



مجلس الاستدامة
مصرف أبوظبي الإسلامي
ABU DHABI ISLAMIC BANK
ESTIDAMA COUNCIL



SUSTAINABILITY REPORT 2020



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ADIB'S STATEMENT


(102-14), (102-15)

Dear Stakeholders,

We are proud to present our fourth annual sustainability report, highlighting our progress in cultivating good environmental, social and governance practices. Our report reaffirms our commitment to sustainability and monitoring our practice, which despite the challenges imposed by the COVID-19 pandemic, remains a firm priority. In the pages of this report, we express our dedication to creating value for our customers, employees, and the wider community in an unpredictable world.

While 2020 was an exceptionally gruelling year in many respects, at ADIB we responded to the uncertainty of the pandemic with a solution-oriented approach, relying on our strong foundations, Shari'a values and guided by our experienced leaders. We succeeded in navigating through the pandemic while maintaining a good position in the market, to which we owe our eternal gratitude to our leadership, employees, and customers.

The physical and financial safety and wellbeing of our customers and employees was of utmost importance to us throughout the last year. Through our comprehensive and adaptive business continuity planning, we swiftly shifted to remote work while keeping connected to our employees and maintaining productivity. Our digital transformation strategy allowed our customers to avail our services to meet their needs, while staying safely at home. We also aligned with the Targeted Economic Support Scheme, started by the Central Bank of the UAE, to make financial management even easier for our customers.



As challenging as it was, the pandemic was an opportunity for us to showcase our resiliency, innovation, and commitment to making the lives of our customers better. As a testament to our efforts, we were named as a market leader in customer experience, with 73% of our customers being highly satisfied with our services during this period, the highest satisfaction score in the UAE banking industry.

At ADIB, we have always held ourselves accountable for the nation, our people, and the environment around us. Our actions, especially during the pandemic, served as an opportunity to demonstrate the best of ourselves, and we hope that we exceeded your expectations. Our initiatives, including this report, would not have been possible without the support of our leadership, our employees, customers, and stakeholders, and we hope that you continue to provide us with your encouragement in our journey towards achieving comprehensive sustainability throughout our operations.

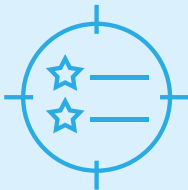
ABOUT THIS REPORT

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



In the pages of this report, we showcase how we navigated the challenges of the pandemic, while staying committed to our environmental, social and governance responsibilities. **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.

Our sustainability reports from previous years are available online.
<https://addlink here/addlink here.com>



SCOPE

This report presents the material issues and impact of our activities during the year 2020 in the United Arab Emirates only. For the Financial Performance and Economic Impact figures, the reporting scope includes the entirety of ADIB Group. All monetary values in this report are expressed in Arab Emirates Dirhams (AED), unless otherwise stated.



ASSURANCE

We have followed an internal assurance process for our non-financial data. Our internal stakeholders were involved to revise and approve the content relating to their department. Our financial statements have been independently audited by Deloitte.



CONTACT POINT

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

CSR COUNCIL - CSR@adib.com

BANK OVERVIEW

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

ABOUT ADIB

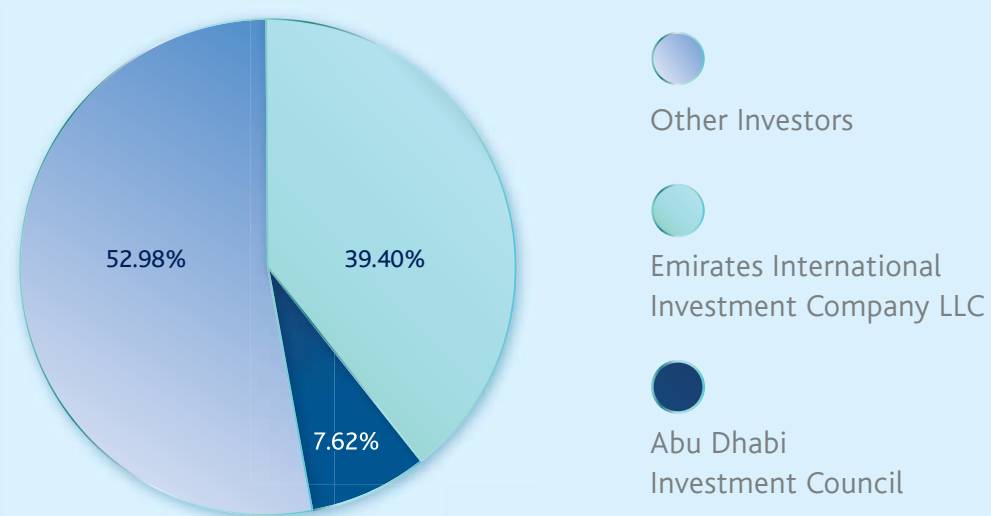
Established in 1997, ADIB is a leading Islamic bank with headquarters in the United Arab Emirates. As of December 2020, we hold AED 127.8 billion in assets, a significant increase from 125.9 billion in 2019. The Bank provides world-class, Shari'a-compliant retail, corporate, business, private banking, and wealth management solutions through award-winning digital channels and across an extensive branch network. We have a presence in six strategic markets, including Bosnia, Egypt, the Kingdom of Saudi Arabia, the United Kingdom, Iraq, Sudan, and Qatar. The Bank shares trade on the Abu Dhabi Stock Exchange (ADX).

ADIB is committed to the recruitment, development, and promotion of local talent in the UAE. With approximately **40%** of our workforce made up of UAE nationals, we have one of the highest Emiratisation ratios. We are also demonstrably focused on innovation and customer-centricity, for which we won the 'Best Islamic Bank in the Middle-East' and 'Best Islamic Bank in the UAE' awards at the EMEA Finance Middle East Banking Awards in 2020.



ADIB OWNERSHIP STRUCTURE

(102-5)



KEY HIGHLIGHTS

(102-15)

ADIB is a leading bank in the UAE and the 4th largest Islamic bank globally by assets. We serve more than one million customers and employ about 2,000 employees from more than 50 countries.

- Total assets AED 127.8 billion
- Total revenue AED 5,358 million
- 40% of our workforce are Emiratis

AWARDS & RECOGNITION

(201-4)

ISLAMIC LEADERSHIP



CUSTOMER SERVICE & EXCELLENCE



DIGITAL



PRODUCT LEADERSHIP



COMMUNITY SUPPORT



MEMBERSHIPS & ASSOCIATIONS

(102-12), (102-13)

- International Financial Islamic Market
- Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)
- Islamic Financial Services Board (IFSB)
- General Council for Islamic Banks and Financial Institutions (CIBAFI)
- Union of Arab Banks
- UAE Banks Federation
- Securities and Commodities Authority
- Abu Dhabi Securities Exchange (ADX)
- International Islamic Center for Reconciliation and Arbitration



FINANCIAL PERFORMANCE

(102-7), (103-1), (103-2), (103-3), (201-1)

Below is an overview of our financial performance for the calendar year 2020. For more details, please refer to our 2020 annual report

https://www.adib.ae/en/SiteAssets/Annual%20Reports/Annual-Report_2020_EN.pdf

GROUP FINANCIAL HIGHLIGHTS – two-year performance

	2020	2019	CHANGE %
Total assets	127.8	125.9	1.5%
Gross customer financing	83.4	81.1	2.8%
Customer deposits	101.3	101.4	-0.1%
Net revenue	5,358.2	5,915	-2.4%
Net profit	1,604.0	2,601	-38.3%

CREDIT RATING

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

We have maintained stable scores in our credit rating by Moody's Investors Service and Fitch rating, establishing ADIB as a sustainable and reliable bank.

CREDIT RATING	LONG TERM	SHORT TERM	OUTLOOK
Moody's Investors Service	A2	P1	Stable
Fitch Rating	A+	F1	Stable



GOVERNANCE

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

We firmly believe that only through ethical, transparent, and rigorous governance will we achieve our mission as a bank. That is why we are committed to best practices in corporate governance, and endeavour to continuously elevate our procedures to maintain sophisticated management and oversight across all of our functions and subsidiaries.

For more information, please refer to our 2020 annual report

https://www.adib.ae/en/SiteAssets/Annual%20Reports/Annual-Report_2020_EN.pdf)



RISK MANAGEMENT

(102-11), (102-30), (102-33)

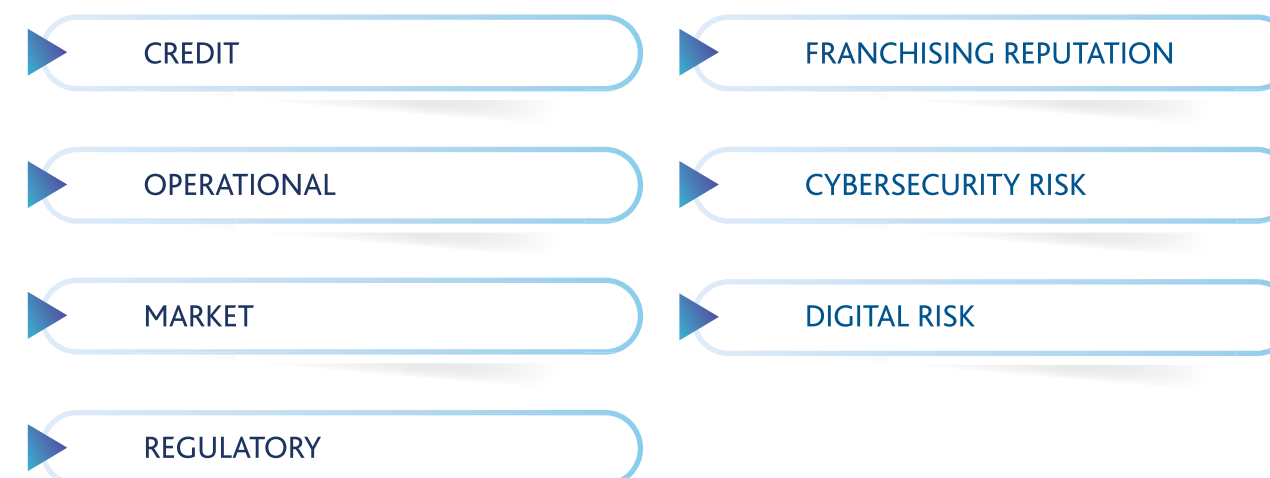
Risk management is crucial for financial service providers, especially during a period of global economic and market instability. We have managed to adapt our operations to potential risks caused by the pandemic through our risk management framework and expertise, which is further elaborated on in our annual report:

https://www.adib.ae/en/SiteAssets/Annual%20Reports/Annual-Report_2020_EN.pdf



Risk Management Framework

The Group's Chief Risk Officer handles risk management at the Bank and has identified seven key types of risk that are reviewed on an ongoing basis at both management and Board level.



For more information, please refer to our 2020 annual report
https://www.adib.ae/en/SiteAssets/Annual%20Reports/Annual-Report_2020_EN.pdf



CYBER SECURITY

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

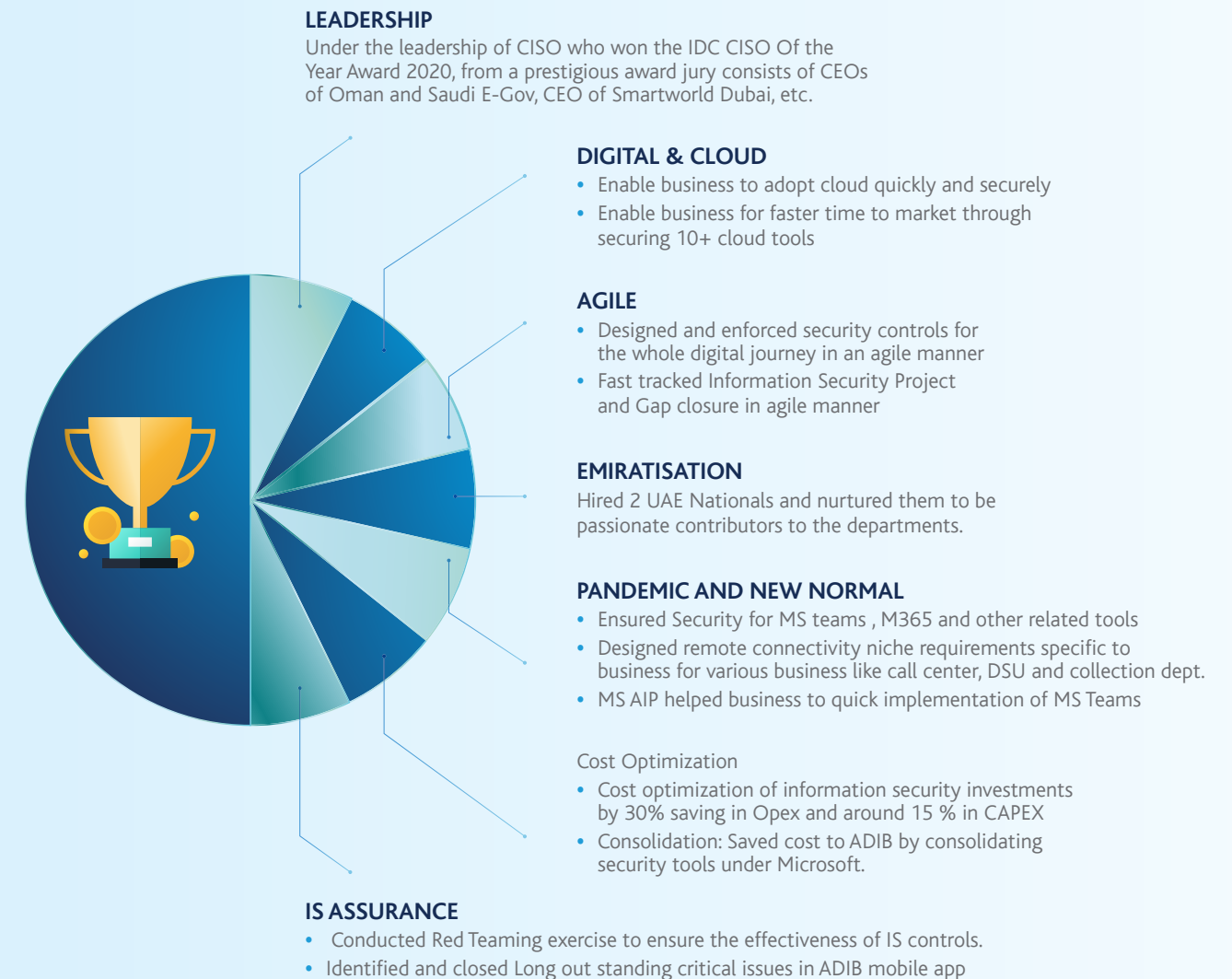


The coronavirus pandemic changed the day-to-day lives of individuals and businesses worldwide. It proved to be the ultimate test of business continuity and resiliency. ADIB's Information Security Department proved their ability to overcome new challenges, without compromising overall security controls or affecting the business. The main challenges faced by our departments were to implement remote work as part of the new normal, cope with the demands of future digital requirements and protect ADIB customers against fraud.

The Information Security Department played a crucial role in supporting digital transformation projects through different efforts, including the following:

INFORMATION SECURITY AWARENESS AND TRAINING	BUSINESS CONTINUITY
<ul style="list-style-type: none"> Security awareness for employees & customers. Cyber security conference for bank customers, the first of the kind in the region. Customised awareness sessions delivered to over 2,000 ADIB staff, in addition to a mandatory Remote Working Essentials course. 	<ul style="list-style-type: none"> Focus on protecting the organisation's critical assets and services. Equipping ADIB with innovative and advanced data leakage prevention features. Define and implement a comprehensive cloud security strategy to cater to long term remote working conditions.

Achievements of Information Security Department (ADIB) During 2020



Anti-Fraud Awareness

Throughout the pandemic, we witnessed an increase in fraudulent activities, with cyber criminals taking advantage of people's increased vulnerability. We ran several campaigns to raise awareness and educate our customers on how to avoid falling victim to fraud.

<https://www.youtube.com/watch?v=mC739rk9V44>

For more information on fraud awareness and management, please refer to the fraud section on our website Note to design:

<https://www.adib.ae/en/Pages/ADIB-protection.aspx>



BUSINESS CONTINUITY

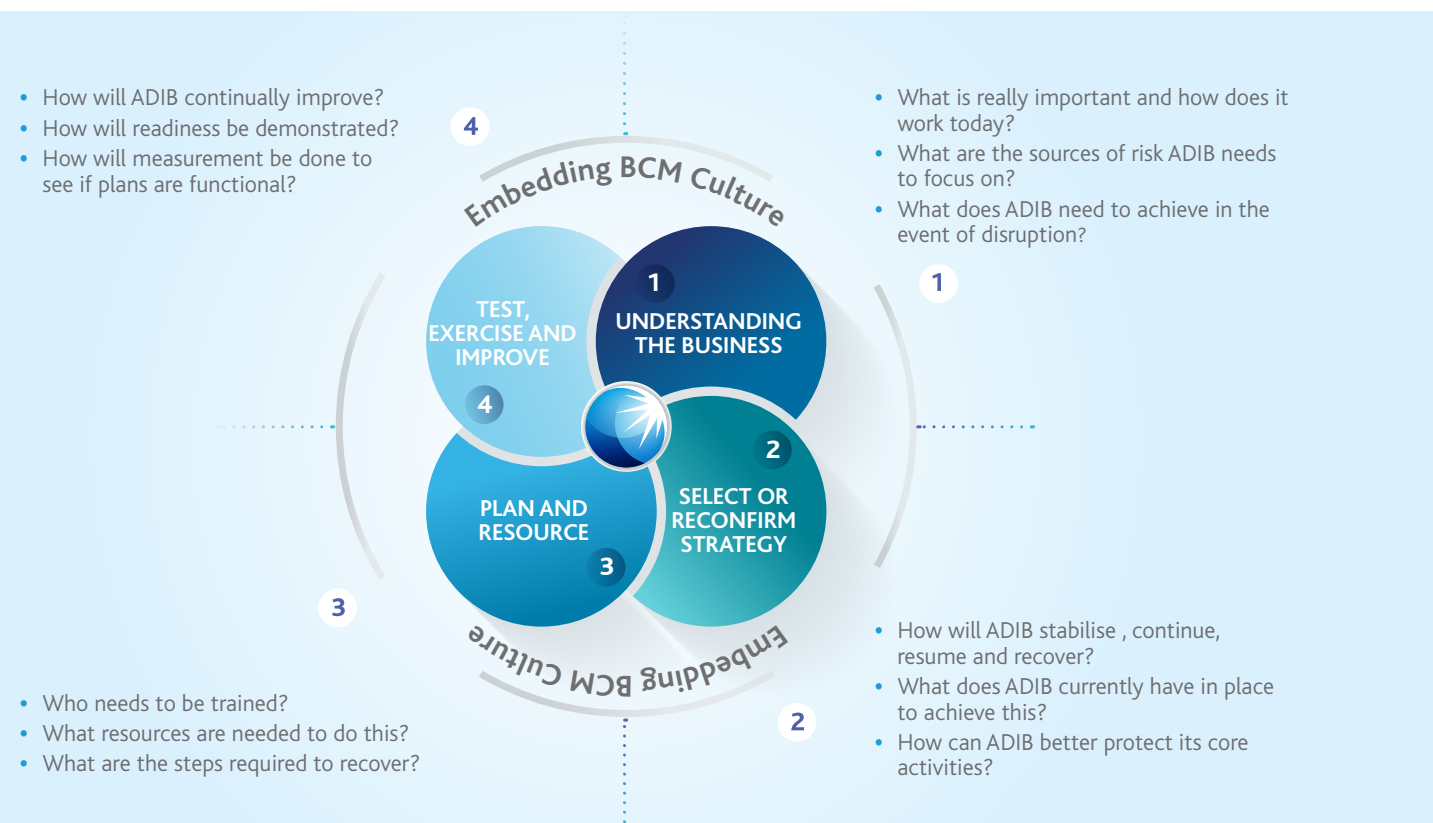
In order to protect the Bank and our stakeholders, safeguard revenue and sustain financial growth and customer confidence, we have invested in planning and preparing which ensures the continuity of critical business functions. The development, implementation, validation and maintenance of an effective Global Business Continuity Management (BCM) programme is essential to meet these objectives.

The BCM programme at ADIB is managed by a dedicated team of qualified and certified BCM practitioners, with oversight from senior leadership. Periodic BCM programme reporting to the Compliance and Controls Committee (3C) ensures that the Group BCM Department continues to comply with local and international BCM specifications.

Our Business Continuity Framework

ADIB's BCM Programme provides the roadmap for implementing business continuity processes that are based on both external standards and ADIB's operational environment.

The below figure illustrates how the BCM approach can be best applied at ADIB, with the aim of improving organisational resilience by responding to, managing, and recovering from any major disruption.



Business Continuity and Navigating the Pandemic

ADIB's Business Continuity Management (BCM) Team has conducted four crisis management exercises since 2016 with our C-Suite executives, including a pandemic scenario. One of the key takeaways from our pandemic exercise was that in addition to our well-established crisis management and business continuity plans and procedures, there was an explicit need for a dedicated pandemic plan.

This culminated into the creation of our first ever pandemic plan (human sustainability & resilience plan), approved by the Bank's Compliance & Control Committee back in August 2019. The exercises and rehearsals carried out resulted in pre-emptive action in invoking our crisis management and pandemic plans for COVID-19.

In line with our crisis management process, the COVID-19 task force met, led by BCM with bank-wide representation (Facilities Management, Health & Safety, Security, Corporate Communication, HR, ITD, Operational Risk and Information Security, as early as January 2020), prior to COVID-19 being considered a major threat and well before being declared a global pandemic.

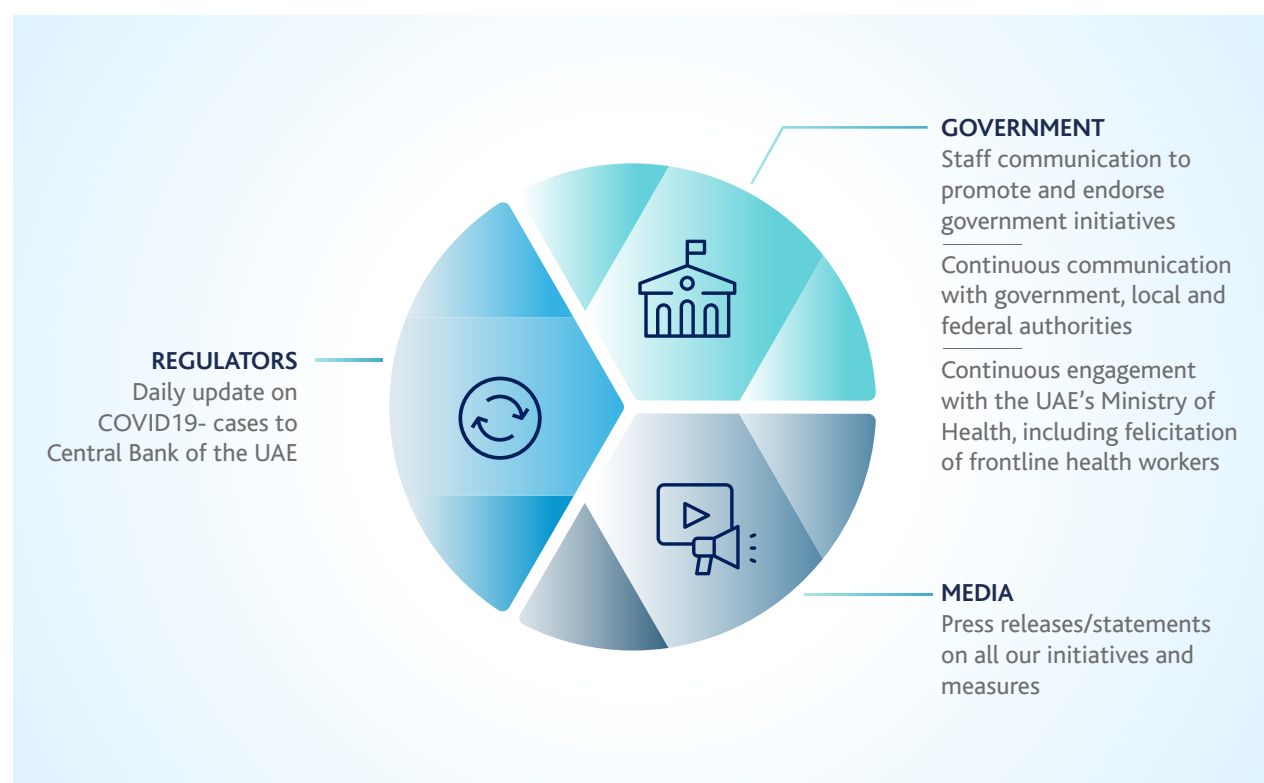
We subsequently implemented the continuity of business processes through approved actions that respected the mandates of the Central Bank of the UAE (CBUAE). Within a few weeks, we successfully shifted our operating model, with 90% of our staff successfully working from home, ensuring that our employees remained safe while our banking products, services and processes remained undisrupted.

Below are the crisis management and protocol compliance actions that we undertook:

1. Force and Crisis Management Team

- Early activation of our Task Force to monitor and manage COVID-19
- Daily Task Force meetings to monitor and manage COVID-19
- Early activation of our Crisis Management Team (COVID-19 Working Group) to escalate and take key strategic decisions
- Daily COVID-19 Dashboard collated from the entire bank, to give ADIB SteerCo a snapshot of COVID-19 cases, key actions status and work from office/home status

2. Engagement and Communications



3. Regulatory Compliance Initiatives

To ensure that we remain in compliance with regulatory requirements, the following actions were taken:

- Sanitisers installed across all 600+ ADIB ATM machines
- Closure of branches located in shopping centres and malls
- Critical services capability tested to ensure business continuity
- Information security risk assessment completed to safeguard ADIB from cyber risk

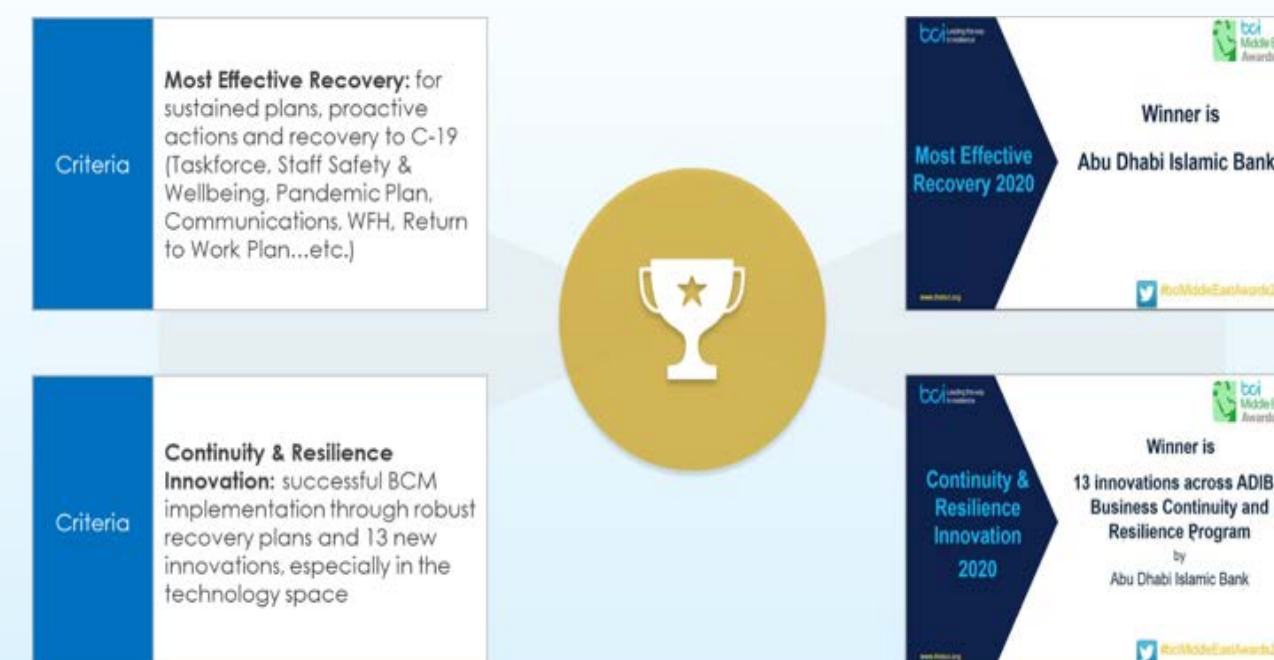


4. Data Analytics and Management

- Realising the importance of having the right data at the right time, we collated a wide range of data and information from various sources, creating a centralised data repository
- Invested in tools and systems to help collect, collate and prepare reports e.g. a daily health tracker that collects information on employee health
- BCM Team invested in data management & analytics training to enhance analytics and dashboards provided to executive management

Winners: BCI Middle East Awards 2020

We were proud to have received two awards from the UK-based Business Continuity Institute, the BCI Middle East Awards, for our strategic initiatives in targeting the pandemic. These include: Most Effective Recovery in the Middle East for 2020 and Best Continuity & Resilience Innovation in the Middle East for 2020.





RESILIENCE DURING THE PANDEMIC

The COVID-19 pandemic has been a significant challenge to organisations worldwide, and ADIB adapted to the uncertain and risky conditions perpetuated by the pandemic with actions in key focus areas, as presented below:



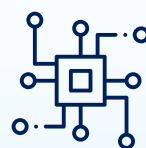
SAFETY & WELLBEING

We focused on staff wellbeing and safety by facilitating a shift to remote work. In addition, we developed a plan with a phased approach from a partial to full reopening based on government instructions & thresholds.



CONTINUITY OF BUSINESS/OPERATIONS

We implemented an action plan to align with changing government requirements, factoring in social distancing recommendations. This was in addition to our fully tested business continuity plan, crisis management plan and pandemic plan – developed and tested prior to COVID-19. We also used our strategic lens to capitalise on quick wins and emerging market opportunities. Furthermore, we also have a crisis room for consistent communication.



TECHNOLOGY

We established and implemented a new operating model where over 90% of staff had the capability to work from home, as opposed to only 3% WFH capability prior to COVID-19.



RISK MITIGATION

We proactively prevented the threats we could anticipate, such as increased cyber-attacks due to staff working from home, whilst utilising our 24/7 SOC threat intelligence services.



ECONOMIC IMPACTS

We identified short-term measures to increase liquidity and cash-flow whilst focusing on capital efficiency and flexibility through bank-wide cost optimisation initiatives.



REGULATIONS & COMPLIANCE

We made sure we stayed abreast with new regulations, guidance and emerging areas of regulations and compliance in addition to compliance with the Central Bank of UAE and government circulars and guidelines.



SUSTAINABLE BANKING

(102-21), (102-31)

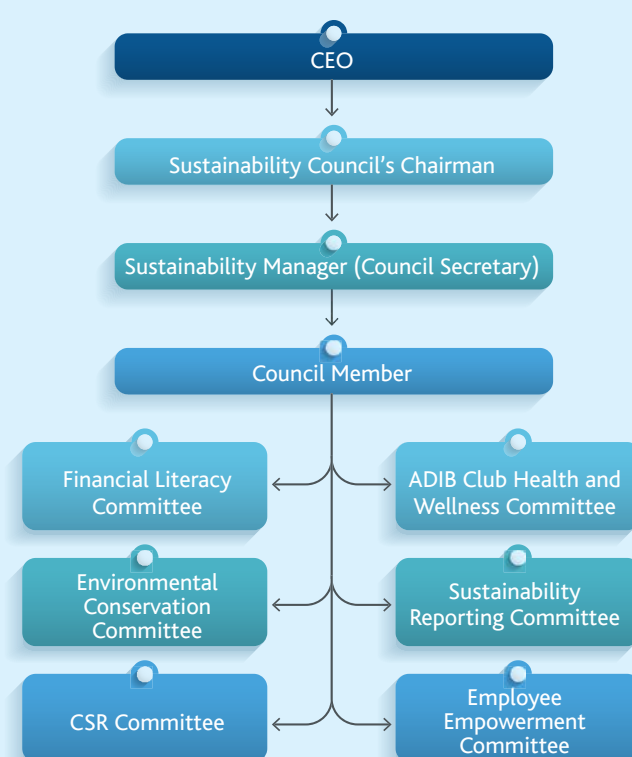
As an Islamic Bank, we are accountable to act in alignment with the highest levels of ethics and responsibility towards the environment, society and in governance. To make sure our dedication is reflected in every department, we developed a sustainability strategy in 2018 to guide us in creating meaningful and long-term impact.

SUSTAINABILITY GOVERNANCE STRUCTURE

(102-18)

The Bank's sustainability strategy and efforts are governed by the Sustainability Council. The council was created in 2018 and incorporates six committees working to cover different pillars of sustainability, ensuring holistic and meaningful impact by achieving our sustainability strategy.

The committees include people from different backgrounds, working together to achieve the specific goals of each committee and monitoring their progress.



SUSTAINABILITY FRAMEWORK

As an Islamic bank, sustainability is ingrained in our DNA. Our whole business model is built upon the drive to do good and act responsibly towards people and the planet. To ensure that we can impact all elements of the community and the environment, we keep in mind our materiality matrix when designing programmes and initiatives that aim to contribute to the five pillars of our sustainability framework.

Our Purpose: SUSTAINABLE BANKING AS IT SHOULD BE

ETHICAL BANKING

Responsible Financing
Support Local Economy

CUSTOMER FOCUS

Listen to our Customers
Engage Customers in the Community
Financial Literacy
Innovative Products and Services

COMMUNITY DEVELOPMENT

ADIB Ramadan Food Truck
Khairkom Sabeq - Senior Citizens
Sports
Environment
Mass Weddings
Other
Sponsorship

ENABLING OUR PEOPLE

Occupational Health and Wellbeing
Volunteering
Employee Empowerment
Happiness

SUSTAINABLE OPERATIONS




System Optimisation
Responsible Supply Chain
Environment Consumption
Sustainability Reporting



SUSTAINABILITY MANAGEMENT

Listening to Our Stakeholders

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

Everything we do as a bank is influenced by the expectations and needs of our stakeholders. While developing our sustainability strategy, we engaged with our key internal and external stakeholders to gather their opinions on what should be of importance to the Bank. This exercise allowed us to identify the environmental, social and governance issues that are considered most important, or material, to our operations.

Stakeholder Group	Engagement Mmethods & Frequency	Reflections & Feedback For 2018 Strategy
 Investors	<ul style="list-style-type: none"> Quarterly financial results Annual analysts and investors meeting Annual report Press releases The Annual General Meeting The dedicated "Investor Relations" section on our website 	<ul style="list-style-type: none"> Stability of financial performance Cost management measures Strong capital positioning Digital transformation Dividends distribution Transparent communications
 Employees	<ul style="list-style-type: none"> Annual engagement survey "Soutak" Monthly engagement polls targeting 10% of employees Periodic team meetings as needed Employees' performance assessments Internal communication programmes 	<ul style="list-style-type: none"> Working culture Training and development Talent attraction and development Compensation Engagement strategy and knowledge sharing Corporate volunteering Healthy and safe work environment
 Customers	<ul style="list-style-type: none"> Daily face-to-face interactions when customers visit our branches Call centres, emails Press releases Social media Brand activations Account relationship management Customer satisfaction surveys Other service channels (phone banking, internet banking, SMS) 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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

Stakeholder Group	Engagement Methods & Frequency	Reflections & Feedback For 2018 Strategy
 Environment	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Monitoring our carbon footprint Paper recycling Waste management
 The Local Community	<ul style="list-style-type: none"> Partnerships with non-profit organisations and civil society groups Roll out of social investment programmes and initiatives Cultural and social events Sponsorships and donations 	<ul style="list-style-type: none"> Financial inclusion Support in sports activities Youth empowerment Women empowerment Celebration of local culture Philanthropic and humanitarian efforts Environmental stewardship

MATERIALITY MATRIX

(102-21), (102-31), (102-47)

We follow the Global Reporting Initiative (GRI) in our materiality exercise, with material topics defined as environmental, social and governance topics that hold the greatest importance to our stakeholders, to help create shared value between them and the Bank.

In 2018, we conducted a materiality assessment for our five-year sustainability strategy. The assessment is the process of surveying our stakeholders on the levels of importance they assign to each topic. The below matrix displays the results of our assessment, with the topics deemed most important by both stakeholders and top management listed in the top right

most important by both stakeholders and top management listed in the top right





ETHICAL BANKING

RESPONSIBLE FINANCING






As an Islamic Bank providing Shari'a-compliant products and services, ethical and sustainable banking is the pillar on which everything we do is based. Our values and principles drive us to create a positive impact on quality of life, the environment, social equality, fair trade, and steer away from making investments that are harmful and unethical.

To highlight our commitment, we make sure that our activities are aligned with the Sustainable Development Goals (SDGs), and the UAE Vision 2021. To ensure we are on the right path, we have been continuously monitoring our environmental, social and governance performance since 2017, working to improve our performance every year.



Green Sukuk

Sukuk, plural for 'Sukk' in the Arabic language, refers to an instrument evidencing financial obligation. Green Sukuk are Shari'a compliant investments that protect the environment with investments in renewable energy and other environmental assets. In line with Shari'a values, at ADIB we have acted as a JLM/Bookrunner in the majority of Green Sukuk issued in the region, leading a number of firsts in the capital markets space, including Etihad's first ever Green Sukuk in the aviation sector, and the first Corporate Green Sukuk in the GCC for Majid Al Futaim (MAF).

Alignment with the United Nations Sustainable Development Goals (UN's SDGs)

Sustainable Development Goals	Our 2020 Impact
 SDG 2: Zero Hunger	<ul style="list-style-type: none"> Labour Support
 SDG 3: Good Health & Wellbeing	<ul style="list-style-type: none"> Sports Employee and Customer Protection
 SDG 4: Quality Education	<ul style="list-style-type: none"> Financial Literacy Programmes
 SDG 5: Gender Equality	<ul style="list-style-type: none"> Women Entrepreneurs Dana
 SDG 8: Decent Work & Economic Growth	<ul style="list-style-type: none"> Women Entrepreneurs Financial Literacy Programmes
 SDG 9: Industry, Innovation & Infrastructure	<ul style="list-style-type: none"> Digitisation Journey
 SDG 10: Reduce Inequality	<ul style="list-style-type: none"> Labourer People of Determination Women Youth Senior Citizen
 SDG 17: Partnership for the Goals	<ul style="list-style-type: none"> Ministries Non-profit Organisations

Alignment with the UAE Vision 2021

UAE Vision	Our 2020 Impact
 United In Prosperity	Financial Literacy Programmes: <ul style="list-style-type: none"> Moneysmart community University students Labourers Newlyweds
 United In Knowledge	<ul style="list-style-type: none"> Financial literacy Anti-fraud awareness
 United In Responsibility	<ul style="list-style-type: none"> Mass weddings Celebration of national events Several initiatives during the Holy month of Ramadan were organised, such as the distribution of 48,000 food boxes.



ENABLING OUR PEOPLE

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

At ADIB, we honour the importance of creating a positive and dynamic work environment for our people. The pandemic has brought arduous challenges to different aspects of our operations, however, with the commitment and resilience of our people, we managed to successfully overcome these challenges. Our employee strategy focuses on empowerment, diversity & inclusion, rewards, and recognition and maintaining our employees' happiness. In this chapter, we highlight the different ways we empower our employees.

To ensure that the experience of our employees always remains in focus, our Employee Empowerment Committee is dedicated to developing the appropriate programmes that will nurture and empower the lives of our people within and outside the workplace.

EMPLOYEE EMPOWERMENT

Diversity & Inclusion

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

Diversity fuels innovation and performance in any business. As an international bank, we prize the diversity of our workforce, with 60% coming from countries outside the UAE and a gender divide of 34% female and 66% male. We continually work on building an inclusive environment, where people value their differences and act upon them as a point of strength.

Women Empowerment

Keeping in line with our values of diversity and employee empowerment, we support gender equality in whatever ways we can. We believe in the unique capabilities and value of our female talent and



recognise the different roles they play inside and outside the workplace. We make sure they are provided with the support and environment they need to meet their ambitions and thrive in both their professional and personal lives. Our commitment is highlighted in the following figures, and in the pages of this chapter, where we showcase our Tamkeen Women Leadership Programme and the creation of a nursery room in our HQ.

Full-Time Employees - Broken Down by Gender (102-8), (405-1) (405-2)

	2018	2019	2020
Number of Full-time Employees	2,021	2,070	1,943
Female	32%	32%	34%
Male	68%	68%	66%

Top Management - Broken Down by Gender

	2018	2019	2020
Female	9%	9%	8%
Male	91%	91%	92%

Newly Hired Employees Annually - Broken Down by Gender (401-1)

	2018	2019	2020
New Hires	260	216	107
Female	42%	33%	49%
Male	58%	67%	58%

Turnover Rate of All Employees - Broken Down by Gender (401-1)

	2018	2019	2020
All Employees	13%	7%	11%
Female	18%	7%	8%
Male	10%	8%	12%

UAE National Talent Empowerment

At ADIB, we strive to add value by contributing to the prosperity and development of people and the economy. To do so, we make sure that our efforts are aligned with the UAE's directions, thus, Emiratisation is a priority in our HR strategy.

Emiratisation Strategy

ADIB has created a 2020 Emiratisation strategy that not only strengthens our commitment to attracting, retaining, and developing local talent, but also ensures that we are transparent and accountable in our commitments.

To achieve this, a set of objectives have been established, including:

- 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

Vision

To be the UAE's national employer of choice in the financial services sector by engaging, recruiting, and retaining the best local talent and offering 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.

The Central Bank Points Scheme

In response to the 2021 UAE vision and the UAE Government's National Agenda, ADIB has adopted the Central Bank's points-based system to meet Emiratisation goals.

As you can see below, we are pleased to announce that we have exceeded the required targets every year since we embarked on this initiative.

Newly Hired Employees Annually - Broken Down by Gender (401-1)

	2018	2019	2020
Target Points by the Central Bank	2,673	2,569	3,408
Achieved Points	2940	2823	3,458
Achievement Ratio	110%	110%	101%

Full-Time Employees - Emiratis and Expatriate

	2019	2020	
Number of Full-time Employees	2,021	2,070	1,943
Emirati Employees	36%	36%	40%
Expatriate Employees	64%	64%	60%





Top Management - Emiratis and Expatriates

	2018	2019	2020
Emirati Em-ployees	15%	16%	18%
Expatriate Employees	85%	84%	82%

Turnover Rate - Emiratis and Expatriates

	2018	2019	2020
Emiratis	17%	8%	6%
Expatriates	10%	7%	13%

Full-Time Employees - Broken Down by Nationality

	2018	2019	2020
Number of coun-tries	51	53	53
UAE	36%	36%	40%
Jordanian	12%	13%	12%
Indian	11%	13%	12%
Pakistani	9%	8%	8%
Egyptian	7%	7%	7%
Other	24%	24%	21%

Emiratisation Programmes

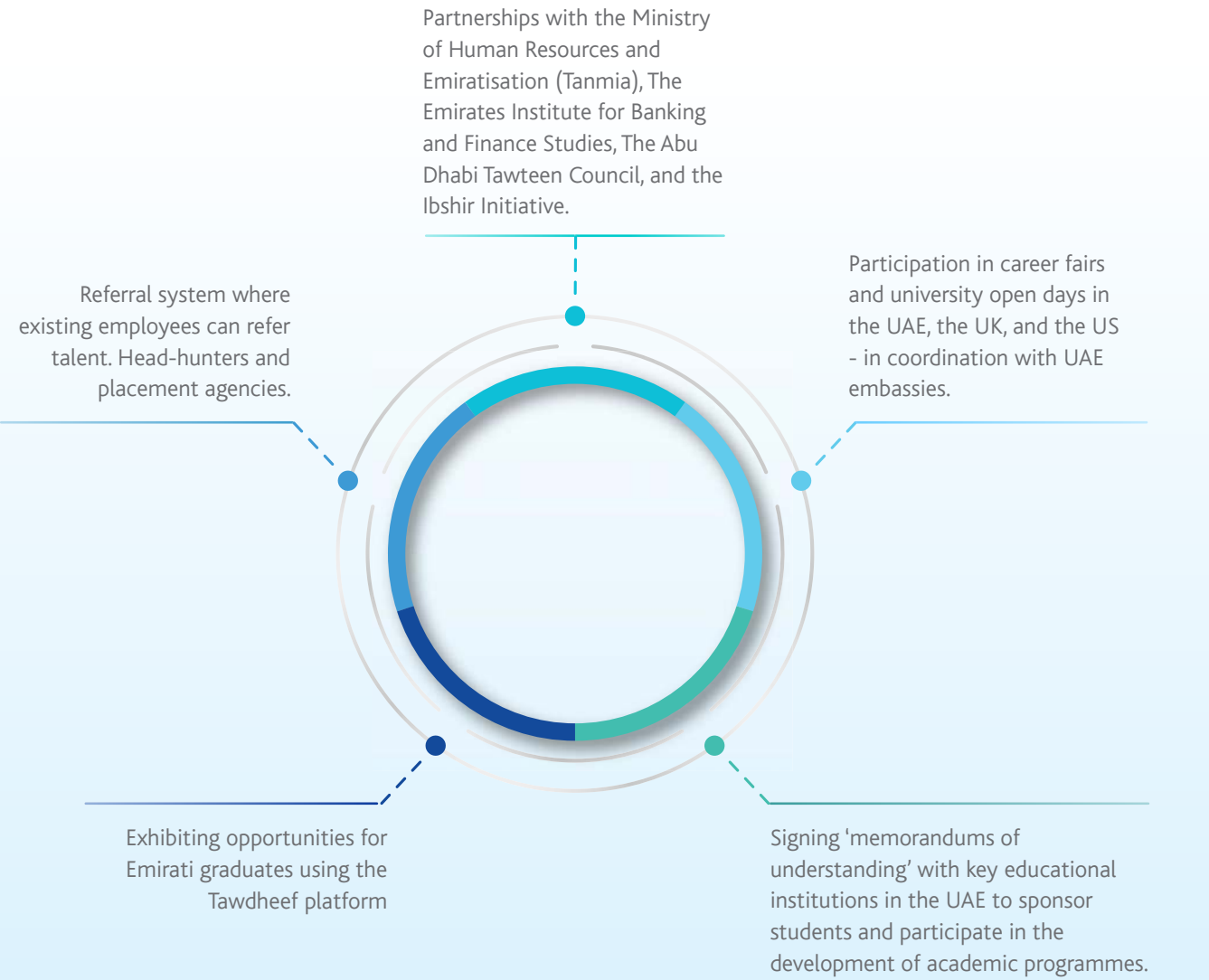
In alignment with our values and Vision 2021, we advocate and support local talent development. We continuously seek to recruit, train, and retain Emirati talent, helping them to unlock their potential and contribute to the UAE’s economy. Our Emiratisation goals are aligned with direct reports from the CEO on annual performance scorecards, which are reviewed on a bi-annual basis.

Our goals for Emiratisation ensure that:

- Each individual is able to reach his/her full potential through excellent training and development programmes.
- Efficient succession planning, with priority given to UAE nationals.
- Retaining local talent by providing them with personal and professional development opportunities, a great work-life balance, and a rewarding career path.

Recruitment Mechanisms

Attracting high calibre Emirati talent is a priority at ADIB. To do this, we have created a set of tools and fostered partnerships predominantly within government and higher education institutes, which enables us to engage with a broad spectrum of local talent.



Programmes to Offer Support

Programmes	Tamkeen	Qiyadat
Description	Encourage more women to progress to senior leadership roles within the Bank, by developing the skills they need to succeed.	Encourage more women to progress to senior leadership roles within the Bank, by developing the skills they need to succeed.
No. of UAE nationals enrolled in 2020	20	20



Programmes to Attract Talents

Programmes	ADIB Leadership Programmes (ALP)	Internships
Description	The programmes are designed to train and inspire young Emiratis, who are the banking professionals of the future.	Offer internships to stu-dents from universities in the UAE.
No. of UAE enrolled in 2020	65	84

LEARNING & DEVELOPMENT

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

During the pandemic, learning and development played a crucial role in keeping our employees engaged, maintaining their productivity, and nurturing their mental wellbeing. In recognition of our efforts, ADIB received the Gold category Sheikh Khalifa Excellence Award, paying homage to the development, training and opportunities we provide for our employees.

In this section, we highlight the different efforts invested in our Learning and Development strategy and their impact on our employees.

Average Training Days

	2018	2019	2020
Female Employees	6.9	4.9	4.6
Male Employees	5.4	4.2	5.14



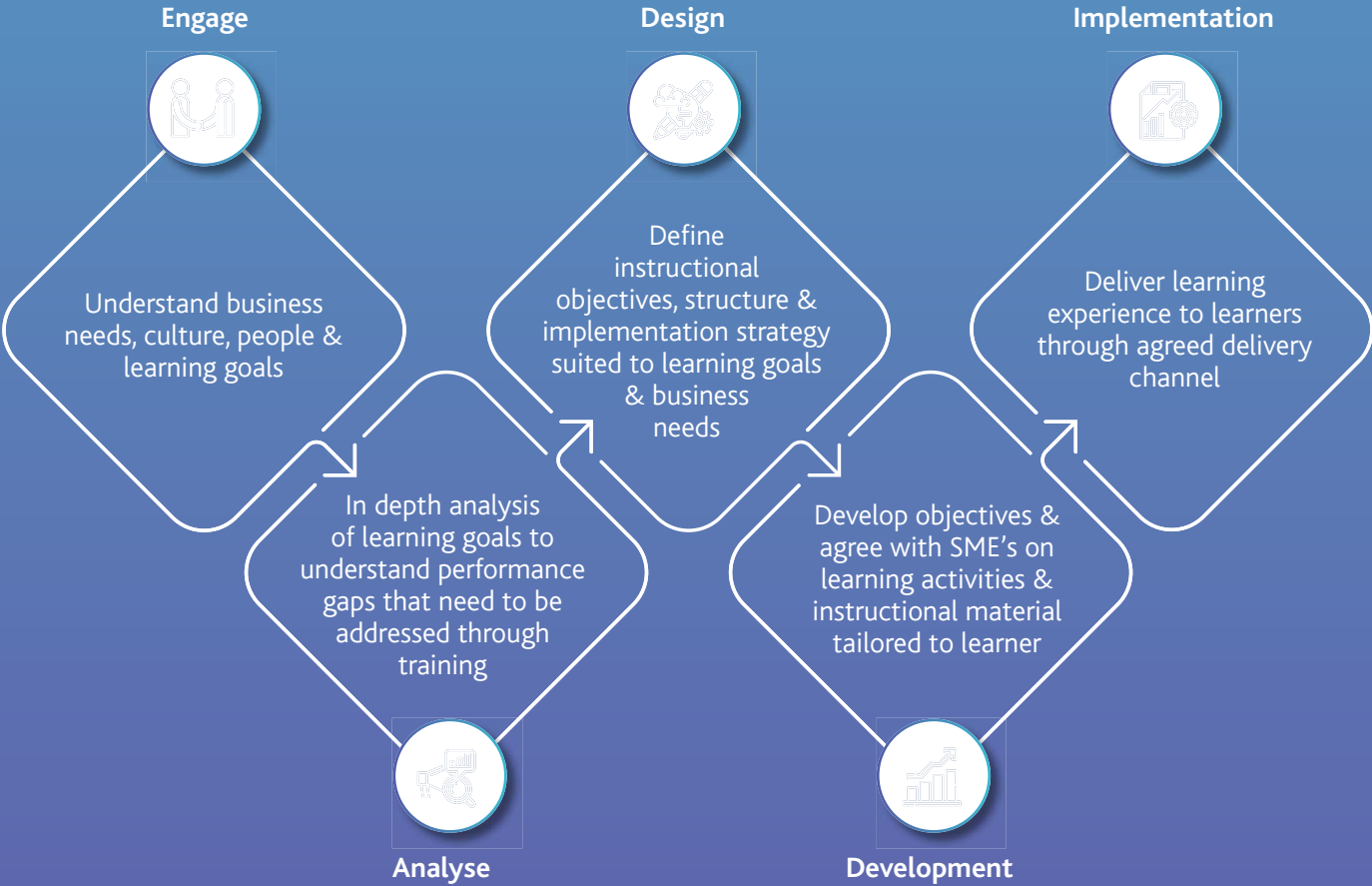
The Adib Banking Academy

ADIB Banking academy was established to provide a defined path to success for our employees. This is achieved through comprehensive learning plans and professional development initiatives, empowered by digital learning tools, covering behavioural and technical skills from basic to advanced levels.

In 2020, we developed our digital learning strategy through an integrated, innovative digital learning solution, focusing on five principles of learning.



Our approach:



	Total Number or Percentage
Number of unique learners	3,051 Learners
Number of male learners	2,158 Learners
Number of female learners	893 Learners
Average of man-days per employee	5.63 Days
Average of man-days for male learners	5.14 Days
Average of man-days for female learners	4.6 Days
Number of unique programmes	561 Programmes
Number of sessions	470 Sessions

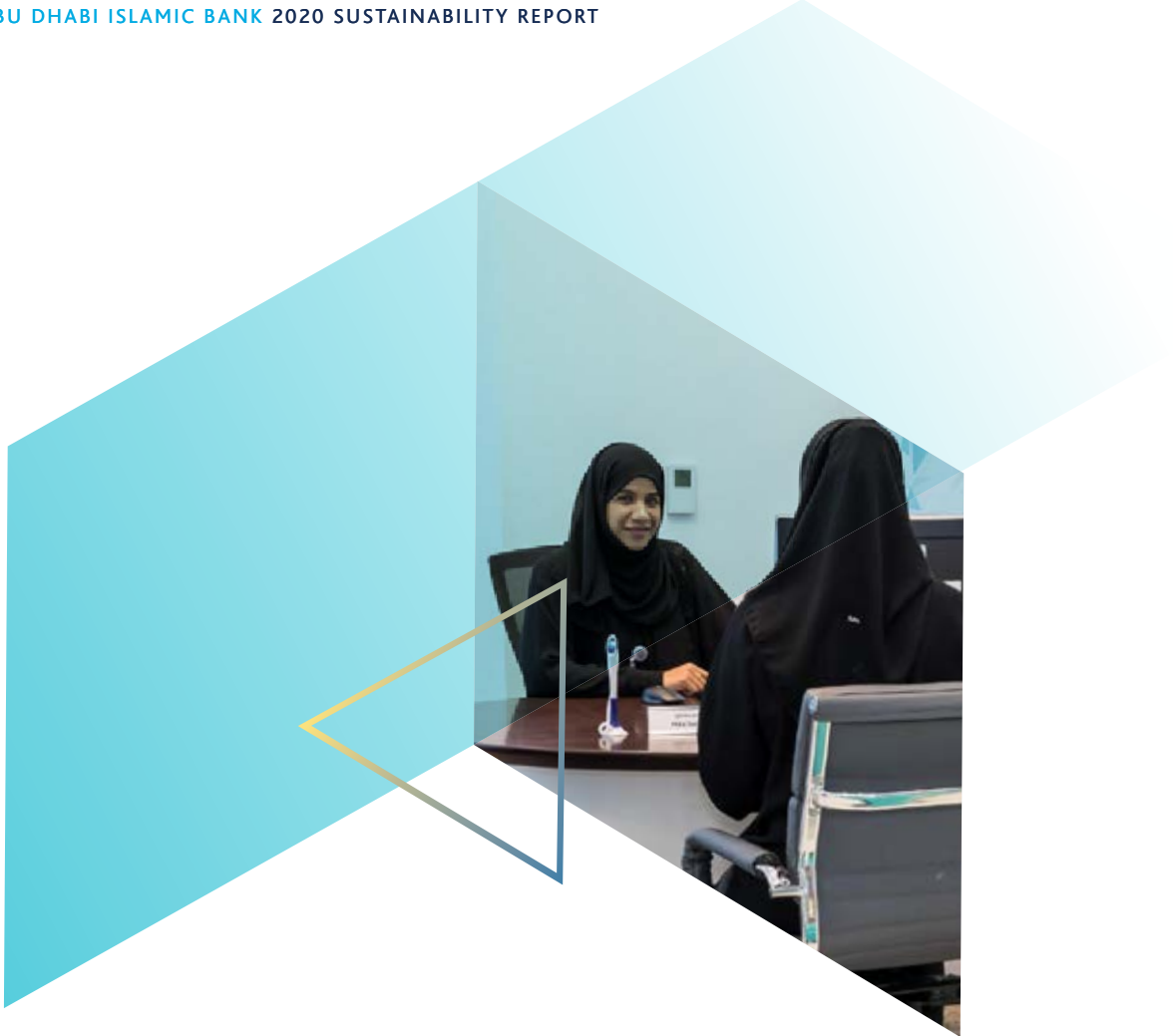
Learning Technologies & Automation

In 2014, we started automating our main learning processes, starting from participants’ registration to programme evaluation. In 2020, we adapted our learning experience to maximise effectiveness of digital instructional materials, such as through interactive live and blended online programmes, system simulation, online assessment, and e-learning programmes.

This approach enables our employees to access digital learning materials, evaluation forms and digital completion certificates. It also reduces our paper consumption as well as lowering operational costs and a more secured environment during the COVID-19 pandemic.

Our learning journey is powered with WebEx, MS Teams and Oracle Fusion LMS.





Employee Satisfaction (Nps Score)

In 2020, we received 99% positive feedback from employees through the post-training evaluation of our learning programmes.

In 2020, we developed and delivered several sessions to increase our employees' awareness on relevant risks and regulations during the COVID-19 pandemic. These awareness programmes covered remote working essentials, compliance and regulations, cybersecurity, fraud risk and health protection & prevention. In the below table, we highlight the topics and number of participants.

Employee Awareness Programmes - Covid-19

Uae National Development Programmes:

In 2020, ADIB Banking Academy launched and delivered several programmes in partnership with local and global providers covering digitalisation, compliance, anti-money laundering, leadership, Islamic Banking, quality management and banking operations. 201 UAE national employees took part in these initiatives.

Programme Title	Total Number of UAE Nationals
Tamkeen	20
Qiyadat	16
Six Sigma Black Belt	23
AAIOFI Certified Islamic Banker	3
Certified Anti-Money Laundering Specialist	21
Certified Banking Operation	14
Future Proof Banker (Officer / Associate)	104



External Training

We enable our best talent to take their career to another level by acquiring international certifications and accreditations through local and international training and certificate providers. We also support our employees to feed their thirst for knowledge by sponsoring their education.

CERTIFICATION

In 2020, 4% of our employees received internationally recognised certification. The following are the key certification programmes and the number of employees who benefited from the programme:

- Six Sigma Black Belt: 25 beneficiaries
- AAIOFI Certified Islamic Banker: 20 beneficiaries
- Certified Anti-Money Laundering Specialist: 31 beneficiaries
- Certified Banking Operation: 21 beneficiaries
- Profiles Certified Assessor: 6 beneficiaries

SPONSORSHIP

During 2020, ADIB Banking Academy sponsored 5 UAE national employees to continue their education with leading local and international universities for bachelor and master's degrees in banking and finance, business administration, management and strategic leadership.

Key providers of our external training and certifications



Hong Kong
Institute of Bankers



International
Quality Federation (IQF)



Ernst & Young - EY



PricewaterhouseCoopers



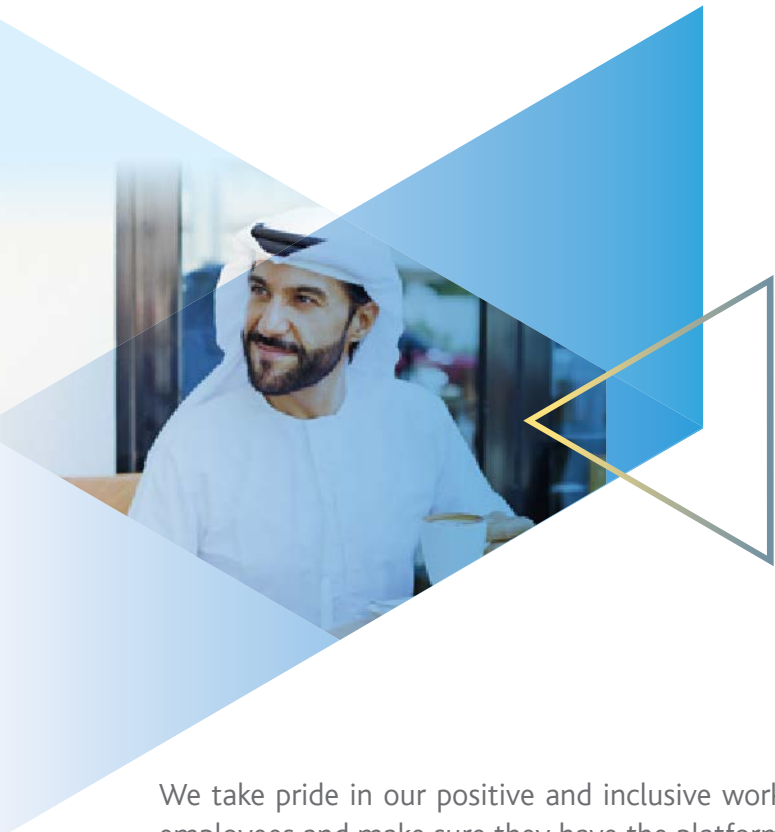
Association of Certified
Anti-Money
Laundering Specialists



Accounting and Auditing
Organisation for Islamic
Financial Institutions

Youth Empowerment

In addition, we offered internship opportunities to 42 students from local and international universities to allow them to learn from our subject matter experts and gain hands-on experience.



HAPPINESS & ENGAGEMENT

(402-1)

We take pride in our positive and inclusive work environment, where we value the opinions of our employees and make sure they have the platforms necessary to engage with the Bank.

Due to the circumstances brought about by the pandemic, remaining connected and engaged with our employees was of even greater importance and essential for the continuity of our business. We ensured that we were up-to-date with emerging challenges, both personal and professional, and the needs and opinions of our employees. We also made sure that we supported our employees to create a happy and productive work environment while working from home.

In this section, we highlight how we engaged and empowered our employees during this difficult time.

ADIB Club

Mission: To enhance employee satisfaction and wellbeing by promoting a healthy, safe, responsible, and engaging work environment.

The ADIB Club Committee aims to enhance employee engagement and satisfaction by engaging them with the community. Our committee is in charge of four main programmes: staff health & wellness, staff happiness, sports cups and a safe work environment.

During the COVID-19 pandemic, we ensured that our employees remained engaged with various educational workshops and programmes.



ADIB Club Committee oversees four main programmes:

Health & Wellness

We focused our campaigns on raising staff awareness in regard to Covid-19, by conducting webinars and sharing regular health & safety reminders with our staff.

Sports Cups

ADIB Club Committee organises football and cricket tournaments for employees to increase our community bond and create an amicable environment for our employees where they can share their passions outside the workplace. In 2020, tournaments were postponed to 2021 due to the pandemic. The ADIB Team did participate in January 2020 in the "Finance Cup", taking part in 5 league matches and reaching the semi-finals.

Happiness

To support our employees in maintaining a healthy lifestyle for them and their families, ADIB has partnered with top hotels and fitness clubs in the UAE to provide employees with ADIB Club Card Membership.

The card gives employees access to gym, health clubs and leisure or sports centres, and even exercise classes as part of a flexible benefits package for individual members of staff and their family.

The programme is currently inactive due to the pandemic, but it will be re-launched as soon as it is safe to do so.

Safe Work Environment

We have been certified ISO 45001 for our headquarters in Abu Dhabi. This certification recognises our HQ as a safe and healthy workplace for employees and visitors, preventing work-related injuries and ill health.

During 2020, we continued to deliver our training online to equip our employees with First Aid & Fire Warden skills, and on COVID-19 protection and prevention.

Soutak

Soutak, which means "Your Voice" in Arabic, is one of the main channels through which we engage with our employees, making sure they are heard and fairly represented. The survey allows us to make data-driven decisions based on feedback from our employees regarding their experiences and how we can improve our strategies and operations.

	2018	2019	2020
Participation Rate	78%	86%	85%
Overall Satisfaction Rate	65%	70%	75%

In addition to Soutak, we engage with our employees monthly through an anonymous survey. This monthly engagement enables us to assess our employees' feedback more regularly and take timely action.

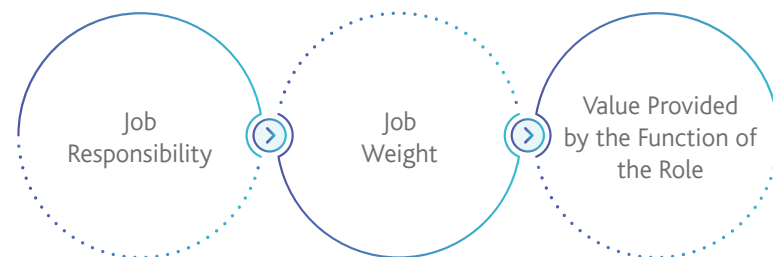
REWARDS, RECOGNITION & BENEFITS

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

Recognising the efforts of our employees and rewarding them accordingly invigorates their motivation and ambition to reach new heights, leading to a more efficient and results-oriented workforce

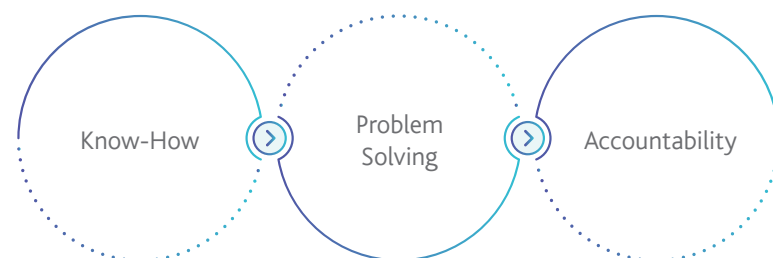
Grading System

Our grading system is based on a job evaluation methodology that is comprised of three pillars:



Each level of the organisation consists of roles that require a certain level of knowledge and professional experience. Roles vary in accountability when working towards certain results, taking into consideration individual contribution and impact. The combination of these factors provides the 'weighting' of various roles and levels within the Bank.

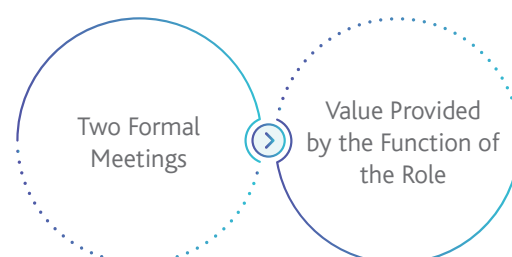
Using this method, each level is differentiated by three factors:



Performance Management (401-1), (401-2), (401-3)

Our performance assessment process is designed to ensure that we continuously evaluate the performance and development of our people. By consistently discussing our employees' achievements and ways to improve, we can maintain a talented and driven workforce. The appraisal discussions are also a chance for employees to set new goals with their line manager and create their own personal development plans based on their needs and ambitions.

process is a part of our Performance Management policy, and it involves:



Revision of Job Profiles (401-2)

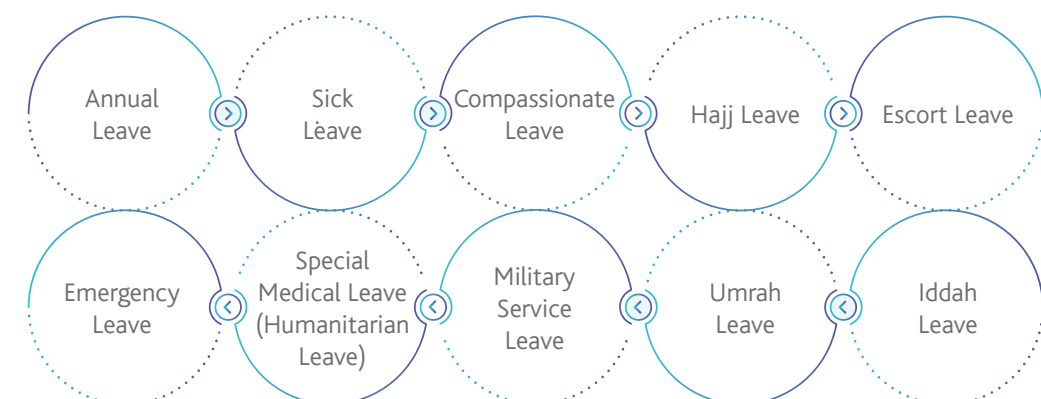
To ensure that our talents are rewarded in a consistently competitive way and in alignment with market developments, our Group Remuneration and Nomination Committee conducts an annual review of our policy for compensation, benefits, incentives, and salaries for employees at every level.

Employee Benefits (401-2)



Leave

To make sure our employees can maintain a healthy work-life balance, we provide them with different types of leave depending on their needs.



OCCUPATIONAL HEALTH & WELLNESS

The pandemic drastically impacted the way we live and proved challenging in terms of both physical and mental health, bringing more emphasis to the importance of the latter. At ADIB, we took responsibility to protect our employees' health and wellbeing, in turn doing our bit to preserve the health and wellbeing of the entire community.

A Safe Work Environment

Our headquarters in Abu Dhabi is certified with the world's international standard for Occupational Health and Safety, ISO 45001. The certification accredits our continuous efforts to reduce occupational injuries and diseases, including efforts to raise awareness about the importance of physical and mental health.

In 2020, we ensured that all training was conducted virtually as part of measures taken to protect our employees. We continued our First Aid and Fire Warden training virtually and included additional training on COVID-19 Protection and Prevention. Below, we highlight the number of beneficiaries:

	2018	2019	2020
First Aid Training	76	109	37
Fire Warden Training	163	63	39
COVID-19 Protection and Prevention Training	N/A	N/A	179

Protecting Our People Against COVID-19

When the pandemic started to obstruct our daily activities and the health of our people was at risk, we took prompt action to ensure that our people could carry out their daily activities safely, and without interruption.

SAFE WORK ENVIRONMENT

- Disinfection stickers placed on each desk after cleaning to reassure staff of office cleanliness
- Provide safe housing for messengers and mail room staff to ensure they were not impacted by COVID-19 cases in their normal places of residence, which is a camp environment
- All office boys, drivers and clerks were granted paid precautionary leave to ensure their safety and wellbeing
- Established a track & trace project for COVID-19 reporting, tracking and contact tracing on a daily basis

RAISING AWARENESS

- Various training from the UAE's Department of Health on COVID-19 and online physical fitness tutorials and guides for members of staff
- Regular communication with staff on health and safety protocols
- Dedicated HR care team that continuously checks on and follows up with any impacted staff to ensure their wellbeing
- Introduced an AI driven chat bot for staff to answer all queries
- Dedicated Intranet for all COVID-19 related updates and information
- Regular surveys to gather feedback from staff on COVID-19 response and improvement and a daily health tracker launched for staff to report on their health status

Parental Leave (401-3)

Bringing a baby into this world is a hugely important milestone in everyone's life and requires time to nurture and connect with the child. We make sure that we give our employees the time needed to adjust to their new life with parental leave, offering the following benefits to our employees:

MATERNITY LEAVE

After completing one year at ADIB, our female employees are entitled to maternity leave with full pay for a period of 90 calendar days. Employees who have not completed a full year are entitled to the same number of days with half pay.

After returning to work, female employees are eligible for an additional one-hour break for 18 months.

PATERNITY LEAVE

Our male employees are entitled to 3 calendar days of fully paid paternity leave. If the birth takes place outside the UAE, the total number of days increases to 5.

Year	2018		2019		2020	
Gender	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	25	1,230	343	1,257	333	1,155
Employees who took parental leave	58	128	53	70	55	71
Employees who came back to work after parental leave	57	128	53	70	55	71
Employees who came back to work after parental leave and were still employed 12 months later	51	116	52	68	55	70
Retention rate	88%	91%	98%	97%	100%	99%



Safe Premises

It was of utmost importance to make sure that our buildings and branches were safe for customers and employees, ensuring compliance with health and safety regulations. Highlighted here are the actions we took to keep our premises safe:

- Individual sanitiser bottles for all branch customer service staff, and sanitiser dispensers installed in all common areas and by the doors of all offices across the UAE
- Thermal cameras installed and thermal guns used in all ADIB offices
- Health and Safety PPE vending machines installed in key buildings
- Cleaning chemicals enhanced to ammonia-based chemicals
- Increased cleaning frequency every 30 minutes for ATMs, and all high traffic office areas, washrooms, door handles etc.
- Added fogging treatment to all our buildings
- All office buildings disinfected twice a day
- Special enclosed dustbins were set up on every floor to ensure safe disposal of masks and gloves
- Touchless elevators installed at key ADIB buildings

Home Office Shifting Process

Migrating to a home office was challenging at all levels, particularly relating to logistics and human resource management. Thanks to our well executed strategy, at ADIB we were able to smoothly transition to home office working and back to our offices again, while preserving the continuity of our operations and safety of our people.

Highlighted below are the different actions taken to fulfil our work from home strategy:

- Performed a thorough operational and information risk assessment of all processes in the context of working from home before our work from home strategy was deployed
- Swiftly scaled our work from home capability to comply with Central Bank's 30% maximum office staff guidelines, eventually operating with 90% of our staff working from home

- Quick and agile implementation of Work From Home (WFH) strategy initiated in February, and fully deployed by March 2020
- As an interim to implementing our Work From Home strategy at the start of the crisis, a split site strategy was invoked for 40 departments, with approximately 250 staff across 4 main buildings to rebalance the workload across operational sites. Given that some areas were affected more than others, we also made use of alternate real estate, for example dispersing sales staff to other premises
- To ensure the safety of our most vulnerable employees, we gave priority to our employees with medical conditions, expectant mothers, mothers of Grade-9 children and below, and senior employees to work from home
- Enabled call recording to operate call centres from home to keep our employees safe

As the pandemic eased and working from the office was a possibility again, we made sure we transition back safely through the following actions:

- We were agile in the planning of our return-to-work strategy, with various thresholds between 30-100% as early as April 2020
- A centralised strategy was established and deployed across all 21 groups and 3000 office employees across the Bank, identifying staff for each threshold
- As a part of the planning process, a detailed plan was put in place on triggers that would warrant a return to office working at various thresholds
- All office spaces in ADIB were reconfigured to ensure social distancing, with stickers on desks in all buildings to highlight which seats can and cannot be occupied
- Adjusted branch hours and established set teams of staff with alternating workdays to avoid cross-contamination. Additionally, we offered flexible branch hours at the beginning of the day to serve vulnerable populations, as well as during Ramadan
- A comprehensive return to work communication plan and templates were established, which included detailed return to work guidelines, animations, and videos
- Shifted some employees from non-critical work to essential operations



VOLUNTEERING

Volunteering helps to increase the engagement of our employees with the Bank and in turn, helps them to connect with their community. Providing our employees with the opportunity to volunteer and contribute to different causes brings additional fulfilment and purpose to their lives. Unfortunately, due to the circumstances of 2020, we were not able to carry out any volunteering activities. To learn more about our volunteering initiatives and impact prior to 2020, please refer to our previous sustainability reports.

CUSTOMER FOCUS

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

We serve our customers in an ethical and transparent manner, by providing them with products and services aligned with our values and principles. We include our customers in every stage of product development, soliciting their feedback via continuous communications through various channels.

The pandemic has challenged the way we serve our customers and how we communicate with them, but also solidified the important role we play in their lives. In 2020, we increased our efforts to digitise our processes, making sure we were accessible and efficient in serving our customers' needs during a tumultuous period.

CUSTOMER SUPPORT DURING COVID-19

During the coronavirus pandemic, protecting the livelihood and health of our customers was at the centre of our business continuity plan and financial relief initiatives. In this section, we highlight the different initiatives taken to protect our customers and our business.

Protecting Our Customers

To safeguard the health of our customers and ensure we continued offering high quality customer service, the following actions were taken:

- Delivered customer campaigns on digital services and health and safety procedures through mailers, SMS, digital ads, and social media
- Produced call centre IVR scripts to reassure customers on their health and safety and promote our digital services
- Closed some branches temporarily, emphasising the use of our flagship branches while closing smaller, less used/retail outlets
- Plexi-Glass installed at every ADIB branch to safeguard staff and customers
- Branch and ATM cash withdrawal limits increased
- Hand sanitisers installed at our ATM machines



Targeted Economic Support Scheme (TESS)

To support UAE residents and businesses affected by the pandemic, the Central Bank of the UAE (CBUAE) launched its Targeted Economic Support Scheme (TESS) in March, with an integrated stimulus programme. The programme aims to support the UAE's economy through a range of relief measures related to funding, liquidity, finance, and capital.

In the spirit of this programme, ADIB's retail customers, individuals and SMEs were offered to postpone repayment instalments until the end of December 2020, broadly covering the following scenarios:

1. Reduction in income
2. Sent on unpaid leave by his/her employer
3. Lost his/her job

To avail of this programme, customers simply needed to complete an application form and provide proof that their income had been negatively impacted with a minimum 15% reduction. This process could be carried out via branches, call centres and our online portal. In the table below, we highlight our efforts to contribute to the TESS programme.

Initiatives	Number of customers supported	Total of deferral (AED)
Personal Finance (PF) Instalment Postponement April 2020 & June/July 2020 Under this Initiative, all PF standard tenor customers were provided with instalment deferrals in the months of April, June and July 2020.	74,230 customers	AED 623 million
Programme for Most Impacted Employers (Emirates Airlines, Etihad Airways and Emaar) This initiative was designed for employers where their employees, who are also our customers, were offered to postpone their upcoming instalments in May, June and July 2020.	871 customers	AED 16 million
Personal and Auto Finance Bulk Instalment Postponement July 2020 The initiative offered July instalment postponement to PF (standard tenor) and AF customers.	74,334 customers	AED 504 million
Standard Instalment postponements This initiative included a larger spectrum of our customers (PF/AF/CC/HF)	2,653 customers	AED 59 million
Total	152,088 customers supported	AED 1202 million in postponements



LISTENING TO OUR CUSTOMERS

Listening to Our Female Customers - Dana

Dana is our women’s banking service, which has been carefully designed with the needs of our female customers in mind. In Arabic, Dana means “the pearl of all pearls”, reflecting how valuable our female customers are to us.

Dana was developed to empower women by giving them access to financial freedom. Be it personal or professional, Dana aims to meet any financial requirement our female customers might have, while respecting their cultural values. Customers are provided with convenient and personalised services by our female direct sales units and relationship managers.

To achieve its purpose, Dana offers the following:

DANA FEATURES

- The absence of income requirements for housewives/dependents and students when opening a Dana account
- Transparent fees with no minimum balance or fall below fees
- Visa powered Debit Card free with the account
- Encouraging saving culture with profit on monthly average balance

DANA BENEFITS

- Our ADIB Dana debit cards come with lifestyle management services and privileges*
- Free access to airport lounges with Priority Pass for Dana Mastercard holders*
- Exclusive shopping discounts with special privileges at selected stores of our partners*
- Exclusive event invitations to special events; women’s health, child & family, Islamic religious seminars, cooking, arts, fashion and more*

*Terms and Conditions apply.

Moreover, Dana strives to empower our female customers by giving them the knowledge and tools needed to make the best financial and non-financial decisions in their daily lives.

2020 highlights:



Listening to Our Youth

We know that financial knowledge leads to good financial management, and in turn, good life management. We believe that this skill should be installed in individuals from a young age to maximise their potential in the future, so we have created various accounts aimed at young customers. We endeavour to teach them how to be financially independent and manage their own finances by engaging them in our financial literacy programmes, designed with our young customers in mind.

Accounts for our young customers:

ADIB Student Account

The ADIB Student Account is available for our young customers, of a minimum age of 13 years old. We provide them with a prepaid International Student Identity Card (ISIC), the only international student card which can be used both locally and internationally.

We give students customised services and benefits tailored just for them, including a range of discounts throughout the UAE and abroad and access to the ADIB banking app, enabling them to manage their finances wherever they are.

Banoon: Children's Savings Account

We understand how overwhelming it can be to plan for a child's future, and we aim to support our customers in providing the best future possible for their children through our Banoon Children's Savings Account.

The savings account is Shari'a compliant and comes with a Darhoom prepaid debit card and access via a mobile application. Darhoom is a special cartoon character created to engage children and teach them the importance of saving in a fun and memorable way.

Empowering SMEs

One of the main focus points of the UAE vision pillar "Competitive Knowledge Economy" is to increase the contribution of Small and Medium-sized Enterprises (SMEs) to non-oil GDP, putting emphasis on the important role SMEs play in the development of our economy and its diversity. In line with this focus, we provide customisable services and support to empower our SME customers.

In 2020, we increased our support for our SME customers as the pandemic started to obstruct operations. Our focus was to protect our customers and help ensure their business continuity.



DIGITAL ENABLEMENT

We launched a campaign to encourage business banking customers to adopt digital transactions via ADIB Direct, our online business banking platform. We reduced service costs via ADIB Direct in alignment with the services conducted in the branches, provided all internet banking customers with a 50% discount on remittance charges, either domestic / international, and on the online Cheque Book requests. We also waived the monthly subscription charges of ADIB Direct to remove any financial barriers to joining the online banking platform. Our aim was to protect our customers while helping ensure the continuity of their businesses. Our efforts resulted in a 44% increase in online banking enrolments for business payment customers.

ABU DHABI SME CREDIT GUARANTEE PROGRAMME

Abu Dhabi SME Credit Guarantee Programme

In mid-April 2020, we began a strategic partnership with the Abu Dhabi Government to Offer SME Credit Guarantee programme to provide small and medium-sized companies (SMEs) with more finance options.

DEPARTMENT OF FINANCE - SEVEN SMES RELIEF INITIATIVES DURING COVID - 19

Starting from April 2020, ADIB Business embraced the Financial Relief Initiatives introduced in line with the directives of His Highness Sheikh Mohamed bin Zayed Al Nahyan Crown Prince of Abu Dhabi, and in coordination with Abu Dhabi Department of Finance and the Abu Dhabi Department of Economic Development. Accordingly, we contributed to the Seven SME initiatives by supporting customers impacted by the pandemic.

EDUCATION

To raise our customer's awareness and understanding of topics that can add value to their business, we organised a number of webinars on the following subjects: How to Benefit from

"The Abu Dhabi Government SME Guarantee Program"

How to use LinkedIn to Grow your Business, and why Bookkeeping is crucial for your business success.

Our webinars were attended by **713** participants,

which we believe is an indicator of the quality of our webinars and their success in securing customer engagement.



ENGAGING WITH OUR CUSTOMERS

Customer Excellence Department

In 2020, we endeavoured to further improve our customer experience by creating our “Customer Excellence” team. This team works to improve customer satisfaction through process optimisation, customer innovation, reporting and data analytics, and complaints management for the entire organisation. As a team in its early stages of development, our focus currently is on the following three pillars:

Spreading a culture of customer excellence which delivers an exceptional customer experience in accordance with global best service standards

Holistic customer insights, data analytics and reporting, which are key elements of our customer-centric service plans

Modernise bank process by digitising our products and services. Our layered approach focuses on optimisation and process improvements that are convenient for our customers without compromising the required controls

Vision: To be the best customer experience bank in UAE and best customer experience Islamic bank in the region.

Mission: Handling customer experience and service quality for the entire bank to ensure that we keep customers at the heart of everything we do, as we are a customer-centric organisation.

Customer Satisfaction

ADIB maintained its position for the seventh year running as “best bank in service in UAE” as per Ethos consultancy UAE retail bank benchmark study. The bank was also ranked as the number 1 Bank in the UAE on Forbes’ list of World’s Best Banks 2021. ADIB’s ranking was based on customer satisfaction and feedback, where ADIB received the highest scores across the different dimensions of the survey, including satisfaction, customer service, financial advice and digital services.

To make sure we obtain continuous feedback from customers in a manner that is simple and convenient, we installed feedback machines at every branch desk, an initiative started in 2018.



Customer Satisfaction During COVID-19:

In 2020, research conducted by the Research Fairness Initiative (RFI Research) found ADIB to be a market leader in customer experience. RFI Research is a global tool aiming to contribute to the SDGs by improving international research partnerships.

The study found that 73% of our customers were extremely satisfied with our support and measures taken to ease the impact of the pandemic. The score takes into consideration different aspects, including information and guidance, proactivity and transparency of communication, speed of response and digital services.

The research found that our Net Promoter Score is the highest in the UAE banking industry, serving as a testament to our tireless and continuous efforts to support our customers and the economy of the UAE.

Moreover, ADIB was recognised in customer research conducted by The Asian Banker as “Most helpful bank during COVID-19 in the Middle East”.

Staying Close to Our Customer

At ADIB, we believe that in difficult times, innovation emerges. Therefore, the pandemic has fuelled our desire to innovate. For the first time in the Middle East, our web-based application, Altitude, enabled sales agents to initiate live text and video chat sessions with customers, exchange documents and capture digital signatures on forms and contracts, taking into consideration the health and safety of both our customers and staff. The objective is to digitise ADIB Covered Card and Personal Finance sales processes and minimise face-to-face meetings with customers.

Currently over 50% of ADIB cards sales have been sourced to customers by Altitude. The following table depicts the number of customers using the Altitude channel in 2020.

	No. of applications	Volume Booked
Covered Card	11,081	239.99 m
Personal Finance	3,495	437.04 m

INNOVATIVE PRODUCTS & SERVICES

ADIB Direct

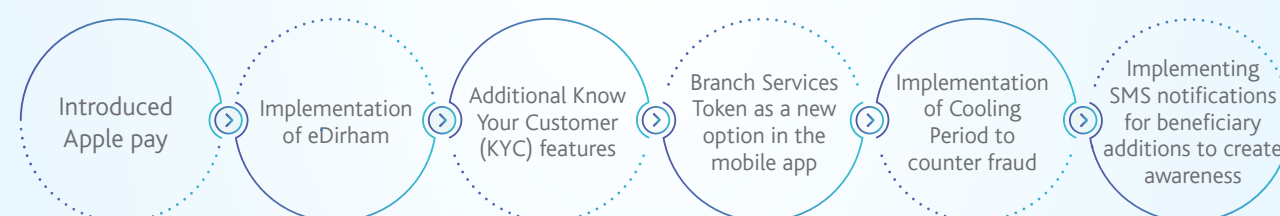
ADIB Direct Business is our centralised and fully digital banking platform for businesses, which integrates a suite of banking solutions to deliver a seamless experience for our customers. Its main features are:



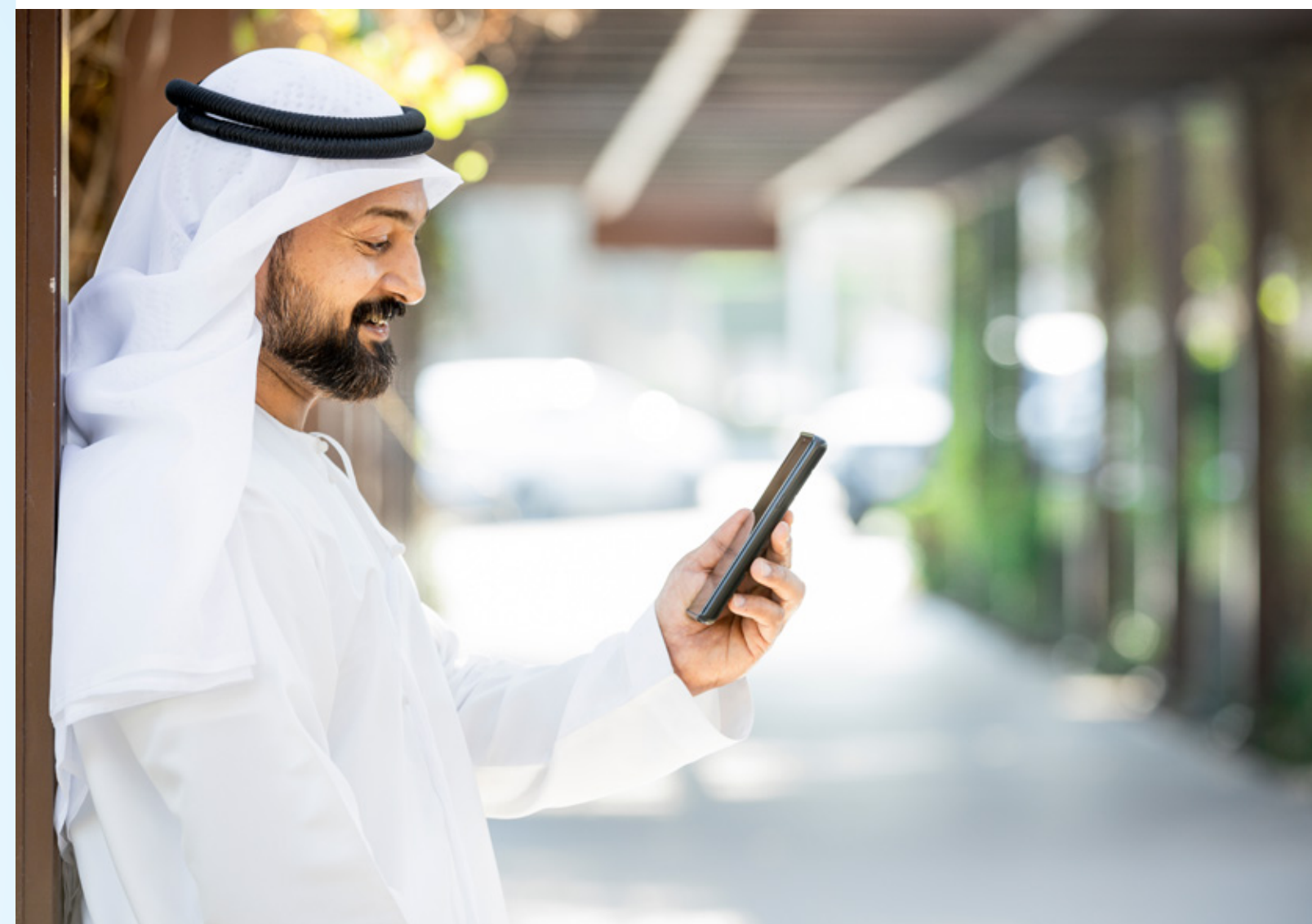
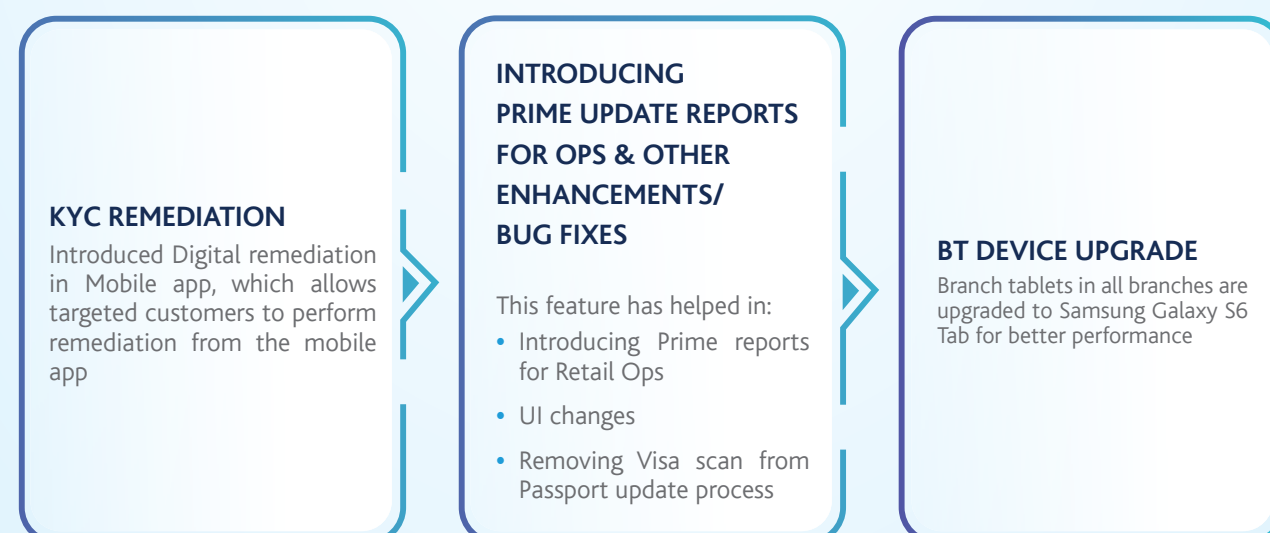
In 2020, we succeeded in employing blockchain technology to execute trade finance distribution transactions through our ADIB Direct platform, making us the first Islamic bank to provide end-to-end Sharia-compliant trade financing digitally. This milestone was achieved in collaboration with TradeAssets, once again solidifying our commitment to digitalisation and excellence.

ADIB Mobile Banking App

During 2020, we introduced several new features to our mobile banking app to help ease the lives of our customers. These include:



Below we highlight some of our KYC our achievements during 2020:



E-Dirham Card

In line with our commitment to contribute to the economic development of the UAE, we have partnered with the Ministry of Finance (MoF) to offer a new range of e-Dirham Cards. This initiative will mark a milestone in the cashless payment industry of the UAE, by providing contactless cards offering easy, flexible, and secure payments while also reducing transaction costs. Developed in our innovation centre, ADIB Simple Lab, the card can be also linked to the e-Dirham app, e-wallet, vouchers, and self-service eKiosks.

Emirati Chatbot

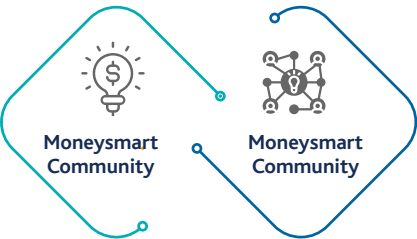
The pandemic has brought a lot of financial distress to people; from not being able to make ends meet to missing out on financial services. In our efforts to stay close to our customers and continue to deliver an excellent customer experience, we launched ADIB Chat Banking, the UAE's first customer care chatbot. The technology is accessible through WhatsApp and aims to support customers with general requests, offering instant access to key information about their account and finances. What makes our Chatbot one-of-a-kind is its ability to understand and respond to the Emirati Arabic dialect, in addition to classical Arabic and English.



FINANCIAL LITERACY

The pandemic and its subsequent financial and economic uncertainty have emphasised the importance of having the knowledge and resources to make good financial decisions and achieve financial security.

As a bank, we recognise our responsibility to educate our customers and community on financial issues. Making better financial decisions leads to successful lives, which is why we are committed to equipping our customers and community with the tools they need. Our programmes cover a wide range of topics and target audiences from different backgrounds and ages.



Mission: Increase our stakeholders’ knowledge and skills to enable them to make informed, structured and effective financial decisions.

Moneysmart Community

Providing financial education in order to help people make good financial decisions, achieve a good quality of life, and a secure future has been a standing commitment for us.

In 2017, we embarked on a journey to upgrade our financial education initiatives through our Moneysmart community. One of the most unique digital communities in the region, Moneysmart is a platform that connects people with different financial experiences to exchange knowledge and insights. Moreover, members will be able to exchange saving tips, discuss financial and banking products and services, and talk directly with financial experts in the field.

World Savings Day

On World Savings Day, we conducted an interactive discussion for our customers to learn more about money management, which was especially topical considering the monetary uncertainty caused by the pandemic. During the sessions, customers were able to ask questions and receive guidance on how to improve their saving habits and reach their financial goals. To give the discussion maximum reach, the sessions were held in both Arabic and English and made available on our platforms with 169 and 411 views respectively and an NPS score of 100% and 95% correspondingly during the live sessions.

Financial Education Programme

We believe that it is our responsibility as a bank to empower our customers, of all ages and backgrounds, to make good financial decisions by equipping them with the needed knowledge and tools, therefore we design our programmes to benefit people of all ages.

One of our focuses is to encourage young people to form good financial habits at an early age, so each year we visit universities to deliver financial literacy programmes to students. These programmes cover topics such as budgeting, saving, and managing their finances. Even though the pandemic has disrupted the activities of our programme we were still able to deliver online sessions for interested students. We also deliver training to government entities and companies.

In 2020, we partnered with the Department of Planning and Development-Trakhees, the Supreme Council for Motherhood and Childhood, and Mohammed Bin Khalid Al Nahyan Future Generation Society to provide their employees with financial education.

2020 highlights:

Target	Governmental Entities	University Students
Participants	355	337





SUSTAINABLE OPERATIONS

We endeavour to act with integrity and responsibility throughout all our operations. We keep the best interests of our people, the environment, and our community at the centre to ensure the success and longevity of our business. We believe that through innovation and transparency, we can achieve our sustainability ambitions.

Mission: Increase our stakeholders' knowledge and skills to enable them to make informed, structured and effective financial decisions.

SUSTAINABILITY REPORTING

Mission: To annually disclose our environmental, social, and governance (ESG) programmes and promote transparency among all stakeholders

Sustainability reporting has become an annual practice at ADIB. Every year we disclose our environmental, social and governance (ESG) performances, highlighting our achievements, initiatives, and impact. At ADIB, we consider sustainability reporting to be a very valuable practice. It allows us to measure and evaluate our activities that contribute to the sustainability of our business, track our progress throughout the years and hold ourselves accountable to our sustainability ambitions.



Our Sustainability Reporting Committee oversees our Annual Sustainability Reporting Efforts

SYSTEM OPTIMISATION

Our digital transformation efforts over the past few years have created a strong digital infrastructure for our operations. This served as a great asset in the face of the pandemic, as we were able to shift smoothly to digital operations. We continued to challenge ourselves and improve our digital processes to ensure we could continue catering to our customer's ever evolving needs.

Below, we have highlighted some of our digital optimisation achievements during the year 2020:

- Introduced Digital Booking services for branch appointments to allow for social distancing in branches
- Empowered our entire sales force with digital tools and solutions to minimise face-to-face interaction, and ensured staff and customer safety by reducing touch points between sales force on the road, customer interaction and signing of documents
- Introduced various productivity boosting technologies to enhance employee and management productivity while working from home
- Introduced a system-based daily health tracker filled out by staff daily
- Invested in a wide range of collaborative technology and tools for customers and staff to stay connected digitally
- Launch of WhatsApp Chat Banking for our customers
- Launch of Smart Virtual Teller services for our customers

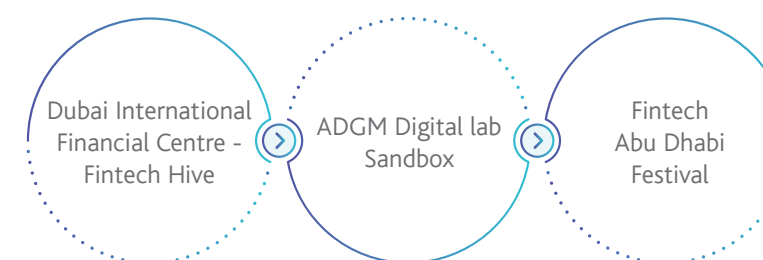
Digital Innovation - ADIB Simple Lab

At ADIB, we recognise the importance of digital innovation and how we can leverage it to develop products and services that keep up with the evolving market. This is why we created ADIB Simple Lab, a centre dedicated to innovation.

ADIB Simple Lab is divided into four distinct zones:



We support emerging Fintech organisations, helping them to achieve their goals through ADIB Simple Lab initiatives, in collaboration with experts from start-up accelerators and hubs. In 2020, we participated in the following initiatives





ADIB Simple During the Pandemic

Digital transformation has been a priority area for us over the past few years. The pandemic notably accelerated the need for transformation, and we shifted more of our operations online. In 2020, we launched several initiatives which aim to facilitate remote access to our banking services – these played a key role in setting our digital drive during the pandemic.

Some of our digital initiatives launched in 2020:

ADIB DIGITAL ONBOARDING

Allows customers to open an account with ADIB quickly and conveniently through ADIB mobile banking app.

BRANCH QUEUE TICKETS FEATURE

Allows customers to book branch appointments through the comfort of their mobile devices before visiting a branch.

APPLE PAY

Our customers started adding their cards to the Apple Wallet and paying online and in stores with Apple Pay.

ADIB CHAT BANKING

This chat has become a new essential banking channel for our customers to check their balances and transactions, activate their cards and transfer funds

ADIB Simple Talks

Simple Talks is a series of events designed to engage and inspire critical thinking and debate amongst employees. We invite external keynote industry speakers to these events to deliver talks and share their expertise on trending digital topics. We launched ADIB Simple Talks in August 2019 and continued hosting talks during 2020, despite the challenges of the pandemic.

We had multiple sessions in 2020:

EXTERNAL

Together with speakers from IBM and Gartner, we delivered two sessions on Artificial Intelligence and Blockchain

INTERNAL

Internally, we delivered a Digital Awareness session for our employees, with approximately 150 colleagues participating.



RESPONSIBLE SUPPLY CHAIN

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

Mission: To achieve zero-net impact operations by 2040 by increasing environmental awareness among our stakeholders and promoting responsible behaviours to reduce negative impact

As a sustainable Islamic bank, we practice responsible procurement practices across our entire supply chain. In response to our sustainability strategy, since 2018 our procurement division has adopted sustainable procurement processes across all operations. In addition to the price, quality, functionality and availability criteria that we follow, environmental, social and governance (ESG) criteria has been added to ensure that our selection process is in alignment with our sustainability goals.

Supplier Assessment and Engagement

Vision: Recognised as the best Procurement Department for financial services in MENA by 2020

Mission: We strive to offer internal and external customers the best procurement experience, which will deliver value in an agile manner, with all control and governance aligning to ADIB's core values

To ensure responsible and ethical management of our procurement operations, we have implemented a set of processes that help us to monitor our suppliers and make sure they are in line with our beliefs and commitments, monitoring regulatory and reputational risks associated with our supply chain.

We provide an online self-service registration process for all vendors seeking to do business with us. This process allows us to assess the following criteria:



We support companies owned by females and companies that meet the criteria of an SME. In 2020, we spent 15% of our procurement spending on SMEs and 1% on female owned businesses.

We have always supported local businesses, as they are critical drivers of the local economy. In 2020, we spent approximately 93% of our budget on suppliers with addresses registered in the UAE.

We go the extra mile in supporting our suppliers by building capacity in them and providing them with tools and knowledge. In 2020, we held numerous online summits.

During the pandemic, we stayed close to our suppliers by engaging with them through a survey to identify their challenges and develop suitable solutions to tackle them.

OUR ENVIRONMENTAL RESPONSIBILITY

(103-1), (103-2), (103-3), (302-1), (302-3), (302-4), (307-1)

The pandemic has accentuated the gravity of climate change, the risks it presents to business and lives and the necessity for swift action by governments and businesses alike.

We continuously strive to manage our resources in an efficient and effective manner to reduce environmental impact and associated financial costs. As a financial institution, our environmental impact is limited compared to other industries, however, we recognise our position to create a positive ripple effect throughout our large employee and customer base.



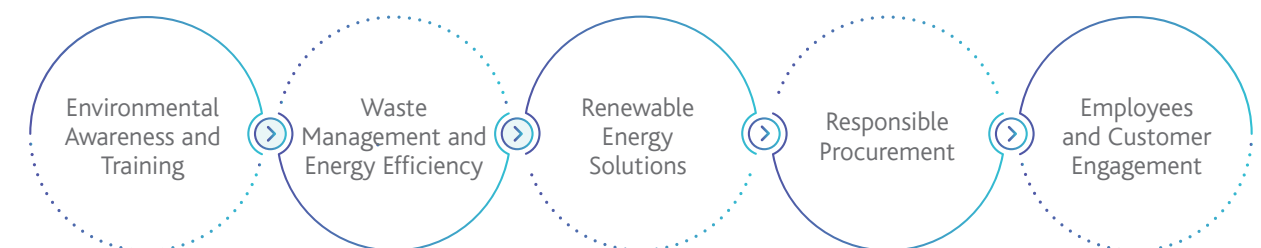
ADIB Environmental Committee

To help us achieve our environmental ambitions, we created the ADIB Environmental Committee. The committee works to encourage our internal and external stakeholders to act more responsibly by encouraging recycling and monitoring GHG emissions.

Vision: To become a top tier bank in environmental protection in the region.

Mission: To achieve zero-net impact operations by 2040 by increasing environmental awareness among our stakeholders and promoting responsible behaviour to reduce negative impact.

Our Environmental Committee oversees five main programmes:



Objectives:

By working on these key programmes, our committee aims to achieve the following objectives:

- Increase environmental awareness among ADIB employees to reduce consumption of resources and encourage waste recycling
- Increase awareness among suppliers and implement responsible purchase standards
- Increase awareness among customers by encouraging digital operations over paperless ones
- Reduce waste production and encourage recycling
- Monitor total Greenhouse Gas (GHG) emissions (including water and energy) and set yearly targets to reduce emissions

Achievements:

Achievements:

Green Building - LEED Certificate <p>We are working on improving our facilities to meet the LEED standards for green buildings. LEED is an internationally recognised certification giving third party assurance that a building is designed and built in a way that improves performance efficiency across different metrics (water, energy saving, water efficiency, CO2 emission reduction, improved indoor environmental quality and resource management). In 2020, our Dalma Mall branch acquired a LEED certificate.</p>	Waste Reduction and Recycling <p>Through our awareness efforts, we encourage our employees to use refillable bottles to reduce plastic bottle consumption. We placed recycling bins throughout our HQ and mall branches.</p>	Incentivising our Stakeholders <p>We engage employees in voluntary activities to preserve the environment, such as clean-up campaigns and tree planting.</p> <p>We incentivise our customers to make responsible choices by introducing special rates/offers on environmentally friendly products.</p> <p>As part of our vendor assessment process, we design and implement sustainability analysis criteria. Vendors who meet our criteria are later provided with training on sustainability.</p>	Energy Efficiency and Solutions <p>We endeavour to be more energy efficient by integrating sustainable specifications into branch designs, monitoring, and controlling water and electricity consumption and replacing our cars with hybrid or electric vehicles where possible to reduce our carbon footprint.</p> <p>To save energy on our premises, we ran several campaigns to motivate our employees to use stairs instead of elevators, and provided them with tips on using electrical appliances, lights, pcs, and air conditioner units economically.</p> <p>We are also exploring cleaner energy sources such as solar solutions and installing electric car charging stations to encourage the use of hybrid or electric cars. We have installed four stations in our HQ basement and two are installed in HQ's priority banking parking area</p>
	Environmental Awareness and Training <p>We conduct internal awareness campaigns, designate champions to be in charge of educating and training their peers and train office and pantry personnel. Moreover, we plan and initiate corporate wide awareness campaigns through digital screening/ mailers, quizzes & questionnaires.</p>		

Environmental Champions Initiative

We realise that to achieve effective behavioural change, it needs to come from within. That is why we believe in the power of leading by example. Acting on this belief, we created the Environmental Champions Initiative, where we select employees from different departments to advocate our environmental goals, driving change among their peers. In 2020, we selected 33 environmental champions and delivered training on the importance of waste management, the impact that trash has on people and the planet, and our role in saving the environment.

Energy Consumption (103-1), (103-2), (103-3), (302-1), (302-3), (303-4)**Electricity Consumption**

In our effort to be more responsible in our consumption of electricity, our facility management team launched the ADIB Green Initiative. The initiative consists of four main commitments; to make sure room temperatures are set and kept at 24 degrees, all lights are turned off when natural light is available, all computers and screens are shut down when not in use and finally, to operate electrical appliances only when required. These commitments were shared with our employees through an awareness campaign to incentivise them to make small but impactful changes.

	2018	2019	2020
Electricity Consumption (Kwh)	15,832,304	9,783,331	32,659,238
Electricity Consumption per Employee (Kwh)	7,834	4,726	16,808

*2019 electricity consumption only includes a few branches, hence the significantly lower consumption rates

Fuel Consumption

The consumption of fuel is a major contributor to climate change. In an effort to minimise our impact, we have shifted to using cleaner energy sources by switching our company vehicles to electric cars and installing electric chargers at our HQ. The impact of our initiatives is shown in a reduction of 36% from 2019 to 2020. It is also important to note that due to working from home, consumption from commuting was reduced, which also contributed to a reduced consumption.

	2018	2019	2020
Fuel Consumption by vehicles owned or leased by the Bank (Petrol, Litres)	81,195	87,044	55,571

Greenhouse Gas (GHG) Emissions (103-1), (103-2), (103-3), (305-1), (305-2), (305-3), (305-4)

Due to lockdown and social distancing measures imposed by the pandemic, our fuel and air travel emissions reduced by almost half compared to previous years. On the other hand, our electricity consumption considerably increased due to the shift to digital channels across operations.

	2018	2019	2020
Scope 1: Direct Emissions Fuel Consumption by Vehicles Owned or Leased (tCO2)	188	202	129
Scope 2: Indirect Emissions Electricity Consumption (tCO2)	10,180	6,291	21,000
Scope 3: Other Indirect Emissions Air Travel (tCO2)	231	131	29
Total Emissions (tCO2)	10,599	6,623	21,158
Average Emissions per Employee (tCO2)	5.24	3.25	10.9

*Electricity consumption of 2019 reflects the consumption of nine branches only, while 2020 reflects all active branches.

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

	2018	2019	2020
Utility Water Consumption (Litres)	2,311,114	3,064,540	4,993,787
Drinking Water Consumption (Litres)	1,784,567	1,737,207	651,860
Total Water Consumption (Litres)	4,095,681	4,801,747	5,645,647
Average Water Consumption per Employee (Litres)	2,027	2,319	2,905



SUSTAINABLE OPERATIONS

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

Paper Waste

As a financial service provider, the majority of our processes and services are executed using a lot of paper. Being aware of the burden this has on the environment; we have been working to reduce our paper consumption by digitising our processes. The pandemic has expedited our digitisation initiatives and impact, resulting in a 43% reduction in the amount of paper wasted compared to 2019. Moreover, thanks to our recycling bins, we recycled a total of 2,726.3kg in paper waste.

	2018	2019	2020
Paper Waste: Weight of paper shredded (Kg)	47,825	33,731	19,364

In 2019, we started installing recycling bins at our HQ and in selected branches. Today, we have 150 bins enabling us to increase our recycling capacity:

	General Waste (Kg)	Recyclable (Tons)
2019	9,099	3.1
2020	9,988	15.7

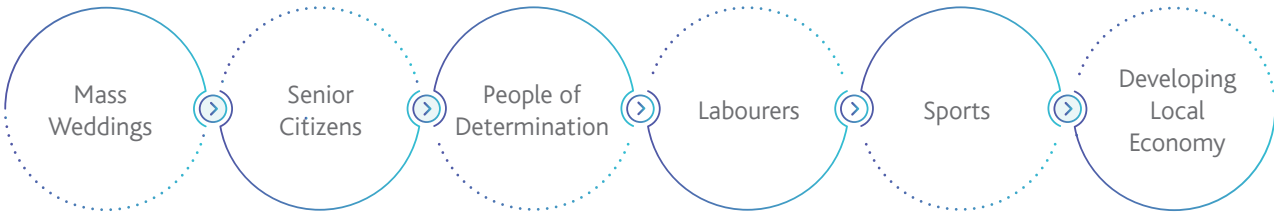
A breakdown of materials recycled in 2020:

Paper (Kg)	Plastic (Kg)	Glass (Kg)
2,726.3	12,031.4	900.3

Through our community-oriented initiatives, we strive to use our connective power to help create a thriving community in the UAE. To ensure that our contributions are well thought out, we have established a CSR Committee to plan, execute and monitor our impact on the community.

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.

Our CSR Committee oversees six main programmes:



All our stakeholders are welcome to participate and volunteer in our CSR initiatives.