 Collective knowledge of highest governance body	20, 21					
	102-28 Evaluating the highest governance body's performance	20, 21	Sustainable Banking				
	102-29 Identifying and managing economic, environmental, and social impacts	20, 21					
	102-30 Effectiveness of risk management processes	22, 23					
	102-31 Review of economic, environmental, and social topics	29, 30, 31, 32, 33	Internal Control				
	102-33 Communicating critical concerns	22					
	Stakeholder Engagement						
102-40 List of stakeholder groups	30, 31	Sustainable Banking					
102-41 Collective bargaining agreements	Collective bargaining is not permitted within the UAE						
102-42 Identifying and selecting stakeholders	30, 31						
102-43 Approach to stakeholder engagement	30, 31						
102-44 Key topics and concerns raised	30, 31						

GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Reporting Practice							
GRI 102: GENERAL DISCLOSURES 2016	102-45 Entities included in the consolidated financial statements	8	About this Report				No Specific COP Requirements
	102-46 Defining report content and topic boundaries	8					
	102-47 List of material topics	34, 35, 36, 37	Sustainable Banking				
	102-48 Restatements of information	8	About this Report				
	102-49 Changes in reporting	8					
	102-50 Reporting period	8					
	102-51 Date of most recent report	8					
	102-52 Reporting cycle	8					
	102-53 Contact point for questions regarding the report	8					
	102-54 Claims of reporting in accordance with the GRI Standards	8					
	102-55 GRI content index	91		GRI Standards Content Index			
	102-56 External assurance	8	About this Report				
MATERIAL TOPICS							
GRI 200 ECONOMIC STANDARD SERIES							
Economic Performance							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	16, 17	Bank Overview				No Specific COP Requirements
	103-2 The management approach and its components	16, 17					
	103-3 Evaluation of the management approach	16, 17					
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	16, 17					
Procurement Practices							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	77	Sustainable Operations				Principles 1 - 10
	103-2 The management approach and its components	77					
	103-3 Evaluation of the management approach	77					
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	78	Sustainable Operations				



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Anti-corruption							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	24, 25	Internal Control				Principles 1 - 10
	103-2 The management approach and its components	24, 25					
	103-3 Evaluation of the management approach	24, 25					
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	24, 25	Enabling Our People				
	205-2 Communication and training about anti-corruption policies and procedures	57					
GRI 300 ENVIRONMENTAL STANDARDS SERIES							
Energy							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	75, 79	Sustainable Operations				Principles 7,8,9
	103-2 The management approach and its components	75, 79					
	103-3 Evaluation of the management approach	75, 79					
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	79					
	302-3 Energy intensity	79					
	302-4 Reduction of energy consumption	79					
Water							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	75, 79, 80	Sustainable Operations				Principles 7,8,9
	103-2 The management approach and its components	75, 79, 80					
	103-3 Evaluation of the management approach	75, 79, 80					
GRI 303: WATER 2016	303-1 Water withdrawal by source	80, 81					
Emissions							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	75, 79, 80	Sustainable Operations				Principles 7,8,9
	103-2 The management approach and its components	75, 79, 80					
	103-3 Evaluation of the management approach	75, 79, 80					



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	80	Sustainable Operations				Principles 7,8,9
	305-2 Energy indirect (Scope 2) GHG emissions	80					
	305-3 Other indirect (Scope 3) GHG emissions	80					
	305-4 GHG emissions intensity	80					
Effluents and Waste							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	75, 81	Sustainable Operations				Principles 7,8,9
	103-2 The management approach and its components	75, 81					
	103-3 Evaluation of the management approach	75, 81					
GRI 306: EFFLUENTS AND WASTE 2016	306-2 Waste by type and disposal method	81					
Environmental Compliance							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	75					
	103-2 The management approach and its components	75					
	103-3 Evaluation of the management approach	75					
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1 Non-compliance with environmental laws and regulations	75					
Supplier Environmental Assessment							
GRI 400 SOCIAL STANDARDS SERIES							
Employment							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	45	Enabling our People				Principle 6
	103-2 The management approach and its components	45					
	103-3 Evaluation of the management approach	45					



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Supplier Environmental Assessment							
GRI 400 SOCIAL STANDARDS SERIES							
Employment							
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	49, 50, 51					
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59, 60, 61					
	401-3 Parental leave	60, 61					
Labor/Management Relations							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	45	Enabling our People				Principle 6
	103-2 The management approach and its components	45					
	103-3 Evaluation of the management approach	45					
GRI 402: LABOR/ MANAGEMENT RELATIONS 2016	402-1 Minimum notice periods regarding operational change	58					
Occupational Health and Safety							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	46	Enabling our People				Principle 6
	103-2 The management approach and its components	46					
	103-3 Evaluation of the management approach	46					
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	46, 47					
Training and Education							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	56	Enabling our People				Principle 6
	103-2 The management approach and its components	56					
	103-3 Evaluation of the management approach	56					



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	56	Enabling our People				
	404-2 Programs for upgrading employee skills and transition assistance programs	56, 57, 58, 59					
	404-3 Percentage of employees receiving regular performance and career development reviews	56, 57, 58, 59					
Diversity and Equal Opportunity							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	49	Enabling our People				Principle 6
	103-2 The management approach and its components	49					
	103-3 Evaluation of the management approach	49					
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	49, 50, 51, 52					
Child Labor							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	None of our suppliers are at risk of child labor					Principle 5
	103-2 The management approach and its components						
	103-3 Evaluation of the management approach						
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor				Not applicable		
Human Rights Assessment							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	77, 78	Sustainable Operations				Principle 2
	103-2 The management approach and its components	77, 78					
	103-3 Evaluation of the management approach	77, 78					
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	77, 78					



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Local Communities							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	83	Community Development				Principle 1
	103-2 The management approach and its components	83					
	103-3 Evaluation of the management approach	83					
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	84, 85, 86, 87, 88, 89					
Supplier Social Assessment							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	78	Sustainable Operations				Principle 1
	103-2 The management approach and its components	78					
	103-3 Evaluation of the management approach	78					
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	78					
Marketing and Labeling							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	63, 67	Customer Focus				No Specific COP Requirements
	103-2 The management approach and its components	63, 67					
	103-3 Evaluation of the management approach	63, 67					
GRI 417: MARKETING AND LABELING 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	This information is handled by the legal department and is considered confidential.		Confidentiality Constraints	This information is handled by the legal department and is considered confidential. The Bank is currently revising it and considering reporting on this disclosure for next year		No Specific COP Requirements
	417-3 Incidents of non-compliance concerning marketing communications						



GRI Standard	Disclosure	Page number(s) or URL references	Chapter	Omission			UNGC Principles
				Part Omitted	Reason	Explanation	
Customer Privacy							
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	26, 27	Internal Control				Principle 1
	103-2 The management approach and its components	26, 27					
	103-3 Evaluation of the management approach	26, 27					
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	This information is handled by the legal department and is considered confidential.		Confidentiality Constraints	This information is handled by the legal department and is considered confidential.		

