

ABU DHABI COMMERCIAL BANK PJSC

2024 ADCB ESG Report



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About this report

Purpose

This Group ESG (Environmental, Social and Governance) Report complements our 2024 Annual Report, providing further information on our sustainability strategy, performance and progress over the year. It represents an additional channel in our communications with stakeholders, promoting transparency on how Abu Dhabi Commercial Bank PJSC (ADCB) mitigates ESG-related risks and harnesses opportunities.

Scope

The data and information in this report reflect activities undertaken during the 2024 fiscal year (1 January – 31 December 2024).

The report includes information about the ESG performance of ADCB, and all its subsidiaries, including branches within and outside of the UAE. For the full list of entities, please refer to ‘**Scope of reporting**’ in the Data and Assurance section.

Reach us

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Reporting standards

This ESG Report has been prepared in accordance with international and national reporting standards and guidelines:

- Global Reporting Initiative (GRI) Standards
- The Sustainability Accounting Standards Board (SASB) ‘Industry Standards’ (now part of International Financial Reporting Standards (IFRS) Foundation)
- The Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard
- Partnership for Carbon Accounting Financials (PCAF) standard
- Abu Dhabi Securities Exchange (ADX) ESG Disclosure Guidance for listed companies
- Central Bank of the UAE (CBUAE) Principles for sustainability-related disclosures for reporting entities
- The UAE Securities and Commodities Authority (SCA) sustainability disclosure requirements

In addition, our disclosures are informed by the **IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information**, and **IFRS S2 Climate-related Disclosure Standard** (aligned to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations).

These frameworks are designed to provide stakeholders with relevant information to make strategic decisions about material sustainability topics that impact long-term value creation.

Assurance

We have obtained independent limited assurance by Deloitte on the preparation of our Greenhouse Gas (GHG) metrics disclosed, in accordance with the calculation methodologies detailed in this report.

For further details please refer to the **independent limited assurance report**. For the remaining metrics, we have adopted an internal review and approval process as part of our approach to ensure the quality and accuracy of reported data.



One of only six banks in the Middle East and Africa region to be awarded the ‘**Regional top-rated**’ badge by Sustainalytics

2024 ADCB reporting suite



2024
Annual
Report



2024
Integrated
Report



2024
Green Bond
Report



Please click here for
ADCB's ESG-related policies

ADCB at a glance - drivers of sustained success

Our strengths

Leadership: ADCB benefits from an experienced Board of Directors supported by a highly skilled Executive Management team, who actively promote a healthy organisational culture and ensure robust operational efficiencies.

Talent: The Bank employs a diverse workforce of 9,000+ employees from over 80 nations, including 2,100+ UAE nationals, united by shared values and an inclusive, high-performance culture.

Innovation and partnerships: ADCB continuously enhances its digital capabilities and partnerships, while using advanced data analytics to make banking more accessible and secure.

Service excellence: ADCB is dedicated to understanding customer needs and leverages AI and data-driven insights and innovation to provide an exceptional customer experience.

Governance: The Bank has a strong and effective governance framework, based on the highest standards of international best practice. It provides the foundation for long-term success and demonstrates the integrity and transparency our stakeholders expect.

Resilience: We are a domestic systemically important bank (D-SIB) with AED 653 billion in total assets, robust liquidity, and strong credit ratings.

A responsible bank: Sustainability is a key focus of the Bank's strategic agenda. We are committed to maximising ADCB's contribution to the UAE's ambition for an inclusive, net zero economy through a range of ESG initiatives.

Brand: ADCB maintains substantial brand value and attracts a growing base of more than 2.4 million⁽¹⁾ customers. Brand Finance's⁽²⁾ 'Banking 500' report shows that ADCB's brand value increased by 8.7% over the previous year to AED 10.5 billion⁽³⁾.

Diverse ownership: ADCB is 60.69% owned by Mubadala Investment Company (through its wholly owned subsidiary, One Hundred and Fourteenth Investment Company – Sole Proprietorship LLC as well as, One Hundred and Fifteenth Investment Company – Sole Proprietorship LLC). The Bank has a growing share of foreign institutional ownership at 18.13%.

About ADCB

Our vision: To be the number one bank of choice in the UAE.

Our mission: To build partnerships with customers that last a lifetime by acknowledging every customer as an individual, offering innovative products and unparalleled service.

Our strategic goals: To deliver sustained, profitable growth to create long-term benefits to stakeholders.

Our values

- Integrity
- Respect
- Care
- Discipline
- Ambition

Our business segments

- Retail Banking Group
- Private Banking and Wealth Management
- Corporate and Investment Banking Group
- Treasury and Investments Group

Our key subsidiaries

الهِلال
ALHILAL

بنك أبوظبي التجاري
ADCB
EGYPT

أبوظبي التجاري
ADCB
لِلأوراق المالية
SECURITIES

ADCE
الشركة التجارية للخدمات الهندسية
Abu Dhabi Commercial Engineering Services

ITMAM
شركة إتمام للخدمات
Itmam Services Company

Delivering stakeholder value

Employees: Fulfilling careers, competitive benefits and rewards with professional development. Strongly committed to nurturing Emirati talent.

Customers: Protecting and growing the wealth of more than 2.4 million customers⁽¹⁾, from individuals, SMEs and large corporates to government entities.

Community: Playing a role in the socio-economic development of the country. Guided by the vision of the UAE leadership, the Bank is fully committed to initiatives that create a diversified and sustainable economy.

Regulators/Government: Engaging with relevant authorities to support a responsible regulatory framework.

Investors: Delivering robust returns and long-term sustainable value to shareholders.

Partners: Working with numerous suppliers, providing them with new business opportunities and timely payments.

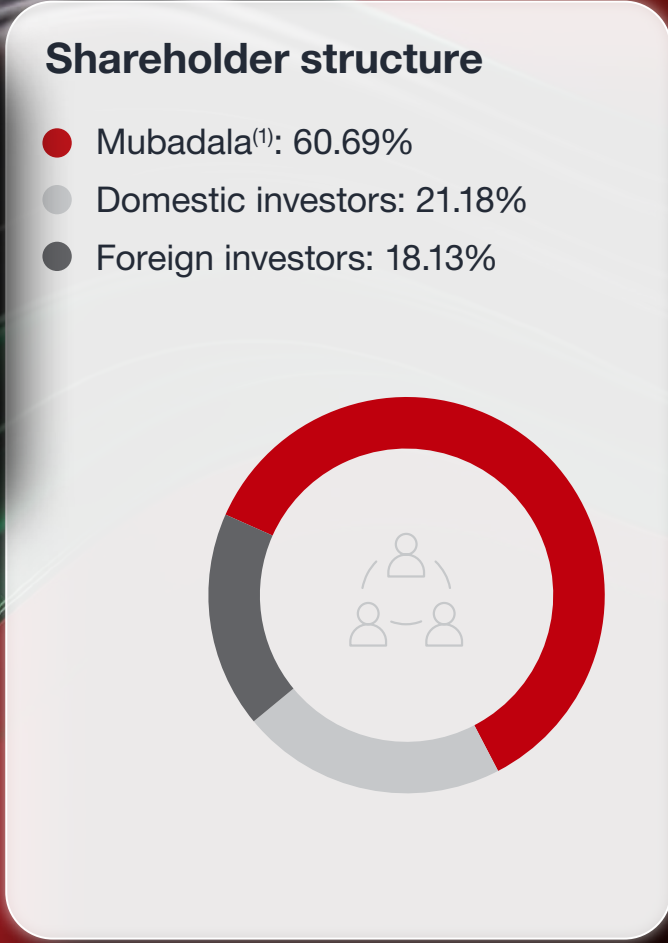
(1) Total number of retail customers for ADCB UAE only
(2) The report by leading brand valuation consultancy, Brand Finance, evaluates companies against a number of metrics such as brand impact and brand strength
(3) As per 2024 Banking 500 report from Brand Finance. According to the 2025 Banking 500 report from Brand Finance, ADCB's brand value has increased by 17% from the previous year to reach AED 12.3 billion, moving up seven places to rank 102nd out of 500 global banking brands

ADCB at a glance

Third-largest bank by total assets in the UAE

Total assets (AED)
653 bn
+15% YoY

10.585 bn
Profit before tax (AED)
+26% YoY



16.8%⁽²⁾
Market share — loans
2023: 16.0%

14.5%⁽²⁾
Market share — deposits
2023: 14.0%

2,100+
Emiratis employed

2.4 mn+
Total number of retail customers⁽³⁾
2023: 1.9 mn+

47
ADCB UAE branches

50
ADCB Egypt branches

5
Al Hilal Bank UAE branches

3
ADCB Kazakhstan branches

(1) The Government of Abu Dhabi entity Mubadala Investment Company through its wholly-owned subsidiary, One Hundred and Fourteenth Investment Company – Sole Proprietorship LLC and One Hundred and Fifteenth Investment Company – Sole Proprietorship LLC
(2) Based on statistics published by the UAE Central Bank as at December 2024, UAE banking operations only
(3) Total number of retail customers for ADCB UAE only

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The UAE's year of progress

The UAE has made significant strides in its sustainability journey over the past year, building upon its long-standing commitment to environmental stewardship and social progress. The country's leadership position on climate action and sustainable development was highlighted through the success of COP28 in Dubai in 2023. This positive momentum was carried forward into 2024, with the 'Year of Sustainability' initiative to foster sustainable behaviours in the country, and more recently, the UAE designated 2025 as the 'Year of Community'.

As a major financial institution in the UAE, ADCB's strategic focus on sustainability enables it to play a leading role in contributing to the UAE's national vision and the country's commitments to the United Nations (UN) Sustainable Development Goals (SDGs).

Setting objectives on climate

In January 2024, the Ministry of Climate Change and Environment submitted its first **Long-Term Strategy (LTS)** to the United Nations, outlining its plans to facilitate the transition to net zero by 2050. In November 2024, the LTS was supplemented with the issuance of the **UAE's third Nationally Determined Contributions (NDC 3.0)** plan to the UN.

The UAE's third NDC outlines a unified vision for addressing climate change that is aligned and informed by the UAE Consensus adopted at COP28. The UAE Consensus emphasises the need for accelerated action across all pillars of the Paris Agreement and serves as a roadmap for enhancing mitigation ambition, scaling up adaptation efforts, and aligning financial flows.

Source: UAE NDC 3.0

NDC 3.0 aims to deliver enhanced, whole-of-economy absolute emissions reductions, covering:

Mitigation — decarbonisation targets at national, emirate and sectoral level

Adaptation — how the UAE intends to adapt to the consequences of the climate crisis

Financial flows — aligning financial flows with low-carbon, climate-resilient development pathways

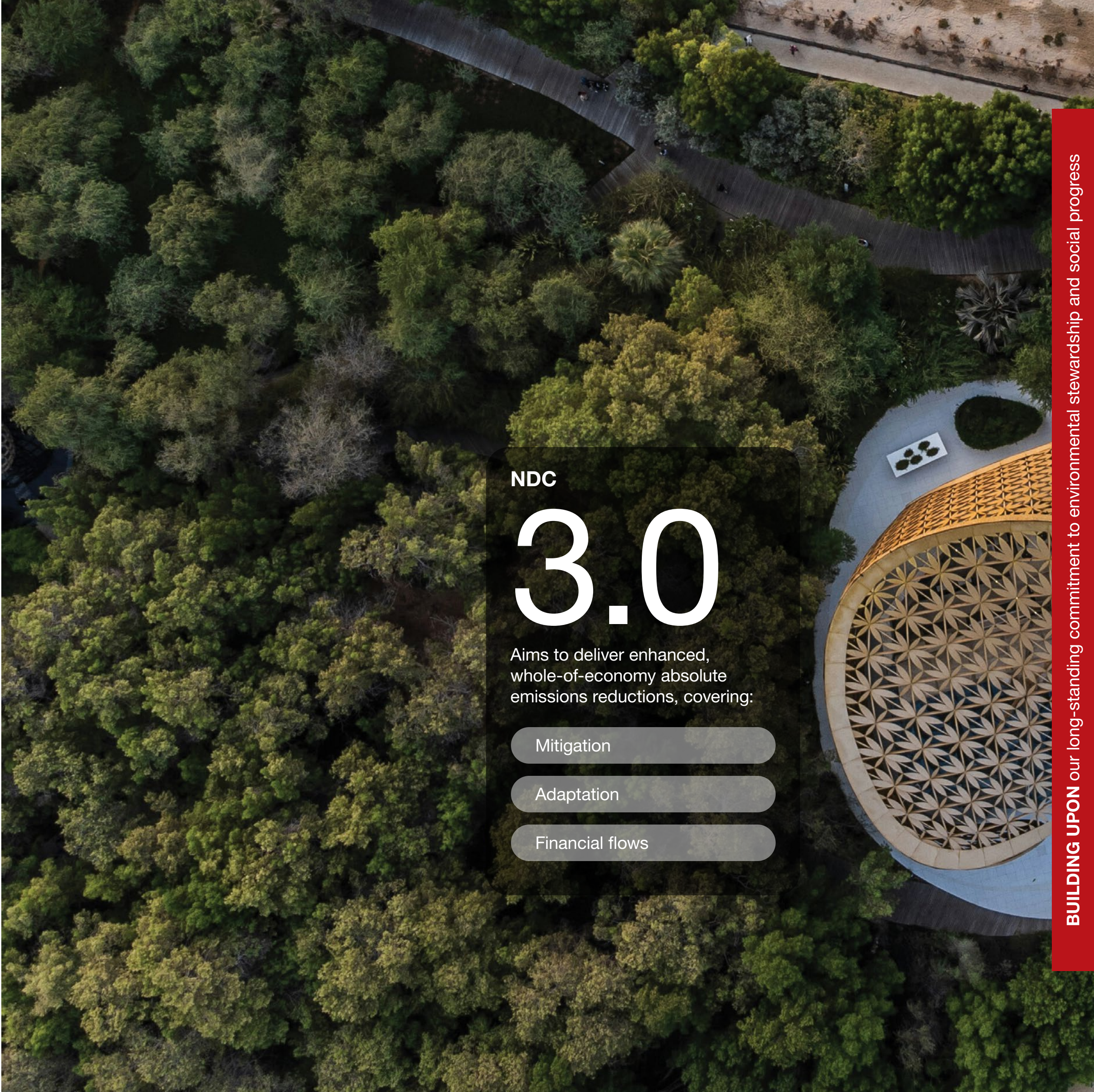
NDC 3.0 commits the UAE to achieving a 47% reduction in greenhouse gas emissions by 2035, compared to a 2019 baseline. This reaffirms the UAE's dedication to ensuring that the goal of limiting global warming to 1.5°C remains within reach.

To achieve this objective, NDC 3.0 provides revised targets and policy measures for sectors that are critical for the net zero transition.

Net zero by

2050

The UAE's NDC 3.0 to the United Nations, outlines UAE's plans to facilitate the transition to net zero



UAE sector-specific climate actions⁽¹⁾

Power and water

- Tripling of renewable energy
- Removing 12% clean coal from the energy mix
- 30% clean energy by 2030
- Solar photovoltaic (PV) mandatory on government buildings and incentives for residential homes

50% reduction by 2035⁽²⁾



Industry

- Introduction of 'Green In-country Value'
- Facilitate Carbon Capture and Storage (CCS)
- Switch to clean fuels such as low-carbon hydrogen and use of scrap metal
- Connect industrial players to the clean grid

27% reduction by 2035



Transport

- Increasing the share of electric vehicles to 50% of total car sales by 2050
- Build and operate electric vehicle infrastructure
- Expand use of sustainable aviation fuels
- Decarbonise cars, taxis, buses, motorcycle
- Electrify domestic maritime and aviation transport
- Expand national rail network

20% reduction by 2035



Buildings

- Revise building codes to improve energy efficiency by 35%
- Retrofit inefficient buildings
- 80% of villas to be equipped with solar thermal by 2030
- Use of solar thermal and efficient cooling systems

79% reduction by 2035



Waste

- Build more Material Recycling Facilities (MRFs) to divert waste from landfill and improve recycling rates
- Capture landfill gas on existing landfills
- Retrofit existing waste-to-energy facilities with CCS
- Circular economy policies

37% reduction by 2035



Agriculture

- Hydroponic and vertical farming technologies
- Controlled use of chemical fertilisers and efficient nitrogen fertilisers
- Clean power and water production
- Livestock supplements (including methane pills)
- Promoting organic farming

39% reduction by 2035



(1) Source: UAE NDC 3.0

(2) The 50% reduction in emissions from power and water is driven through each of the sectors listed on the page

(3) ALTÉRRRA is an investment fund dedicated to financing climate solutions

Advancing the social agenda

The UAE continues to demonstrate its unwavering commitment to the principles of justice, equality, and respect for human rights, aligning with the Universal Declaration of Human Rights.

The UAE's **National Human Rights Institution (NHRI)**, established in 2021, has expanded its role in protecting and promoting human rights both domestically and on the international stage. Since its inception, the NHRI has been actively engaged in monitoring human rights issues, investigating complaints, and providing recommendations to enhance the **UAE's human rights** practices.

Among other developments, updated regulations have been introduced on combating discrimination and extremism, reflecting the UAE's ongoing commitment to fostering tolerance and societal harmony. UAE law prohibits discrimination on the basis of religion, colour, ethnic origin, gender, or race, and introduces more comprehensive measures to address and report extremism.

The UAE has also implemented a new mental health law, which addresses non-discrimination in employment based on mental health conditions. In addition, amendments to the labour law strengthened protections against gender-based discrimination and increased paternity leave to encourage shared parental responsibilities.

Additionally, publicly listed companies in the UAE are required to have at least 20% of the candidates considered for appointment to the board to be female and every board to have at least one female member.

The economic empowerment of women has also seen significant progress. To support this growth, the government has launched an investment fund to aid women-led startups, particularly in the technology and innovation sectors. Political representation has improved as well, with women securing 50% of the seats in the 2024 Federal National Council, the UAE's consultative parliamentary body. According to the International Institute for Management Development (IMD) World Competitiveness Yearbook 2024, the UAE ranked second in the female parliamentary representation index.

The UAE's **commitment to gender equality** has been recognised internationally, with the country ranking first in the region in the World Economic Forum (WEF) 2024 Global Gender Gap, and ranked seventh globally in the Gender Inequality Index (GII) of the United Nations Development Programme's (UNDP) Human Development Report 2024.

Focus on robust governance

The UAE continued to strengthen its corporate governance framework during 2024, creating an environment that is stable, transparent, and conducive to business and investment. The Securities and Commodities Authority (SCA) and major exchanges intensified their efforts to promote greater disclosure and board diversity among publicly listed companies, establishing a robust platform for investments.

The SCA updated its **Corporate Governance Code**, introducing more requirements for board composition, independence, and committee structures. These changes aim to enhance transparency, accountability, and overall corporate governance standards. The new regulations also emphasise the importance of ESG considerations in corporate strategy and risk management. Similarly, the Abu Dhabi Global Market (ADGM) implemented its comprehensive Sustainable Finance Regulatory Framework, which includes stringent ESG disclosure requirements for companies operating within its jurisdiction.

These initiatives have been complemented by the Central Bank of the UAE's (CBUAE) introduction of comprehensive regulations aimed at enhancing institutional resilience in the banking sector and aligning with evolving international regulatory standards.

The CBUAE continued to maintain its focus on consumer protection throughout 2024, further refining industry standards and ensuring best practices in data privacy and cybersecurity. A significant development was the establishment of a banking industry ombudsman, a move that further safeguards consumer interests and reinforces the UAE's commitment to fair and transparent financial practices.

Recognition of the UAE's commitment to gender equality, with the country ranking:

1st



in the MENA region in the **World Economic Forum (WEF) 2024 Global Gender Gap Report**

2nd



globally in the **IMD World Competitiveness Yearbook 2024** for female parliamentary representation

7th



globally in the **Gender Inequality Index (GII) in UNDP's Human Development Report 2024**

Key government expectations and regulatory requirements



Group CEO's message



ALA'A ERAIQAT | Group Chief Executive Officer

The UAE has placed sustainability at the heart of its long-term development strategy - balancing economic growth, social progress and environmental stewardship. Through wide-ranging initiatives that foster innovation and entrepreneurship, and a commitment to net zero, the nation is building a resilient, knowledge-driven, low-carbon economy.

As a key enabler of this vision, ADCB aligns its business with national priorities and integrates the management of ESG opportunities and risks into every aspect of the newly launched corporate strategy. This approach guides our decision-making as we pursue accelerated growth and long-term value creation.

Supported by its **Net Zero 2050 Strategy**, the UAE economy is transitioning towards more sustainable business models across all sectors. ADCB remains fully committed to supporting our clients on this journey, and the Bank has exceeded its AED 50 billion sustainable finance target, a year ahead of schedule.

ADCB's prioritisation of ESG is reflected in its consistently strong ratings. In September 2024, MSCI upgraded the Bank's rating to 'AA' from 'A', placing ADCB in the 'industry leader' category. This upgrade recognised the Bank's strong record on sustainable finance, ESG due diligence, data privacy, security, and business ethics. ADCB was also added to the FTSE4Good Index Series which placed the Bank above the global financial industry average across all ESG criteria.

Our approach to maintaining resiliency across the business starts with delivering service excellence to inspire customer trust and loyalty. The entire organisation is centred on cultivating a strong service culture - reflected in employee KPIs and propelled by initiatives to drive continuous improvement. Our approach to service excellence is overseen by the Customer Experience Forum that I chair.

This strategic focus has enabled ADCB to become the highest-ranked bank in the UAE and the second across all sectors in KPMG's **2024 UAE Customer Experience Excellence Report**, reflecting the Bank's commitment to superior service and innovation. According to the latest **Banking 500 report** from Brand Finance, ADCB's brand value has also increased by 17% from the previous year to reach AED 12.3 billion, moving up seven places to rank 102nd out of 500 global banking brands.

In a dynamic regulatory and operating environment, we recognise that best practice governance is essential to maintaining long-term confidence and trust among all stakeholders. In 2024, the Bank strengthened its internal controls and adopted advanced technologies, including AI-driven solutions for anti-money laundering, data security, and credit risk assessment.

Complementing our service-led approach, we also reinforced our consumer protection framework to uphold the highest standards in customer care. The launch of Sanadak - the UAE Ombudsman Scheme - in March 2024 catalysed further enhancements to our complaints management process, with a sharpened focus on accessibility, fairness, and responsiveness.

The sustainable growth of the UAE banking sector is closely linked to the development of a highly skilled national workforce. ADCB remains at the forefront of Emiratisation, investing in UAE talent to shape the future.

The Bank employs over 2,100 Emiratis, who represent nearly 40% of the workforce - among the highest in the sector. Senior Emirati leaders are also strongly represented as voting members across ADCB's key management committees, playing critical roles in setting the Bank's strategic direction and leading effective implementation.

A defining milestone in 2024 was the full Emiratisation of our operations in Al Ain, where all banking roles are now held by UAE nationals. This success builds on the impact of our long-standing **Tamooha programme**, which continues to expand opportunities for Emirati women.

With a workforce representing over 80 nationalities, ADCB fosters a collaborative and inclusive environment that strengthens innovation and organisational resilience. Our strong performance in the globally recognised Organisational Health Index⁽¹⁾ reflects the effectiveness of our approach. We place particular emphasis on leadership development and employee engagement, supported by tools such as the 360-degree feedback survey and the Line Manager Index.

In 2024, we also deepened our commitment to community engagement through a strategic partnership with the Authority of Social Contribution - Ma'an. This collaboration reflects our dedication to supporting national priorities, in line with 2025 being announced as the 'Year of Community' by the UAE. As we look to the future, ADCB remains resolute in its commitment to responsible growth, guided by strong governance, inclusive values and a long-term perspective.

(1) The Organisational Health Index is a survey conducted by a leading global management consultancy firm to assess and determine an organisation's ability to achieve sustained improvements in performance

ADCB's new strategy for sustained pace of growth

ADCB has embarked on a visionary growth strategy, aligning with the UAE's progressive economic trajectory and contributing to the country's position as a leading global financial powerhouse. The strategy charts a clear blueprint to support the country's ambitions through a substantial increase in the Bank's scale and reach.

Core engine

Corporate & Investment Banking

Scale geographically, expand into new segments, launch innovative product offerings

Retail Banking

Digitalise, hyper-personalise propositions, build partnerships and ecosystems

Private Banking & Wealth Management

Expand geographically, augment product suite, future proof service models

New bold moves

Treasury

Augment offering, revamp funding/ risk strategy

ADCB Egypt

Boost corridor banking, launch new products and services

AI Hilal Bank

Build innovative partnerships, drive operational efficiency

Create additional revenue streams

Explore carve outs, partnerships and investment to create new business opportunities

ESG as a key strategic differentiator

Sustainability is fully integrated into the Bank's overall corporate strategy, with the delivery of key milestones directly linked to the executive remuneration for the Group CEO and Group CFO.

The annual ESG roadmap detailing the key milestones is approved by the Group Sustainability Committee and monthly progress is reported to the Core Strategy Steering Group (chaired by the Group CEO), providing senior-level oversight throughout the year.

This robust governance approach ensures sustainability is embedded into the Bank's core business strategy.

Cross-cutting themes

Accelerate digital transformation and deploy AI at scale by driving value-led innovation across AI, digital assets, and cybersecurity and cyber resilience

Embed efficiency in the organisational DNA by institutionalising pan-bank efficiency programmes focused on minimising costs (operational and funding), maximising revenue and elevating customer experience

Grow talent brand and become an industry leader by instilling a culture of superior value creation and distinctive entrepreneurship while building a hub for Emirati talent

Reinforce risk and compliance by enabling a risk-empowered culture powered by advanced analytics to foster healthy and balanced growth

Drive ESG leadership, reinforcing commitment to best practice governance, social responsibility and support for the UAE's Net Zero strategy

OUR APPROACH TO SUSTAINABILITY



Our integrated approach to sustainability

ADCB's sustainability strategy is based on a double materiality assessment informed by the requirements of the Global Reporting Initiative (GRI) and the IFRS Sustainability Reporting Standards. This strategy comprises four pillars, and each pillar consists of four workstreams most material to the Bank.

The four pillars are:

- Climate
- Customers and communities
- Employees
- Governance



The sustainability strategy is an integral part of the Group corporate strategy, demonstrating the level of ambition set by the Board and the Management Executive Committee to operationalise ESG initiatives across the Bank.

ESG ratings

In 2024, ADCB was included in the MSCI 'industry leader' category for managing ESG risks and opportunities with an upgrade of the Bank's ESG rating to 'AA' from 'A', reflecting the Bank's progress in sustainable finance initiatives, ESG due diligence, industry leading data privacy management and security, as well as business ethics practices.

ADCB was also added to the FTSE4Good Index Series placing the Bank above the global financial industry average across all ESG criteria, with its highest score on corporate governance (4.6 out of 5). In addition, ADCB maintained a 'low risk' rating with Sustainalytics.

MSCI

20 September 2024

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

MORNINGSTAR | SUSTAINALYTICS

4 November 2024

ESG Risk Rating
14.3 Low Risk

Negligible Low Medium High Severe
0-10 10-20 20-30 30-40 40+

FTSE Russell

23 December 2024

ESG score
3.7



FTSE4Good

External recognition of our approach

'First Place for Large Establishments in the Banking Sector' award under the Emirati Talent Competitiveness Council's 'Nafis' initiative.

Honoured by H.H. Sheikh Mohamed Bin Zayed Al Nahyan, the President of the UAE, for the Bank's support of Ma'an's social priorities and community development initiatives.

Ranked as the top financial institution for customer experience excellence and the second across all sectors in the latest Customer Experience Excellence Survey by KPMG.



هيئة المساهمة المجتمعية - معاً
Authority of Social Contribution - Ma'an



For more information on our ESG priorities, please visit adcb.com/esg

ADCB sustainability strategy

Purpose	Support the transition to an inclusive, net zero economy			
Strategic priorities	Climate 	Customers and communities 	Employees 	Governance 
Ambition	Support the transition to a net zero economy and manage climate change risks	Provide inclusive and innovative financial services to drive sustainable economic growth	Create a thriving workplace that attracts and retains the most talented and committed people	Operate a responsible business with the highest ethical standards to preserve integrity and trust
Workstreams	1.1 Aligning portfolios and reducing financed emissions 1.2 Environmental and social risk management (ESRM) 1.3 Sustainable finance 1.4 Operations and supply chain	2.1 Customer satisfaction 2.2 Financial inclusion 2.3 Digital and innovative propositions 2.4 Community investment	3.1 Employee engagement and well-being 3.2 Emiratisation 3.3 Learning and development 3.4 Equality, diversity and inclusion	4.1 Corporate governance, compliance and code of conduct 4.2 Risk management and cybersecurity 4.3 Financial crime, anti-bribery and corruption 4.4 Tax transparency
Commitments	› Commit to lend, invest and facilitate AED 125 billion (USD 34 billion) by 2030 to sustainable activities › Launch new products and services to support customers in their transition › Commit to net zero in own operations, and to reducing financed emissions in line with the UAE government's net zero ambition	› Enhance experience and create value for money for customers, whilst improving access to financial products › Digital initiatives to drive mobile banking penetration among new and existing customers	› Continue to improve diversity and inclusion metrics, and maintain best in class employee satisfaction › Enhance employee learning through high-quality content and dedicated training	› Drive best-in-class governance in the region, and continue to enhance ethical banking practices › Maintain industry-leading data privacy and information security
             				

Enablers

ESG governance and policies

Targets, KPIs and rewards

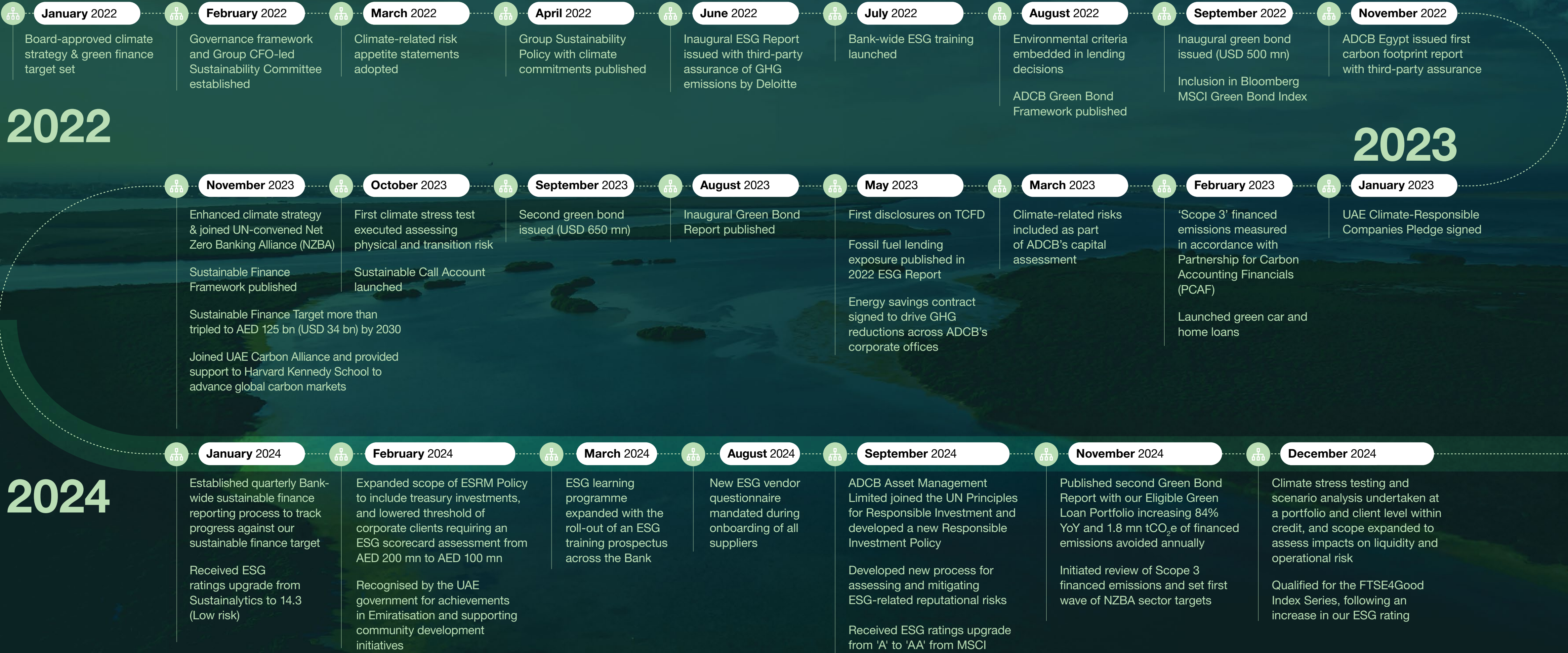
Training and upskilling

Stakeholder management and communications

External partnerships and commitments

Reporting and disclosures

Our sustainability journey



A conversation with Deepak Khullar, Group Chief Financial Officer, and Richard Hirst, Executive Head of Sustainability



DEEPAK KHULLAR | Group Chief Financial Officer



RICHARD HIRST | Executive Head of Sustainability

How has sustainability shaped the way ADCB operates today, and how does it feature in your long-term strategy?

Deepak Khullar: We regard sustainability as a strategic differentiator that aligns our business with the interests of all key stakeholders, from customers and employees to investors and business partners. The UAE government has set a clear vision for a diversified, highly skilled, low-carbon economy and is moving at pace through its own investments and by creating a business-friendly environment to attract talent and capital. In this context, ADCB has embedded sustainability across all facets of its operations, with emphasis on the environmental, social and governance aspects. By integrating ESG fully into our new five-year strategy, we aim to ensure that our growth is both responsible and inclusive, ensuring our business remains highly resilient over the long-term.

How is the regulatory landscape evolving in the UAE, and what does it mean for banks such as ADCB?

Richard Hirst: The regulatory landscape in the UAE has seen significant transformation in recent years, reflecting the country’s growing leadership in sustainability and sustainable finance. A notable example is the Central Bank of the UAE’s introduction of sustainability disclosure principles, along with the requirement for banks to report sustainable finance data quarterly to the UAE Banks Federation. Climate-related risks have also become a key component of the Central Bank’s annual stress-testing framework. We see these developments as not just a compliance issue, but as strategic opportunities to reinforce governance, risk management and market competitiveness.

What is ADCB’s stance on the Net Zero Banking Alliance and how do you see your role in supporting the UAE’s net zero ambitions?

Deepak Khullar: ADCB remains fully committed to the principles of the Net Zero Banking Alliance and to supporting the UAE’s clear policy direction towards decarbonisation across the economy. We see collective action as essential in the fight against climate change, even in the face of evolving global economic pressures. While we acknowledge the complexity of the journey, our focus remains on helping our clients transition responsibly and effectively, while unlocking the economic opportunities this transformation creates.

What tangible progress has ADCB made on sustainable finance, and how are you building on that momentum?

Richard Hirst: We made substantial progress in 2024 with the integration of sustainable finance reporting across all major business segments: Corporate, Treasury, Retail, and Private Banking. We also expanded our product and service offerings to support clients’ transition goals. I’m pleased to report that we have surpassed our interim sustainable finance target of AED 50 billion by the end of 2025, reaching AED 58.6 billion, a year ahead of schedule. This progress reflects customer demand across all business segments. Looking ahead, we remain focused on our ambition of reaching AED 125 billion in sustainable finance by 2030, and continue to make meaningful progress starting with our decision to join the UN Principles for Responsible Investment (PRI).

What social topics is ADCB focused on?

Deepak Khullar: Social impact is a key focus area for the Bank. We are closely aligned with the UAE’s Emiratisation agenda and continue to lead the banking sector in investment in national talent. We provide a world class professional development programme and a clear path for career progression. Our achievements in Emiratisation were recognised with the ‘First Place for Large Establishments in the Banking Sector’ award under the Emirati Talent Competitiveness Council’s ‘Nafis’ initiative. Looking ahead, in the UAE’s Year of Community in 2025, we are excited about our partnership with the UAE Ma’an programme to support social and environmental causes, and expand our engagement through initiatives that support youth empowerment, financial inclusion, and SMEs.

As you look ahead, what are the sustainability priorities that will define success for ADCB, and how do you plan to deliver on them?

Richard Hirst: Our new Board-approved corporate strategy consists of four key ESG priorities; enhancing sustainability reporting, disclosures and ratings; expanding our sustainable finance offering; maintaining robust environmental and social risk management, and; advancing our climate and net zero agenda. To deliver on these priorities effectively, we are investing in important enablers, namely, a strong governance framework, active stakeholder engagement, strategic partnerships, and continuous training and upskilling of our people. Through this focused approach, we aim to support the growth of the business and continue to make a meaningful contribution to the communities we serve.

2024 sustainability performance highlights

ADCB Group has established a comprehensive set of key performance indicators to measure progress against our sustainability objectives. In 2024, we continued to make significant progress in each of our four strategic pillars, the highlights of which are displayed here. Further information and detailed KPIs can be found in the ‘Data and assurance’ section

Climate

GHG emissions intensity (tCO₂e/FTE)⁽¹⁾⁽²⁾

2024

2.7

2023

2.5

2022

2.7

2021

2.8

Sustainable finance portfolio (AED)

58.6 bn

47% progress towards AED 125 bn target

Green bonds issued (AED)

4,224 mn

Total value of issuances

Local procurement

95%

Procurement budget spent on local suppliers

Go to Climate

Customers and communities

Digital transactions

2024

97%

2023

97%

2022

96%

2021

95%

By ADCB UAE retail customers

Customer experience

77

NPS score recorded for ADCB UAE

Small business customers

130k +

Active MSME clients⁽³⁾

Accounts to unbanked or underbanked customers⁽⁴⁾

320k +

18% increase in no-cost retail accounts compared to 2023

34%

Decrease in customer complaints recorded

Go to Customers and communities

Employees

New hires

2024

1,219

2023

1,400

2022

1,316

2021

1,046

47% females among new hires in 2024

Emiratisation⁽⁵⁾

c.40%

UAE nationals in the workforce

79%

Female employees among Emirati nationals

Employee diversity

44%

Percentage of female employees in the workforce

Training

300k +

Employee learning hours in 2024

Go to Employees

Governance

Board composition

c.20%

Female members on the Board⁽⁶⁾

Data privacy and protection training

97%

Employees formally trained on data privacy and protection⁽⁷⁾

Anti-corruption

100%

Employees who have formally acknowledged compliance with our code of conduct

Go to Governance

Note: All figures reported for ADCB Group (unless specified) as at 31 December 2024
(1) Reporting for 2021 was limited to UAE only. From 2022 onwards, our reporting boundary covers ADCB Group (including our subsidiaries in Egypt and Kazakhstan). We have expanded the boundary of reporting in 2024 to include electricity consumption from 47 branches in ADCB Egypt and therefore the reported figures are not comparable with the prior years' (2022-2023) figures.
(2) We have restated prior year data (2023) as a result of changes in our calculation methodology

(3) Micro, Small and Medium Enterprises (MSME) ADCB UAE only
(4) Number of accounts opened for individuals through 'Hayyak' with salary < AED 5K/month in ADCB UAE
(5) Emiratisation figure refers to UAE nationals employed by ADCB UAE and AHB UAE
(6) ADCB ranked highest among major GCC banks for female board representation based on S&P Global Market Intelligence, September 2022
(7) Reported for ADCB Group (excluding ADCB Egypt and ADCB Kazakhstan)

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Sustainability governance framework

ADCB employs a best practice governance framework, with full Board oversight and executive accountability, including remuneration linked to ESG KPIs.

The **Board Executive Committee (BEC)** received the following key updates on sustainability in 2024:

- Quarterly updates on sustainability initiatives linked to the corporate strategy (including updates on climate)
- Annual update on progress on 2024 ESG roadmap and key milestones
- Awareness session on key ESG market trends and updates
- Updates on ESG Strategic Priorities in line with the corporate strategy

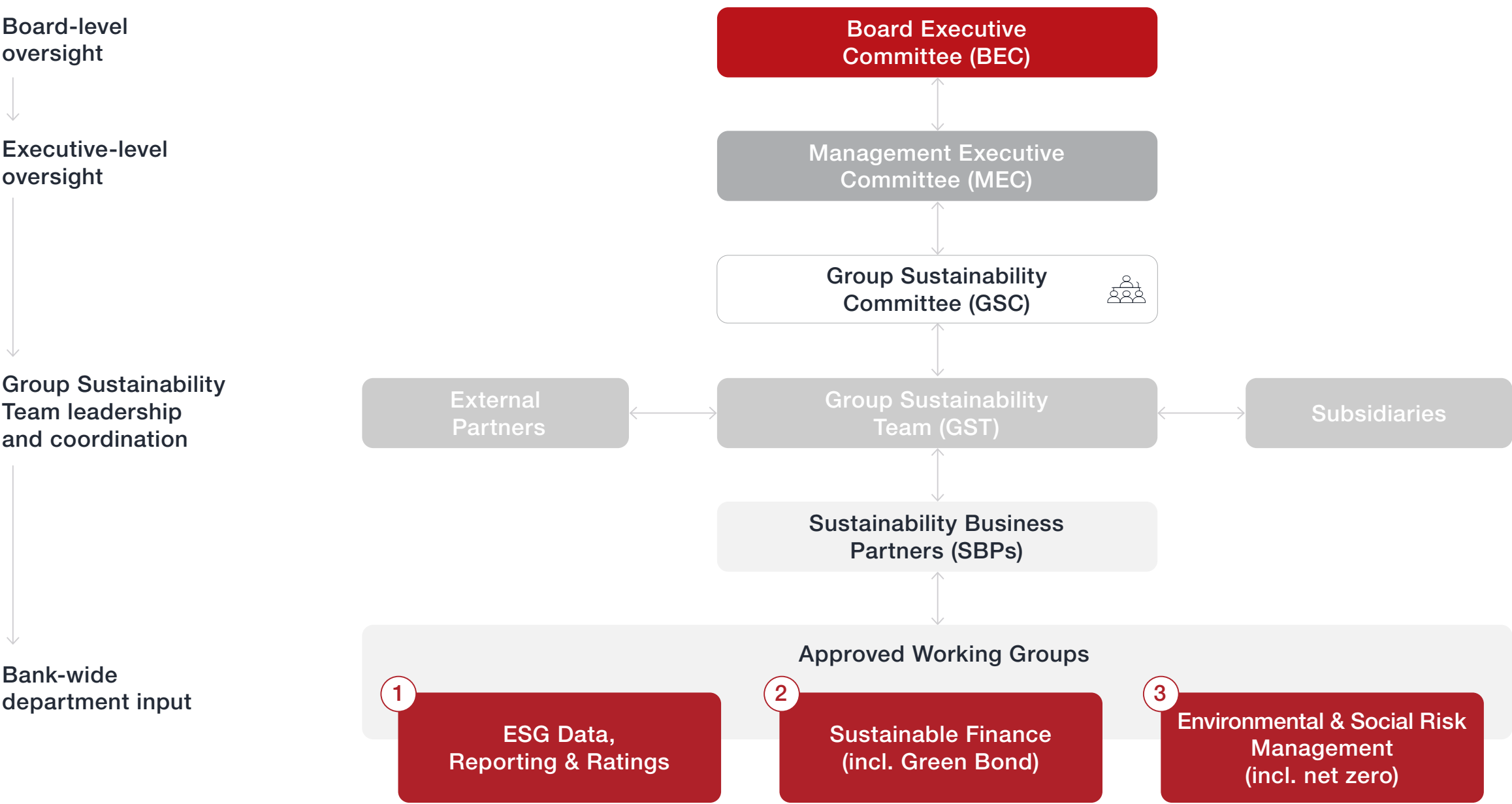
All sustainability initiatives are monitored by the **Group Sustainability Committee (GSC)**, which is chaired by the Group Chief Financial Officer. The GSC provides regular updates to the **Management Executive Committee (MEC)** and to the Core Strategy Steering Group.

5 meetings

held by the Group Sustainability Committee in 2024

ADCB Group Sustainability Governance Framework

The Bank has established a comprehensive governance framework to ensure coverage across the Group and three working groups directly focused on delivering the 2028 ESG priorities



GSC members:

- Group Chief Financial Officer (Chair)
- Group Chief Risk Officer
- Group Chief Compliance Officer
- Group General Counsel
- Group Chief Credit Officer
- Group Chief Operating Officer
- Group Chief Human Resources Officer
- Group Chief Corporate, Wealth, and Investment Banking Officer
- Group Head, Private Banking and Wealth Management
- Group Chief Retail Banking Officer
- Group Treasurer
- Executive Head, Sustainability (Secretary)

GSC invitees:

- Group Chief of Staff
- Group Company Secretary
- Senior Head, Financial & Strategic Engagement
- Executive Head, Credit Risk Management

2024 key topics discussed at GSC:

- Central Bank of UAE sustainability reporting principles
- IFRS sustainability disclosure standards
- Global and regional ESG trends
- Net Zero Banking Alliance (NZBA)
- Updates to ADCB Sustainable Finance Framework
- Quarterly sustainable finance reporting to UBF
- 2024 ADCB Group ESG Report and Green Bond Report
- Environmental and social risk management enhancements
- New reputational risk process for ESG incidents
- Training and capacity building
- ESG ratings and recommended improvements
- Social/CSR initiatives and external partnerships

Key governance highlights

- GCEO & GCFO remuneration linked to ESG KPIs
- GCFO-led Sustainability Committee with terms of reference updated in 2024
- Appointed Sustainability Business Partners across all departments and subsidiaries
- Designated Group Sustainability Team reporting to Group CFO and integrated in the Finance team
- Three working groups established aligned with 2028 priorities

Governance of subsidiaries

In 2024, the **Group Sustainability Team (GST)** reviewed the annual KPIs for ADCB Egypt’s sustainability team to ensure alignment with strategic priorities of the Group. Engagement was driven through monthly calls to discuss progress on key initiatives including ESRM implementation, the annual ESG report, and ADCB Egypt’s Sustainable Finance Framework.

The Group Sustainability Team also ensures regular meetings with ADCB Islamic Bank Kazakhstan to provide guidance, share best practices and support our subsidiary to meet relevant regulatory requirements as mandated by the Central Bank in Kazakhstan. ADCB Kazakhstan made significant progress in 2024 by implementing a comprehensive roadmap with sustainability governance, policies and training to integrate sustainability into its operations.

Management of sustainability within AHB UAE is driven through the Group Sustainability Team.

Sustainability business partners

Sustainability Business Partners (SBPs) play a critical role in the success of the Group’s sustainability strategy, coordinating activities related to the roll out of sustainability strategy and key initiatives across each of the business departments and subsidiaries across ADCB Group.

ADCB has increased engagement around its ESG priorities by holding briefing sessions with SBPs after each Group Sustainability Committee meeting to raise awareness and disseminate key sustainability updates across the organisation.

Approved Working Groups

1 ESG Data, Reporting & Ratings

The ESG Data, Reporting, and Ratings Working Group is responsible for assessing the disclosure requirements to stakeholders such as regulators, the government, rating agencies and investors. It also manages end-to-end data capture, consolidation, and third-party assurance, as well as identifying and proposing performance improvements.

This working group leads the Bank’s engagement with rating agencies as set out in the annual disclosure plan. It is also responsible for updating the basis of reporting, and developing capabilities and awareness in preparation for adoption of IFRS standards.



2 Sustainable Finance (incl. Green Bond)

The Sustainable Finance Working Group is tasked with reviewing and updating the ADCB Green Bond and Sustainable Finance frameworks, obtaining a second party opinion, approving the eligible green loan and sustainable finance portfolios, monitoring progress against ADCB’s sustainable finance target, producing the allocation of green bond net proceeds, and ensuring ongoing compliance.

The Group also oversees impact reporting with third-party assurance, as well as the development of green bond documentation. In 2024, it led the update of the Bank’s sustainable finance standard operating procedure, the publication of the Green Bond Report, and the automation of the sustainable finance reporting process for quarterly reporting to the UAE Banks Federation.



3 Environmental & Social Risk Management (incl. net zero)

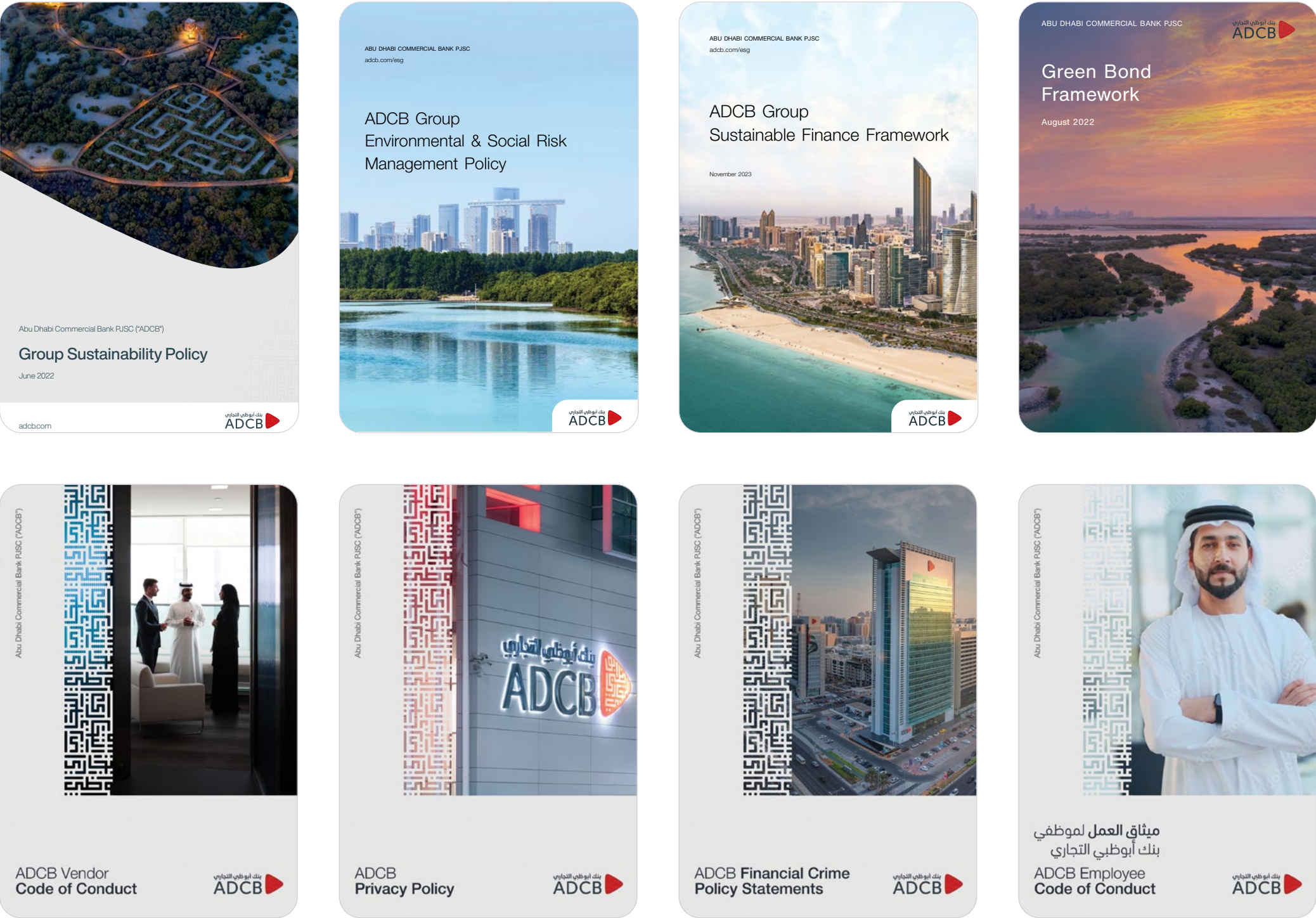
The Environmental and Social Risk Management (ESRM) Working Group provides oversight of the ESRM framework, updates to the ESRM Policy and its implementation across the business. The Group monitors regulation, best practice and industry expectations to propose any modifications required to the framework.

The terms of reference for this working group were updated in 2024 to include implementation of the Bank’s NZBA strategy, with specific oversight of NZBA target setting.



Sustainability policies and frameworks

The Bank has issued a Group Sustainability Policy covering the general principles and commitments linked to ADCB’s sustainability strategy. This is supplemented with topic-specific and sectoral policies, operating procedures, and guidelines to support effective implementation across the organisation, including our subsidiaries.



For other policies, please visit adcb.com/esg

Reporting and disclosures

ADCB is committed to transparent disclosure of ESG performance in line with global standards and evolving regulatory requirements, including the IFRS S1 and S2 requirements announced by the International Sustainability Standards Board (ISSB), which came into force in January 2024.

ADCB’s disclosures are informed by the following reporting standards and guidelines:



UAE Securities and Commodities Authority sustainability disclosure requirement



Abu Dhabi Securities Exchange ESG Disclosure Guidance for listed companies



Central Bank of the UAE (CBUAE) ‘Principles for sustainability-related disclosures for reporting entities’



Global Reporting Initiative (GRI) Standards



Sustainability Accounting Standards Board (SASB) Industry Standards for the financial sector⁽¹⁾



IFRS Sustainability Disclosure Standards

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosure Standard (aligned to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations)



International Capital Market Association Green Bond Principles: **ADCB’s Green Bond Report** is aligned with the ICMA requirements and provides details on the eligible green loan portfolio, allocation of proceeds and estimated environmental impacts

Spotlight

Preparation for financial materiality

IFRS Sustainability Disclosure Standards are developed by the International Sustainability Standards Board (ISSB). The ISSB is an independent standard-setting body within the IFRS Foundation.

The standards aim to provide investors with globally comparable sustainability-related disclosures to make informed decisions.

In preparation for the adoption of IFRS, the Bank partnered with industry experts to undertake a readiness assessment and multiple awareness sessions. This included a townhall with Finance, Risk, Credit and Compliance teams, as well as deep dive sessions with key individuals from the ESG Data, Reporting and Ratings Working Group.

As a result, the Bank’s 2024 disclosures are informed by the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, and IFRS S2 Climate-related Disclosure Standard (aligned to TCFD recommendations). This includes a double materiality assessment covering:

- **financial materiality** aligned with the IFRS standards, and the CBUAE’s ‘Principles for Sustainability-related Disclosures for Reporting Entities’
- **impact materiality** as per the Global Reporting Initiative (GRI) Standards

For further information on the results of the double materiality assessment, please refer to pages 23-26 of this report

(1) Incorporated as part of IFRS Sustainability Disclosure Standards

External partnerships and commitments

ADCB collaborates with strategic partners to advance its strategy. It regularly monitors and evaluates the market to expand its network of external partnerships on ESG topics to match its strategic priorities.

Key public commitments



Climate-Responsible Companies Pledge
Signatory to the ‘Climate-Responsible Companies Pledge’ and committed to measure GHG emissions, develop and disclose plans to reduce emissions



Net Zero Banking Alliance (NZBA)
Commitment to align ADCB’s lending and investment portfolios with the imperative of limiting global warming in line with the Paris Agreement



AED 125 bn in Sustainable Finance by 2030
Part of the commitment by **UAE Banks Federation (UBF)** of AED 1 trillion of sustainable finance by 2030



Principles for Responsible Investment
ADCB Asset Management Limited (AAML) is committed to responsible investment, and is a signatory to the United Nations Principles for Responsible Investment (**UNPRI**)

Partnerships and memberships

Government-led initiative

- › UAE Sustainable Finance Declaration
- › Global Climate Finance Centre **New**
- › Abu Dhabi Sustainability Group
- › Abu Dhabi Corporate Social Responsibility (CSR) Committee **New**
- › UAE Majra (National CSR Fund)
- › Ma’an Authority for Social Contribution

Academia

- › Zayed University — mentoring students in sustainability projects **New**
- › Emirates Institute of Finance (EIF) — Executive Sustainability Leadership Programme **New**
- › University of Cambridge — Institute for Sustainable Leadership
- › Harvard University — carbon markets

Industry-led initiative

- › UN Net Zero Banking Alliance (NZBA)
- › UN Principles for Responsible Investment **New**
- › UBF Sustainable Finance Committee **New**
- › UAE Chief Sustainability Officers Network **New**

NGO-led initiative

- › UAE Carbon Alliance by the UAE Independent Climate Change Accelerators (UICCA)



Training and upskilling

The Bank regards training and development as an essential element in the successful execution of its Group sustainability strategy.

There are three levels of in-house training for employees:

Foundational: Introductory training at all levels to raise awareness of ESG. This includes ESG content within the Bank’s induction programme and mandatory ESG e-learning for all employees.

Role-specific: Tailored training across all departments and Executive Management/Board-level aimed at building ESG knowledge as it relates to different roles.

Advanced: Specialist certificates or diploma courses with reputable universities or academies to provide our employees with in-depth knowledge and skills on sustainability topics.

During 2024, the in-house learning programme was significantly expanded with the roll out of an ESG Training Prospectus across the Bank.

Key courses rolled out in 2024 included role-specific training on:

- › Net zero
- › Sustainable finance
- › Environmental and Social Risk Management (ESRM)
- › Sustainability audits
- › Green bonds
- › ESG reporting

In addition, our employees have completed specialist courses with the Emirates Institute of Finance (EIF), Cambridge Institute of Sustainability Leadership (CISL), Corporate Governance Institute and other similar institutes.

21,300+
ESG learning hours delivered in 2024

New Refers to ADCB's commitments, partnerships and memberships in 2024

Stakeholder engagement

Stakeholder engagement remains a key component of our success, driven by regular, proactive, and transparent communication.

Continuous open dialogue provides the Bank with a clear understanding of stakeholder expectations on a range of material issues and their economic, social, and environmental impact.

Working with our stakeholders – including customers, investors, employees, government, and regulatory bodies – ADCB is able to identify and respond to the ESG topics that will deliver the greatest value for these stakeholder groups.

Open dialogue with external parties continues to provide the Bank with a clear understanding of stakeholder expectations on a range of material issues and their impact.

How we engage

Stakeholder group

Customers



Examples of key ESG topics

Customer experience, ethical banking practices, fair pricing and product transparency, information security and data privacy

Engagement

One-on-one meetings, customer surveys, newsletters, online and mobile banking, branch visits, social media, focus groups and customer contact centre

Employees



Health and well-being, training and skill development, employee engagement, code of conduct

Organisational Health Index, annual engagement surveys, internal communication through email and the intranet, and learning programmes

Investors



Robust governance framework, Board independence and diversity, bank-wide policies, ESG disclosures, and adoption of environmental commitments

Quarterly disclosures including earnings press releases, investor presentations, annual reports, analyst and investor calls, one-on-one and group investor meetings, investor conferences and roadshows

Government and regulators



Supporting the UAE's ambition to reach net zero by 2050, climate-risk assessment, helping to build a knowledge-based economy through Emiratisation and nurturing local talent

Public disclosures (e.g., regulatory reporting), one-on-one meetings, consultations, forums and working groups

Suppliers



Sustainable procurement, supplier engagement, information security and data privacy, compliance with laws and regulations

Supplier registration, ESG vendor questionnaire, vendor code of conduct

ESG related engagement with key stakeholders in 2024

Corporate clients

40



Government and regulators

9



Investors and ESG rating agencies

41



Industry associations

6



Universities and educational institutions

8



Non-governmental organisations (NGOs)

8



Suppliers

27



Materiality assessment

In 2024, we revamped our approach to materiality by carrying out a double materiality assessment based on the requirements of the Global Reporting Initiative (GRI) Standards and the IFRS Sustainability Disclosure Standards.

Our assessment covered two dimensions:



Impact materiality

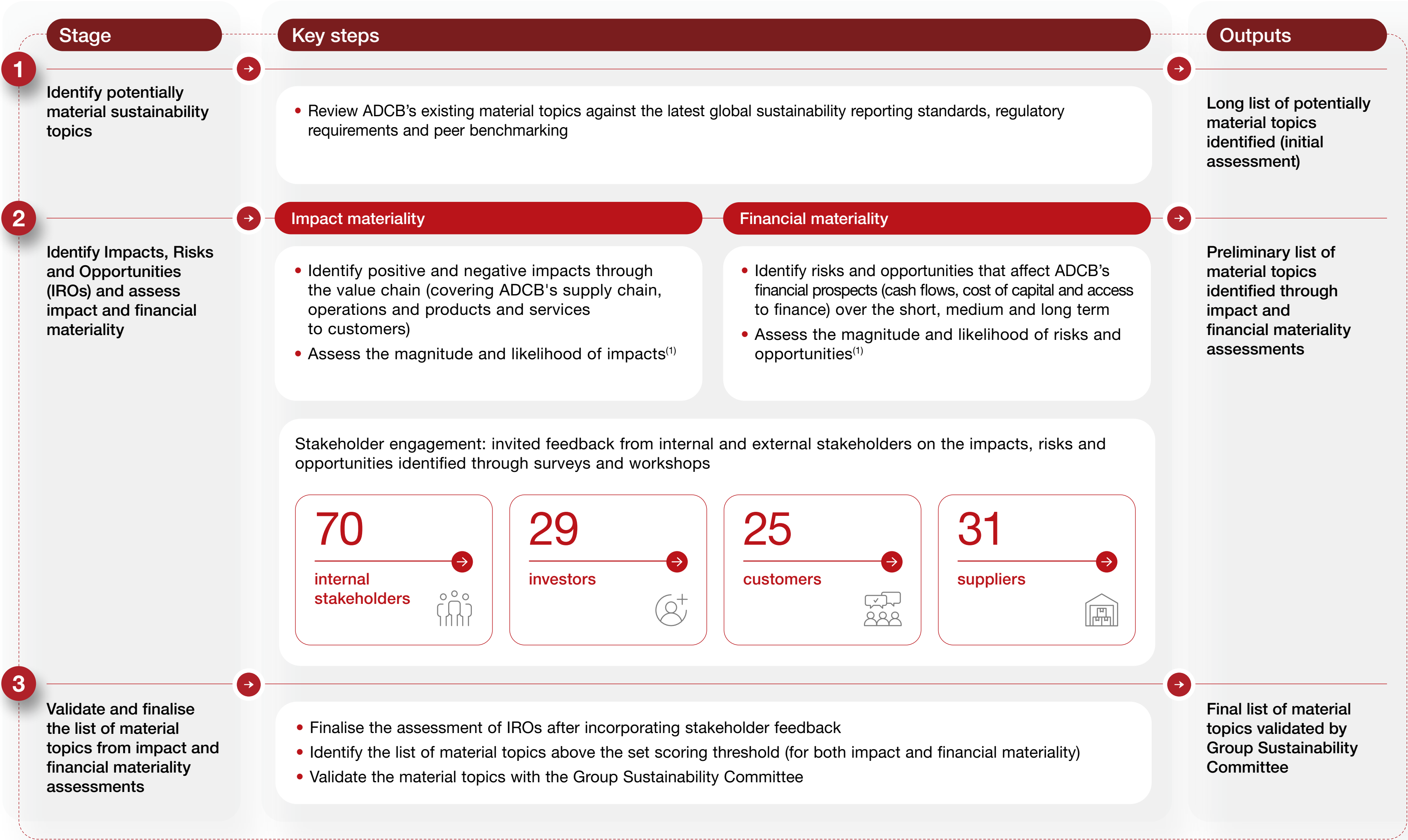
- How do ADCB's activities impact:
- environment
 - society
 - economy



Financial materiality

- How sustainability (S1) and climate-related (S2) risks and opportunities affect ADCB's:
- cash flows
 - access to finance
 - cost of capital
- over the short, medium and long term

Double materiality assessment process



(1) We relied on qualitative information and quantitative data (where available) to inform the assessment of Impacts, Risks and Opportunities (IROs)

List of material topics for ADCB

	Sustainability topic	Topic description	Impact materiality	Financial materiality		Double materiality
				Risk	Opportunity	
Environmental topics	Aligning portfolios and reducing financed emissions	Integrating climate considerations into investment and lending decisions to reduce financed emissions and support the transition to a low-carbon economy				
	Sustainable finance	Providing products and services that drive positive environmental and social outcomes				
	Environmental and Social Risk Management (ESRM)	Identifying, assessing, and managing environmental and social risks within financing activities				
	Operations and supply chain	Minimising the environmental and social impacts of our own operations (through our offices, branches, use of IT and employee travel) and promoting sustainability practices across the supply chain	Not identified as material (impact and financial)			
Social topics	Customer satisfaction	Exceeding customer expectations through transparent financial products and services				
	Financial inclusion	Supporting the growth of micro, small and medium enterprises, expanding access to financial services for underserved and underbanked communities and promoting financial education amongst our customers				
	Community investments	Providing impact-driven community initiatives and philanthropy	Not identified as material (impact and financial)			
	Employee engagement and well-being	Enhancing workplace culture by prioritising employee satisfaction, engagement, health, and well-being				
	Emiratisation	Empowering Emirati talent through targeted recruitment, development, and retention initiatives				
	Learning and development	Providing continuous education and upskilling opportunities to employees				
	Equality, diversity and inclusion	Promoting a diverse and inclusive recruitment and work culture				
Governance topics	Corporate governance, compliance and code of conduct	Adhering to strong governance structures and ethical business practices				
	Risk management and cybersecurity	Strengthening risk management frameworks, cybersecurity measures and ensuring the privacy of customer information				
	Financial crime, anti-bribery and corruption	Implementing controls and compliance measures to prevent financial crime, bribery, and corruption				
	Tax transparency	Ensuring fair and transparent tax practices that comply with local and international regulations and standards				

Impact materiality

Financial materiality

Double materiality

Please click here for further information on our disclosures on this topic

Material topics for ADCB

- 1

Aligning portfolios and reducing financed emissions
- 2

Sustainable finance
- 3

Environmental and Social Risk Management (ESRM)
- 4

Customer satisfaction
- 5

Emiratisation
- 6

Corporate governance, compliance and code of conduct
- 7

Risk management and cybersecurity
- 8

Financial crime, anti-bribery and corruption

The topics identified as material through the double materiality exercise are aligned to ADCB’s existing sustainability strategy and we will continue to enhance our strategic focus on the identified topics to inform our strategy and disclosures in the future.

We will also assess how the results of the materiality assessment could be integrated with the ESG risk management processes in the Bank.

Double materiality topics: description of material sustainability Impacts, Risks and Opportunities (IROs)

	Positive impact	Negative impact	Risk	Opportunity
1 Aligning portfolios and reducing financed emissions Value chain impact: Time horizons:	Financing and supporting the net zero transition of our customers (Actual) Redirecting capital towards low-carbon sectors accelerates the global transition to a sustainable economy	GHG emissions from our financing and investment activities (Actual) Continued financing of high-carbon industries without transition plans exacerbates climate risks, increasing physical and transition risks across economies	Climate-related transition risk Exposure to reputational and litigation risks in case of failure to meet public net zero commitments. ADCB is also exposed to sectors and counterparties with potential climate-related transition risks that could pose credit or liquidity risks for the Bank	Revenue generation through products and services to support the transition of our customers Financing and investing to support our customers in their transition towards net zero would strengthen ADCB’s market leadership, reduce financed emissions, and improve credit portfolio resilience attracting green capital inflows from investors
2 Sustainable Finance Value chain impact: Time horizons:	Financing and supporting sustainable outcomes of our customers (Actual) Mobilizing capital towards green and social projects drives sustainable economic growth and business practices across industries	Stakeholder and society advocacy (Actual) Inadequate ESG screening of eligible activities and inaccurate impact measurement could lead to accusations of greenwashing and loss of trust among the society and market stakeholders in sustainable finance agenda	No material risk identified N/A	Revenue generation through products and services to support sustainable outcomes Expanding sustainable finance offerings across different client segments can enhance market positioning, drive revenue growth, and attract ESG-focused investors
3 Environmental and social risk management Value chain impact: Time horizons:	Preserving ecosystems and societies (Actual) Effective ESRM policies drive responsible investments, protect natural ecosystems, and prevent financing of socially harmful activities	Damage to society and the environment (Potential) Failing to integrate ESRM into financial decisions can result in funding projects that deepen environmental degradation and societal harm	Credit risk increase Weak ESRM policies can increase loan defaults by not fully accounting the climate risk of physical assets. Any physical damage can result in increased impairments on loans increasing their credit risk	No material opportunity identified N/A
4 Customer Satisfaction Value chain impact: Time horizons:	Positive economic contribution (Actual) Providing fair advice and engaging in responsible marketing and sales practices facilitate trust in the financial system and greater confidence in long-term financial planning among the society	Reduced stakeholder trust (Potential) Poor customer service and deceptive banking practices can lead to financial exclusion, dissatisfaction, and reduced consumer confidence in the financial system	No material risk identified N/A	Market growth Increased customer trust leads to expanded market share and revenue growth

Value chain definitions:

- Upstream: Access to capital through our shareholders and investors, procurement of goods and services from our suppliers
- Own operations: Effective operations of our offices and branches to ensure continuity of our business
- Downstream: Provision of products and services to customers

Time horizons considered:

- Less than or equal to one year (<1 year)
- One to three years (1-3 years)
- Up to 10 years

Double materiality topics: Sustainability Impacts, Risks and Opportunities (IROs) (continued)

	Positive impact	Negative impact	Risk	Opportunity
5 Emiratisation Value chain impact: Time horizons:	Economic and Social contribution (Actual)	Reduced economic development (Potential)	No material risk identified	Increased economic contribution
	Emiratisation can support local economic growth and strengthens the banking sector’s contribution to national workforce development	Inadequate Emiratisation initiatives can reduce local economic participation	N/A	Investing in Emiratisation allows the Bank to attract more Emirati nationals into the workforce and increases ADCB's In Country value (ICV)
6 Corporate governance, compliance, and code of conduct Value chain impact: Time horizons:	Strengthened stakeholder confidence (Actual)	Reduced trust of ADCB and peer institutions (Potential)	No material risk identified	Increased investor trust
	Accountable, transparent, and legally compliant corporate governance upholds financial integrity, ensures fair business practices, and improves market stability and economic resilience	Poor corporate governance can lead to financial scandals, market manipulation, destabilizing livelihoods and reducing confidence in financial institutions	N/A	Strengthening corporate governance can improve decision-making, risk management, and regulatory compliance, leading to enhanced financial performance, building trust with investors, and stakeholders
7 Risk Management and Cybersecurity Value chain impact: Time horizons:	Enhances consumer trust (Actual)	Data breaches and financial loss (Potential)	Data loss, regulatory penalties and reduced stakeholder confidence	No material opportunity identified
	Enhances digital trust and security, protecting customer data and ensuring the integrity of financial transactions, which contributes to economic stability and confidence in the financial system	Weak cybersecurity measures increase the risk of fraud, identity theft, and financial crime, eroding public trust in digital banking and destabilizing financial systems	Non-compliance with data privacy regulations can result in significant fines, civil claims and reputational damage	N/A
8 Financial crime, anti-bribery, and corruption Value chain impact: Time horizons:	Contributing to the prevention of financial crime in the UAE	Reduced trust on financial institutions (Potential)	Regulatory fines and reputational damage	No material opportunity identified
	Effective financial crime prevention safeguards economic integrity, strengthens anti-corruption efforts, and promotes ethical business practices against money laundering, terrorist financing, proliferation financing	Failure to prevent financial crime enables corruption, illicit financial flows, and tax evasion, undermining trust in the financial system and harming economic stability	An ineffective financial crime prevention framework exposes ADCB to heightened risks of money laundering, terrorist financing, bribery and corruption, which could result in litigation costs, regulatory fines and may erode investor confidence in the Bank	N/A

Value chain definitions:

- Upstream: Access to capital through our shareholders and investors, procurement of goods and services from our suppliers
- Own operations: Effective operations of our offices and branches to ensure continuity of our business
- Downstream: Provision of products and services to customers

Time horizons considered:

- Less than or equal to one year (<1 year)
- One to three years (1-3 years)
- Up to 10 years

STRATEGIC PRIORITIES

Climate

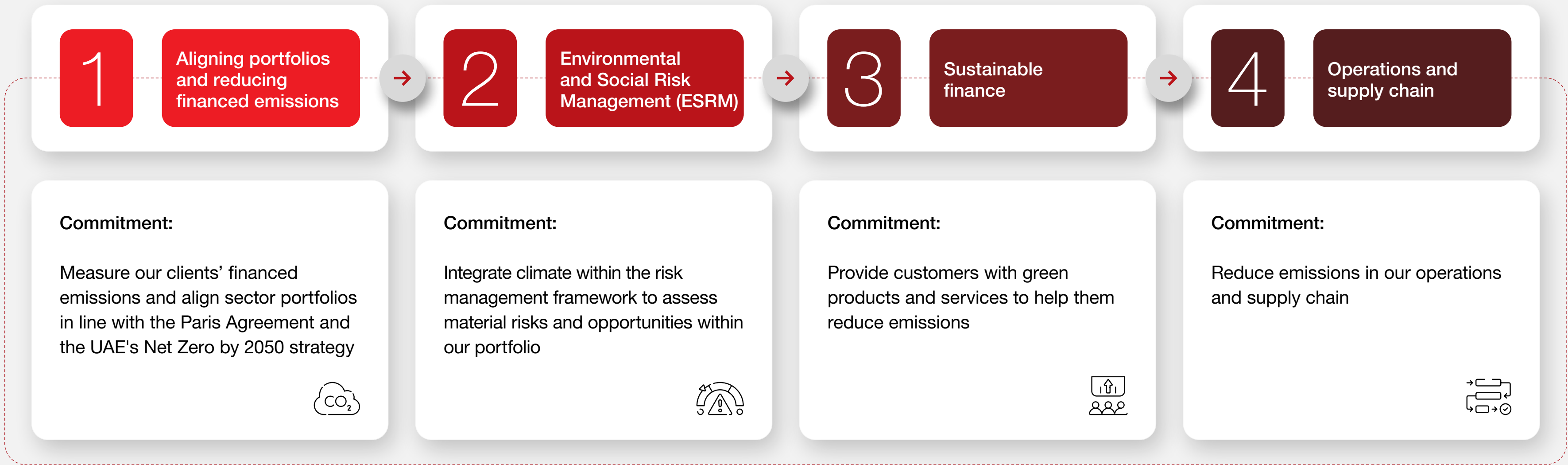
Aligning portfolios and reducing financed emissions	31
Sustainable finance	35
Environmental & social risk management	43
Operations and supply chain	51

Our climate framework

The Bank's climate framework has been designed to drive emission reductions across its financing, operations and supply chain. This followed extensive engagement with internal and external stakeholders, including climate interviews with the GCEO and Executive Management, facilitated by international climate experts.

ADCB's commitment to join the UN-convened Net Zero Banking Alliance and set a sustainable finance target of AED 125 billion by 2030 was approved by the Group Sustainability Committee and subsequently endorsed by the Board Executive Committee.

ADCB's climate framework



ADCB's commitments on climate action



Climate-Responsible Companies Pledge

Signatory to the 'Climate-Responsible Companies Pledge' and committed to measure GHG emissions, develop and disclose plans to reduce emissions



Net Zero Banking Alliance (NZBA)

Commitment to align ADCB's lending and investment portfolios with the imperative of limiting global warming in line with the Paris Agreement



AED 125 bn to Sustainable Finance by 2030

Part of the commitment by UAE Banks Federation (UBF) of AED 1 trillion to sustainable finance by 2030

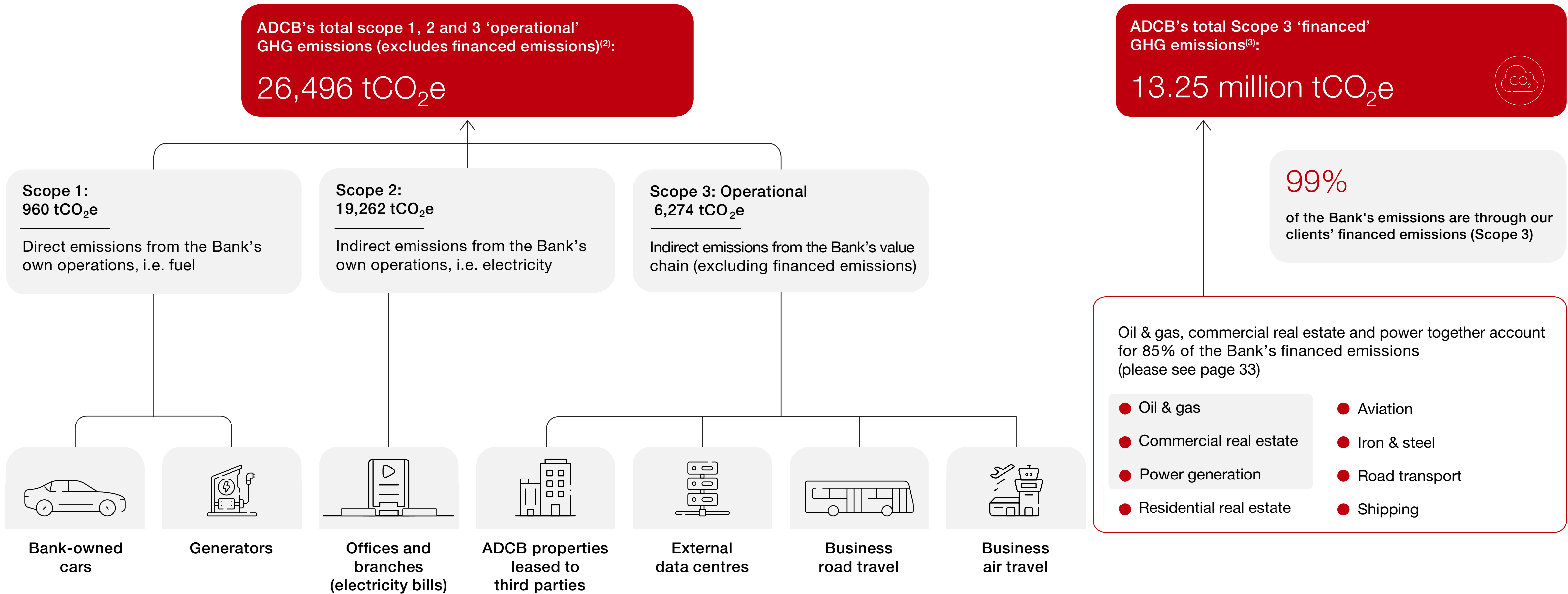


Principles for Responsible Investment

ADCB Asset Management Limited (AAML) is committed to responsible investment, and is a signatory to the United Nations Principles for Responsible Investment (UNPRI)

ADCB greenhouse gas (GHG) emissions profile

The Bank's GHG reporting is based on the Greenhouse Gas Protocol⁽¹⁾, with 99% of emissions from our financing and investment activities



Note: We have obtained independent limited assurance by Deloitte on the preparation of our Greenhouse Gas (GHG) metrics disclosed, in accordance with the calculation methodologies detailed in this report For further details please refer to the [independent limited assurance report](#).
(1) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard
(2) Reported from 1 January to 31 December 2024
(3) Reported from 1 January to 31 December 2023

Aligning portfolios and reducing financed emissions

Why it matters

The majority of our Greenhouse Gas (GHG) emissions are attributable to the financing and investing activities that we undertake as part of our business, commonly referred to as Scope 3 financed emissions as per the GHG protocol⁽¹⁾.

Estimating our financed emissions enables us to identify the hotspots within our portfolio and effectively manage climate-related transition risks and opportunities in alignment with the UAE’s climate targets⁽²⁾.

Our approach and progress

As a signatory to the Net Zero Banking Alliance (NZBA), ADCB is committed to align its lending and investment portfolios with the objectives of the Paris Agreement and supports the recent changes to the NZBA. The Bank remains committed to setting intermediary alignment targets for the most carbon-intensive sectors and to supporting its clients in the transition to a low carbon economy.

In 2024, the ADCB NZBA SteerCo led a rebaselining of our clients' financed emissions. **The financed emissions disclosed in this report covers the period from 1 January to 31 December 2023.**

Note: To ensure the accuracy and completeness of our financed emissions calculations, we follow market practice and report with a year lag to incorporate greenhouse gas (GHG) disclosures from our customers into our calculations

(1) Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard

(2) UAE NDC 3.0

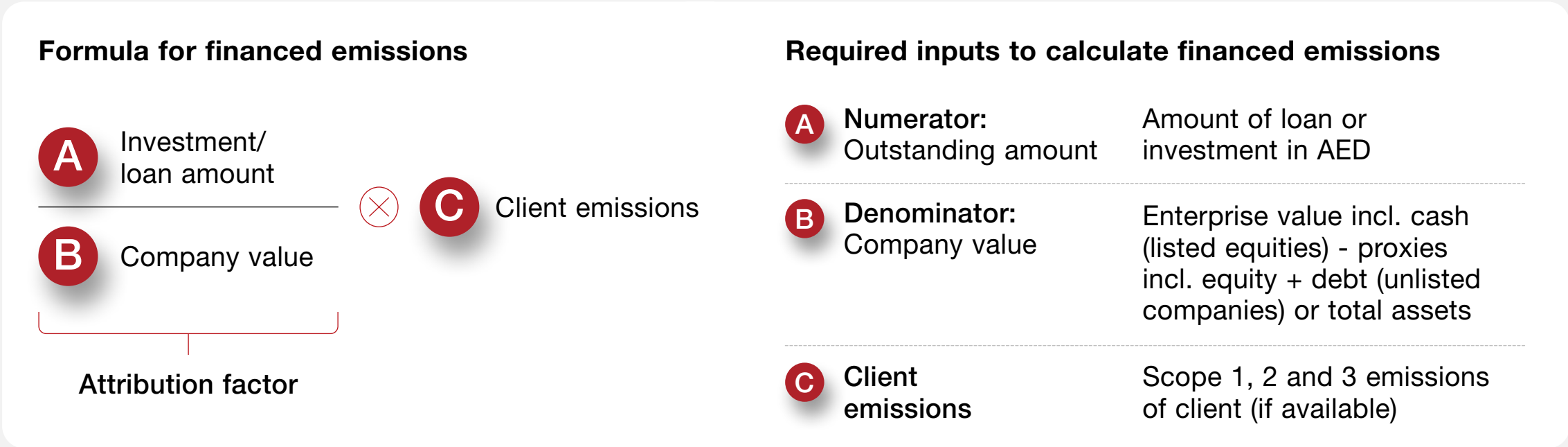
(3) The Global GHG Accounting and Reporting Standard for the Financial Industry

Our reporting methodology: Partnership for Carbon Accounting Financials (PCAF)

To ensure a credible approach, we have adopted the methodology provided by the Partnership for Carbon Accounting Financials (PCAF)⁽³⁾, an industry-wide initiative for measuring financed emissions of financial institutions.

PCAF calculation

The PCAF methodology attributes a proportion of client emissions produced to the bank responsible for financing them, taking into consideration data availability.



Reporting boundary

The boundary for ADCB’s 2023 financed emissions reporting is determined based on four guiding principles: materiality to the Bank, availability of industry guidance, data availability, and peer practices. Over time, ADCB may expand this boundary if the exposure of currently excluded asset class, sector or geography changes materially, or as data availability improves.

ADCB’s 2023 financed emissions measurement covers all in-scope products under PCAF guidance, and NZBA sectors most material to the Bank in terms of exposure. Our reporting boundary with exclusions is detailed below. The eight sectors included in our reporting cover ~97% of ADCB’s NZBA perimeter by exposure and ~21% of total loans and investments.

Exposure boundary

Our reporting covers outstanding exposure by considering only loans and advances held for financing and bonds invested in as of 31 December 2023. Undrawn commitments and off balance sheet commitments were not considered, as per industry practice.

97%

NZBA sector exposure included within ADCB's baseline (equating to 21% of total loans and investments)

Reporting coverage

Criteria	PCAF asset class	Parent and Subsidiaries	NZBA sector and value chain					
Coverage ⁽¹⁾⁽²⁾	Project finance	United Arab Emirates	Oil & gas	Upstream (e.g. extraction)	Midstream (e.g. transport)	Downstream (e.g. refineries)	Integrated/diversified	
	Business loans	Egypt	Power generation	Manufacturers (OEMs)	Upstream (e.g. generation)	Midstream (e.g. T&D)	Downstream (e.g. retail)	
	Commercial real estate	Kazakhstan	Commercial real estate	Upstream (e.g. construction)	Midstream (e.g. energy use)		Downstream (e.g. end of life)	
	Mortgages		Residential real estate	Upstream (e.g. construction)	Midstream (e.g. energy use)		Downstream (e.g. end of life)	
	Corporate bonds		Aviation	Parts manufacturers	Airline manufacturers	Airlines	Aircraft leasers	Full value chain
	Listed equity		Iron & steel	Manufacturers (OEMs)	Upstream (e.g. production)	Midstream: steel to pipes	Downstream: construction	Full value chain
	Unlisted equity		Road transport	Supplier	Auto manufacturers		Service providers	
	Sovereign bonds		Shipping	Upstream/ships manufacturers	Ships leasers	Shipping companies	Shipping servicers	Full value chain
	Motor loans		Cement	Upstream (e.g., raw materials, extraction)	Midstream: clinker and cement manufacturing		Downstream: construction	
			Aluminium	Upstream (e.g., mining)	Midstream: melting	Downstream: fabrication	Downstream: products use	Full value chain
			Agriculture	Dependent on portfolio composition				
			Coal	ADCB has zero direct exposure to coal mining				

In scope Out of scope

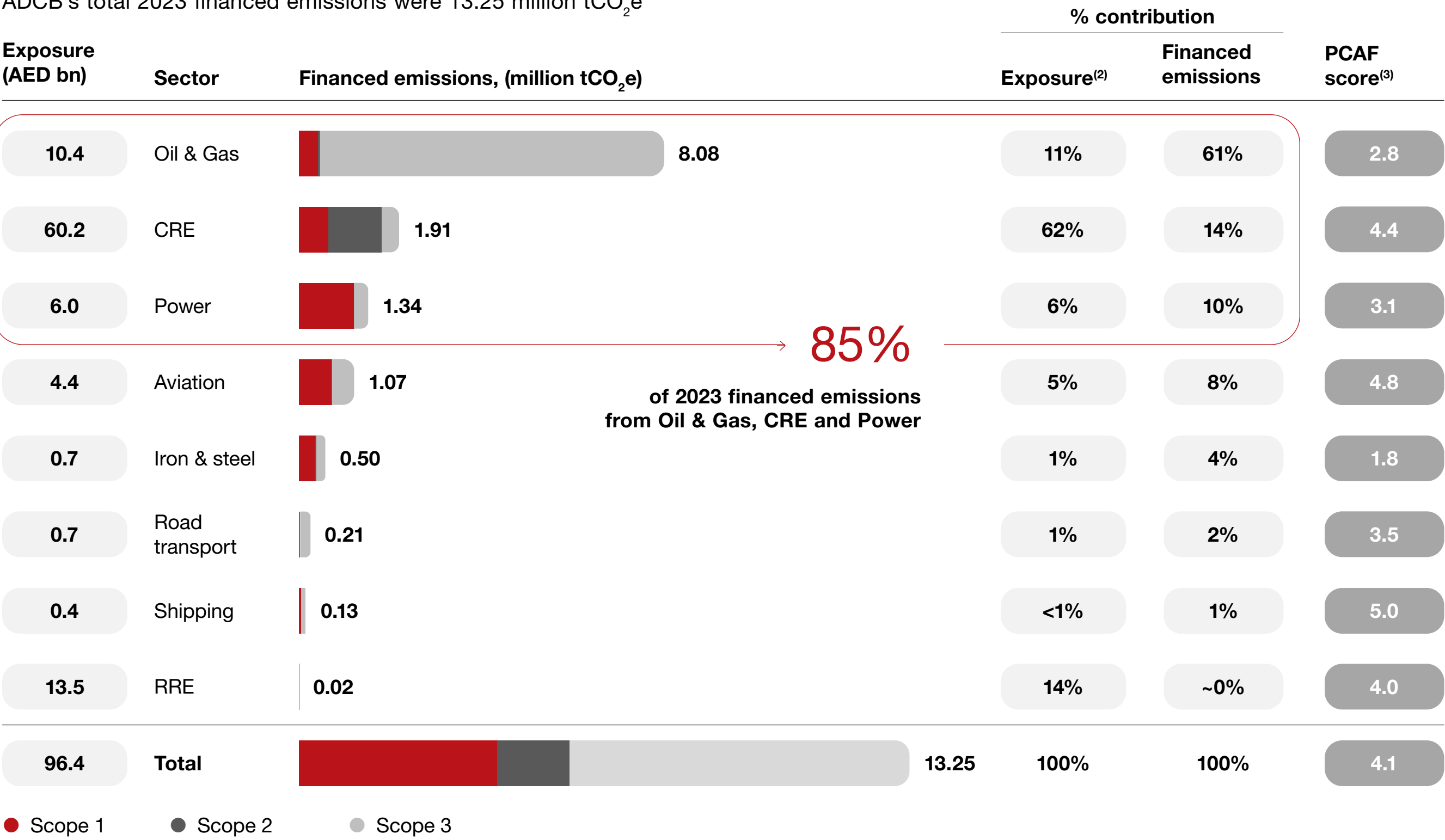
(1) Excluded due to immaterial exposure as at 31 December 2023 (against motor vehicle loans, Egypt, Kazakhstan, Aluminium, Agriculture and Cement)
(2) As of 31 December 2023, ADCB has no exposure to Coal

2023 financed emissions baseline

For the 2024 ESG Report, ADCB is disclosing 2023 financed emissions for eight NZBA sectors: the seven sectors covered in the 2023 ESG Report, and Residential Real Estate (RRE), which is being measured for the first time. The Bank’s PCAF score improved from 4.3 to 3.3 in corporate sectors, and from 4.6⁽¹⁾ to 4.3 in Commercial Real Estate (CRE) and Residential Real Estate from 2022 to 2023. Our 2023 financed emissions disclosures have been verified by an external assurance provider. For further details please refer to the [independent limited assurance report](#).

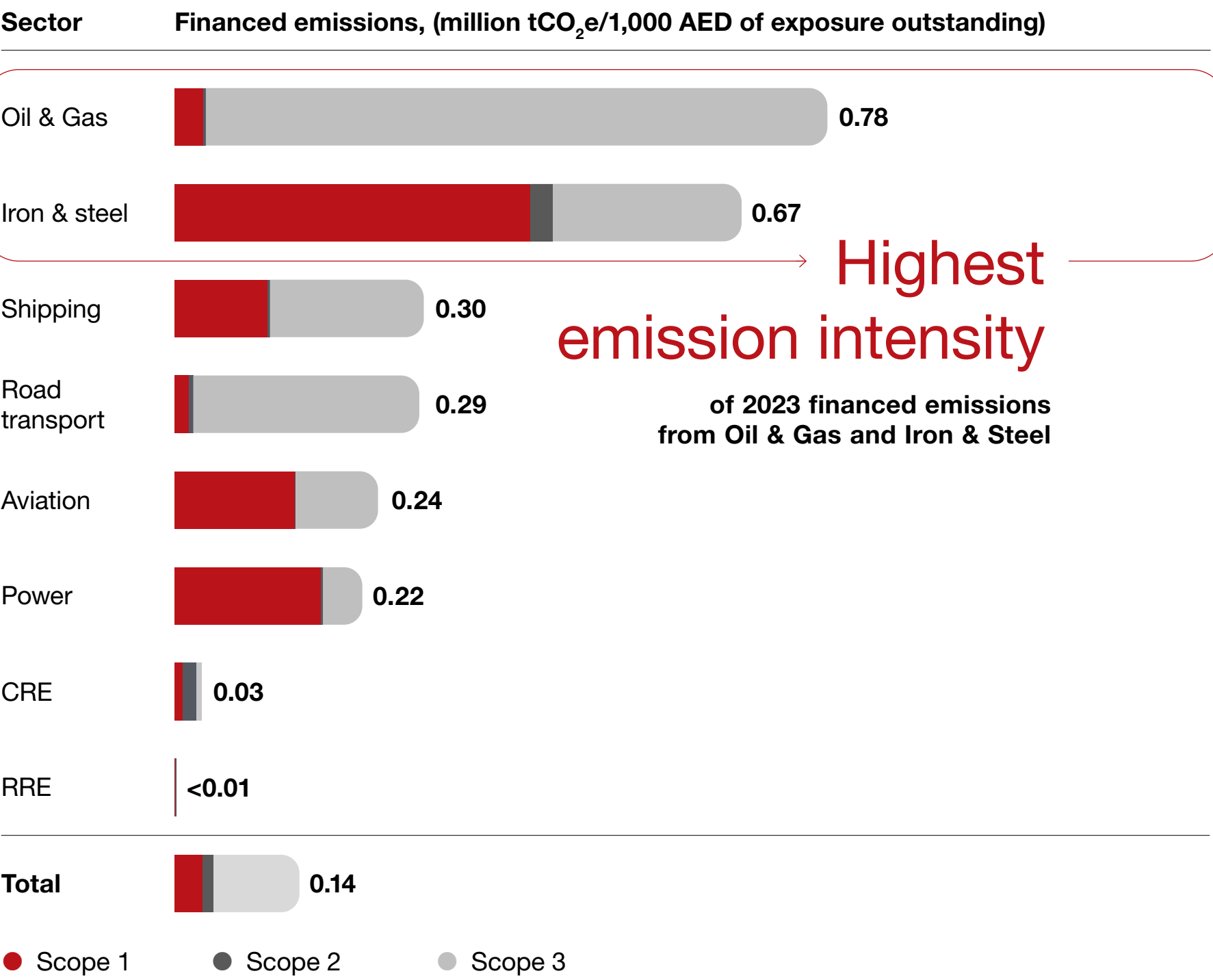
Absolute financed emissions in 2023

ADCB’s total 2023 financed emissions were 13.25 million tCO₂e



Financed emissions intensity in 2023

ADCB’s total 2023 emissions intensity was 0.14 million tCO₂e/1,000 AED of exposure outstanding



Note: Figures may not add up due to rounding differences
Source: ADCB 2023 financed emissions inventory
(1) Commercial Real Estate only because financed emissions were not measured for Residential Real Estate in 2022

(2) % of exposure within in-scope NZBA sectors
(3) PCAF scores based on Scope 1+2 emissions

2024 enhancements to financed emissions baseline

The Bank has rolled its financed emissions measurement forward to year-end 2023. As part of the update, ADCB has improved data quality, brought its CRE methodology in line with industry practice, expanded its perimeter, and enhanced its validation of the financed emissions calculation.

Integrated data quality improvements: Due to improvements in data quality and availability, ADCB has integrated more client-reported data into its financed emissions measurement. Furthermore, ADCB has improved its emissions proxies by updating from global to country-specific proxies, enhancing the sector granularity of proxies, and introducing physical intensity proxies for the first time.

Updated the Commercial Real Estate methodology: The methodology for CRE has been fully aligned to the PCAF methodology, reflecting better availability of data on property type and floor space. This approach has also been applied to Residential Real Estate (which is measured for the first time this year)⁽¹⁾.

Expanded the perimeter from seven to eight sectors: Financed emissions for Residential Real Estate have been measured for the first time.

Enhanced validation: In addition to first- and second-line validation, the Bank has taken its financed emissions measurement through limited assurance for the first time.

Financed emissions restatement

As a result of some of the enhancements made by ADCB, the Bank has restated its 2022 financed emissions.

ADCB's 2022 baseline is restated from 10.9 million tCO₂e to 17.5 million tCO₂e (+61%). The change in CRE methodology and enhancements in proxies increased 2022 financed emissions by ~55%, while changes in model inputs increased 2022 financed emissions by ~6%.

ADCB's 2023 financed emissions amounted to 13.25 million tCO₂e, a decrease of ~25% from the restated 2022 level. Changes in the size and mix of ADCB's portfolio and an improvement in data quality (more clients reporting their emissions) decreased financed emissions by ~25% from the restated 2022 level. This was offset by an increase in client emissions and an expanded perimeter, which increased financed emissions by ~3% relative to the restated 2022 level.

The Bank's data quality score improved from 2022 to 2023. In the corporate sectors – Oil & Gas, Power, Aviation, Road transport, Shipping, Iron & steel – ADCB's PCAF score1 improved from 4.3 to 3.3. In Commercial Real Estate and Residential Real Estate, the PCAF score improved from 4.6 to 4.3.

Challenges and limitations

The key challenges the Bank had faced when measuring financed emissions were as follows:

- Lack of published client emissions, financial and production data, requiring the Bank to fall back on proxies to estimate client emissions.
- Differences in calculation methodology and reporting by clients, particularly in clients' reporting of scope 3 emissions⁽¹⁾.

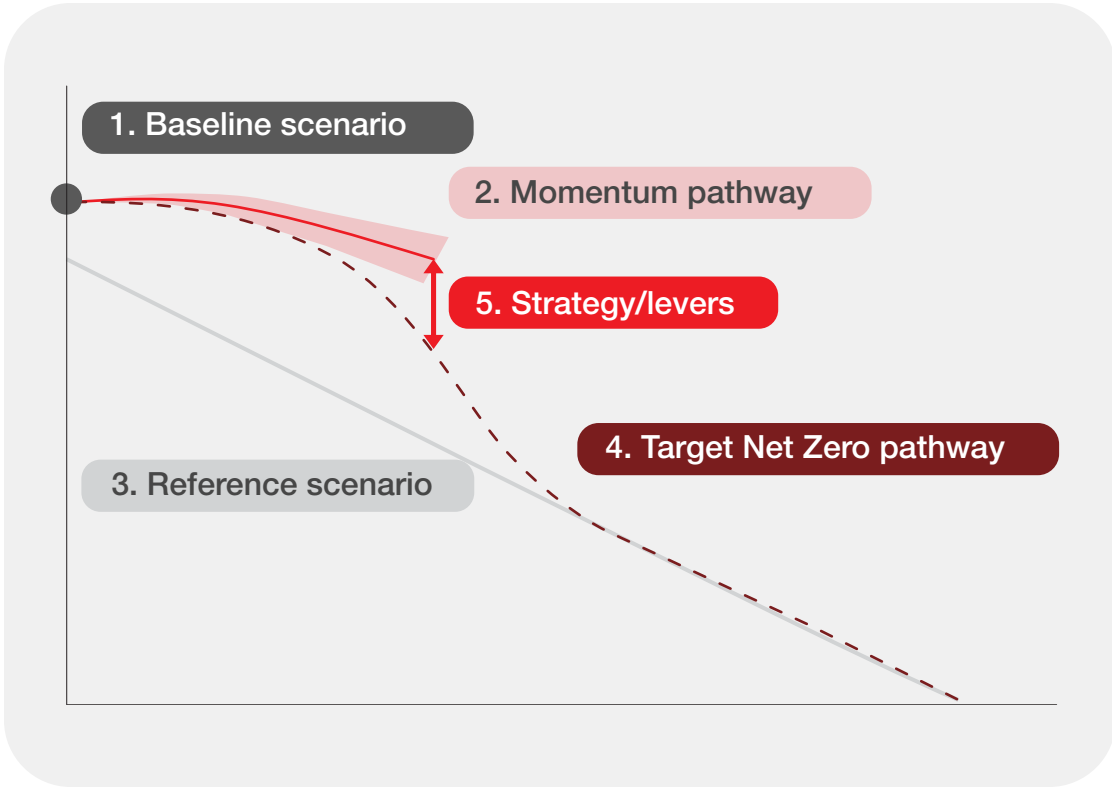
The Bank uses appropriate assumptions and estimates, including proxies based on company production and revenue, to address these challenges. ADCB will continue to enhance its estimates of financed emissions through improvements in the granularity and coverage of client data.

ADCB's financed emissions may change upon recalculation due to technical factors such as changes in data quality and availability, changes in emissions proxies, and changes in the PCAF methodology. ADCB's financed emissions may also change due to non-technical, 'real world' factors such as changes in client emissions and changes in the Bank's portfolio size and mix.

ADCB will update and disclose its financed emissions baseline annually. As part of its disclosure, ADCB will explain the key drivers of the change in financed emissions versus the previous year.

Target setting and client transition plans

ADCB remains fully committed to the principles of the Net Zero Banking Alliance and to supporting the UAE's clear policy direction towards the decarbonisation of economic sectors. In light of recent changes to NZBA rules, ADCB will assess its first wave of sector decarbonisation targets and publish during 2025, in line with the following process:



Reducing the Bank's scope 3 financed emissions relies significantly on the Bank supporting its clients to meet their decarbonisation commitments. To advance its approach, ADCB has developed a framework to consistently assess client transition plans.

(1) In line with market practice, ADCB measures financed emissions for buildings that are operational in its Commercial Real Estate and Residential Real Estate measurement, therefore excluding buildings that are under construction. This excludes ~20% of the Bank's exposure in Commercial Real Estate and ~15% in Residential Real Estate

Sustainable finance

Why it matters

ADCB believes that the integration of ESG considerations into our investments, lending, products and services benefits our business, while contributing to sustainable development. Our focus on sustainable finance enables the Bank to enhance business resilience, gain financial returns and to support our customers in their transition.

Our approach and progress

At the heart of ADCB's approach to climate is the financing support it provides to customers for initiatives that promote sustainability, including the provision of a suite of green products and services. This approach reflects the belief that investment in the UAE's transition to net zero represents a significant economic opportunity, and that major financial institutions have a critical role in financing and supporting a successful transition.

Furthermore, the Bank recognises the importance of collaborating with external partners to accelerate the shift towards more sustainable financial markets. ADCB is a signatory to the Net Zero Banking Alliance (NZBA) and one of the founding signatories of the Abu Dhabi Sustainable Finance Declaration.

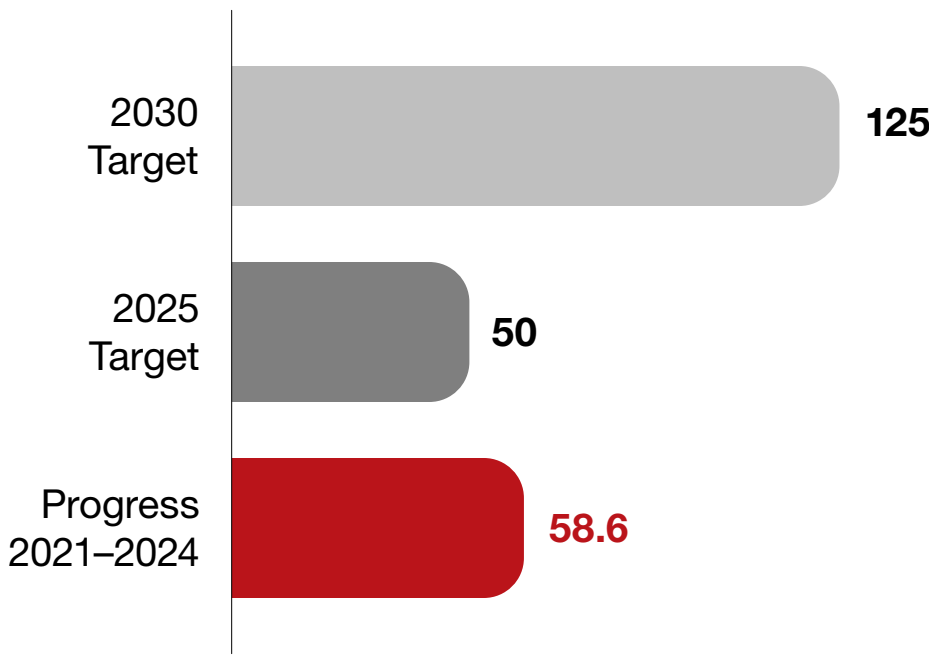
Sustainable finance target

As part of the Bank's climate framework, ADCB has a sustainable finance commitment of AED 125 billion (USD 34 billion) by 2030, as well as an interim target of AED 50 billion (USD 14 billion) by the end of 2025.

Overview of ADCB's sustainable finance portfolio (AED bn)

By category	2021–2023 ⁽¹⁾	2021–2024 ⁽²⁾	YoY change
Lending ⁽³⁾	21.8	40.3	85%
Investing ⁽⁴⁾	4.7	10.8	130%
Facilitating ⁽⁵⁾	3.8	7.5	97%
Total sustainable financing	30.3	58.6	93%

ADCB's progress towards our sustainable finance commitments (AED bn)



Since 2021, the Bank has raised and facilitated AED 58.6 billion (USD 15.95 billion) in sustainable finance through lending, investments and facilitation of sustainable projects, exceeding our interim target of AED 50 billion (USD 14 billion).



ADCB Sustainable Finance Framework



ADCB Green Bond Framework

ADCB's Sustainable Finance Framework

ADCB's **Sustainable Finance Framework** defines our approach and methodology for categorising, tracking and reporting on the Bank's sustainable finance target. The framework, aligned to international industry guidelines and principles, provides the scope, assessment parameters and standards, E&S due diligence requirements and approach to governance which helps us to ensure the robustness of our sustainable financing activities.

Activities within the scope of the Framework include:

- **Lending:** Green, social, sustainability (green and/or social) and sustainability-linked financing (including Islamic financing)
- **Investing:** Investments by ADCB Group in green, social, sustainability, sustainability-linked and transition instruments (including sukuk)
- **Facilitating:** ADCB's role in facilitating green, social, sustainability, sustainability-linked and transition investments/financing through our advice, products and financing support that we offer our clients or customers

In addition to the Sustainable Finance Framework, ADCB has a **Green Bond Framework** to issue green bonds to finance and/or refinance green loans.

(1) As at 31 December 2023
(2) As at 31 December 2024
(3) For Corporate and Investment Banking Group (CIBG)/Private Banking Group (PBG) – Limit booked at execution of new facilities provided (and any incremental increase in limits in case of refinancing). For Retail Banking Group (RBG) – Total disbursal
(4) Total invested
(5) For CIBG: Apportioned value of ADCB's participation in the transaction. For Asset Management: Reported as Net inflow (in 2023) and Assets Under Management (AuM) (in 2024)

Sustainable finance reporting

In 2024, we strengthened the process for the quarterly reporting of our progress against the target of AED 125 billion to the UAE Banks Federation and to our investors through quarterly communications.

The Sustainable Finance Working Group (SFWG) consists of senior stakeholders from across the Bank, responsible for the monitoring and reporting of our sustainable finance portfolio. This includes representatives from Corporate & Investment Banking Group (CIBG), Retail Banking Group (RBG), Treasury & Investments Group (TIG), Private Banking & Wealth Management Group (PBG), Islamic Banking, Risk, Credit, Legal, Compliance and Sustainability.

The SFWG reviews the processes, systems and controls related to product classification and documentation to ensure consistent application of the green and social eligibility criteria. The SFWG also reviews and approves the quarterly sustainable finance portfolio and monitors progress against our AED 125 billion sustainable finance target.

2024 improvements in governance and reporting:

- established a detailed standard operating procedure (SOP) outlining the process of tracking and reporting within each business segment
- updated the green and social eligibility criteria to provide more granular definitions and support the tagging of sustainable finance activities
- implemented new sustainable finance tags in ADCB's core banking systems for automated reporting of CIBG sustainable finance deals
- expanded the scope of Environmental & Social Risk Management (ESRM) to screen investments and facilitation
- conducted briefing sessions on sustainable finance with relationship managers, Risk and Credit Teams

Sustainable finance governance: quarterly monitoring and reporting

When

Week 1 of every quarter



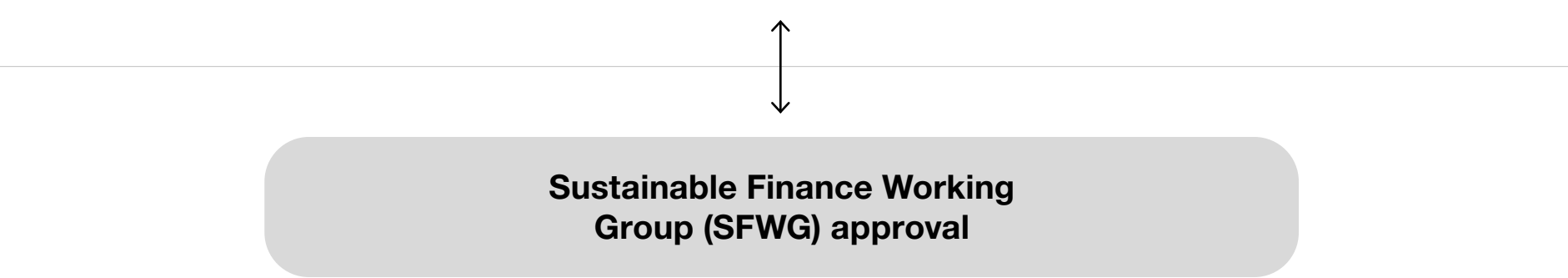
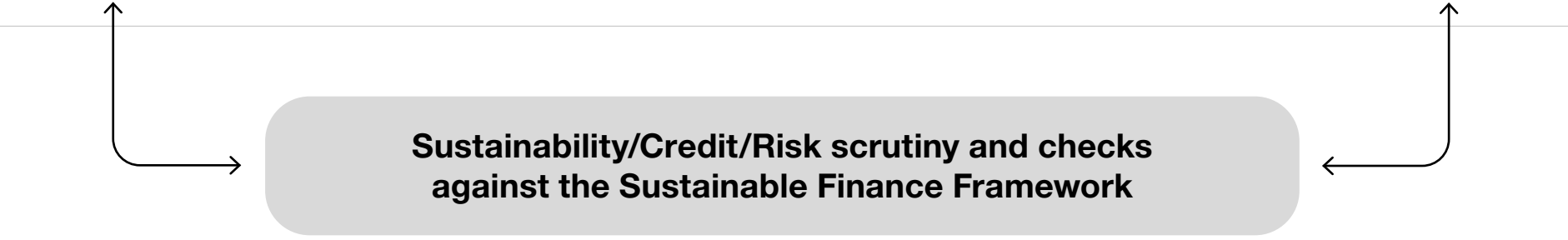
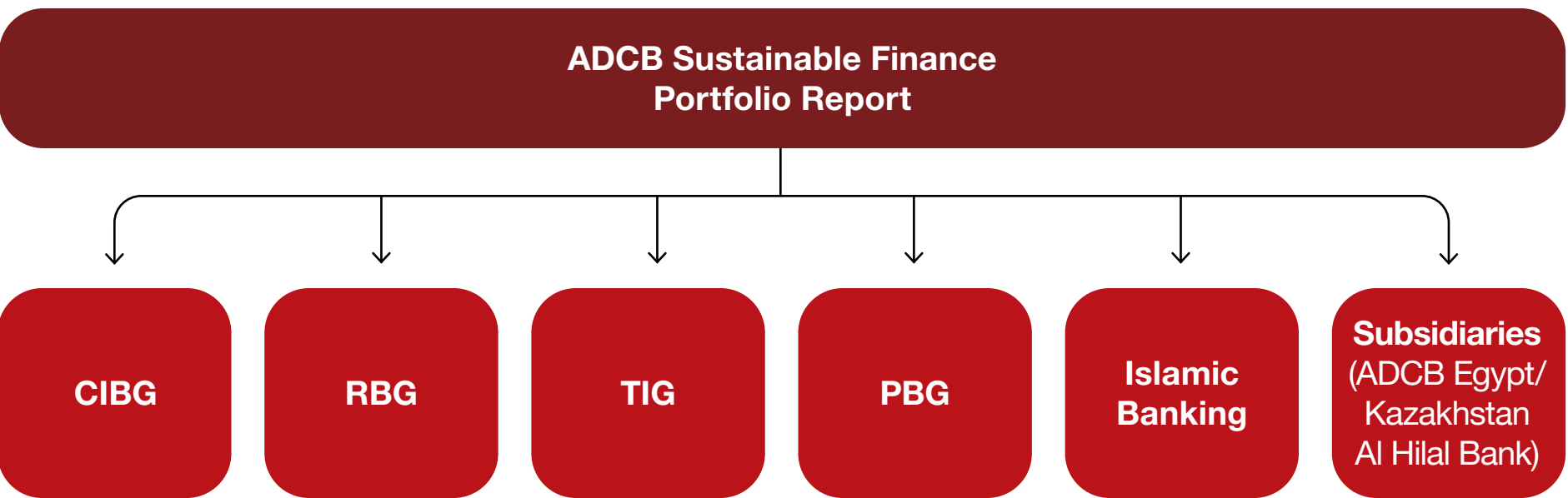
Week 2 of every quarter



Week 3 of every quarter



Week 4 of every quarter



How

Sustainability Team to issue reporting template to business segments

Nominated personnel from each business segment to coordinate and submit the requested data

Sustainability, Risk and Credit Teams to review assets against eligibility criteria as per the Framework

Review and approval of the portfolio by the SFWG and tracking of progress against the Sustainable Finance target

Endorsement by the GSC for external disclosure to targeted stakeholders

Lending: green, social, sustainable, sustainability-linked loans

ADCB’s lending to green, social, sustainable and sustainability-linked financing (including Islamic financing) has increased to AED 40 billion, a year-on-year increase of 85%.

Lending	Limit booked, as at 31 Dec 2023 (AED million)	Limit booked, as at 31 Dec 2024 (AED million)	YoY change
Green loans	15,733	27,517	75%
Corporate customers	12,061	21,614	79%
Retail customers	3,672	5,903	61%
Social loans	845	857	1%
Sustainable loans	–	1,286	–
Sustainability-linked loans	5,183	10,619	105%
Total sustainable financing (lending)	21,761	40,279	85%

Lending case studies

Barakah One Company PJSC

Syndicated financing for the Barakah Nuclear Energy Plant, marking the first green loan certified to be aligned with the Loan Market Association (LMA) Green Loan Principles for a nuclear power project in the MENA region, and the second globally.

The Barakah Nuclear Energy Project is expected to help the UAE in reaching the net zero by 2050 target, and will generate 40 terawatt-hours (TWh) of electricity per year, while simultaneously preventing the release of 22.4 million tonnes of carbon emissions.



Green loan
AED 4,400 mn
Limit booked

Al Reem Hospico Company LLC

Social loan aimed at enhancing healthcare infrastructure and services. The funding is directed towards the development and operation of healthcare facilities, contributing to improved access to quality medical services. This initiative aligns with the UAE’s commitment to social development and the enhancement of public services.



Social loan
AED 95 mn
Limit booked

Abu Dhabi Future Energy Company PJSC (Masdar)

Bridge facility to support plans for a green bond issuance. This financing was part of Masdar's broader programme to raise up to USD 3 billion to meet equity funding commitments on new renewable energy projects at home and overseas, as it seeks to grow its global portfolio to 100GW of capacity by 2030.



Bridge facility to green bond
AED 1,800 mn
Limit booked

Aldar Properties PJSC

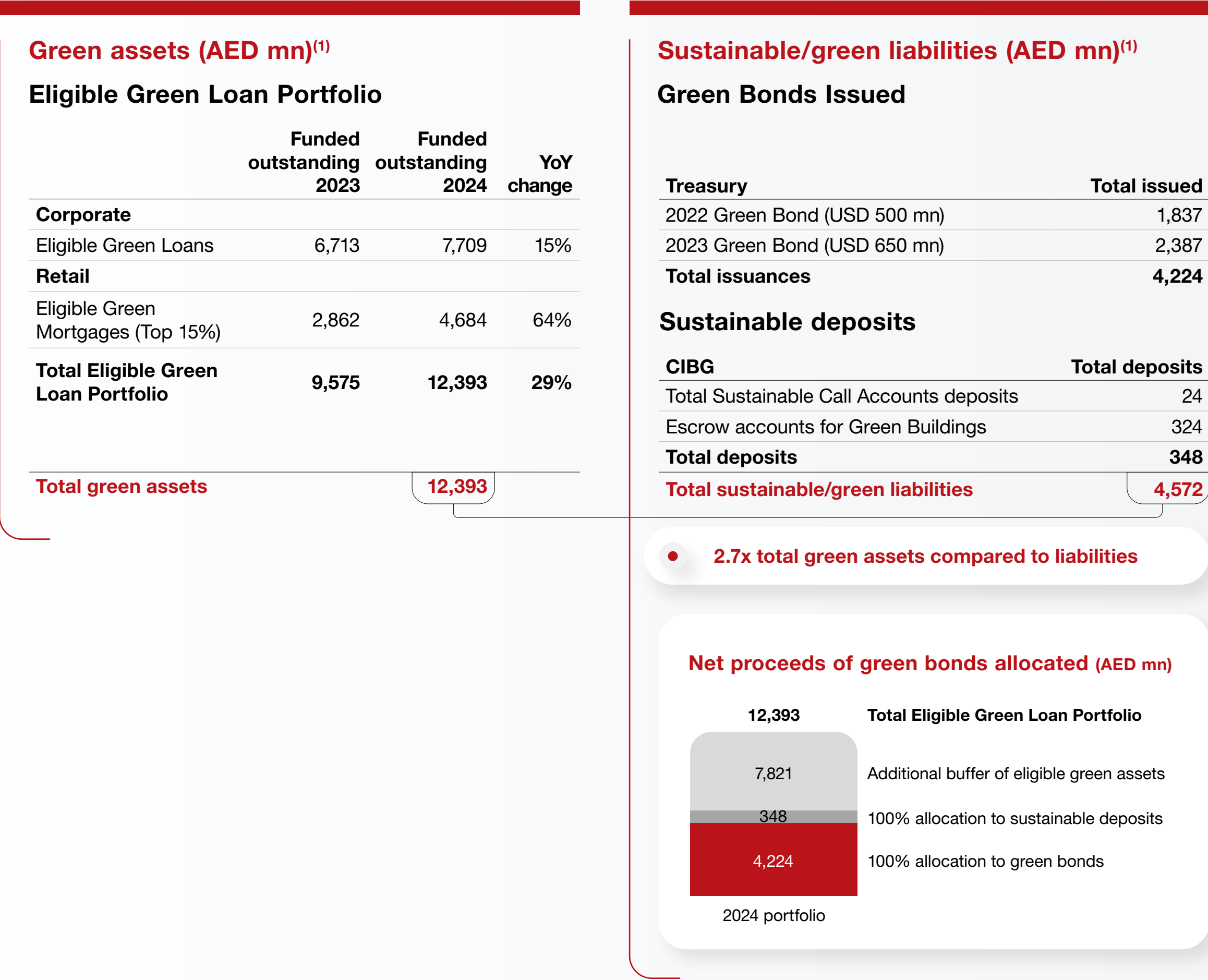
Sustainability-linked loan to support its transition to lower carbon, resource efficient operations. The facility is tied to Aldar's performance on key ESG metrics such as green building development, energy efficiency upgrades, and sustainable water management.



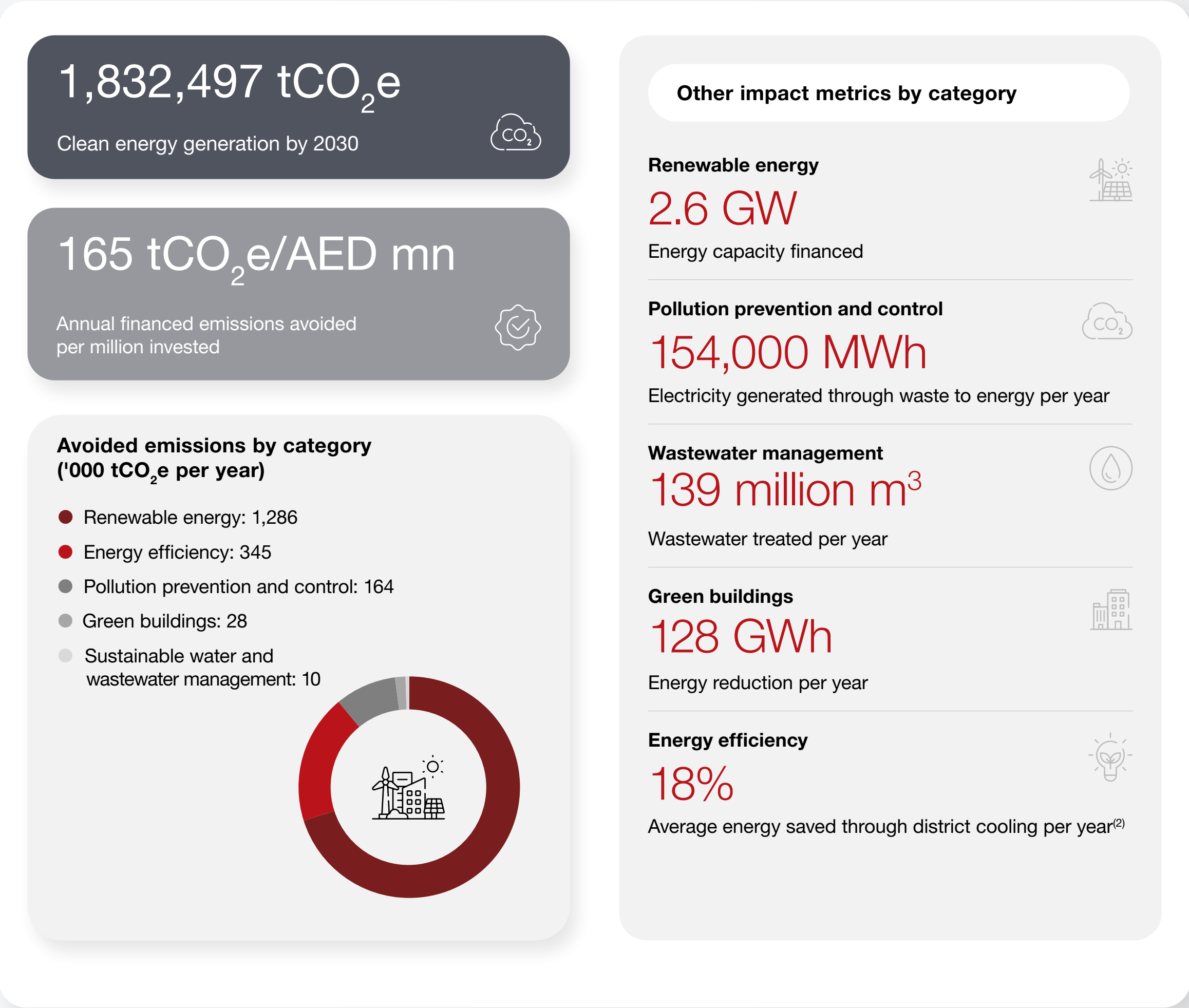
Sustainability-linked loan
AED 1,000 mn
Limit booked

Lending: Eligible Green Loan Portfolio (EGLP)

The Bank has continued to lend to green projects to support our customers in their transition to net zero. ADCB's EGLP is selected in accordance with the green criteria outlined in the publicly available ADCB Green Bond Framework.



Green Bond impact report of EGLP (as at 30 June 2024)



Note: The estimated impacts presented are based on our calculations using publicly available data as reported by relevant projects or companies. In cases where data was unavailable, the Bank relied on assumptions and estimates specific to each asset type and location. The estimated impacts includes projects in operation and under construction. For further information please refer to our 2024 Green Bond Report

(1) As at 31 December of reported year

(2) Energy savings estimated for district cooling services when compared to energy consumption for conventional cooling systems

Facilitation - debt capital markets

To support the transition to a green economy, ADCB facilitated the following ESG deals in the debt capital markets.

Selected Debt Capital Markets ESG deals facilitated by ADCB in 2024

VakifBank USD 500,000,000 5.25-year Sustainable Bond 6.88% Notes Due 2030 Senior Unsecured/144A/RegS Joint Bookrunner September 2024	Masdar USD 500,000,000 10-year Green Bond 5.25% Notes Due 2034 Senior Unsecured/RegS Joint Lead Manager & Joint Bookrunner July 2024	Masdar USD 500,000,000 5-year Green Bond 4.88% Notes Due 2029 Senior Unsecured/RegS Joint Lead Manager & Joint Bookrunner July 2024	Government of Sharjah EUR 500,000,000 6.5-year Sustainable Bond 4.625% Notes Due 2031 Senior Unsecured/144A/RegS Joint Lead Manager & Joint Bookrunner July 2024	Akbank USD 500,000,000 5-year Sustainable Bond 7.50% Notes Due 2030 Senior Unsecured/144A/RegS Joint Lead Manager & Joint Bookrunner June 2024
Isbank USD 500,000,000 5-year Sustainable Bond 7.75% Notes Due 2029 Senior Unsecured/144A/RegS Joint Lead Manager & Joint Bookrunner June 2024	Aldar USD 500,000,000 10-year Green Sukuk 5.50% Notes Due 2034 Senior Unsecured/RegS Joint Lead Manager & Joint Bookrunner May 2024	Al Rajhi Bank USD 1,000,000,000 5-year Sustainable Sukuk 5.048% Notes Due 2029 Senior Unsecured/RegS Joint Lead Manager & Joint Bookrunner March 2024	Government of Sharjah USD 750,000,000 12-year Sustainable Bond 6.125% Notes Due 2036 Senior Unsecured/144A/RegS Joint Lead Manager & Joint Bookrunner February 2024	Ziraat Bank USD 500,000,000 5-year Sustainable Bond 8% Notes Due 2029 Senior Unsecured/144A/RegS Joint Lead Manager & Joint Bookrunner January 2024

Sovereigns Corporates Financial Institutions

Summary of DCM ESG deals facilitated by ADCB

Number of ESG tranches

10



Total volume of transactions

USD 5.7 bn



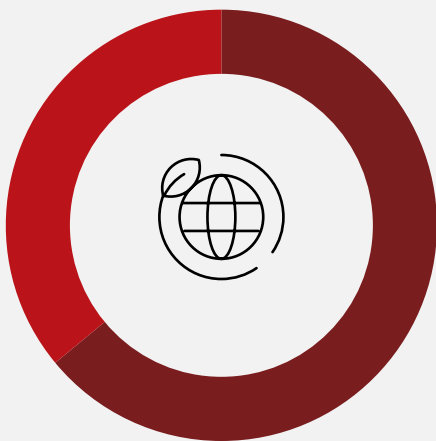
Total facilitation⁽¹⁾

AED 6.4 bn



Breakdown of ESG deals facilitated

- Green 64%
- Sustainable 36%



(1) Apportioned value of ADCB's participation in the transaction

Facilitation – asset management

ADCB Asset Management Limited (AAML) continued to make significant progress in the integration of ESG factors into its investment strategy.

In 2024, AAML highlighted its commitment towards responsible investments by becoming a signatory to the United Nations Principles for Responsible Investment (UNPRI).

As a signatory to the UNPRI, AAML is committed to the following:

- **Principle 1:** Incorporate ESG issues into investment analysis and decision-making processes
 - **Principle 2:** Be active owners and incorporate ESG issues into our ownership policies and practices
 - **Principle 3:** Seek appropriate disclosure on ESG issues by the entities in which we invest
- **Principle 4:** Promote acceptance and implementation of the Principles within the investment industry
 - **Principle 5:** Work together with our peers to enhance our effectiveness in implementing the Principles
 - **Principle 6:** Report on our activities and progress towards implementing the Principles

Facilitated (AAML)⁽¹⁾

By category (AED mn)	AuM 2023	AuM 2024	YoY change
ESG focused impact investments Only products mapped to Article 9 are considered	18.4	11.2	(39%)
ESG focused thematic investments Only products mapped to Article 8 and with a declared SDG commitment are considered	55.2	57.6	5%
ESG assessed investments The remaining products mapped to Article 8 and without a SDG commitment are considered	865.3	1,077.9	25%
Total sustainable financing (facilitated)	939.9	1,146.8	22%

Note: ESG funds classified as per the SFDR Directive - Article 8-9
(1) As at 31 December of reported year

Spotlight

Committed to responsible investing

Highlighting ADCB Group’s commitment to responsible investing, ADCB Asset Management Limited (AAML) developed its Responsible Investment Policy and became a United Nations Principles for Responsible Investment (UNPRI) signatory in 2024.

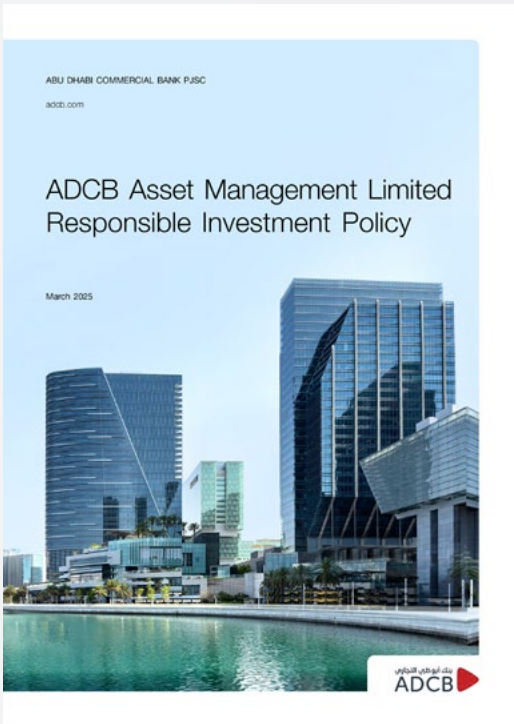
The Responsible Investment Policy, which covers AAML managed funds, third-party mutual funds, and structured products and single securities, sets out how AAML identifies, prioritises and manages the ‘principal adverse impacts’ on sustainability factors. The policy incorporates the six principles of the **UNPRI** Framework and adopts them across the investment value chain.

It commits AAML to integrating Environmental, Social and Governance (ESG) factors into investment processes, offering a variety of ESG solutions across asset classes. In addition, the policy makes relevant disclosures under the EU 2019/2088 Sustainable Finance Disclosure Regulation, in particular under Articles 3, 6, 8 and 9.



Other key activities implemented by AAML include the following:

- Launched new funds that promote environmental or social characteristics, which are EU Sustainable Finance Disclosure Regulation (SFDR) Article 8 compliant
- Established strategic partnership with JPMorgan Asset Management, which would help drive significant new capabilities and ESG-linked products to our asset management offering
- ESG forum led by the Chief Investment Officer continued to oversee the implementation of strategic ESG initiatives in AAML



Investments - Treasury

Treasury investments in green/social/ sustainability/sustainability-linked bonds or sukuk

In 2024, we enhanced the governance and reporting process for sustainable investments by:

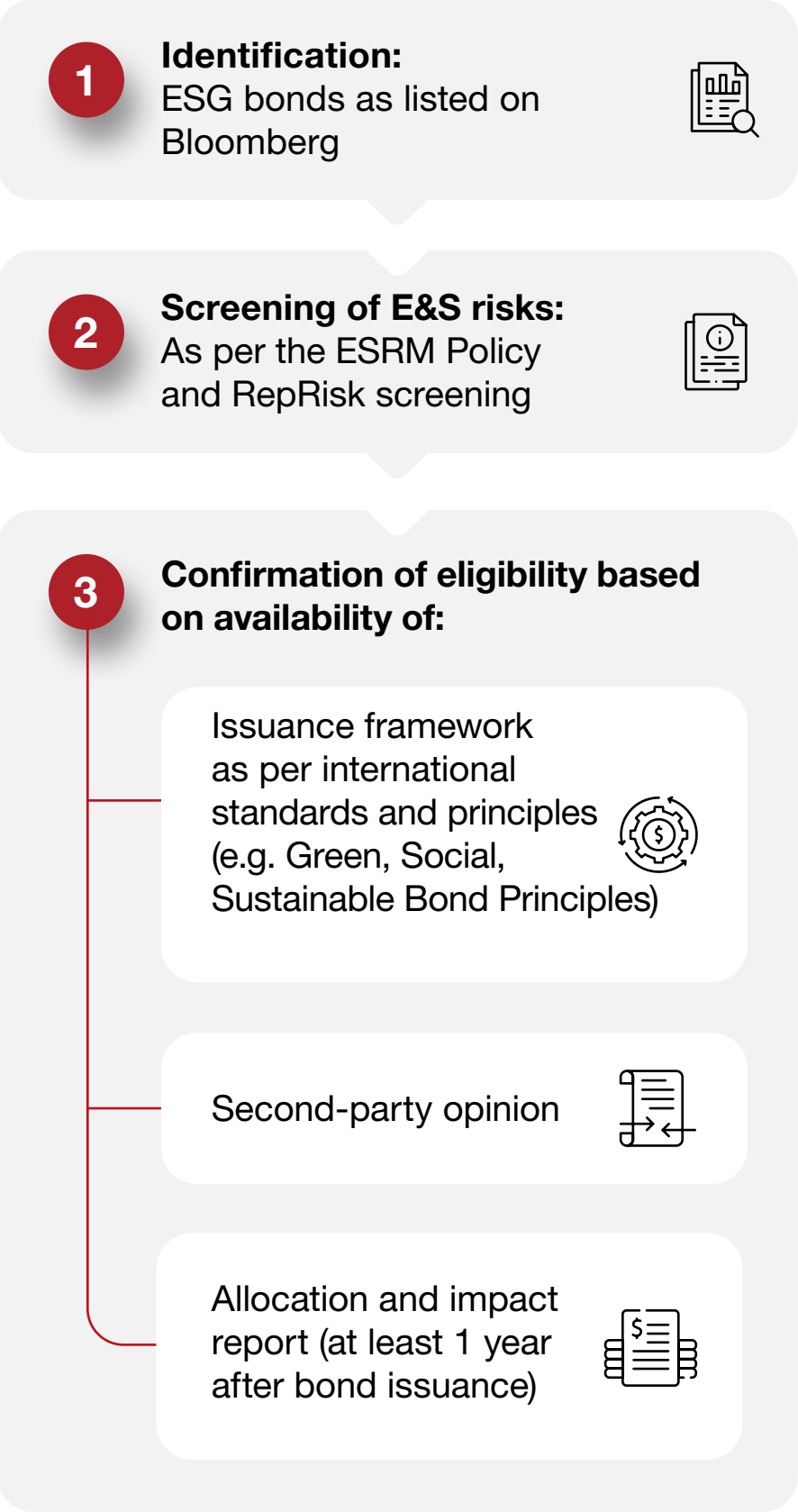
- Integrating the process for the identification and review of sustainable investments into ADCB’s Treasury Investment Policy
- Expanding the scope of ESRM screening to include treasury investments

Sustainable investments (AED mn)⁽¹⁾

	Total value invested 2023	Total value invested 2024	YoY change
Green bond/sukuk	3,153	6,120	94%
Social bond/sukuk	306	1,612	427%
Sustainability bond/sukuk	1,183	2,831	139%
Sustainability-linked bond/sukuk	30	213	610%
Total sustainable finance (investing)	4,672	10,776	131%

(1) As at 31 December of reported year

Process for the identification and review of sustainable investments



Guiding principles on Islamic sustainable finance

Islamic sustainable finance is a key focus area for the Bank and has gained further momentum since the issuance of the Central Bank of UAE’s Higher Shari’ah Authority (HSA) Resolution on ‘The Guiding Principles Regarding Islamic Sustainable Finance’ in November 2023.

One of the key expectations of the principles is that Islamic finance institutions/windows should develop a robust Islamic financial sustainability framework, as per the 10 guiding principles set by the HSA.

Key actions taken by ADCB to align with principles:

- Amended the Sustainable Finance Framework to incorporate the Islamic component
- Defined a 5-year growth plan for ADCB Islamic banking sustainable finance, which is tracked quarterly
- Revised the Environmental and Social Risk Management Policy to consider social values and cohesion aspects of transactions, such as Shari'ah-prohibited activities
- Amended the Bank's Charity Account Payment Policy to include: 'Islamic Financial Institutions should highlight their sustainability initiatives, including the disbursement of Zakat funds and charity accounts through their rightful channels, and link them to the sustainable development goals.'
- Developed mandatory training courses on Islamic sustainable finance

Sustainable finance – overview of green/sustainable products and services for corporate and retail customers

The Bank continued to support corporate clients and retail customers in their transition to net zero with green/sustainable products and services.

For corporate customers

Sustainable call account

Providing a new avenue for corporate banking customers to manage funds while contributing to their social and environmental goals. Funds deposited by corporates and institutions in an ADCB sustainable call account are directly allocated to sustainable and green bonds within the Bank's Treasury investment book in accordance with principles set by The International Capital Market Association (ICMA).



AED 24 mn

Total deposits in sustainable call account (as at 31 December 2024)

[Please click here for sustainable call account](#)

Carbon calculator

An innovative tool that supports the sustainability ambitions of businesses by providing data on the estimated carbon footprint of their corporate expenditure using the ADCB corporate cards. Developed by Mastercard, the carbon calculator estimates the environmental impact of each purchase using a weighted calculation, powered by the independently verified **Doconomy Åland Index**.



[Please click here for carbon calculator](#)

For retail customers

Green car loans

Our green car loans are tailored to encourage the purchase of eco-friendly vehicles such as electric vehicles (EVs), hybrids and plug-in hybrids, aligning with our commitment to support greener choices for our retail customers.



In addition to financing the value of the vehicle, we also finance electric chargers and related accessories for the customer to enable easier access to infrastructure to support the switch to clean transportation.

3,500+

Total number of green car loans disbursed since 2021

[Please click here for green car loans](#)

Green home loans

ADCB offers loans for green homes that fit product eligibility criteria. The Bank's green home loans are designed to support environmentally conscious home buyers by offering favourable terms and incentives. This provides customers with discounts on processing fees in addition to other exclusive benefits.



AED 101 mn

Total amount of green home loans disbursed since 2021

[Please click here for green home loans](#)

Spotlight



Affordable housing financing

In line with our ambition towards financing to promote the social development agenda in the UAE, ADCB has established a partnership with the Abu Dhabi Housing Authority (ADHA) to offer top-up on existing housing loans, with interest and Murabaha options, supported by the Abu Dhabi government, to beneficiaries of ADHA's Housing Loan Programme. This initiative enables eligible citizens to secure additional financing on their original loans of AED 1.75 million, helping them obtain housing that better meets their needs.

In addition to the ADHA, ADCB also provides financing for beneficiaries of other housing programme grants approved by any of the federal or local authorities including Sheikh Zayed Housing Programme (SZHP), Mohammed Bin Rashid Housing (MBRH) and NHL (National Housing Loan).

Environmental and social risk management (ESRM)

Why it matters

Environmental and social (E&S) risks have the potential to impact the Bank at every level. By incorporating E&S considerations into the existing risk management framework and lending practices, we are able to enhance our due diligence process, making risk management more effective and creating new opportunities to capitalise on.

Our approach and progress

In 2024, ADCB progressed with the implementation of the Group Environmental and Social Risk Management (ESRM) Policy and scorecard in a phased approach across the Group, including all our subsidiaries. The latest policy was approved by the Board Risk Committee in February 2024 and is subject to an annual review.

Please click here for the **ADCB ESRM Policy**

Further information on IFRS S2 climate-related disclosures can be found on **pages 129-138**

ESRM Policy and key objectives

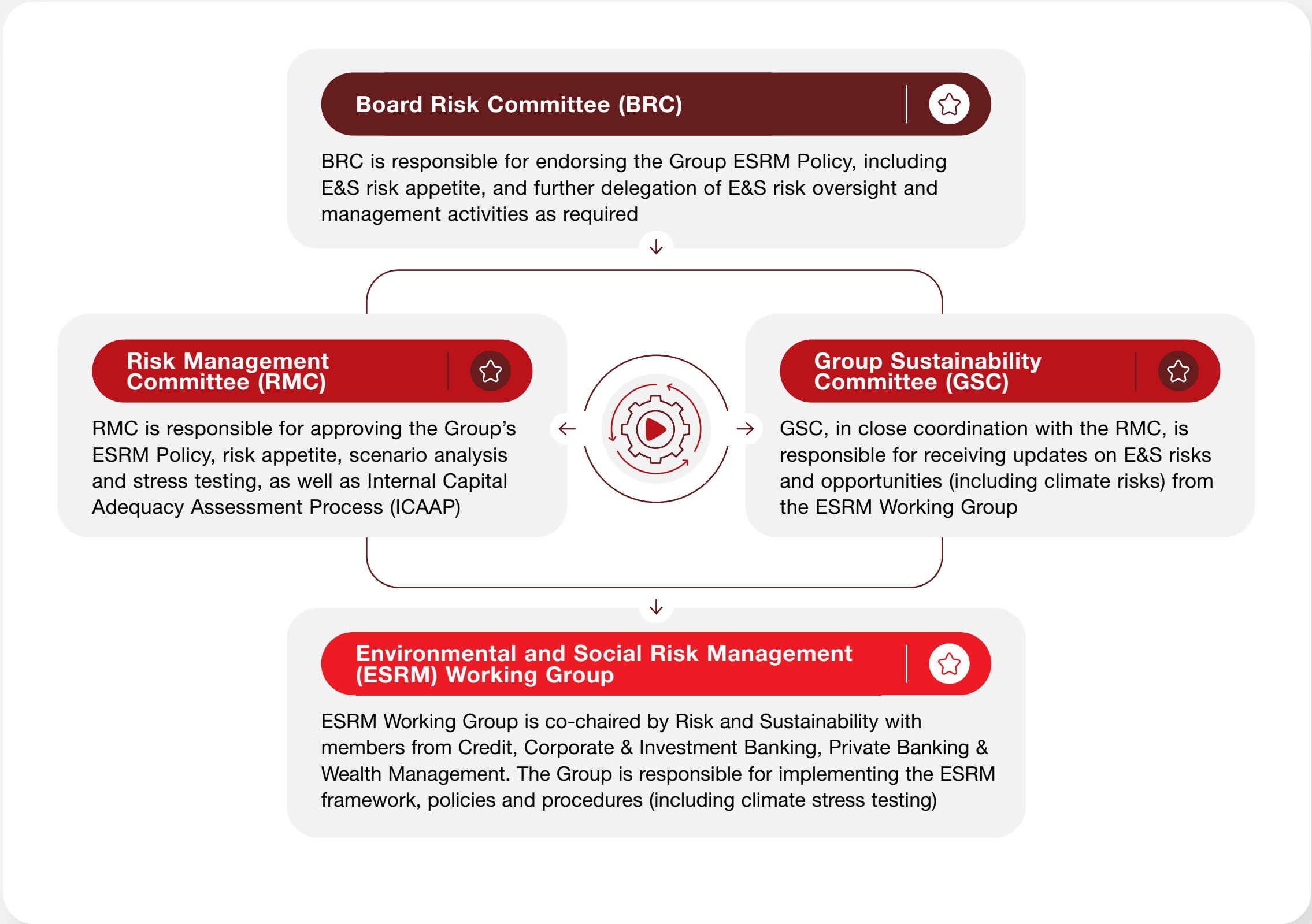
The core objective of this Policy is to define the principles for the identification, measurement, monitoring and reporting of E&S risks across ADCB's business units.

The Policy, which is accompanied by sector-specific guidelines for high-risk activities, has been informed by industry best practice including the International Finance Corporation (IFC) Performance Standards, Equator Principles, and the Central Bank of UAE regulations and guidelines.

The key objectives of the Policy are as follows:

- Incorporate material E&S risks into the overall risk appetite framework of the Group
- Establish an effective E&S risk governance structure and oversight with clear responsibilities across the three lines of defence
- Create a common definition for E&S risks and related terminologies across the Group
- Define the framework to identify, assess, monitor, and report material E&S risks faced by the Group
- Promote training and development for E&S risk management as and when required
- Develop E&S risks awareness and understanding at all levels as well as embed the importance of sustainability in the existing risk culture

ADCB Group E&S risk governance framework



ESRM Policy covers a detailed list of responsibilities for each of the following:

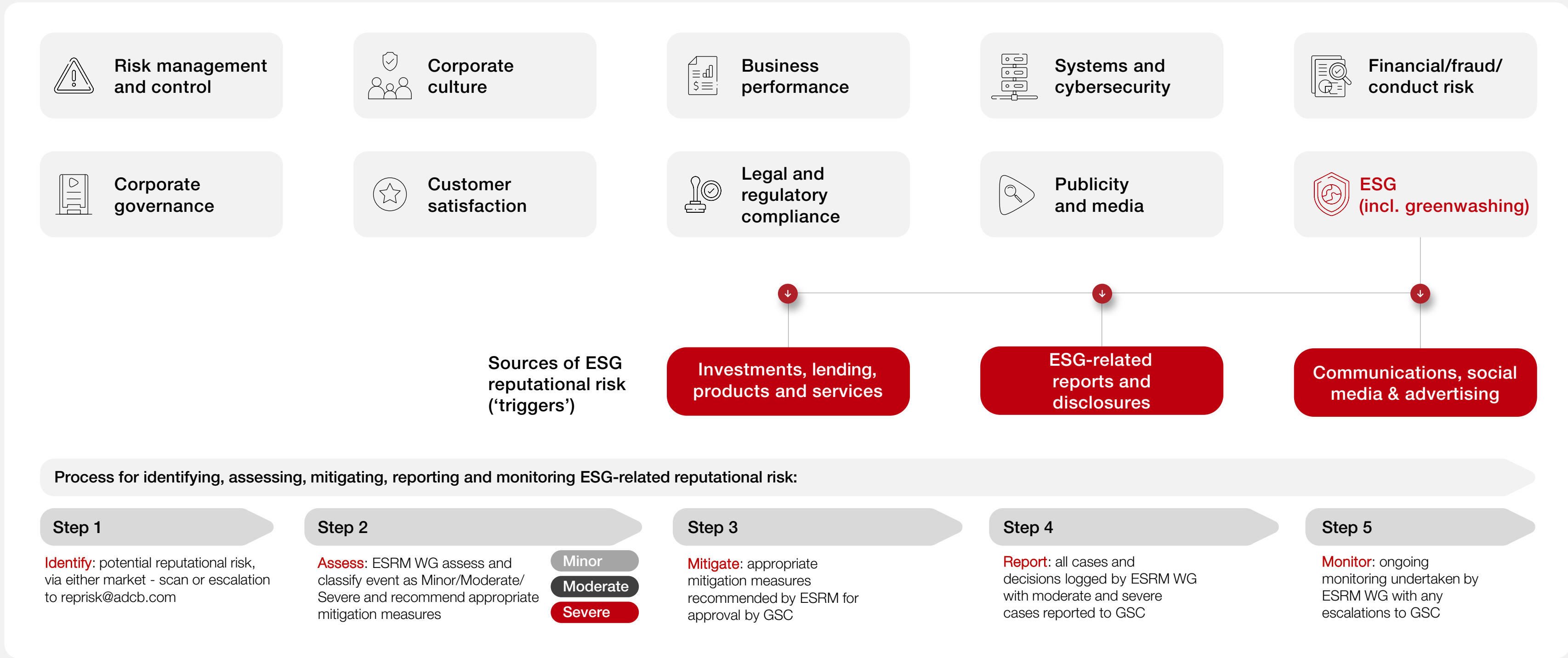
- Group Chief Risk Officer
- Management Credit Committee
- Group Credit
- Group Risk
- Group Sustainability
- Business units

Key 2024 updates

- Thermal coal reclassified under ‘Excluded’ sectors
- Board-approved E&S risk appetite statements reviewed and expanded to six quantitative metrics
- Central Bank of UAE ‘thematic review’ of ADCB’s approach to the management of climate-related financial risks completed with no high-risk findings
- Expanded the ESRM assessment scope to cover more portfolios (Retail mortgages & Treasury investments), and lending to high-risk sectors and exposures of AED 100 million and above
- Conducted two climate stress tests (beyond regulatory requirements)
- Captured new physical risk data for real estate collaterals
- Created a process for monitoring high-risk E&S clients
- Developed a new policy and process to manage reputational E&S risks (including "greenwashing")
- Provided regular reporting to RMC on E&S risks and KPIs
- Trained subsidiaries, front-line and credit teams on E&S risk assessment
- Increased internal ESG Risk Department capacity
- Rolled out an ESRM Policy in ADCB Kazakhstan
- Reviewed the implementation of the ESRM policy in ADCB Egypt

Our approach to managing reputational risk and greenwashing

At Group level there are 10 types of reputational risk, including ESG



Risk strategy and appetite

The Group assesses various E&S risks and opportunities and their impact in the short, medium, and long term. Such information is utilised for decision-making, business strategy as well as financial planning to navigate current and future risks.

The Group sets E&S risk appetite indicators to support its strategic plans. These indicators include a mix of qualitative and quantitative criteria:

- exposures to ‘Restricted’ sectors as defined in the Group ESRM policy
- Group’s operational GHG emissions footprint
- progress against the sustainable finance target of AED 125 bn by 2030 and an interim target of AED 50 bn by 2025

The E&S risk appetite statement is reviewed and approved by the Board Risk Committee on an annual basis and monitored on a quarterly basis by the RMC.

Further information on ESRM exposures can be found in ‘Data and Assurance’ section

(1) Portfolio exposure (%) reported for ADCB UAE as at 31 December 2024
(2) Transition Risk heat map is based on the European Bank for Reconstruction and Development (EBRD) classification as well as ADCB's internal assessment
(3) Equates to AED 12.5 billion, UAE loans and advances only

Materiality assessment

A materiality assessment is conducted to gather insight on the exposure and materiality of different E&S risks for the Group and to proactively manage the identified risks.

This exercise helps to identify the critical risks and material issues relevant to our stakeholders.

The materiality assessment focuses on risks emanating through the transmission channels, as defined in our ESRM Policy, and considers the following dimensions:

- portfolio weight to ‘Excluded’, ‘Restricted’ and ‘High-risk’ sectors
- exposure by risk rating and residual maturity to ‘Excluded’, ‘Restricted’ and ‘High-risk’ sectors
- exposure to high physical risk countries

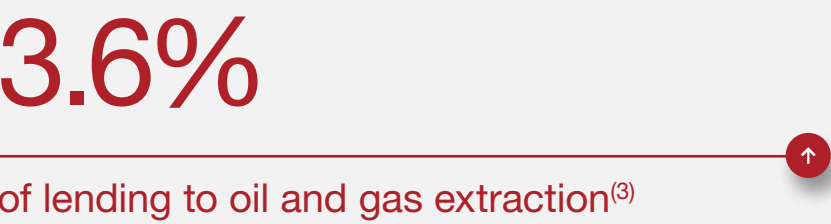
Based on a combination of the above, the E&S risks are rated as Low, Medium or High.

Materiality assessments are conducted semi-annually by Group Risk and the outcomes are presented to the RMC and BRC.

Portfolio exposure to economic sectors with material E&S risks

Sector	2023 portfolio exposure (%) ⁽¹⁾	2024 portfolio exposure (%) ⁽¹⁾	Transition risk ⁽²⁾
Energy			
Oil & gas extraction	3.40%	1.8%	
Power - conventional	1.30%	1.3%	
Power - renewables	0.00%	0.1%	
Real estate investment	17.80%	13%	
Transport & communication			
Aviation	0.70%	0.7%	
Shipping	0.10%	0.1%	
Government & public sector			
Oil & gas extraction	1.80%	1.5%	
Aviation	0.60%	0.6%	
Power - conventional	2.00%	1.2%	
Power - renewables	0.70%	1.0%	
Manufacturing	3.20%	3.3%	

Transition risk levels: Low Medium High



E&S risk identification

E&S risks cut across the principal risk categories (Credit, Market, Liquidity and Operational) and can materialise from both direct and indirect channels:

- direct channels - operations of the Bank's premises, infrastructure, and employees
- indirect channels - the financial services and support the Bank provides to counterparties who may be exposed to E&S risks

Environmental risks

- Environmental risks refer to any negative impact to the Group's premises, reputation and credit exposures to counterparties that may potentially contribute to or be affected by climate change and other forms of environmental degradation (such as air pollution, water pollution, scarcity of freshwater, land contamination, biodiversity loss and deforestation).

Climate-related financial risks comprise two main drivers:

- **Physical risk:** refers to the financial impact of a changing climate, including more frequent extreme weather events. Physical risk is categorised as 'acute' when it arises from extreme events, such as droughts, floods, and storms, and 'chronic' when it arises from progressive shifts, such as increasing temperatures and sea level rises. This can directly result in, for example, damage to property or reduced productivity, or indirectly lead to subsequent events, such as the disruption of supply chains

- **Transition risk:** refers to an institution’s financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon economy. This could be triggered, for example, by a relatively abrupt adoption of climate policies/taxes, regulatory changes, technological progress or changes in market and customer preferences

Social risks

- Social risks refer to any negative impact on the Group's business activities and reputation due to its financing to counterparties that may contribute or be affected by social factors, such as violation of human rights, unfair labour practices, unsafe working conditions and the mishandling of customer privacy

Risk type	Climate Risk type	Time horizon	Potential impact of climate risk	Bank’s current practice
Credit	Transition Risk	Short Medium Long	The failure of borrowers to adapt their business models to a low-carbon economy may lead to heightened credit risk and increase the risk of financial loss Higher operating costs for carbon-intensive customers, including the introduction of a carbon tax and new data requirements on emissions Extreme weather leading to higher retail and corporate loan defaults and lower collateral values may lower revenue as well as raise insurance premiums and coverages	Conducting scenario analysis, measuring current financed emissions, measuring sensitivities to forecast changes in ratings, the probability of default (PD) and loss given default (LGD) Materiality assessment to identify physical and transition risks in the credit portfolio Risk appetite statements to manage climate-related risks at the portfolio level ESG scorecard to assess and mitigate counterparty-level risks
	Physical Risk	Short Medium Long	Adverse weather conditions can result in property damage, affecting the value of collateral and causing significant financial losses	Translating impact of physical risks into both PD and LGD
Market	Transition Risk	Short	Transition risks can lead to stranded assets when regulatory shifts and policy changes lower the value of investments. Changes in market perception could lead to wider credit spreads	The Bank has reviewed whether its climate stress test scenarios are more severe than the existing capital stress tests currently undertaken as part of the ICAAP process
	Physical Risk	Short	Extreme weather events could raise concerns about the financial stability of companies operating in the impacted sectors. This uncertainty can lead to a repricing of equities, fixed income securities, and commodities	
Liquidity	Transition Risk Physical Risk	Short	Extreme weather conditions can disrupt business operations and cash flows, potentially disrupting liquidity. This may impair the Bank's ability to meet its short-term obligations, impacting the stability of the Bank deposits and overall financial health	Similar to the approach for market risk, the impact of climate stress test scenarios is also estimated on liquidity
Operational	Transition Risk Physical Risk	Short Medium Long	Potential impacts include disruption to business continuity due to extreme weather (e.g. power outage, flooding, staff absence), and regulatory fines for non-compliance with emerging climate disclosure regulations	Potential operational disruptions due to infrastructure damage or power outages have been analysed as part of the Bank’s existing business continuity plan and disaster recovery framework

E&S risk assessment and scorecard

E&S risk assessment at the counterparty and transaction level begins with front line units conducting screening against the ESRM exclusions and restricted lists, followed by determining the E&S risk exposure of potential customers through our scorecard.

ADCB's E&S scorecard includes quantitative and qualitative assessments which collectively provide a combined E&S risk rating outcome for customers at a company level.

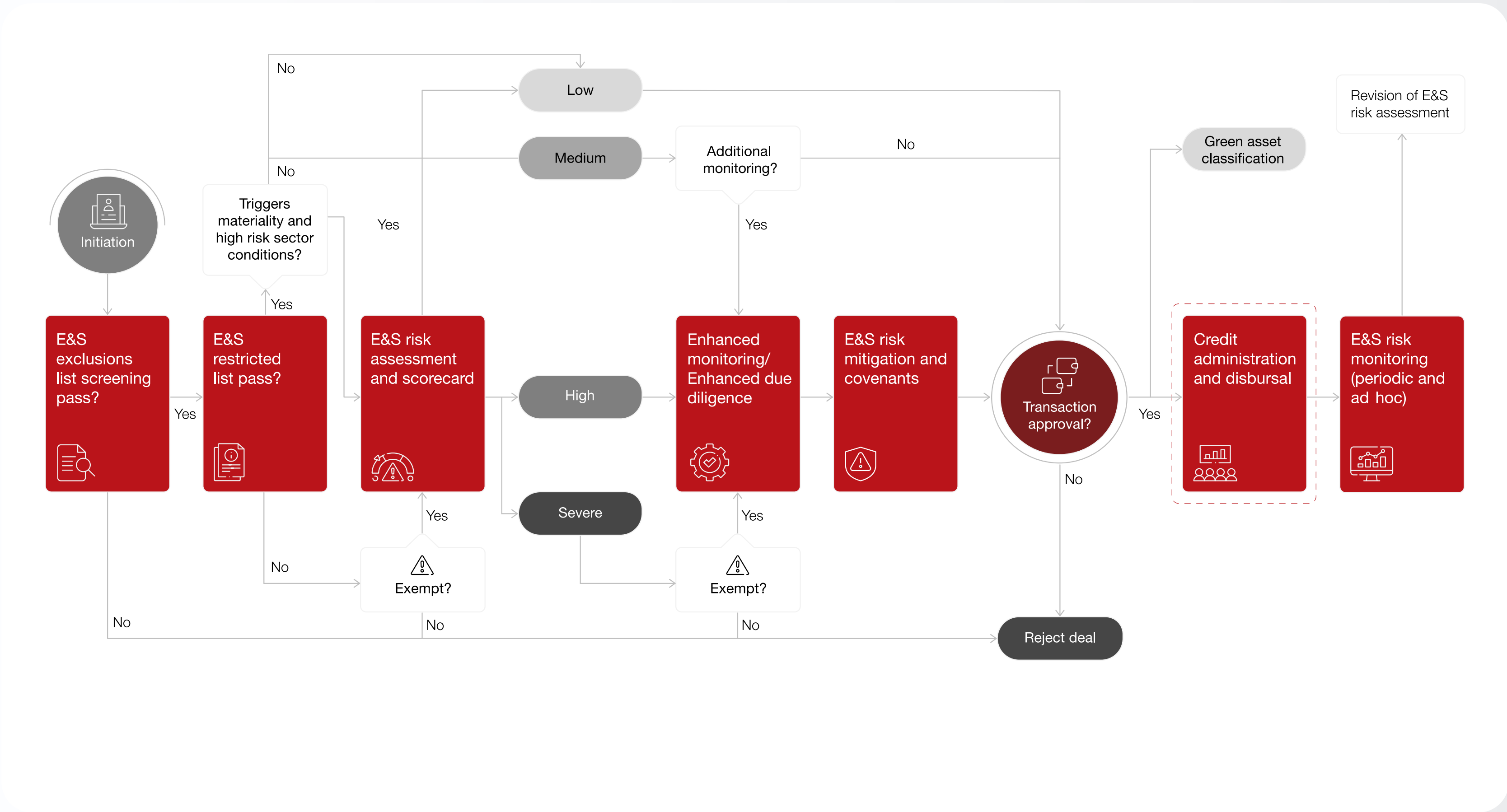
This assessment is completed at the onboarding phase of new customers and as part of a periodic credit review for existing customers.

The scorecard has four risk categories:

- **Low:** No further action required. Business units proceed with standard credit approval process steps
- **Medium:** The risk is acceptable. Further due diligence may be proposed to limit the risk of escalation to high or severe levels
- **High:** The Group performs enhanced monitoring and/or enhanced due diligence and establishes mitigation measures
- **Severe:** No engagement and exit from the client relationship, unless approved as part of the exceptions and exemptions mechanism

Overview of E&S assessment in the credit approval process

ADCB continues to strengthen its approach to E&S risk assessment by increasing the scope of the ESRM Policy and the associated scorecard to increase coverage of our lending portfolio and other asset classes.



Climate risk stress testing

ADCB conducts climate scenario analysis and stress tests in order to assess the impact of material climate risks on the Bank’s lending portfolio. The findings from these exercises enhance awareness of climate risk in the Bank. As data quality and accuracy improves, this information will be used to guide the Bank’s strategy and risk appetite.

ADCB has conducted the below two sets of climate stress tests in 2024:

- Portfolio level (top-down) approach
- Client level (bottom-up) approach

Both exercises support the promotion of climate analytics awareness and capability assessment through data gathering, modeling and measuring climate-related financial risks across the Bank. The observations and lessons learned from these exercises will support shaping the Bank’s future climate analytics framework.

The time horizons applied for both sets of exercises are:

- Short-term (by 2030)
- Medium-term (2030-2040)
- Long-term (2040-2050)

The climate stress test results were submitted to the Central Bank of UAE as part of its Internal Capital Adequacy Assessment Process (ICAAP) submission.

ADCB has conducted both stress tests leveraging scenarios from the widely adopted Network for Greening the Financial System (NGFS).

Climate scenarios

NGFS provides a set of seven scenarios covering both physical and transition risks under three broad categories of orderly transition, disorderly transition and a hothouse world.

The Macroeconomic variables (MEVs) sourced for each scenario are developed by the National Institute for Global Econometric Model (NiGEM).

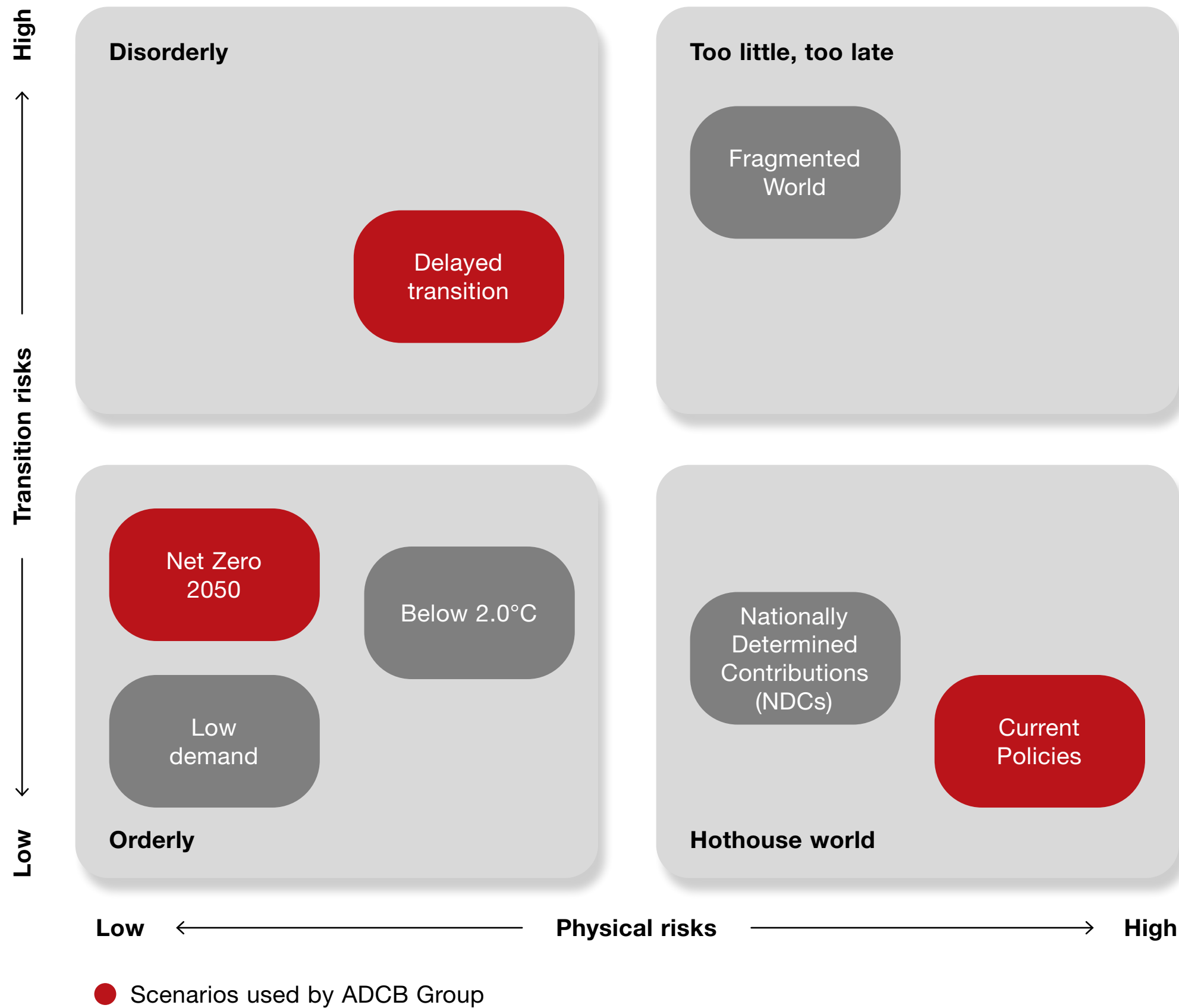
ADCB selected the following 3 scenarios to run both the bottom-up and top-down climate stress tests:

- **Net Zero 2050** under orderly transition (impact of high transition risk and low physical risk)
- **Delayed transition** under disorderly transition (impact of higher transition and physical risk)
- **Current policies** under hothouse world impact of (higher physical risk and low transition risk)

The above scenarios were selected to gauge the impact on IFRS 9 Expected Credit Loss (ECL) of both transition risk and physical risk related to ADCB’s corporate portfolio.

For further details on the Climate Risk Scenarios, please refer to the **NGFS Scenarios Portal**

NGFS Climate Scenario Framework



Climate modeling approach

For the purpose of the climate stress testing exercise, the Bank has considered the compounded effects of both transition risk and physical risk on the corporate lending book by evaluating the impacts on the Probability of Default (PD), Loss Given Default (LGD) and Expected Credit Loss (ECL).

Additionally, physical risk impacting LGD is incorporated specifically for exposures secured by real estate collateral, recognising the susceptibility of these assets to climate-related damage.

Bottom-up approach Client level



The bottom-up approach was run in consultation with Corporate and Investment Banking Relationship Managers and Credit teams. The Bank assessed the impacts of the selected NGFS scenarios on customers operating in carbon intense economic sectors, i.e. oil & gas, power generation, transportation (shipping, aviation and auto), and commercial real estate.

The analysis involved translating different climate scenarios and sector-specific supply and demand elasticities and market dynamics into financial drivers including price, volume, unit cost, capex, and asset value. These drivers were then used to forecast company financial statements under various climate scenarios to assess the impacts on customers' probability of default (PD), loss given default (LGD) and expected credit loss (ECL) until 2050.

ADCB has used this exercise to identify potential model related considerations, data requirements and the current maturity levels of customers in terms of climate risk awareness and preparedness.

Top-down approach Portfolio level



ADCB also ran a top-down stress test for its corporate lending portfolio, covering all industries and customer types. The exercise estimated the total impact on the portfolio's ECL, PD and LGD.

Our methodology ensures that customers experiencing significant credit deterioration are downgraded to IFRS Stage 2, while the customers with the highest credit risk are moved to Stage 3.

The results from the bottom-up and top-down stress tests were used to identify key industries and customers at risk.

2024 enhancements in physical risk assessment

During 2024, the Bank expanded its climate stress testing operating model to capture physical risk impact, in addition to transition risk. For this, ADCB assessed the impact of physical risk on PD across all sectors, as well as the additional impact on LGD for the Commercial Real Estate portfolio.

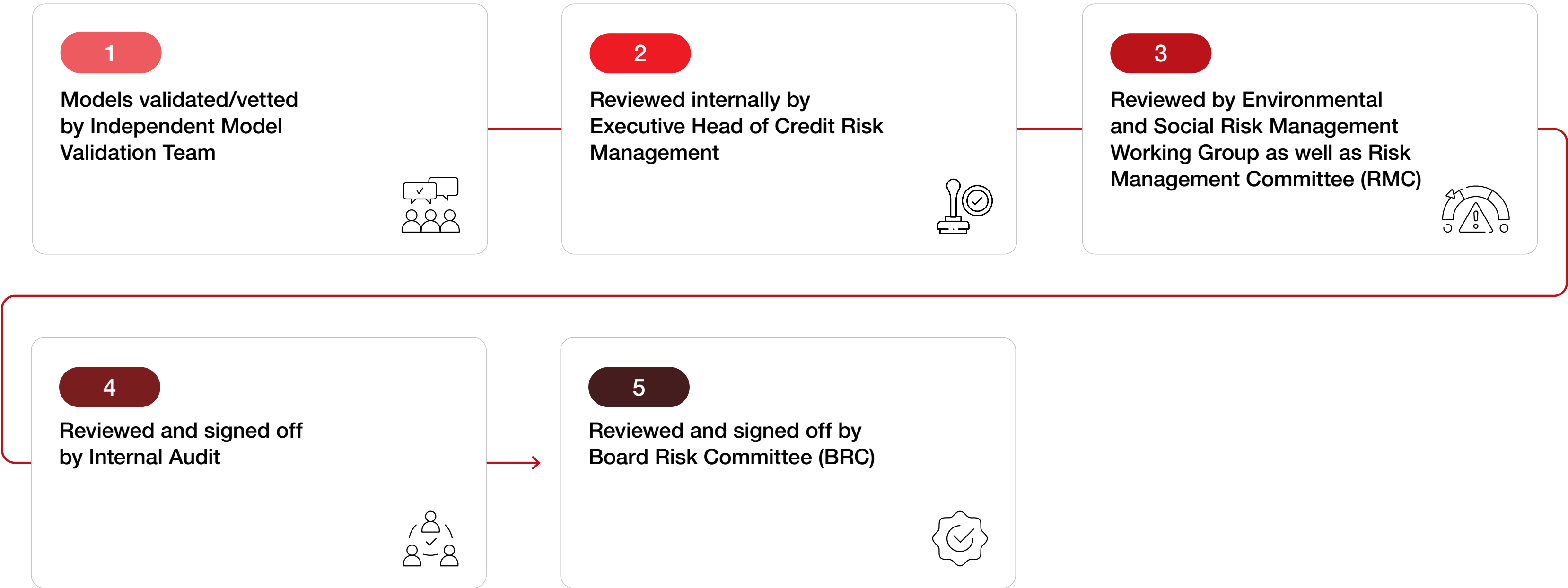
Additionally, for the purpose of the bottom-up analysis, the Bank doubled the number of clients in the scope of analysis from 20 to 40. The top customers from climate risk sensitive sectors were selected for a more detailed analysis. This covered more than 60% of the climate sensitive sectors.

Furthermore, the Bank undertook a collateral audit, collecting geo-spatial data (coordinates and elevation) for all its real estate collateral and submitted to the Central Bank of the UAE to contribute to the national flood risk assessment.

Climate stress test governance

The 'ESG Risk' and 'Model Development & Stress Testing' teams are responsible to execute the climate stress test exercise. ESG Risk management is a dedicated risk vertical and is part of the overall Group Risk Management.

The climate stress test results are subject to the following governance process:



Future enhancements

The completion of the climate stress test is a significant step for the Bank in measuring the potential impacts of climate risk. The Bank is continuously enhancing its internal processes and capabilities as this topic matures.

Furthermore, we acknowledge the clear synergies between climate stress testing and our recent NZBA commitment to decarbonise our portfolio, with both requiring advancements in capturing granular customer-level data.

We will review our operating model for stress testing and scenario analysis on an annual basis to ensure alignment with prevailing regulatory requirements and the adoption of industry best practices. This ongoing enhancement aims to achieve greater sophistication in quantifying both transition and physical climate risks.

Operations and supply chain

Net zero operations

Why it matters

Increasing the use of clean energy and reducing water consumption are critical to the success of the national drive towards a net zero economy. From electricity and water-saving practices to effective waste management, the Bank is committed to reducing its environmental impact and monitoring resource consumption across its branches, offices, and data centres.

Our approach and progress

ADCB Group complies with all relevant environmental laws and regulations in the jurisdictions in which it operates. To ensure continuous improvement, we seek to establish environmental management systems across our locations. This year, the Bank continued to reduce its environmental footprint, focusing on assessing energy efficiency initiatives within its operations.

650,000 kWh

Average monthly net energy savings estimated through the RESET initiative⁽¹⁾

Energy

As part of our drive to reduce energy use, the Bank has continued to implement a diverse range of initiatives.

Reducing energy consumption in office buildings

ADCB has an ongoing partnership with RESET, an Energy Services Company (ESCO) to evaluate the energy usage and efficiency in our Abu Dhabi office buildings.

This has enabled us to define potential efficiency improvements and energy conservation measures to support the Bank in optimising resource utilisation and reducing its environmental impact, including:

- Replacing major heating, ventilation, and air conditioning equipment with smart energy models
- Using energy-saving LED lights and operating dimmer systems
- Activity sensors for lighting
- Installing a Building Management System (BMS)

Since March 2024, ADCB has realised significant savings in both energy consumption and costs, highlighting the positive impacts of this initiative on the Bank's energy management strategy. The ESCO partnership has allowed the Bank to streamline energy use across facilities, aligning with its commitment to sustainable practices.

Information technology

ADCB has adopted a comprehensive cloud strategy that includes a structured framework for cloud migration, modernisation, and governance. This approach ensures that cloud adoption aligns with the Bank's business objectives, regulatory requirements, and sustainability goals. The strategy emphasises scalability, agility, resiliency, and innovation.

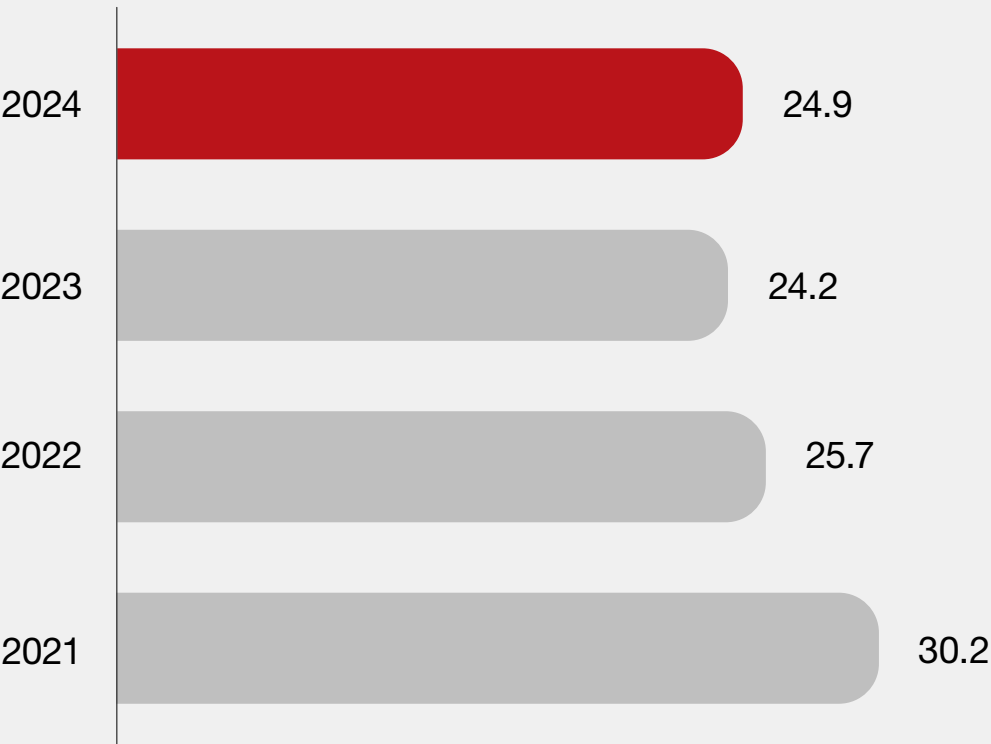
Cloud adoption is crucial to ADCB's strategy as it drives sustainable digital transformation, enhances operational efficiency, and improves customer satisfaction. By leveraging cloud technologies, ADCB can scale operations, innovate rapidly and maintain a competitive edge in the banking industry, while reducing its carbon footprint.

ADCB has migrated 50% of its workload to the cloud by the end of 2024, helping reduce key metrics such as the Bank's carbon footprint, energy usage, and resource consumption.

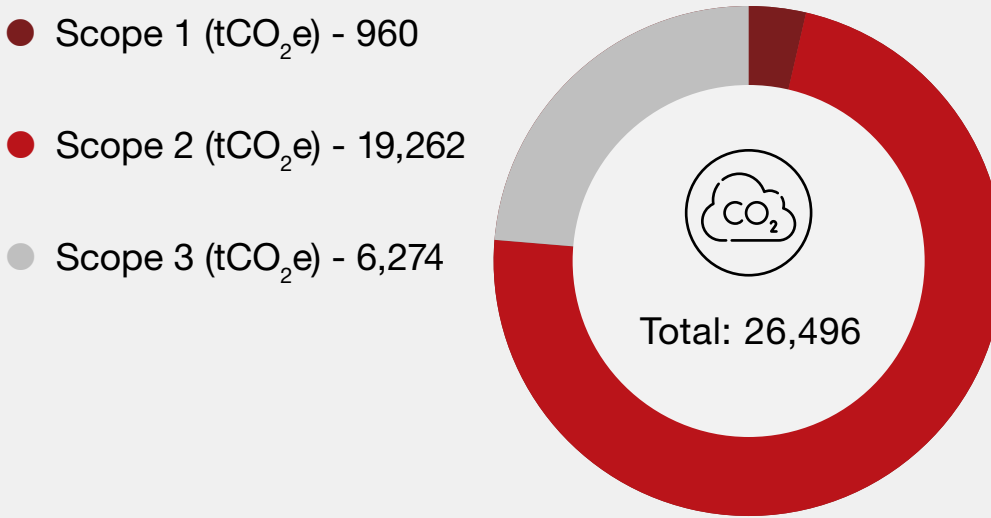
99%

Estimated reduction in carbon emissions through cloud usage when compared to on-premises alternatives⁽²⁾

Energy intensity (GJ/FTE)⁽³⁾⁽⁴⁾



Total GHG Emissions (tCO₂e)⁽⁵⁾



(1) Estimated savings against the 2019 electricity consumption baseline for our office buildings in Abu Dhabi since the implementation of energy conservation measures in March 2024

(2) Emissions savings estimate using emissions savings estimator from Microsoft

(3) Energy intensity covers electricity and fuel consumption within the organisation

(4) Reporting for 2021 was limited to UAE only. From 2022 onwards, our reporting boundary covers ADCB Group (including our subsidiaries in Egypt and Kazakhstan).

We have expanded the boundary of reporting in 2024 to include electricity consumption from 47 branches in ADCB Egypt and therefore the reported figures are not comparable with the prior years' (2022-2023) figures

(5) Reported in tonnes of carbon dioxide equivalent

Environmental management in operations



Paper

By implementing enhanced digital capabilities and platforms, we have reduced our paper consumption through many initiatives, such as e-statements, mobile apps, and by making more digital channels available. In 2024, the Bank continued to reduce the number of printers and their use in our buildings. We are removing low-utilisation printers from our offices, helping to reduce the amount of wastepaper produced.

All printers are programmed to enter ‘sleep mode’ from 5 pm to 7 am every day, which has reduced the daily power consumption of printers by almost 55%.

We continued to raise awareness among our employees and encouraged them to adopt greater use of digital technology and reduce paper consumption. We have also expanded our efforts to recycle the wastepaper we generate.

12%

Reduction in paper printed for office use in ADCB UAE



Waste and recycling

ADCB has well-defined procedures for collecting, sorting, and disposing of the general and recyclable waste it produces. The Bank employs an approved environmental services provider to collect and dispose waste (both general and recyclable) in line with guidelines from Tadweer, the Abu Dhabi waste management company. This waste is then sorted, weighed, and all data is recorded before being transported to either a landfill or recycling station.

The Bank is committed to reducing the amount of waste it produces and its contribution to landfill and disposal sites. We encourage this through the installation of separate recycling and general waste bins, together with a variety of in-house initiatives to segregate bottles and cardboard from general waste. We also ensure that all end-of-life IT equipment is destroyed through environmentally-friendly recycling via e-waste certified partners.

13 tonnes

Electronic waste recycled in 2024

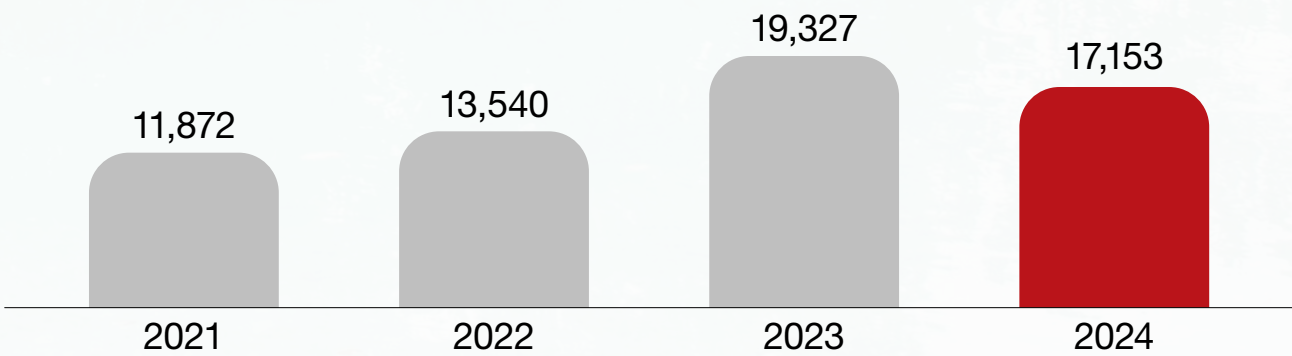


Water

ADCB uses water from municipal sources in all its locations, ensuring water consumed is discharged for recycling. The Bank has installed water efficient fixtures and fittings within certain offices, which has successfully reduced water consumption. The water efficient fixtures are installed in all the offices and branches that were renovated in 2024.

At our data centres, water is used responsibly to control temperatures for optimised equipment cooling. By drastically reducing the number of on-premises servers in our data centres, we have also reduced our water consumption, with wastewater safely discharged back into the municipal water network for recycling.

Water intensity (m³/FTE)⁽¹⁾



(1) ADCB Group (excluding our subsidiaries in Egypt and Kazakhstan)

Case study: Decarbonisation initiatives at ADCB Egypt



Green building certification (EDGE) for ADCB Egypt

ADCB Egypt's decarbonisation plan, set by the Greening Our Operations Steering Committee, aims to activate our GHG reduction strategy across 10 targeted branches for the **EDGE (Excellence in Design for Greater Efficiencies) green building certification**. Awarded by the Green Business Certification Inc. (GBCI), this certification is a testament to ADCB Egypt's commitment to sustainability. EDGE, developed by the International Finance Corporation (IFC) and managed by GBCI, focuses on driving energy, water, and material efficiency in buildings to meet high environmental performance standards.

The EDGE certification is awarded at three levels:

- Certified
- Advanced
- Champion

This helps building owners reduce operational costs, enhance asset value, and contribute to the global sustainability agenda. In 2024, 10 ADCB Egypt branches, including our Head Office in Cairo, qualified for EDGE certification, significantly reducing carbon footprint. This achievement represents more than 20% of our branches across the country.

This initiative aligns with ADCB Egypt's broader sustainability goals, supporting both **Egypt Vision 2030** and the global **Sustainable Development Goals (SDGs)**, particularly in promoting 'affordable and clean energy', 'sustainable cities', and 'climate action'. By embracing energy efficiency and resource optimisation, ADCB Egypt leads by example in integrating sustainability into its operations and driving positive environmental impact across the nation. To continue this success, ADCB Egypt aims to have 5 more branches EDGE certified in 2025.



ADCB Egypt partners with ClimaTech Accelerator

In alignment with the Group's sustainability strategy, the Bank aims to foster innovative technological solutions to combat climate change by supporting startups and entrepreneurs, scaling up their growth.

ADCB Egypt has sponsored '**ClimaTech Accelerator 2024**', the first dedicated accelerator for climate technology, in collaboration with **Nilepreneurs**. Nilepreneurs is a leading innovation and entrepreneurship centre at Nile University, an initiative from the Central Bank of Egypt.

ClimaTech covers fields such as energy and water management, e-mobility, sustainable agriculture, eco-friendly products, smart cities and sustainable urban development, the circular economy, and green construction.

This accelerator offers a four to six months training and development programme for climate-tech startups, facilitated by subject matter experts and mentors, and provides access to a large network of business and industry leaders.

Currently, 10 startups are benefiting from the accelerator programme, with one of the startups having successfully passed the SharkTank programme. In 2025, ADCB Egypt will renew its commitment to supporting entrepreneurship by bringing innovative technological solutions that address environment.

Green procurement and supply chain

Why it matters

A sustainable supply chain is a key component in reducing ADCB’s environmental impact, as well as helping to ensure it sources ethical goods and services. The Bank is also committed to improving working conditions and to increasing operational efficiency in the supply chain.

Our approach and progress

The Bank’s approach to supply chain management is covered under the Group Procurement Policy. ADCB has integrated environmental and social criteria within its procurement policies and processes to identify, assess and manage the associated risks accordingly.

The Bank expects its suppliers to comply with local laws and regulations and abide by its Vendor Code of Conduct. In 2024, the Vendor Code of Conduct was updated to include a request for documentation of code adherence, reinforcing the vendor’s commitment to sustainable practices.

In managing existing and potential suppliers, the Bank considers the vendor’s approach to business ethics and any policies that cover gifts and benefits, anti-bribery and corruption, and information security and data privacy, among others. Vendors must comply with the Group’s relevant sustainability principles, including environmental responsibility, human rights, diversity, equal opportunities, and occupational health and safety.

Vendor Code of Conduct

All suppliers must comply with the Bank’s Vendor Code of Conduct. As well as adhering to applicable laws and standards, the Code requires all suppliers to:

- take active steps to disclose and manage any actual, potential, or perceived conflicts of interest concerning their engagement with the Bank
- comply with privacy and data protection laws to protect the Bank, customers and employees
- take steps to reduce their environmental impact, while creating a positive social impact through their products and services
- have robust business continuity capabilities in place
- adopt fair and ethical employment practices and take appropriate steps to identify and reduce risks of child labour and modern slavery in their supply chain
- pay a pre-defined minimum salary to their employees according to local labour law and regulations
- notify the Bank of any security incident that may affect data or assets

[Please click here for the Vendor Code of Conduct](#)



In 2024, the Bank implemented a sustainable procurement plan, which included the development of a new ESG questionnaire within the vendor registration process. This key initiative is applicable to all new and existing vendors.

The Procurement Department has also implemented an advanced supplier management system for monitoring and tracking vendor certificates and expiry dates, ensuring information is up-to-date and accurate.

All members of the Procurement Team have been trained on sustainable procurement to increase awareness and contribute to the effective implementation of the Bank’s sustainable procurement strategy.

Partnerships in the supply chain

ADCB collaborates with a number of strategic partners to advance its green procurement strategy. The Bank regularly monitors and evaluates the market to expand the network of external ESG partnerships that match the organisation’s strategic priorities.

ADCB continued to grow the number of green partnerships with suppliers in 2024. Through the Mastercard Sustainable Card Programme, all cards are verified for their recycled content by the Card Eco Certification (CEC) Scheme. The latest CEC Statement of Compliance confirmed that our plastic cards are made of 86% recycled Polyvinyl Chloride (PVC) material, while the metal cards contain 54% recycled material.

The Procurement Department worked with partners to optimise utilities bills and rationalise consumption across three key ADCB locations in Abu Dhabi in 2024. It also worked with suppliers to enhance the life and personal accident insurance coverage for employees.

1,660+

Total number of local suppliers

86%

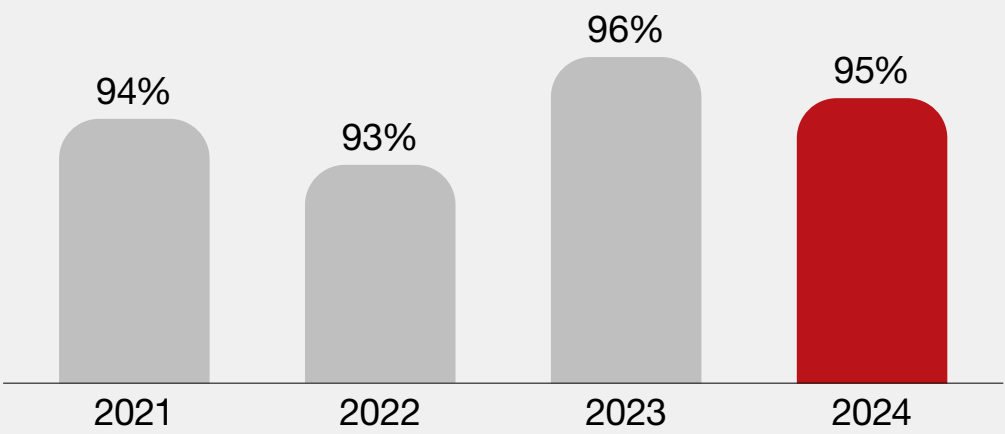
Recycled PVC material in plastic cards

Local procurement

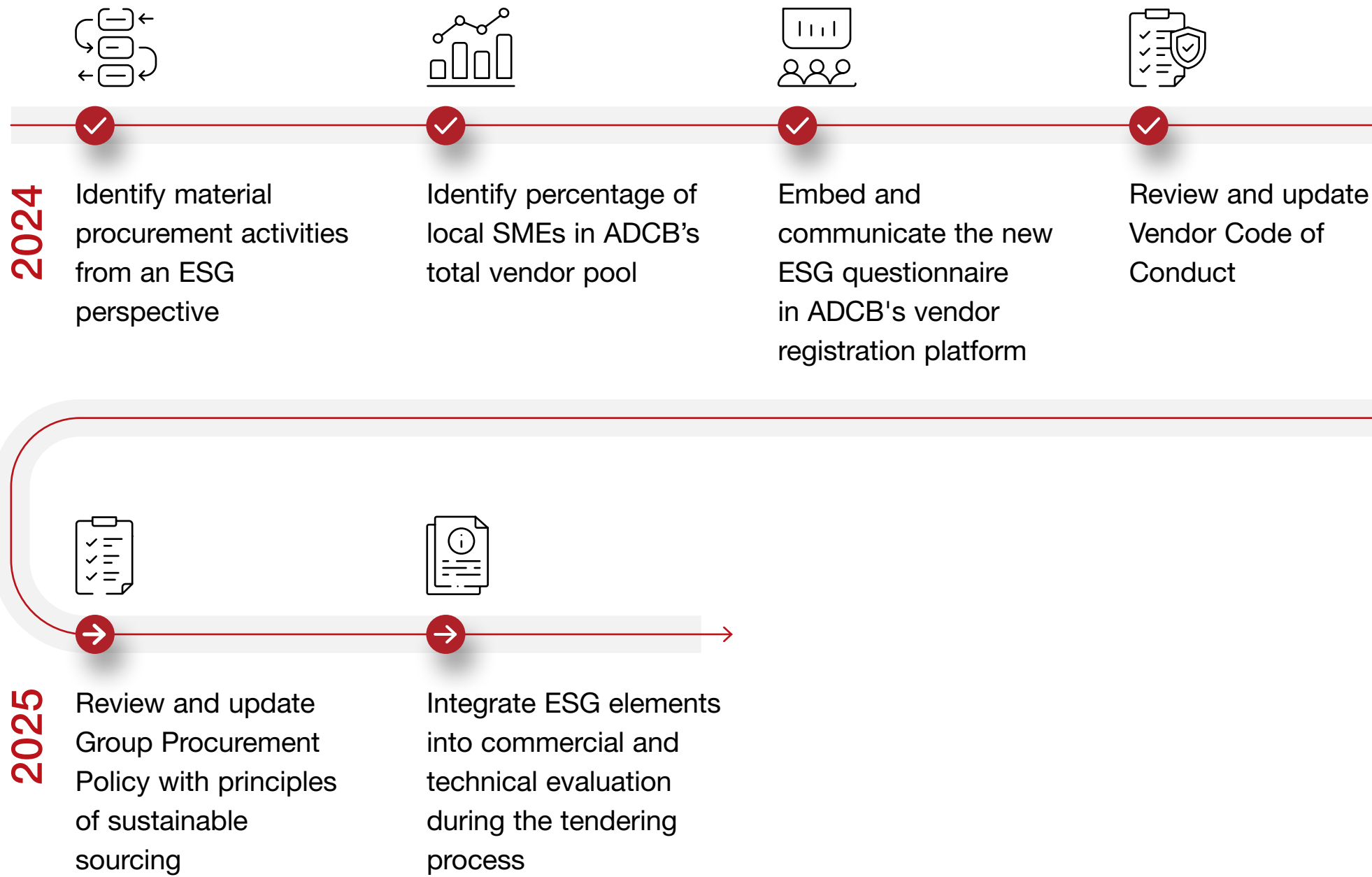
The Bank actively seeks to partner with local suppliers, with 95% of its procurement budget spent locally in the UAE.

In Egypt and Kazakhstan, the Bank takes a similar approach and will continue to work closely with local suppliers, actively engaging with them on relevant ESG issues.

Percentage of the procurement budget spent on local suppliers



Sustainable procurement plan - 2024 and beyond



CUSTOMERS AND COMMUNITIES

Customer satisfaction	57
Financial inclusion	60
Digital and innovation	63
Community investments	66

Customer satisfaction

Why it matters

The needs and aspirations of our customers are central to decision-making at ADCB. Customer satisfaction is one of the most important measures of success for the Group. We take every opportunity to engage with our customers and seek feedback about our services, products and channels to identify areas for improvement.

Our approach and progress

Detailed and comprehensive feedback from customers provides ADCB with invaluable insights that enable the Bank to enhance its products and services. This creates a stronger customer experience, building loyalty and reducing the number of complaints.

At the heart of ADCB’s approach to service is the Customer Experience Executive Forum (CX Forum), chaired by the Group Chief Executive Officer (GCEO). This forum involves cross-functional teams working together to enhance the customer experience, with progress tracked and reported until the target outcomes are achieved. The CX Forum, along with monthly Service Quality Forums for each Group Head, drive high performance and efficiency through rapid improvements in systems and processes.

Customer Experience Executive Forum (CX Forum) designated as a management sub-committee is chaired by the GCEO

In 2024, this high-level commitment to service excellence was further strengthened by designating the CX Forum as a management sub-committee - Customer Experience Committee (CXC), also chaired by the Group CEO, to address gaps identified and drive the implementation of appropriate programmes and solutions.

Such initiatives included the branch transformation programme, digitisation of retail account opening, fraud transformation programme, and the automation of contact centre and service requests.

Meanwhile, the ADCB Group Service Leadership Framework promotes customer-centricity throughout the organisation. This includes assessing all employees against KPIs linked to customer experience and maintaining up-to-date scorecards on progress.

The Customer Experience and Research Department is responsible for connecting with customers through regular surveys to capture customer feedback. This is complemented by sub-committees, including a ‘Voice of the Customer’ Forum (VOC), which analyses social media feedback and customer complaints to create action plans.

Customers also participate in user testing and needs assessment studies for digital assets across all stages of development. Diverse data is centrally collated to inform continuous improvements, with all customer feedback tracked and reported on a weekly basis.

Top UAE bank

For customer experience - KPMG⁽¹⁾

AED 10.5 bn

Brand value increased by 8.7% YoY⁽²⁾

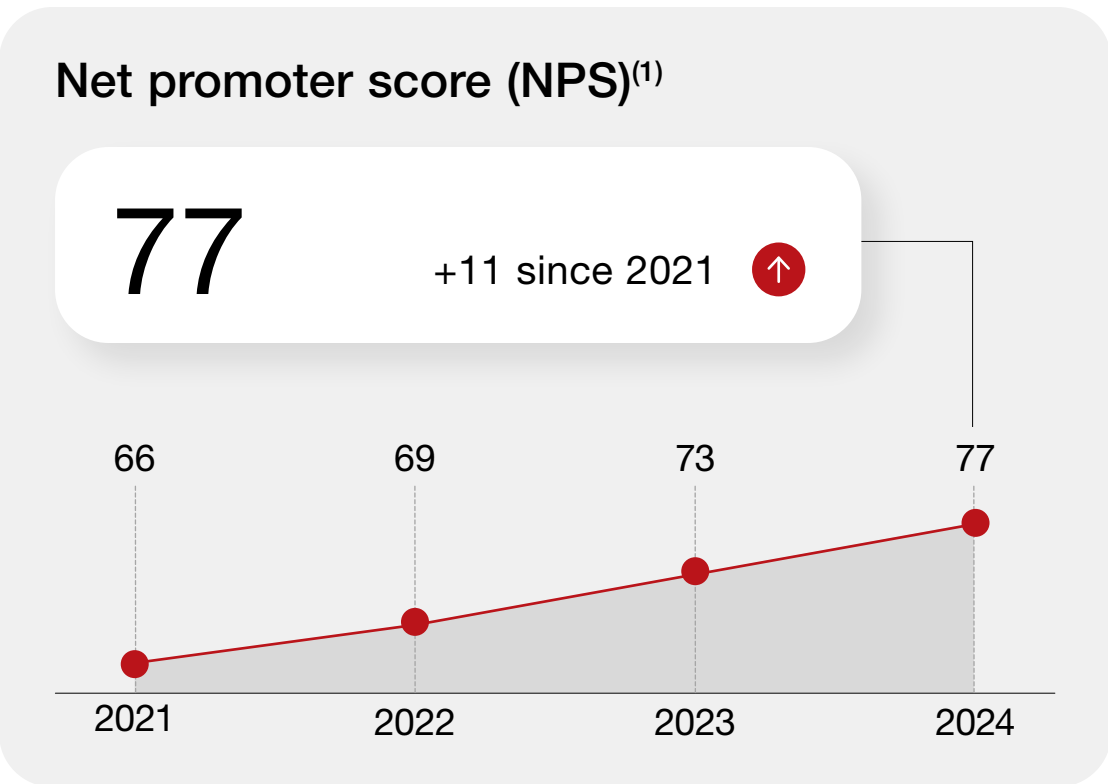
(1) As per KPMG’s 2024 ‘UAE Customer Experience Excellence Report’
(2) As per 2024 Banking 500 report from Brand Finance. According to the 2025 Banking 500 report from Brand Finance, ADCB’s brand value has increased by 17% from the previous year to reach AED 12.3 billion, moving up seven places to rank 102nd out of 500 global banking brands

Service excellence

Ensuring the consistent delivery of service excellence is at the heart of ADCB’s strategy for achieving its growth objectives and gaining market share. Customer expectations are constantly rising in the context of an increasingly competitive market. ADCB is continually investing in service delivery to meet and exceed these expectations.

The Bank embeds a customer-first ethos throughout the organisation and it plays a central role in shaping strategic decisions and actions. Customer service metrics are included in every employee’s KPIs, underlining the role each person plays in ensuring the company-wide commitment to service excellence.

The Bank measures its success through fast feedback loops and uses the net promoter score (NPS) to assess customer experience. NPS measures the willingness of customers to recommend ADCB’s brand, products and services to others. In 2024, the overall NPS for the Bank increased by 4 points to 77.



Tracking and responding to customer complaints is a fundamental part of the Bank’s approach to enhancing service standards. The Bank’s commitment to service excellence has yielded positive results, with 94% of complaints resolved within three days.

The Bank was ranked as the top financial institution in the UAE for customer experience in KPMG’s 2024 ‘UAE Customer Experience Excellence Report’. ADCB was also rated as the second highest UAE brand across all sectors for customer experience.

In addition, the 2024 Banking 500 report from Brand Finance, a leading brand consultancy, calculated that ADCB’s brand value increased by 8.7% over the last year to reach AED 10.5 billion, moving up four places to rank 109th out of 500 global banking brands⁽²⁾.

ADCB also maintained its AA+ brand strength ranking, with an index rating of 78%, up from 76% in 2023. This index, compiled by Brand Finance, evaluates brand behaviour and customer sentiment, in terms of both operational effectiveness and customer trust. Notably, the Bank ranked the highest among UAE banks in the ‘familiarity’ and ‘consideration’ categories.

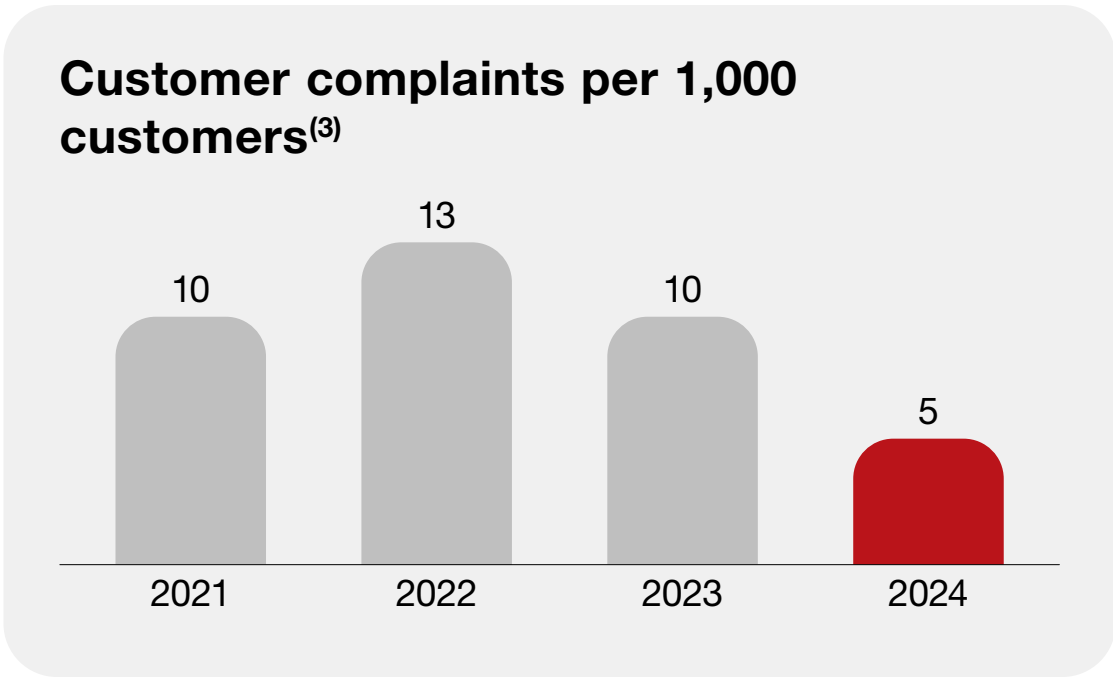
Customer feedback journey

A typical feedback journey starts from the customer reaching out via our front-end channels to report a problem they have encountered. This is registered as a complaint. ADCB encourages first-point-of-contact resolution by empowering customer service teams with the tools and knowledge to enable them to serve customers promptly.

The 'Customer Journey Process Design Centre of Excellence' is a cornerstone of ADCB’s strategy to foster a customer-centric culture and drive value creation across the organisation.

Once a complaint is resolved, it is reviewed to verify the effectiveness of the resolution and proactively identify other customers affected. In addition, a customer care representative calls the customer to ensure they are satisfied and that their concerns have been addressed.

The customer feedback received is regularly reviewed and assessed through various platforms, including the CEX and VOC forums, service quality forums, and semi-annual updates to the Board.



Key aspects of the Centre of Excellence approach include:

- 1 End-to-end journey design
Mapping and refining customer journeys to deliver seamless, unified experiences across all channels
 - 2 Value realisation
Identifying opportunities early and tracking value propositions through to implementation to ensure alignment with business goals
 - 3 Collaborative delivery
Partnering with product and engineering teams to transform ideas into market-leading solutions, ensuring high-quality outputs through clearly defined quality gates
- This structured approach accelerates time-to-market, optimises delivery, fosters innovation, and enhances the Bank’s ability to consistently deliver impactful customer-first experiences

(1) NPS: Net promoter score is based on the likelihood that customers will recommend ADCB to family or a friend. NPS is calculated as the percentage of customers who are promoters, rating ADCB a 9 or a 10 on a 0 to 10 point scale, minus the percentage who are detractors, rating it a 6 or lower. This applies to ADCB UAE only
(2) According to the 2025 Banking 500 report from Brand Finance, ADCB’s brand value has increased by 17% from the previous year to reach AED 12.3 billion, moving up seven places to rank 102nd out of 500 global banking brands
(3) Reported for ADCB (UAE, Egypt and Kazakhstan) and AHB UAE

Ethical approach to banking

As part of its approach to ethical banking, the Bank ensures transparency in all communications and fully complies with the **UAE Consumer Protection Standards**, which mandates transparent marketing and communication practices. This commitment underscores the Bank’s dedication to responsible and customer-centric banking.

The Bank is committed to providing its customers with clear, accessible information that will inform them of the fundamental benefits, risks, and terms of all products and services. ADCB aims to identify and address any conflicts of interest, ensure all advertisement and promotional material is accurate and understandable; and inform consumers of all applicable fees.

ADCB continuously reviews all documentation to ensure transparency and clarity on all products and services so that customers can easily access and understand the appropriate terms and conditions. Customers are provided with a Key Facts Statement (KFS) where key product features, charges and alerts are highlighted. ADCB champions responsible lending by helping customers make well-informed choices in borrowing, while understanding their ability to manage and pay their debts.

In addition, the Bank promptly informs consumers of all important changes, such as interest rates and terms and conditions changes; and ensures that information is timely, up-to-date and provided at each stage of the contractual process to ensure consumers have the information required to make informed decisions.

ADCB adheres to the business conduct principles set out in the UAE Consumer Protection Standards (CPS) regarding marketing and promotional activity. The Bank ensures that all direct contact with consumers for the purpose of marketing and promotion complies with all applicable laws and consumer preferences.

Unless consumers explicitly consent to ‘opt in,’ they are deemed to have ‘opted out’ of all promotional communication. Furthermore, ADCB has implemented a ‘Consumer Protection Marketing Checklist’ that ensures all marketing and promotional materials are developed in line with the CPS requirements.

To ensure its business is performed in a fair and professional manner, all employees involved in the selling or promotion of third-party products or services are trained on ADCB’s Consumer Protection Policy requirements.

Please click here for ADCB's Key Facts Statement

97% of customer-facing employees are trained in responsible banking and marketing practices⁽¹⁾

(1) ADCB UAE only



Ethical and responsible marketing practices

ADCB is committed to ethical marketing that promotes fairness and transparency. Our practices are informed by our Marketing Policy and adhere to the following principles:

Honesty and transparency

All promotions, pricing, and claims are presented truthfully to provide customers with up-to-date, unbiased, accurate, sufficient, and consistent information. We are committed to ensuring clarity and transparency across all communication channels by using plain language and eliminating ambiguities and omissions. Hidden fees or deceptive marketing tactics are strictly prohibited by the **Consumer Protection Standards**.

Inclusivity and non-discrimination

Marketing efforts respect diversity and inclusion in all interactions with customers, ensuring fair and equitable treatment for all, eliminating any form of discrimination based on gender, race, religion, income level, age, marital status or any other protected category.

No exploitation

ADCB is committed to ensuring that vulnerable groups have fair access to financial services and products while embedding anti-discrimination principles in all our practices. Vulnerable groups include individuals with lower income, minority groups, People of Determination and disadvantaged communities.

We are committed to providing clear and transparent information about our products, including their features, risks and terms and conditions. Our approach prioritises the best interests of our customers, offering tailored solutions and ensuring responsible practices to prevent over-indebtedness.

Financial inclusion

Why it matters

Financial inclusion empowers individuals and businesses by providing access to a range of affordable products and services that meet their needs. Financial access, delivered in a responsible way, makes managing day-to-day living easier and helps families and businesses achieve their long-term goals.

Our approach and progress

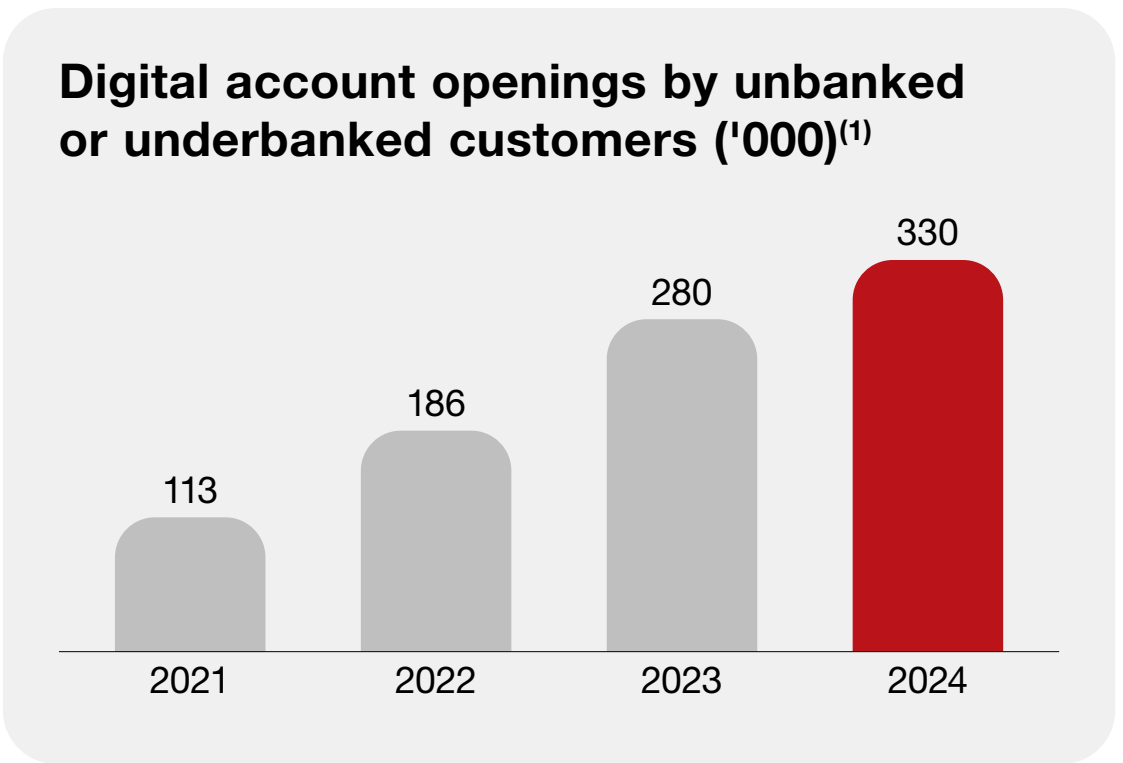
ADCB actively supports the growth of SMEs, microbusinesses, and entrepreneurs by providing access to finance and improving financial inclusion. We promote financial education to improve skills and knowledge on sound financial planning and management. The Bank issues email communications and financial education articles on: budgeting, saving for retirement, payment options, money transfer options and guides on avoiding financial fraud and scams.

The Bank strongly supports the UAE’s dynamic base of micro-businesses, defined as companies with an annual turnover of up to AED 5 million. The Retail Banking Group is targeting further growth in this fast-growing segment with the planned launch of a micro-lending capability on the digital banking platform.

Access for lower income customers

ADCB remains fully committed to advancing financial inclusion, with a new package designed for lower income groups that includes life insurance, free ATM cash withdrawals from non-ADCB terminals and reduced fees for certain transactions.

The Bank has experienced a high volume of new account openings in 2024 through its digital onboarding app ‘Hayyak’. The platform provides a range of banking benefits for the premium banking segment, as well as options for lower income customers. More than 440,000 digital accounts were opened using Hayyak, representing 79% of new-to-bank retail customers. Hayyak ties into our strategy to ensure our services are accessible to the widest possible customer base by making it easier for lower income customers to access our banking services.



Consumer education

ADCB's Consumer Protection and Awareness Department is responsible for the implementation of consumer education programmes for its customers and the wider public. ADCB implemented a comprehensive consumer education plan in 2024. Topics covered in the plan include building good credit, managing debt, retirement plans, ATM accessibility, life insurance, wealth management and managing business through mobile, among others.

ADCB launched a '**Customer Education & Awareness digital platform**' to support the financial awareness of consumers. The platform serves as the central hub for all the Bank's educational assets, as well as being a one-stop shop for consumers to access valuable, relevant information on diverse financial topics.

The financial awareness digital platform provides customers with information and insights to empower them to make more informed decisions in their financial education journeys. Platform content includes articles, infographics, tutorial videos, snapshots and quizzes.

To promote responsible management of personal finances, ADCB added significant content in 2024, including 52 educational videos, articles and infographics in English and Arabic. In the fourth quarter, the Bank launched an equivalent Islamic finance educational platform.

The initiative gained strong traction during the year, with over 200,000 unique users spending an average of 4.40 minutes on a page, and over 110,000 users returning to the platform for further information.



(1) Includes the number of accounts for individuals through the digital onboarding app ‘Hayyak’ with a salary less than AED 5,000 per month in ADCB UAE

SMEs and micro-businesses

Small and medium enterprises (SMEs) and micro-businesses play a vital role in driving the growth of the UAE economy. ADCB is committed to empowering these critical businesses by providing access to a range of products and services to promote greater financial inclusion.

ADCB serves over 130,000 clients in the small and medium enterprise (SME) and micro-business segments, reflecting the critical role of these businesses as a driving force in the UAE's economic success. In 2024, ADCB reinforced its position as a major bank for SMEs in the country, onboarding more than 37,000 new clients by offering a market-leading proposition. Beyond financing, the Bank provides a comprehensive suite of products and services, including transaction services, trade finance, and foreign exchange facilities.

The Bank's digital channels, including the trade finance platform ProTrade and the cash management platform ProCash, have played an important part in supporting growth— helping clients streamline trade cycles, automate supply chain management, and enable swift and secure transfers. In 2024, SME foreign exchange transaction volumes saw robust growth, increasing by 16% year-on-year.

SME CASA deposits (AED)

23 bn +21% YoY

SME and micro-business clients

130k+

Key account products underpinning ADCB's SME business have also served to attract significant deposits, contributing to low-cost funding for the Bank. During the year, current and savings account (CASA) deposits from SMEs expanded by 21% to AED 23 billion.

At the core of ADCB's SME offering is the Business First account, which provides tailored packages to relatively mature businesses, with more than 29,000 accounts opened in 2024. In addition, the SmartStart account, designed for smaller businesses and startups, enables entrepreneurs to establish banking relationships with ease. This product accounted for approximately 22% of new SME account openings in 2024, highlighting the Bank's appeal to a new and rapidly growing generation of entrepreneurs.

A core differentiator of ADCB's SME proposition is an assigned dedicated relationship manager to ensure personalised service, regardless of business size. This approach is further strengthened by ADCB's 'hub-and-spoke' structure, which integrates specialist teams for foreign exchange, trade finance, and treasury services while maintaining a single point of contact for clients.

Spotlight

ADCB GlobalLinker – B2B online SME marketplace and ecosystem

ADCB GlobalLinker platform is an online B2B platform recently launched by ADCB that connects SMEs with other business owners worldwide, allowing them to create a digital storefront, network with industry peers, find strategic partners, and leverage exclusive offers to maximise market impact.

The GlobalLinker platform is present in 150 countries and has a membership of 400,000 SMEs. The ADCB GlobalLinker platform offers SMEs in the UAE an opportunity to:

- connect and network with SMEs in other countries to purchase and sell their products or raw materials
- open digital shops on the platform to display their products and services
- network with SMEs in other countries to purchase and sell their products or raw materials
- refer to relevant market information and material for knowledge building and avail partner offers

Access and membership to the platform are offered to all SMEs irrespective of a banking relationship with ADCB and is free of charge.

ADCB's objective through this platform is to support, facilitate and offer services and products that help SMEs grow and achieve their objectives. The primary aim of this platform is to create a one-stop shop for SMEs in the UAE for all their business requirements.

Please click here for the ADCB GlobalLinker platform

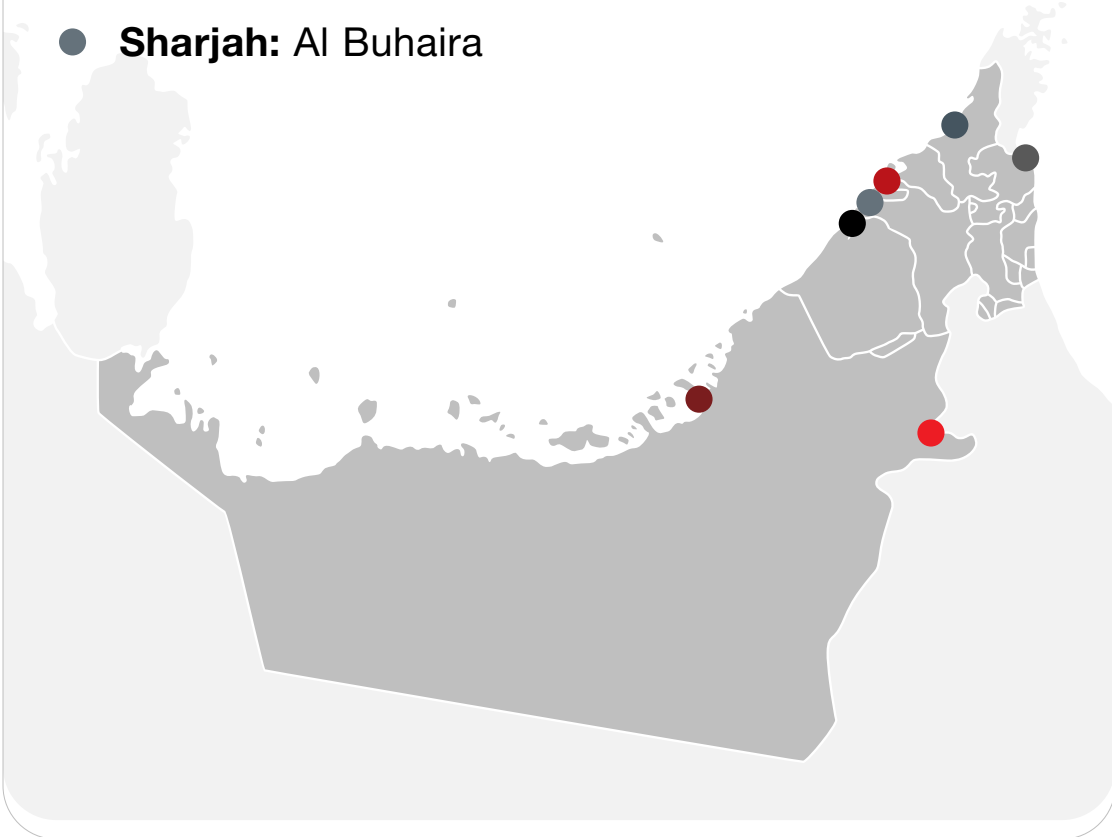


Accessibility

ADCB continually monitors the accessibility of the Bank’s branches to make facilities more inclusive. Accessibility measures implemented include installing access ramps and adjusting the height of ATMs in 10 branches to make them more accessible for People of Determination (POD).

ADCB’s 10 POD-friendly branches

- **Abu Dhabi:** Al Hosn, Dalma Mall
- **Ajman:** Ajman
- **Al Ain:** Hazza Bin Zayed Stadium
- **Dubai:** Al Karama, Arabian Center
- **Fujairah:** Dibba, Fujairah
- **Ras Al Khaimah:** Ras Al Khaimah
- **Sharjah:** Al Buhaira



The Bank provides mandatory training to equip staff with the understanding and insights to welcome, guide and service people of determination in the branches. Voice guidance for ATM transactions has also been introduced to provide further support for POD customers.

ADCB’s accessibility features

Tactile floor indicators

Ramp and handrails

Steps

Dedicated parking slot

Accessible entrance doors

Wide doorways

Low height teller counter

Low height CSO counter

Low height cheque desk

Physical security

Lights adjustment

POD dedicated waiting area

Emergency exit

Hearing induction loops⁽¹⁾

Job aids⁽¹⁾

Spotlight

Diverse community clients



ADCB ensures that our services are accessible to the diverse communities that live and work in the UAE. The Bank has introduced multilingual forms, posters, materials, and other means of communication, such as visual monitors in branches. Multilingual staff are available in all branches to assist customers in English, Arabic, Urdu and Hindi. Telephone banking is also available in multiple languages, covering a significant portion of the UAE’s population.

(1) Assistive equipment available across all branches

Digital and innovation

Why it matters

Digital and technological advancements in the financial sector offer consumers greater control, making banking easier, swifter, and more secure. ADCB has accelerated the pace of its digital transformation as part of its corporate strategy, providing customers with a wide range of innovative digital products and services.

Our approach and progress

ADCB is moving to a digital first strategy to enhance its offering of superior products and services via a seamless banking experience. The strategy focuses on driving customer acquisition and engagement, particularly through ecosystems created with external non-banking partners to provide new opportunities for customers.

ADCB’s customer-centric approach to digital innovation is a core strength and a critical component of the Bank’s success and strategy for future growth. Significant investment in technology has enhanced customer experience, resulting in rapid growth in customer numbers and engagement levels.

Further information on digital innovation can be found in our **2024 Annual Report - pages 140-145**

Driving efficiencies through digital

ADCB is focused on leveraging digital and AI to drive greater efficiency, innovation and an enhanced customer experience. This transformation spans across the Group, with a strong emphasis on operational excellence, regulatory compliance and responsible adoption of AI applications and other new technology.

Turbocharging digital and AI transformation is a cornerstone of ADCB’s strategy for accelerated growth, acting as a decisive enabler that will drive further gains in market share and enhance productivity. In 2024, the Bank made significant strides in strengthening its capabilities, with more than 60 digital projects delivered in 2024. Initiatives focused on broadening the scope of digital solutions available to customers and simplifying the user experience, while ensuring continued progress on innovation processes to reduce ‘time to market’.

Key highlights

- More than 60 digital projects delivered in 2024 resulting in productivity gains
- Framework for AI adoption established
- Embracing ‘Open Finance’ to drive growth in partnership ecosystem

79% New customers acquired digitally



A next generation cloud platform

The Bank has developed a new cloud-based mobile banking platform that will be the centrepiece of ADCB’s banking proposition in the coming years. By the end of 2024, around 50% of the Bank’s IT workload was hosted in the cloud. The platform allows for the highly scalable and efficient expansion of the Bank’s digital and AI-driven customer offering, with data analytics powering hyper-personalisation of service delivery.

With the UAE launching a new framework for open finance, the cloud-based platform will also be the foundation of the Bank’s expansion of fintech and ecosystem partnerships, while ensuring rigorous compliance with regulatory requirements for data privacy and security.

In parallel, ADCB is also increasing digital resilience through an advanced real-time monitoring system. The system is being rolled out in phases, allowing the Bank to rapidly trace IT issues while also closely tracking customer behaviour and usage to mitigate potential risks of disruption.

Early activation of cloud-native systems for mobile banking, the contact centre, and HR systems has already resulted in enhanced efficiency, scalability, and resilience. As well as reducing operational costs and improving agility to launch new products and services, the move to cloud-based infrastructure is contributing to sustainability, as cloud solutions are more energy-efficient than legacy systems.

Note: The reported figures for this section are for ADCB UAE only

Partnerships that drive innovation

As a leading innovator in the UAE banking industry, ADCB is forging close relationships with technology companies and key strategic partners from a range of economic sectors.

During 2024, the Bank organised quarterly hackathons with Microsoft, Amazon Web Services and Nvidia. Involving employees from across the organisation, these events brought a range of subject matter experts together to explore new digital and AI banking solutions, supporting a culture of innovation and collaboration across the Bank.

ADCB also continues to develop a range of ecosystem partnerships with multiple players in the digital economy, including Amazon UAE, Komgo and Noon, which are likely to expand further in the coming years as the concept of open finance gathers momentum.

Ecosystem partners	Type of ecosystem
	Food and consumer goods retailer delivery platform
	Platform offering e-commerce, delivery and financial services
	AI-driven UAE based trade finance fraud detection platform
	Blockchain platform for secure and efficient trade finance and commodity transactions
	Global payments technology company enabling secure transactions
	Top UAE-based property search portal
	United Arab Emirates' national airline
	Largest full-line retailer across the GCC

Spotlight



Hackathons spark innovation and collaboration



ADCB organised high profile hackathons in 2024 in collaboration with leading technology companies such as Microsoft, Amazon Web Services (AWS) and Nvidia.

An ‘Innovation Day’ hackathon with Nvidia and AWS brought together 150 staff members in a dynamic environment aimed at fostering collaboration and delivering cutting-edge solutions to enhance customer service. Nvidia supported the event by providing access to state-of-the-art GPUs, technical training materials, and dedicated on-site assistance. Meanwhile, AWS provided support to ADCB engineers and non-technical staff, helping them generate ideas and identify business use cases for AI and cloud computing.

The event resulted in the development of several high-potential AI-driven solutions for a range of ADCB’s banking services and functions, strengthening the Bank’s partnerships with leading tech firms and further advancing digital and AI capabilities.

Our approach to AI

As artificial intelligence (AI) continues to transform the business landscape, ADCB is already integrating this exciting technology into key business areas, recognising its potential to enhance efficiency, improve customer experience, empower employees and drive innovation across the Bank.

To achieve these objectives, the Bank has developed a comprehensive AI strategy, centred around five pillars: profitability, hyper-personalised customer experience, data-first culture, agility and innovation, and creating an integrated banking ecosystem. Underlying this approach are four priorities that guide the implementation of AI across the Bank:

- **Technology & data:** Establishing the foundational tools, processes, AI and data products to rapidly deploy use cases
- **Operating model & talent:** Empowering a cross-functional team to deploy use cases while building AI foundations
- **Responsible AI:** Implementing guardrails and governance across AI to deliver use cases safely and securely
- **Partnerships and ecosystems:** Creating value beyond the Bank through investments and partnerships

We are assessing multiple AI use cases in the Bank with applications focusing on high value AI solutions, encompassing process automation, risk management and growth.

Adoption of AI use cases

Fraud detection and security

ADCB's Compliance function has deployed advanced AI systems that play a crucial role in identifying money laundering activities and detecting mule accounts. This proactive approach strengthens security measures and safeguards the Bank and its customers from the risk of financial crime.

Credit underwriting and risk assessment

AI is being leveraged to improve decision-making processes in credit underwriting, enabling faster and more accurate approvals. This initiative, which began in September 2023, is expected to significantly reduce workload and improve efficiency.

Customer engagement

The Retail Banking Group has leveraged AI to analyse customer behaviour and refine its cross-selling and engagement strategies. This AI-driven approach has yielded impressive results, with cross-sell campaign conversion rates increasing significantly.

Customer experience

ADCB is utilising generative AI for enhanced personalisation and support across all channels in its mobile banking app, as well as the new Corporate and Investment Banking digital platform.

Driving customer experience through contact centre analytics

An AI-powered tool has been introduced to analyse customer requests and sentiment during calls to the contact centre. This automation has helped to rapidly identify opportunities to improve processes and the customer experience.

Human resources

An AI-powered chatbot is currently being tested to handle HR-related queries, serving as a virtual help desk. This chatbot is designed to assist employees with questions about policies, onboarding processes, and internal vacancies, reducing response times for common inquiries.

Internal digital infrastructure

By the end of 2024, around 50% of the Bank's IT workload was hosted in the cloud. This investment in cloud-based digital infrastructure supports AI-driven innovation by providing the necessary ecosystem for advanced data processing and analytics.

Future priorities

ADCB is firmly focused on further investment to leverage AI's full potential as an enabler of business transformation, including areas such as predictive analytics, automation, customer experience improvements, 'Agentic AI', and knowledge management.

Responsible AI

ADCB also recognises the risks associated with AI, such as data privacy, ethical concerns, and regulatory issues. To mitigate these risks, it is focusing on responsible AI, balancing innovation with careful risk management. Through its comprehensive AI strategy and proven approach to responsible innovation, the Bank is accelerating its transformation to become a world-class digital-first bank, with transformative AI as one of its five key strategic pillars.

Community investments

Why it matters

Supporting local causes and groups helps to improve people's lives and enhances the communities in which they live and work. Community investment through financial support and expertise, charitable work, and volunteering helps promote financial inclusion and education while helping society flourish.

Our approach and progress

ADCB has a long track record of partnerships with charitable organisations and communities in the UAE, supporting meaningful causes.

The Bank is committed to delivering targeted activities, initiatives, and sponsorships that progress socio-economic development within the communities in which we operate.

Our total social contributions in 2024 amounted to AED 13 million, which included sponsorships and donations. We also encourage our people to volunteer in initiatives that deliver tangible societal benefits.

68.93%

In-Country Value (ICV) score for ADCB UAE

UAE 'Year of Sustainability'

In support of the UAE declaring 2024 as 'The Year of Sustainability', and to further enhance ADCB's engagement with local communities, the Bank is expanding specific initiatives. In the second quarter, ADCB Islamic Banking partnered with MasterCard's Priceless Planet Coalition™ and UAE's Emirates Nature WWF on a programme to restore one hundred million trees across the globe. In the area of green products, ADCB received the 'Digital CX Award 2024' for its Corporate Cards Carbon Calculator.



In-Country Value generation

ADCB's contribution to value creation in the UAE has been certified as part of the **National In-Country Value (ICV) Programme** by the Ministry of Industry and Advanced Technology. The National ICV Programme seeks to boost economic performance and support local industries by redirecting higher portions of public spending into the national economy.

As part of its ICV certification, the Bank was assessed on its contribution through the total amounts spent within the country on:

- local products and services
- investments (including tangible fixed assets and investment property)
- hiring and development of Emiratis
- contribution to the local economy through the expatriate workforce

The National ICV Programme is focused on improving the sustainability of the industrial sector by increasing the contribution of local industries and supporting local companies in advancing economic and social development, as well as contributing to the growth of the country's GDP.

In 2024, the scope of ADCB's ICV certification was expanded to include Green ICV criteria in recognition of the Bank's sustainability practices.

Spotlight



Recognition of ADCB's contribution to the UAE's social agenda

As a recognised leader in the regional financial services sector, ADCB fully supports the UAE's efforts to advance social equality and improve opportunities for all.

ADCB is proud to contribute to the UAE's progressive Emiratisation agenda as part of the country's vision for the development and growth of the economy and its people. In 2024, in recognition of the outstanding efforts in achieving the Emiratisation strategy, ADCB won the "First Place for Large Establishments in the Banking Sector" award under the **Emirati Talent Competitiveness Council's 'Nafis' initiative**.

In addition, the Bank collects and facilitates donations from customers towards community development and charity projects, and channels them towards UAE and Abu Dhabi based charity organisations such as Ma'an - the Abu Dhabi Authority of Social Contribution. Ma'an utilises the funds to support social and environmental causes in Abu Dhabi, reporting to donors on where their funds have been disbursed and details of the beneficiaries.

In July 2024, ADCB was honoured by H.H. Sheikh Mohamed bin Zayed Al Nahyan, the President of the UAE, for the Bank's support of Ma'an's social priorities and community development initiatives.

Partnerships

Authority of Social Contribution - Ma'an

ADCB entered into a strategic agreement with the Authority of Social Contribution - Ma'an aimed at augmenting the Bank's community engagement through a series of social initiatives and programmes in key sectors including health, education, environment, and social well-being. This partnership reinforces the values of cooperation and community solidarity.

The agreement outlines that ADCB is set to provide a financial contribution over the next five years. During this period, Ma'an will evaluate, manage and allocate the Bank's contribution towards social and environmental projects, aiming to achieve tangible impact. Under this framework, ADCB will rely on Ma'an's reports to assess the effectiveness of each initiative, ensuring a tangible and sustainable socio-economic impact.



Pink Month

In October 2024, ADCB continued its long-standing commitment to breast cancer awareness through a series of initiatives organised in conjunction with Pink Month. The Bank partnered with Burjeel and Daman to host the Pink Caravan at the ADCB Head Office. This focused on early detection and prevention, offering consultations and examinations.

Additionally, ADCB sponsored the 13th annual Zayed Sports City Pink Run. This event supported the Al-Jalila Foundation for Breast Cancer Initiatives, contributing to increasing public awareness and raising funds for research on the disease's causes, prevention, diagnosis, and treatment.



ADCB and Red Crescent

ADCB has launched a volunteering programme with Red Crescent, designed to engage its employees in diverse volunteering opportunities. This initiative underscores the Bank's commitment to social responsibility, fostering the core values of integrity, care and respect. The programme promotes sustainability and aims to drive long-term community development through consistent and structured volunteer activities.

Blood donation drive

ADCB and Abu Dhabi Health Services Company (SEHA), in cooperation with Abu Dhabi Blood Bank Services, organised a blood donation drive at the Bank's Head Office in Abu Dhabi. A large number of employees, ADCB customers, and members of the public participated to help save lives.



Spotlight

Sponsorship of Education Interface and Middle East Youth Conference

ADCB sponsored the 10th Education Interface and Middle East Youth Conference 2024 in Abu Dhabi, celebrating its 25th anniversary under the slogan "Ten years in Service to Education".

The event brought together local and international educational institutions from the UAE and worldwide, representing countries including the UAE, the USA, the UK, Canada, Malaysia and Australia.

This sponsorship underscores the Bank's unwavering commitment to advancing educational development in the UAE, aligning with the government's vision to cultivate a new generation of empowered students, equipped to actively contribute to the nation's progressive growth.

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Employee engagement and wellbeing

Why it matters

Our employees personify our values and represent the Bank to our customers, clients and other stakeholders. The well-being and engagement of our employees are vital to the ongoing success of our business.

Our approach and progress

ADCB's strategic focus on its people remains paramount. By empowering employees to reach their full potential, the Bank is developing a high-performance culture to drive the organisation's ambition. Effective execution of the growth strategy requires employees to represent ADCB's core values of integrity, care, ambition, respect and discipline.

Our approach to employment and labour practices strictly adheres to local labour laws across all the geographical locations in which we operate. At the same time, the Bank adopts a distinctive culture and working environment. We remain committed to nurturing our employees' well-being and professional development.

Employee experience

At the centre of our approach is our employee engagement strategy. All employees across the ADCB Group are invited to participate in two surveys that track the Bank's performance on culture and employee experience: our Organisational Health Index (OHI) survey⁽¹⁾ and our Line Manager Index (LMI) survey. The OHI survey is conducted annually, and the LMI survey is twice yearly.

The OHI survey, an internationally recognised benchmark, measures organisational health based on company-specific health outcomes, management practices, and employee experience. ADCB updated the survey in 2024 to reflect the latest global research and trends. This included refreshed management practices and a new section on employee experience. Survey results now provide deeper insights into employees' perspectives and the drivers of strong organisational health to better inform our approach.

The Bank also launched its first 360 degree feedback survey assessing senior management to promote effective leadership. These surveys help build a strong sense of ownership and collaboration within ADCB. The results provide valuable insights that guide future initiatives to evolve our culture, people and business management practices for long-term sustainable business performance.

(1) The Organisational Health Index is a survey conducted by a leading global management consultancy firm to assess and determine an organisation's ability to achieve sustained improvements in performance



A leader in workplace culture

ADCB's approach to fostering a positive and productive workplace culture with strong employee engagement was demonstrated in the results of the latest Organisational Health Index (OHI) survey. ADCB achieved a high OHI score, positioning the Bank in the top quartile against the global banking benchmark and all companies globally.

The OHI survey is a comprehensive annual assessment that evaluates various aspects of employee experience across the Group, including:

- innovation and learning initiatives
- employee motivation
- work environment quality
- leadership and management capabilities
- other key organisational areas

The most recent OHI survey received a 94% response rate and over 20,000 employee comments, indicating exceptional levels of engagement in the organisation.

The survey results indicated a very strong degree of loyalty, a high level of confidence in ADCB's capabilities to achieve its goals and strong support among employees for the clarity and purpose of the Bank's vision. Respondents rated ADCB's trusting culture and work environment highly, and the survey concluded that employees displayed 'very strong levels of job satisfaction and connectivity to meaning and purpose at work.'

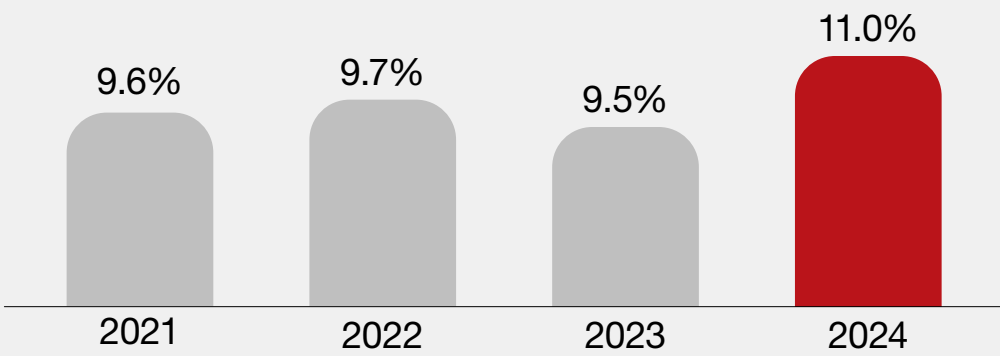
Top quartile

Against the global banking benchmark and all companies globally in the Organisational Health Index

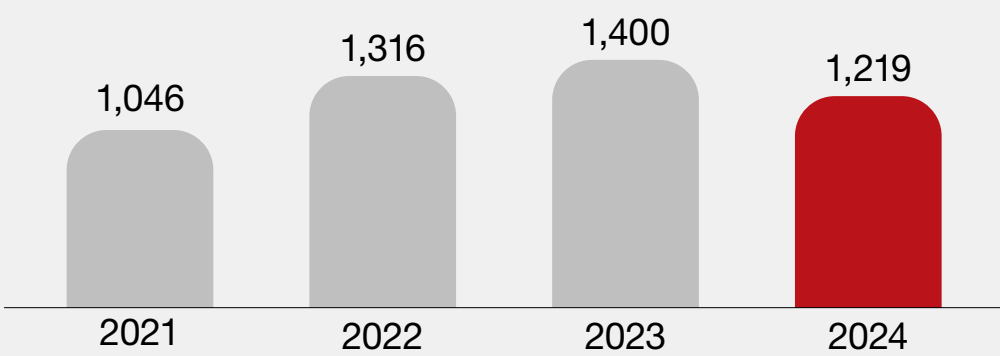
ADCB's approach to recruitment

ADCB promotes equal opportunities for all. The Bank recruits without any preferences related to a candidate's nationality, ethnic origin, marital status or gender, subject to any specific requirements set out in UAE law. All ADCB employees, regardless of their country of origin or citizenship, are governed by the laws, regulations and decrees of the UAE and other applicable geographies, in addition to the Bank's internal policies and their individual employment contracts.

Total employee turnover



Total new hires



Grievances

ADCB fosters an environment where employees at all levels are empowered to confront improper behaviour and raise grievances. This has been achieved through the implementation of various policies, including the Code of Conduct, the Employee Grievance Policy and the Whistleblowing Policy.

The Bank has a formal grievance process for employees to raise complaints to management. Prompt and fair consideration is given to each grievance. Employees are not subject to retaliation for initiating the process or for participating as witnesses.

If employees have any concerns, they are encouraged to raise them directly with their managers or through the Bank's formal grievance platform. To further enhance transparency and accessibility, the Bank has introduced an additional channel for raising grievances, allowing employees to submit grievances via a dedicated email address.

In 2024, the Bank conducted multiple town hall events throughout the year, enabling employees to gain a clearer understanding of company policies, grievance procedures and available support mechanisms. These sessions have empowered employees to address concerns proactively and seek clarification on workplace matters before escalating them into formal grievances. Additionally, they helped foster a culture of transparency, open communication, and trust.

100%

Employee grievances filed in 2024 were addressed or resolved

Health, safety, and wellbeing

ADCB encourages a positive work-life balance among its employees and takes a responsible approach to the welfare of its staff. This includes the provision of medical insurance that covers treatment for a wide range of illnesses, free annual medical checks, and support for mental health.

The Bank's health and safety team ensures compliance with all relevant regulatory and internal policies and procedures. Our approach has received external recognition with UAE Civil Defence safety certificates awarded for all ADCB branches, offices and other premises.

Each office has an emergency response team, which includes a health and safety warden. Periodic drills are carried out to test the effectiveness of emergency response procedures. The Bank also carries out regular risk assessments and provides first aid and fire warden training for nominated employees. All health and safety incidents are reported and investigated, with relevant learnings used to inform any revisions to the Bank's health and safety policies and procedures.

Zero

Work related injuries reported for employees in ADCB UAE

Enhancing productivity through flexibility



To encourage work-life balance, ADCB has maintained flexibility in its working hours. The Bank has adopted a four-and-a-half day working week, with the option to work remotely on Fridays.

Additionally, in response to the evolving needs of a diverse employee base, ADCB has revised its flexible working policy to provide more opportunities for employees to balance their professional and personal responsibilities. Employees now benefit from up to 10 days of flexible work leave every year, whether from home or abroad.

Employees can also apply for extended remote work arrangements of up to one year, providing greater flexibility when dealing with specific personal and family circumstances.

Employee remuneration

Guiding principles

ADCB offers competitive remuneration to attract, retain, and motivate employees who can deliver exceptional service. The Bank’s performance-linked reward strategy aims to reduce the turnover of top talent and encourages high-level performance while ensuring prudence and effective risk management.

Remuneration packages are designed to reflect roles and responsibilities fairly and equitably, with rewards tied to organisational, departmental, and individual performance. All rewards are determined through a comprehensive performance management process including a thorough management review and approval process.

Board-level governance

The Nomination, Compensation, Human Resources and Governance Committee (NCHRGC) oversees the design, operation and effectiveness of the framework and allocation of awards, including overall amounts, distribution among business lines and awards to Executive Management. In addition, the NCHRGC ensures that regular reviews and assessments are conducted by independent third-party consultants on the quantum, design and effectiveness of ADCB’s Variable Pay (VP) framework and awards.

Further information on employee remuneration can be found in our 2024 Annual Report - pages 257-261

Total reward – key components

ADCB employees are eligible to receive three types of rewards as detailed in the table below; fixed pay and benefits, variable pay and a profit-sharing plan. ADCB’s remuneration programme balances short and long-term incentives to align the interests of ADCB, its shareholders and employees.

Fixed pay and benefits

Definition	Components
ADCB’s fixed pay is consistent with the Bank’s objective to remain competitive in the market. Fixed pay is based on the job size and market pay level for each job and is impacted by the employee’s contributions over time.	• Basic salary • General allowance • Social allowance (for UAE nationals) • Job-specific allowances • Benefits based on position, such as: – Leave airfare – Private medical insurance – Life insurance coverage – Education allowance – Annual leave
Review of fixed pay largely depends on general market trends as well as the employee’s performance standing within the organisation.	
Fixed pay comprises basic salary and general allowance, with a target split of 50:50. In addition to fixed pay, employees may also be eligible for specific allowances and benefits.	



Profit-sharing plan

Definition	Selection criteria
ADCB operates a successful share-based profit sharing plan for key positions and high-performing key contributors.	Employees that the Bank seeks to actively retain:
The plan, which is independent of variable pay awards, is designed to reward as well as increase retention among the most critical contributors and highest performers driving the Bank’s performance.	• Senior management responsible for the delivery of the Bank’s strategic objectives • Employees who play an active role in strategic projects or drive significant improvements with material direct profit and loss impact • Senior employees with an active decision-making or advisory role in subsidiary boards and oversight committees
Nominations for the profit-sharing plan are proposed based on strategic guidelines and validated by the NCHRGC.	
The profit-sharing awards vest three years after the award date.	



Variable pay (VP)

Definition	Performance criteria	Bank-wide variable pay framework
Employees may receive variable pay based on their performance over the year. Given its performance-based nature, variable pay is not guaranteed and the amount received, if any, may change each year. Variable pay awards are subject to deferrals and vesting.	Individual award amounts are dependent on three factors: • Individual performance • Business function performance • Overall performance of the Bank	ADCB uses a balanced scorecard approach to measure employee performance, including the following KPI categories: • Financial performance • Non-financial performance, including service excellence and people (Organisational Health Index and Emiratisation scores are included as key KPIs) • Compliance, audit and risk
Deferred variable pay vests three years from the award date.		Variable pay of the employees in control functions is independent of the Bank’s financial performance.



Emiratisation

Why it matters

ADCB is dedicated to making a significant contribution to the UAE’s progressive Emiratisation agenda to ensure long-term sustainable growth of the country’s financial services sector.

Our approach and progress

Emiratisation is a core component of our people strategy, and the Bank is committed to not only recruit and retain UAE nationals, but to also ensure they reach their full career potential. In 2024, Emiratis continued to accede to leadership positions at ADCB through a blend of internal promotions and external recruitment of senior professionals.

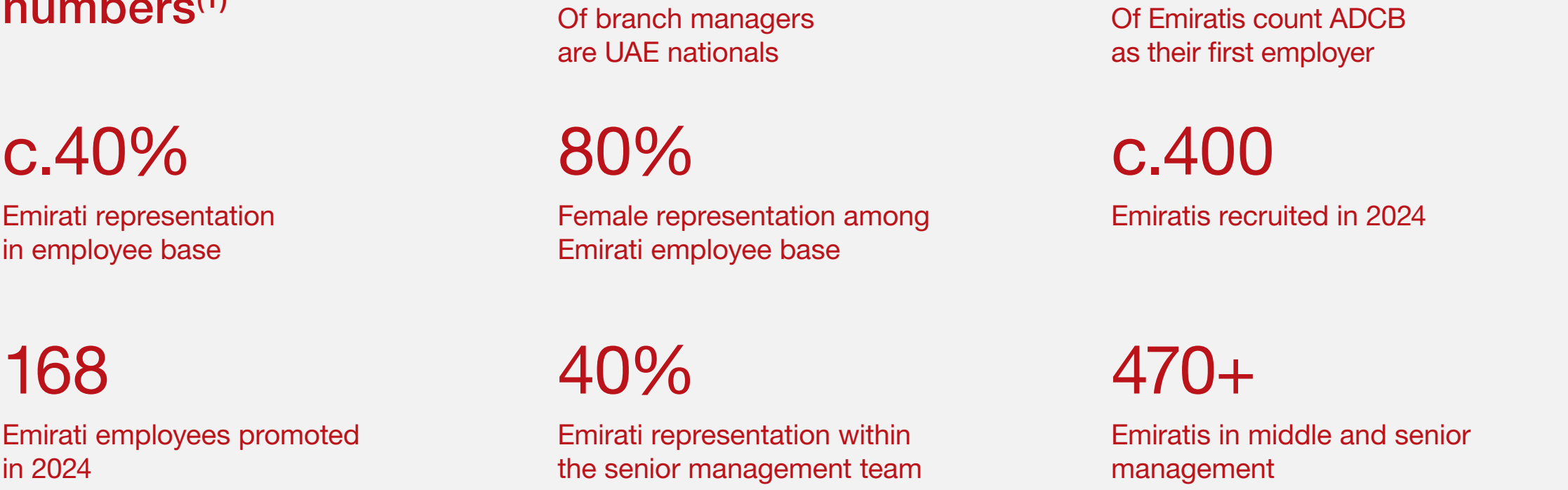
ADCB has already surpassed the UAE Central Bank’s (CBUAE) annual Emiratisation targets set for the banking industry for 2026. Approximately 400 UAE nationals were recruited in 2024, raising the number of Emirati employees to more than 2,100.

Percentage of Emiratis on key ADCB committees	
Management Executive Committee	40%
Management Credit Committee	50%
Risk Management Committee	62%
Management Compliance Committee	60%
Assets & Liabilities Committee	33%



The percentage of Emirati employees in the Group is c.40%, one of the highest in the country’s banking and financial sector. Furthermore, 41% of these employees are under 30 years old, demonstrating the Bank’s dedication to fostering young talent. Senior Emirati leaders are also strongly represented as voting members across ADCB’s key management committees, playing critical roles in setting the Bank’s strategic direction and leading effective implementation.

Emiratisation in numbers⁽¹⁾



(1) Emiratisation figures refer to UAE nationals employed by ADCB UAE and AHB UAE

Spotlight



ADCB recognised by the UAE government programme 'Nafis'

ADCB’s Emiratisation programme, in particular the Bank’s success in exceeding Emiratisation targets, has earned numerous accolades, including first place in the high-profile ‘Nafis’ award for large enterprises in the banking sector in a ceremony presided over by H.H. Sheikh Mansour bin Zayed Al Nahyan. 'Nafis' is a federal government programme aimed at empowering Emirati talent to succeed in the UAE’s private sector. The programme was launched as part of the ‘**Projects of the 50**’ initiative to accelerate the country’s socio-economic development.

In addition, the Bank collects and facilitates donations from customers towards community development and charity projects, and channels them towards UAE and Abu Dhabi based charity organisations such as Ma’an, the Abu Dhabi Authority for Social Contribution. Ma’an utilises the funds to support social and environmental causes in Abu Dhabi, reporting to donors on where their funds have been disbursed and who were the beneficiaries.

In July 2024, ADCB was honoured by H.H. Sheikh Mohamed bin Zayed Al Nahyan, the President of the UAE, for the Bank’s support of Ma’an’s social priorities and community development initiatives.

Emirati training programmes

ADCB’s key training programmes for UAE nationals include:

Mawaheb

Dedicated to developing young UAE national talent in financial services by providing foundational banking knowledge, specialised skills and real-world experience. Designed for fresh UAE national graduates, the programme welcomed 69 participants in 2024.

Emirates Institute of Finance (EIF)

With more than 50 participants and over 4,000 hours of training in advanced technologies such as cloud security, SQL, AI, and FinTech, the EIF is playing a significant role in preparing Emirati employees for the digital transformation of the banking sector.

Ethraa

121 participants completed more than 19,000 hours of training in critical areas such as cybersecurity, AI, data science, and payments technology.

Emirati Training Academy

596 participants completed more than 7,000 learning hours across courses such as communication skills, time and self-management, and emotional intelligence. This aims to develop Emirati employees who are not only technically knowledgeable, but also possess interpersonal and leadership skills that will serve them well in the workplace.



Case study



Setting the highest standards in Emiratisation in Al Ain

ADCB embarked on a successful initiative in Al Ain to ensure its new banking operations centre in the city was 100% resourced by UAE nationals in 2024, while also setting a target to create 300 new full-time jobs for Emiratis by the end of 2026.

Through the initiative, ADCB holds the distinction of having the largest number of UAE nationals employed in the banking sector in Al Ain, with approximately 300 Emirati employees in highly-skilled positions across various departments, including Islamic Banking, Corporate Banking, Wealth Management, and others. The project is a key element of the Bank’s commitment to Emiratisation and to maintain its position at the forefront of the banking sector.

100%

Emiratisation in Al Ain operations

c.300

Emirati employees across Al Ain operations

Learning and development

Why it matters

Providing a wide range of learning and career development opportunities enables ADCB to ensure its people are equipped with the personal and professional skills they need to achieve their career aspirations, while also making a valuable contribution to the Bank’s growth. This not only helps to attract and engage employees, but also enhances ADCB’s reputation as an employer of choice and provides a competitive advantage in the market.

Our approach and progress

The Bank continues to invest significantly in professional training to support employees in their performance and career progression. Learning is generally delivered via a blended approach of in-person and online modules covering a variety of technical and behavioural topics, in partnership with leading international providers.

To promote continuous development, ADCB provides a diverse curriculum of learning opportunities tailored to different roles and levels within the workforce. Each employee’s strengths and development needs are identified and aligned with an individual development plan to support their professional goals.

Employee training

In 2024, the Human Resources Department delivered an expanded programme of over 300,000 learning hours, with more than 8,000 employees undertaking learning activities. This not only reflects ADCB’s strong commitment to continuous improvement, but also the deeply embedded learning culture across the Bank.

Around 48% of training was instructor-led, while 37% consisted of e-learning, providing flexible and efficient learning options for employees. This included a partnership with leading learning institutions to offer employees access to a suite of online courses and world-class training.

Ambition University is ADCB’s in-house centre of learning and development. It provides strategically aligned, business-driven learning that adds value to our business, employees, stakeholders and customers. Ambition University comprises several academies, enhanced on a semi-annual basis to address evolving business needs.



Spotlight



ESG training and development



Regular training and development are recognised as an essential element in the successful execution of the Bank’s ESG strategy. Through our ESG training plan, the Bank seeks to ingrain sustainability principles into its organisational DNA.

ADCB’s ESG training framework consists of three distinct phases of learning:

- **Foundational:** Introductory training to raise awareness of ESG
- **Role-specific:** Tailored training aimed at building sustainability skills as it relates to different roles
- **Advanced:** Specialist certificates or diploma courses with reputed universities or academies

This reflects the Bank’s commitment to fostering sustainable practices, empowering employees, and positioning the Bank as a leader in ESG implementation.

In 2024, more than 21,300 training hours were completed across multiple ESG learning programmes.

This included the delivery of role-specific programmes such as ESG audit training, sustainable bond issuance, ESG data and reporting, and bespoke net zero training designed specifically to address our most significant source of greenhouse gas emissions - Scope 3 'financed emissions'. This programme equipped relationship managers with the knowledge and practical skills to confidently engage with clients on sustainability issues, thereby enabling them to effectively translate insights into actionable strategies.

Performance management

The Bank promotes a high-performance culture at every level. This is supported by a robust performance management framework that includes strategic key performance indicators (KPIs), well-defined targets and success measurements. This is complemented by a transparent approach delivered via an internal infrastructure that supports employees and accommodates their individual development needs.

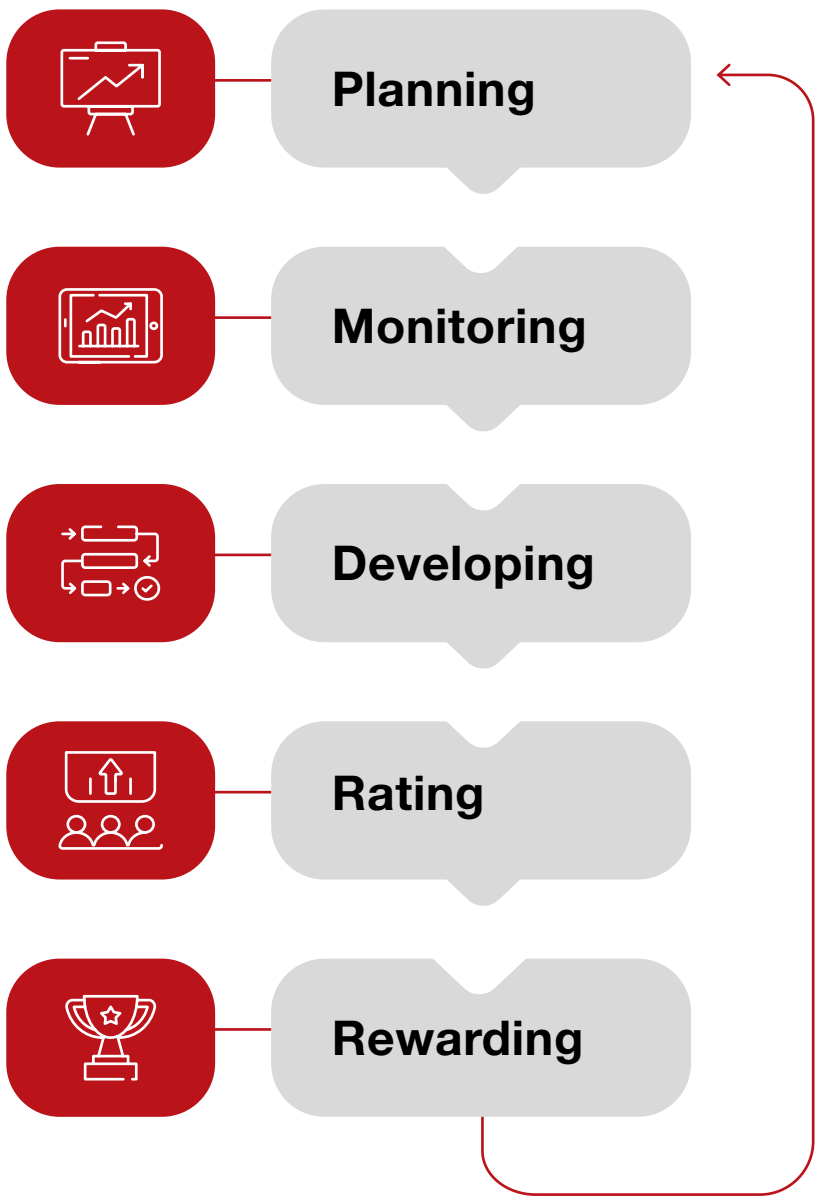
In 2024, ADCB continued to enhance performance management processes to deliver a better employee journey, improving the objectives and KPIs setting exercise, and increasing the effectiveness of the appraisal process.

In addition to setting KPIs and objectives, at the beginning of the year every employee creates an individual development plan linked to specific performance indicators. This includes an overview of key strengths and development areas from both a behavioural and a technical perspective.

Alongside formal reviews undertaken at the middle and end of the year, the performance framework is also designed to encourage continuous feedback and support for all employees throughout the year. To maintain the level of motivation necessary for high performance, this model is designed to drive alignment between individual performance and team contributions.

The goal is to deliver the best outcomes for stakeholders, ensuring all efforts contribute meaningfully to the Bank's success and sustainable performance.

Performance management process



Succession planning at ADCB Group

ADCB continued to develop its succession planning strategy in 2024 by focusing on two main principles:

- ensuring business continuity
- empowering growth

The Bank recognises that succession planning is a long-term investment. Preparing future leaders enables the organisation to grow and adapt to new challenges. This includes creating different learning opportunities to provide potential successors with the skills and knowledge to progress, strengthening their level and role-based competencies.

In addition, ADCB launched a new developmental exercise – a 360-degree survey – mainly for candidates in senior roles who have been identified for succession planning. This initiative enables leaders to benefit from comprehensive feedback from multiple stakeholders, encouraging self-awareness around strengths and areas for development.

Another core focus in 2024 was an ongoing emphasis on incorporating technology and best practices into the Bank's succession planning framework.

Succession planning of UAE nationals for leadership positions

As part of this approach, in 2024 ADCB continued to build initiatives to ensure sustainable growth and the progression of UAE nationals across all areas of the organisation, accelerating their development and further supporting the Bank's Emiratisation objectives. This included identifying talented Emiratis with high leadership potential, thereby boosting the pipeline of future Emirati leaders.



Equality, diversity and inclusion

Why it matters

We recognise that diversity in the workplace makes us stronger. Equality, diversity and inclusion provide the tools to create a more innovative, resilient business that is better able to respond to challenges, attract the best talent, and provide an enhanced customer experience.

Our approach and progress

With over 80 nationalities represented among ADCB’s employee base, the aim is to foster an inclusive culture of mutual respect, where diversity is embraced and all individuals feel valued and empowered to achieve their true potential. The Bank respects the human rights of all employees, ensuring dignity and equality for everyone, regardless of race, religion, gender, age, or language. We are committed to treating our employees with fairness, equality, and respect.

The Bank ensures fair and equitable remuneration and development opportunities for women, in compliance with UAE labour law which mandates equal pay for equal work for men and women.

0.97

Ratio of median male to median female salary⁽¹⁾

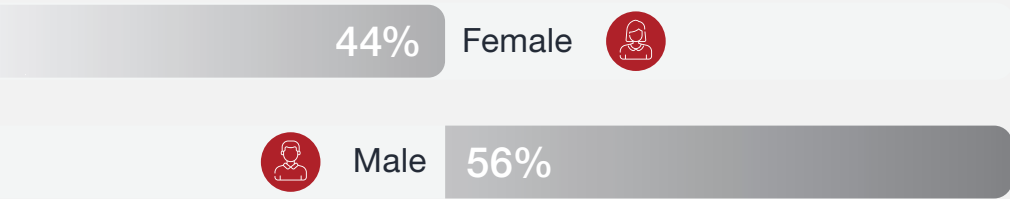
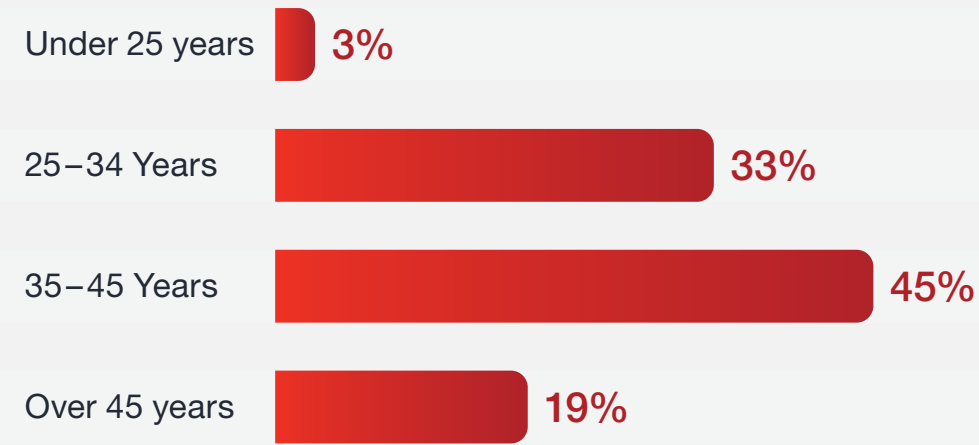
(1) Higher median salary for female staff when compared to median salary for male staff in ADCB UAE operations

Employee gender diversity

ADCB’s sustainability strategy is closely aligned with the relevant UN Sustainable Development Goals (SDGs) on gender equality. Among our employees, 44% are female and 15% of the Management Executive Committee (MEC), including the Group Chief Compliance Officer and Group General Counsel, are female. In addition, women comprise over 30% of employees in ADCB Egypt and over 50% in ADCB Kazakhstan.

For information on Board gender diversity, please refer to [page 85](#) of this report.

ADCB Group employee profile by age and gender



Spotlight

‘Tamooha’: 10 years of empowering Emirati women



'Tamooha' employment opportunities provided over a decade

400+ Emirati women

The ‘Tamooha’ initiative, which is based at the Bank’s operations centre in Al Ain, reflects ADCB’s commitment to improve access for Emirati women to careers in the banking sector. Marking its 10-year anniversary in 2024, Tamooha (Arabic for ‘ambitious’) provides flexible employment and career development opportunities, allowing women to align work with their social and family traditions. The programme has provided job opportunities to over 400 women over the last decade, with 178 currently participating.

Based on the concept of providing a choice of workplace and flexibility of working hours, the programme provides the opportunity to work from conveniently located women-only Tamooha centres or from home.

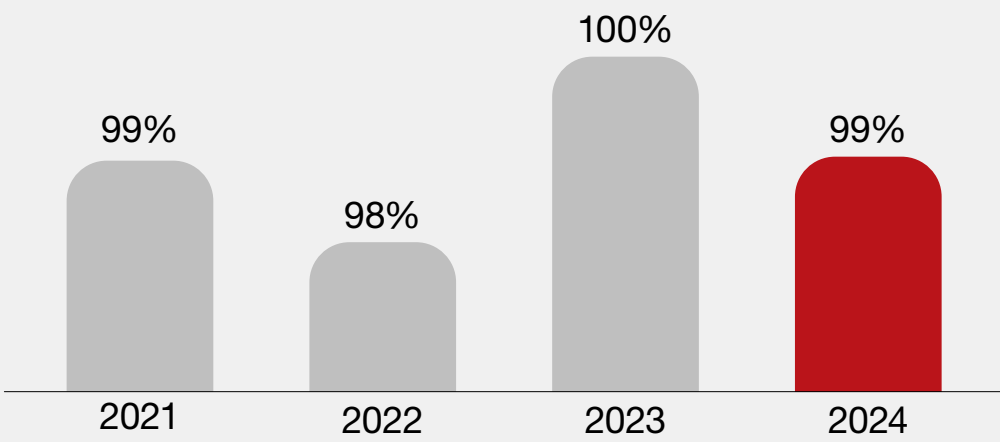
The programme is supported by a number of training hubs, which offer mentoring and performance reviews.

The Tamooha programme has been successful in providing women with their first step on the career ladder. The majority of current participants have joined as fresh university graduates, while others have frequently achieved promotions, with job roles ranging from data entry to loan processing, account opening and customer service activities.

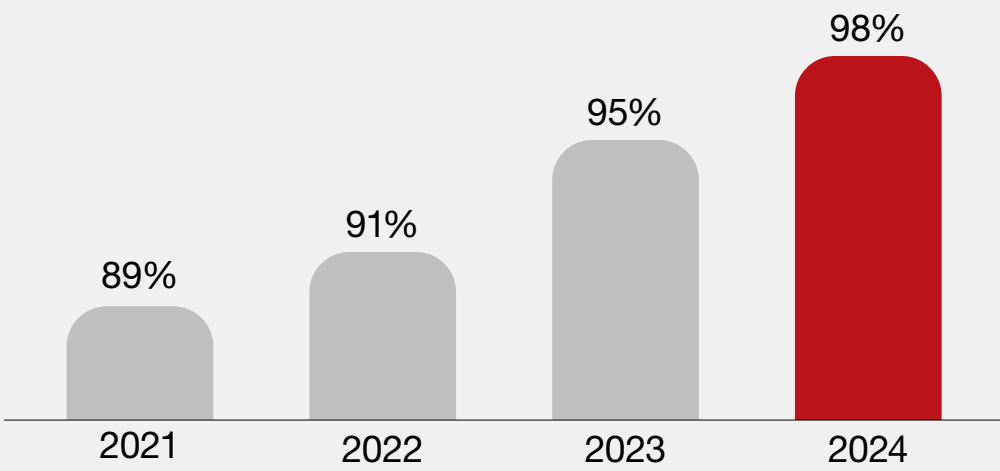
Parental leave

We remain committed to supporting our employees with adequate parental leave as per local regulatory requirements in each of the countries in which we operate.

Return to work rate⁽¹⁾



Retention rate⁽²⁾



(1) Female employees who returned to work from maternity leave
(2) Female employees who returned from parental leave and were still employed twelve months after returning to work
(3) Employees who have not completed one year of service are entitled to this leave with half-pay

Parental leave policy by country

United Arab Emirates
(ADCB UAE and all subsidiaries in the UAE)



Maternity leave

- 90 calendar days with full pay (which exceeds the 60-day requirement of UAE labour laws)⁽³⁾
- Maternity leave can start 10 days before the delivery date and is available for all employees, regardless of length of service
- Employees can choose to take any accrued annual leave in conjunction with maternity leave, with the total consecutive period of absence not exceeding four months
- Maternity leave for outsourced employees: 45 calendar days with full pay, and 15 calendar days with half-pay
- Nursing mothers are entitled to take a break of one hour each day during working hours, for 18 months after delivery

Paternity leave

- Three calendar days of paternity leave with full pay

We also offer childcare leave of five working days for a mother or father to take care of their child. The childcare leave can be taken continuously or intermittently within a period of six months from the date of birth of the child.

Egypt
(ADCB Egypt)



Maternity leave

- 90 calendar days of fully paid leave, and up to two years of unpaid leave (allowed only twice)

Paternity leave

- Men have no provision for paternity leave as per local labour laws

Kazakhstan
(ADCB Kazakhstan)



Maternity leave

- Paid leave (through the eligible government social allowances) of up to 126 calendar days
- This type of leave can be combined with accrued annual leave

Paternity leave

- 5 business days with full pay

GOVERNANCE

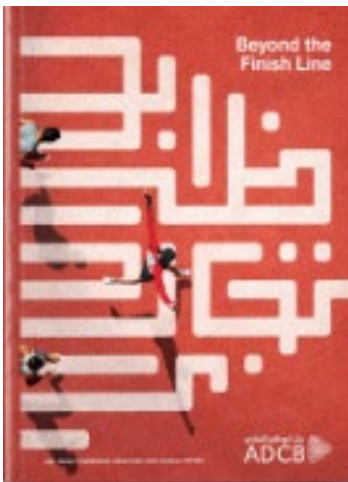


Corporate governance, compliance, and code of conduct	79
Risk management and cybersecurity	88
Financial crime, anti-bribery and corruption	92
Tax transparency	94

Corporate governance, compliance, and code of conduct

Why it matters

ADCB Group's robust Corporate Governance Framework, compliant with Central Bank of the UAE (CBUAE) and the Securities and Commodities Authority (SCA) regulations, enables the Bank to effectively manage compliance risk and reinforces resilience. By promoting and nurturing a culture of transparency, accountability and trust, the Bank remains determined to deliver sustainable financial results that continue to create value for all stakeholders.



Further information on corporate governance can be found in our **2024 Annual Report**

Our approach and progress

The Group's approach to corporate governance is rooted in its core values of integrity, care, ambition, respect and discipline, ensuring compliance with regulatory requirements and global best practices. These values are key components to ensuring the Group's financial stability, business integrity, and continued growth and success.

ADCB's approach to corporate governance categorically defines roles, responsibilities, and delegations of authority across the Board, its Committees, and Executive Management. Through this delegation of authority and responsibility, the Group ensures that the decision-making process is streamlined and operational efficiencies are optimised.

Please click here for **ADCB Corporate Governance policies**

The Group's Corporate Governance Framework and the guiding principles



Responsibility
promoted by the clear distribution and delegation of authority



Fairness
in the treatment of all stakeholders



Accountability
in the relationships between the Bank's Executive Management and the Board; between the Board and shareholders and other stakeholders

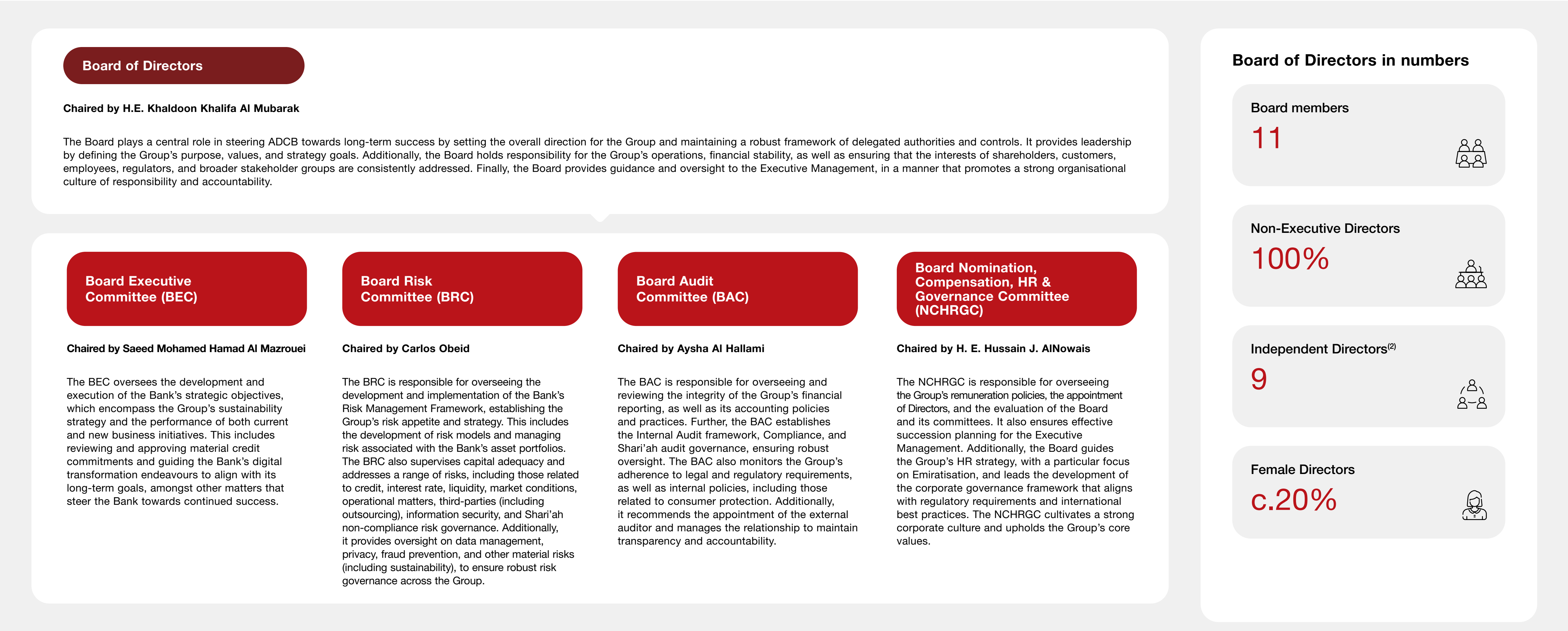


Transparency of disclosures
to enable stakeholders to assess the Group's strategy and financial performance and condition



Governance structure

A strong governance structure requires a deep understanding of the regulatory environment, vigilant oversight, and a decisive tone from the top. At ADCB, this governance structure is built around a strong and capable Board, which is supported by specialised Board Committees⁽¹⁾ entrusted with executing their roles and responsibilities effectively.



(1) The Chairs of the Board Committees listed above are current as of December 31, 2024. In 2025, ADCB revised the Chairs of the BRC and BAC
(2) According to the CBUAE’s corporate governance regulation and standards, a Board director is categorised as non-independent when the length of tenure exceeds 12 years

Board independence

Independence is a critical measure of a Director’s ability to act in the best interest of ADCB and all its stakeholders. The CBUAE has established specific criteria for independence of board members in banks, as outlined in the Corporate Governance Regulations and Standards for Banks (CBUAE Independence Criteria). The CBUAE's criteria are designed to ensure that Directors maintain impartiality and uphold their fiduciary responsibilities effectively.

ADCB determines the independence of its Board Members in accordance with the criteria outlined by the CBUAE. As at 31 December 2024, the Board Members satisfied the prescribed CBUAE Independence Criteria, with the exception of Khalid Deemas Alsuwaidi and Khaled H. Alkhoori, who were classified as non-independent due to their tenure exceeding 12 consecutive years on the ADCB Board.

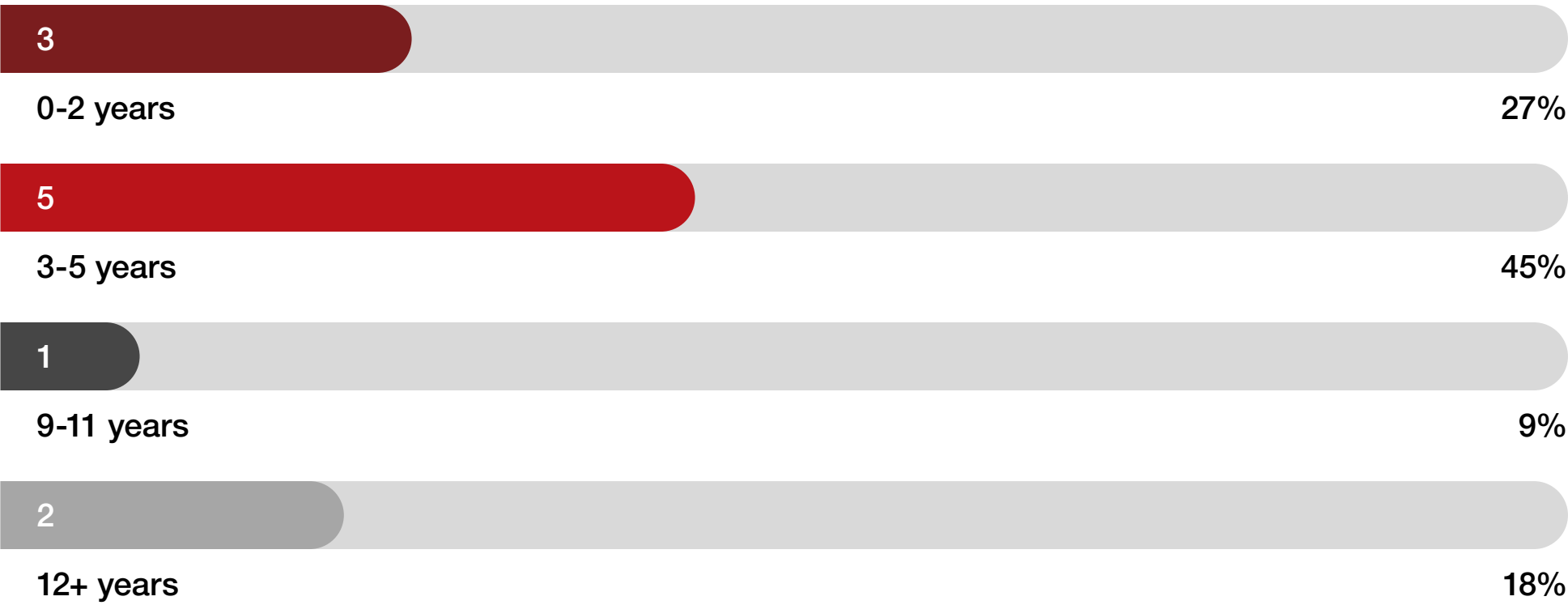
Further information on Board Independence can be found in our 2024 Annual Report - page 214

The CBUAE Independence Criteria

- The Director’s tenure should not exceed 12 consecutive years from the date of appointment. This provision applies equally to appointments by a government shareholder
- The Director or any of his/her first-degree relatives should not have been employed by the bank or its subsidiaries during the past two years
- The Director should not have conducted any consulting services for the bank, or its subsidiaries, or acted in such capacity, either directly or indirectly, during the past two years
- The Director should not have had any personal services contracts with the bank or its subsidiaries during the past two years
- The Director should not be affiliated with any non-profit organisation that receives significant funding from the bank or its subsidiaries
- The Director and/or any of his/her first-degree relatives (individually or collectively) should not own, directly or indirectly, 10% or more of the bank’s share capital or be a representative of a shareholder who owns, directly or indirectly, more than 10% of the bank’s share capital
- The Director, or any of his/her first-degree relatives, should not be a partner or employee of the bank’s auditor for the past two years
- The Director or any of his/her first-degree relatives, should not have direct or indirect interest in any contracts and/or projects of the bank or its subsidiaries, where the total of such transactions exceeds the lower of 5% of the bank’s paid share capital, or AED 5 million, or an equivalent amount in foreign currency, during the past two years, unless such relationship is part of the nature of the bank’s business and involves no preferential terms

Length of Board tenure as at 31 December 2024⁽¹⁾

(Number of Directors)



- 0-2 years
 - H.E. Dr. Ahmed Mubarak Al Mazrouei (2024)
 - Fatima Al Nuaimi (2022)
 - Sheikh Sultan Bin Suroor Al Dhaheri (2022)
- 3-5 years
 - Sheikh Zayed Bin Suroor Al Nayan (2021)
 - H.E. Khaldoon Khalifa Al Mubarak (2020)
 - H.E. Hussain J. AlNowais (2019)
 - Saeed Mohamed Hamad Almazrouei (2019)
 - Carlos Obeid (2019)

- 6-8 years
 - Nil
- 9-11 years
 - Aysha Al Hallami (2013)
- 12+ years
 - Khaled H. Alkhoori (2012)
 - Khalid Deemas Alsuwaidi (2009)

Note: Figures may not add up due to rounding differences
(1) According to the CBUAE's corporate governance regulation and standards, a Board director is categorised as non-independent when the length of tenure exceeds 12 years
(2) The table lists only ADCB Group subsidiaries that have female representation on the board of directors

Conflict of interest

The Board of Directors has established and maintains a comprehensive framework to identify and manage conflicts of interest across the organisation, including among the Bank’s employees and Directors. This framework implements effective controls designed to prevent any adverse impact on the Group, its shareholders and other stakeholders.

Director conflict of interest

The Board has implemented a **Directors’ Conflict of Interest Policy** to ensure that any actual, potential, or perceived conflicts involving Directors are managed in the best interests of the Group and its stakeholders. Directors are expected to avoid any activities that could create a conflict of interest, and they should promptly disclose any such matters to the Board and the Group Company Secretary. Directors are required to disclose their interests and relationships on appointment and provide updates on a quarterly basis. Any transactions in which a Director or related party may have a potential interest are meticulously reviewed and require approval by the Board. Directors with an interest in a particular transaction are prohibited from participating in discussions of, or voting on, that transaction.

The Board Secretariat function has established and maintains, a register that records Directors’ conflicts of interests and related party transactions, which contains relevant details of all declarations of interests made by the Directors.

The NCHRGC reviews entries to the Register of Conflicts of Interests on a quarterly basis.

Further information on conflict of interest and related party transactions can be found in our **2024 Annual Report - pages 227-230**

Employee conflict of interest

Employees must adhere to a **Code of Conduct** that mandates avoiding conflicts of interest between themselves, the Bank, customers, and suppliers. If an employee’s outside interests conflict with the Group, they must promptly inform their line manager. In such cases, the transaction or account management should be assigned to another employee. Prior approval from Group Compliance may be necessary for specific transactions in certain instances. Employees are also obligated to periodically disclose personal interests, including dealings with third parties related to the Group.

Definition of related party

The Group’s related parties include the major shareholder, its associates, funds under management, directors, senior management and their related entities, and the Government of Abu Dhabi, which is the ultimate controlling party. Mubadala holds 60.69% of the Bank’s issued and fully paid-up share capital. Since the Government of Abu Dhabi owns 100% of Mubadala, it is considered as the ultimate controlling shareholder. Therefore, all other entities controlled or associated with the Government of Abu Dhabi are deemed as related parties of the Group.

Related party transactions

ADCB has implemented a comprehensive **Related Party Transactions Policy**, which outlines the procedures for identifying, evaluating, monitoring, and reporting the Group’s exposures to related parties. In the ordinary course of business, the Group engages in transactions with various entities, including the major shareholder, related entities, associates, funds under management, directors, executive management, and entities related to the Government of Abu Dhabi. These transactions are entered into in the ordinary course of business at agreed upon interest and commission rates.

To ensure transparency and accountability, all Directors must disclose their related parties, transactions, and potential conflicts on appointment and subsequently on a quarterly basis. The Board Secretariat function maintains a register that records Director conflicts of interest and related party transactions. The declarations of interests made by Directors are reviewed quarterly by the NCHRGC. As a result of written declarations of interests submitted by each Director, the Board ensures that any external commitments do not conflict with the Director’s duties and responsibilities. In instances where conflicts may arise, the Board remains sufficiently informed, with policies and procedures in place to mitigate any associated risks.

Major shareholder and its related parties

Transactions between ADCB and its majority shareholder and subsidiaries are disclosed in the 2024 Annual Report, on pages 228-229.

Associates and funds under management

The Group may provide banking services to its associates in the ordinary course of business, from time to time. However, such banking services rendered are always conducted on an arm’s length basis.

Directors and their related parties

To ensure transparency and prevent conflicts of interest, the Bank has implemented robust controls to manage related party transactions involving Directors or their related parties. These controls require Directors to refrain from participating in discussions of, or voting on, transactions in which they have an interest, thereby promoting a transparent and impartial decision-making process.

Board remuneration strategy and policy

The Bank’s Board remuneration strategy is designed to reflect the responsibilities and time commitment of the Directors, considering existing industry standards. Accordingly, the key principle of the Board remuneration structure is to be commensurate with the Bank’s strategic and operational objectives, ensuring that Directors are appropriately compensated.

In line with the CBUAE Corporate Governance Regulations, read in conjunction with the SCA Corporate Governance Regulations and the ADCB Board Compensation Policy, Directors are compensated only with fixed remuneration without any incentive-based compensation linked to the performance of the Bank. Thus, ADCB’s Board remuneration comprises two components: the amount payable to Directors for their service on the Board, and Board Committees.

The NCHRGC is responsible for proposing Directors’ remuneration to the Board, which, if endorsed, is subsequently submitted for approval by the Bank’s shareholders at the Annual General Assembly.

Any proposed adjustments to Board remuneration are considered by the NCHRGC prior to obtaining the necessary approvals from the Board and/or shareholders. According to applicable laws and ADCB’s **Articles of Association**, Directors are not eligible for remuneration in any financial year where the Bank is not profitable.

The total Board remuneration, paid in 2024, for the year ended 31 December 2023 amounted to AED 31 million. The total Board remuneration, paid in 2025 for the year ended 31 December 2024 was AED 36 million.

Board appointment, retirement, and re-election

ADCB recognises that an effective Board is fundamental to the success of the Bank and its ability to serve in the best interests of all stakeholders.

In line with ADCB’s Articles of Association and applicable CBUAE Corporate Governance Regulations, all Directors are required to seek re-election by shareholders every three years. If a vacancy arises before the next General Assembly, the Board has the authority to appoint an individual nominated by the NCHRGC to fill that vacancy according to applicable regulations. However, this appointment must be ratified by the shareholders at the subsequent Annual General Assembly.

ADCB’s majority shareholder, Mubadala Investment Company, holds the right to appoint a proportionate number of Directors relative to its shareholding. As at the year-end 2024, the major shareholder held 60.69% of ADCB’s share capital, granting it the right to appoint six Directors and exercise voting rights over an additional 6.14% of the Bank’s share capital during Board elections.

The selection and appointment procedure for the Board of Directors is detailed in ADCB’s **Directors’ Selection Policy**. The policy sets out the fit and proper criteria and prerequisites for selecting and appointing a Director, as required by applicable regulations. As mandated by the CBUAE Corporate Governance Regulations, every Director shall be approved by the CBUAE as a proposed candidate prior to the appointment or election at the Annual General Assembly.

Further information on Board remuneration can be found in our **2024 Annual Report - pages 232-233**

Executive remuneration

The NCHRGC oversees the design, operation and effectiveness of the remuneration framework and allocation of awards, including overall amounts, distribution among business groups and actual awards to senior management. ADCB uses a balanced scorecard approach to measure employee performance, including the following KPI categories:

- financial performance
- non-financial performance, including service excellence and people (Organisational Health Index (OHI) and Emiratisation scores are included as key KPIs)
- Compliance, Audit and Risk

Variable pay of the employees in Control functions is independent of the Bank’s financial performance.

The Committee also ensures that regular reviews and assessments are conducted by independent third-party consultants on the quantum, design and effectiveness of ADCB's variable pay framework and awards.

Further information on Executive remuneration can be found in our **2024 Annual Report - pages 260-261**

Executive management remuneration, incentives and KPIs

Sustainability is embedded in the heart of ADCB’s performance management framework, with Executive Management remuneration linked to ESG KPIs.

These include:

-  sustainability strategy milestones (included in the Group CEO and Group CFO’s KPIs)
-  compliance and risk metrics
-  Emiratisation targets
-  digital index
-  customer Net Promoter Score (NPS)
-  Organisational Health Index (OHI)

Board skills, experience, professional advice, and training

The expertise and competencies of Directors are assessed through a mapping exercise that is updated as needed to ensure the skills and experience of the Board collectively remain relevant to the Bank’s strategy and operating environment.

The Board brings a wealth of experience, which incorporates the areas of finance, audit, accounting, risk management, governance, strategic planning, ESG, and information technology.

The Board dedicates sufficient time, budget, and other resources to an ongoing training and development programme and draws on external expertise, as and when required. An annual review of training is conducted to ensure that Directors acquire, maintain, and enhance their knowledge and skills relevant to their responsibilities.

Furthermore, the Board regularly engages with Executive Management on specialised topics, as and when required. Additionally, Directors may seek independent external professional advice at the Bank’s expense on any matter they deem necessary to effectively execute their duties.

The Board Executive Committee (BEC) received the following key updates on sustainability in 2024:

- Quarterly updates on sustainability initiatives linked to the corporate strategy (including updates on climate)
- Annual update on progress on 2024 ESG roadmap and key milestones
- Awareness session on key ESG market trends and updates
- Updates on ESG strategic priorities in line with the corporate strategy

(1) This is a non-exhaustive list

Industry experience of the Board directors

Skill set ⁽¹⁾	# of Directors with the skill											
Capital markets	●	●	●	●	●	●	●	●	●	●	●	●
Financial (analysis, stability & reporting)	●	●	●	●	●	●	●	●	●	●	●	●
Strategic planning	●	●	●	●	●	●	●	●	●	●	●	●
Risk management	●	●	●	●	●	●	●	●	●	●	●	●
Familiarity with applicable UAE regulatory landscape	●	●	●	●	●	●	●	●	●	●	●	●
Corporate governance	●	●	●	●	●	●	●	●	●	●	●	●
Management	●	●	●	●	●	●	●	●	●	●	●	●
Accounting	●	●	●	●	●	●	●	●	●	●	●	●
Audit	●	●	●	●	●	●	●	●	●	●	●	●
Sustainability or ESG	●	●	●	●	●	●	●	●	●	●	●	●
Compensation	●	●	●	●	●	●	●	●	●	●	●	●
Information technology	●	●	●	●	●	●	●	●	●	●	●	●
Shari’ah Rules & Principles	●	●	●	●	●	●	●	●	●	●	●	●

In 2024, Directors participated in a number of training and deep dive sessions

Training sessions

- Islamic Banking
- Shari’ah regulations
- Sanctions and proliferation financing
- International Financial Reporting Standards (IFRS)
- Interest rate risk in the banking book
- Outsourcing regulations
- Credit risk management standards
- Emerging risks (cyber risk including crypto currency)
- Payment token regulations



Deep dives

- Cost management and efficiencies
- Retail Banking Group strategy
- Corporate Investment Banking Group strategy
- Islamic Banking strategy
- Wealth Management and Private Banking strategy
- Treasury business and future priorities
- Digitisation and technology modernisation projects
- Performance management vs. budget and business plans



Gender diversity at Board level

A key responsibility of the Board is to cultivate and sustain a healthy corporate culture at ADCB. The Bank firmly believes that organisations that prioritise both performance and culture are positioned to achieve long-term success.

The Board remains committed to promoting gender diversity at the leadership level. As at 31 December 2024, women comprised c.20% of the Board (2 out of the 11 Board members).

Moving forward, in line with applicable regulatory requirements, ADCB is dedicated to ensuring that at least 20% of candidates considered for directorship are female. The Bank will ensure that at least one female member serves on the Board.

Gender diversity on the Boards of Group subsidiaries

ADCB is committed to supporting gender diversity across the respective boards of Group subsidiaries in all operating jurisdictions, ensuring that each Board has the ideal blend of diverse perspectives, knowledge, skills, and experience to support and guide the organisation’s strategic growth and operational objectives.

Subsidiary Board ⁽¹⁾	Total directors	Female directors	Percentage women
Al Hilal Bank PJSC	7	1	14%
Abu Dhabi Commercial Bank – Egypt SAE	9	2	22%
Al Wifaq Investment Property PrJSC	5	1	20%
ITMAM Services LLC	4	2	50%
ITMAM Services FZ LLC	1	1	100%
ADCB Asset Management Limited	2	1	50%
ADCB Markets (Cayman) Limited	1	1	100%
ADCB Finance (Cayman) Limited	1	1	100%
Overall	30	10	33%
Boards of UAE subsidiaries	19	6	32%
Boards of international subsidiaries	11	4	36%

(1) The table lists only ADCB Group subsidiaries that have female representation on the board of directors



Board effectiveness and evaluation

The Board undertakes a formal and rigorous annual evaluation to assess its collective performance, the individual contributions of Directors, and the effectiveness of Board Committees in fulfilling their respective mandates. This evaluation process, guided by the **Director’s Performance Evaluation Policy**, is considered essential for the continuous development of the Board. By actively participating in structuring the evaluation, and reviewing its outcomes, the Board seeks to identify both achievements and areas for improvement. This fair and well-managed evaluation process reinforces trust among Directors, between the Board and Executive Management, and promotes alignment with the Bank’s stakeholders.

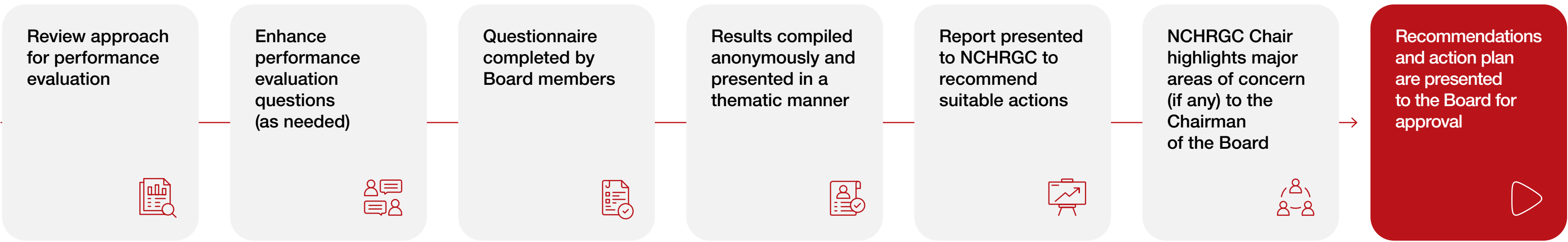
The evaluation includes a specific review of the responsibilities and performance of the Chairman and the Chairs of each Board Committee, assessing the efficiency of meeting conduct, facilitation of debate, discussion, decision-making, and external representation of the Bank to the public, regulators, and other counterparties.

The Board Committees are evaluated on effectiveness in discharging their responsibilities, diligence, and responsiveness to the Board. In addition, each Committee conducts an annual self-evaluation, assessing its ability to carry out the responsibilities delineated in their respective terms of reference.

To ensure a robust and independent evaluation of the Board’s performance, an external consultant is appointed at least once every three years to independently conduct a performance evaluation. The results of this evaluation are presented to the NCHRG as an actionable plan, with the Committee actively monitoring to ensure effective implementation. Subsequent to the Committee’s review, the Chair of the NCHRG briefs the Board of Directors on the results.

Board evaluation process

During 2024, an internal board evaluation assessment for 2023 was undertaken in line with the CBUAE and SCA's applicable corporate governance regulations.

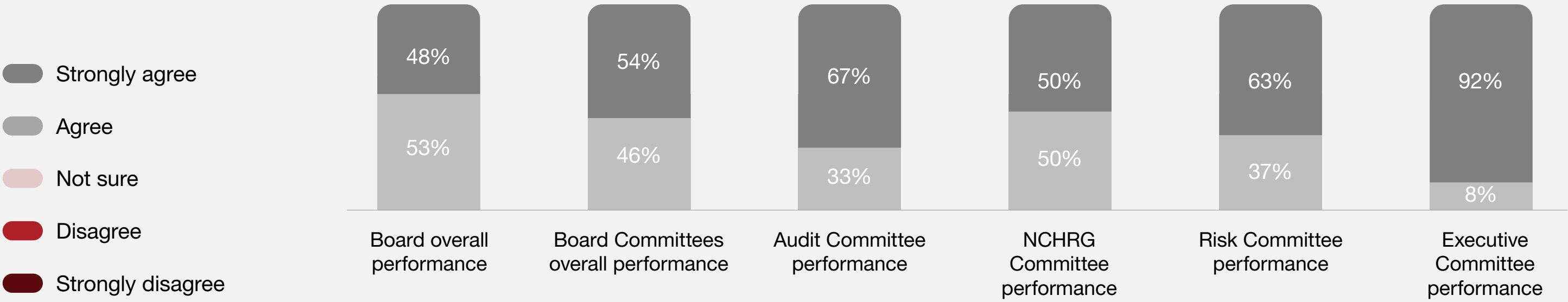


The Board evaluation criteria:

- Governance structure
- Board strategy and stakeholder management
- Board processes and decision-making procedures
- Board Committees’ duties
- Strategic oversight

Summary of results⁽¹⁾

The overall results from the internal Board evaluation found that the Board and its Committees performed to a high level of satisfaction and that the processes implemented were deemed effective. The Board was satisfied with the results of the evaluation and the NCHRG approved an action plan to address the adopted recommendations. In particular, the NCHRG agreed to enhance Board trainings and improve the timely circulation of meeting materials.



(1) Figures may not add up due to rounding differences

Code of conduct

ADCB periodically reviews its Board-approved Conduct Compliance Framework and related policies, including our **Code of Conduct**. The framework includes the development of methodologies for identifying, assessing, reporting, and mitigating conduct risks. The Bank takes a zero-tolerance approach to behaviour that breaches its Code of Conduct, Conflict of Interest Policy, Anti-bribery and Corruption Policy, Insider Trading Policy, Personal Account Dealing Policy, or Outside Business Interests Policy.

The Code of Conduct applies to all ADCB employees and its subsidiaries. It outlines the standards of ethics and professional behaviour expected of employees and representatives when dealing with customers, colleagues, shareholders, communities, and each other. It also provides an overview of key legal and regulatory requirements and policies.

Employees must confirm they have read and understood the Code of Conduct when they commence their employment. Any violations may result in disciplinary action, including termination of employment. All employees are required to reconfirm their acceptance of the Code of Conduct every year.

The Bank also has a **Directors' Code of Conduct** that covers the relevant policies and procedures Directors must abide by.

Further information on compliance can be found in our **2024 Annual Report - pages 172-175**

Compliance monitoring and reporting

Group Compliance and Governance is an independent function with formal status within the Bank that identifies, assesses, advises on, monitors, and reports on the Bank's compliance risks.

It monitors the risk of regulatory sanctions the Bank may face as a result of a potential failure to comply with laws, regulations, rules, related internal standards, and codes of conduct applicable to its activities.

ADCB's Group Chief Compliance Officer (GCCO) has a primary functional reporting line to the Group Chief Executive Officer (GCEO) and has direct access to the Board and the Board Audit Committee (BAC) to report on compliance matters.

Group Compliance and Governance is tasked with the monitoring and implementation of the compliance programme, as well as managing financial crime risks, executing the compliance plan, coordinating on relevant compliance issues, and assisting the GCCO in executing their duties.

Human rights

ADCB is committed to upholding universal human rights for all people. It respects and supports international principles aimed at protecting and promoting human rights, as enshrined in the **United Nations Universal Declaration on Human Rights**.

The Bank complies with the **UAE's labour law** and actively promotes human rights, including protecting the rights of its employees to be free from discrimination based on race, nationality, colour, ethnic origin, gender, disability, or religion.

ADCB's Code of Conduct promotes equality and justice and seeks to provide just, favourable, and safe working conditions. It has zero tolerance for harassment and bullying, the exploitation of children, and human trafficking.

ADCB also promotes human rights through its **Vendor Code of Conduct** that applies to all suppliers and is formally communicated to them upon engagement.

Whistleblowing policy

ADCB encourages its employees and outsourced staff, including contract employees, to raise and report, in good faith, any concerns related to misconduct, illegal, unethical, or fraudulent acts. All cases are investigated by Internal Audit, with support from other departments where necessary.

The Bank's Whistleblowing Policy applies to both existing and former employees. It also applies to any third-party external consultants, contractors, authorised agents, vendors, including activities and processes carried out for and on behalf of the Bank. It applies to all ADCB branches and subsidiaries as a minimum standard. If a local regulation exceeds the standard set in the policy, the stricter local code is applied.

The Bank operates three whistleblowing channels for complaints and any reports of policy breaches: a designated email address, a website, and a P.O Box. All platforms are continually monitored, and cases are immediately acknowledged.

The majority of cases reported in 2024 were customer complaints relating to specific transactions or services and do not constitute whistleblowing cases.

87,000+

Hours of compliance training in 2024⁽¹⁾

(1) Reporting covers virtual classroom, instructor-led and web based trainings in ADCB Group (excluding ADCB Egypt and ADCB Kazakhstan)

Risk management and cybersecurity

Why it matters

Recognised as a systemically important bank in the UAE, ADCB places effective risk management at the core of its decision-making processes across all levels of the organisation. The Bank maintains vigilant monitoring of new and emerging risks, ensuring organisational agility to identify and adapt swiftly. A strong culture of risk awareness, including cybersecurity, is embedded across the organisation.

Our approach and progress

ADCB prioritises a disciplined approach to risk in recognition of its fundamental importance to the Bank’s long-term organisational and financial resilience.

ADCB conducts an annual systematic review and challenge of its risk appetite before presenting it to the Board Risk Committee (BRC) for discussion, endorsement and approval by the full Board. This process aligns risk at individual, departmental, functional and portfolio levels with the overall Group appetite, and ensures that the risk framework, processes and procedures are consistent across the organisation.

Further information on risk management can be found in our **2024 Annual Report - pages 152-169**

The risk framework is closely aligned with the Bank’s growth strategy, and culturally embedded throughout the organisation. All employees are expected to actively participate in managing and mitigating risks. To support this, the Bank has adopted a number of mandatory e-learning modules on organisational risks.

2024 risk management enhancements

- 1 Introduction of AI-driven cyber threat detection and response system
- 2 Successful completion of CBUAE operational resilience review
- 3 Rigorous application of environmental and social risks in credit assessments
- 4 Deployment of fraud prevention tool in the last quarter of 2024

Cybersecurity

Cybersecurity and fraud prevention remain top priorities due to the increasing sophistication of cyberattacks. The Bank is investing in new tools and staff training to enhance its defences and to ensure it is well prepared for ransomware and other cyber threats. Concrete steps have also been taken to protect customers from fraud, such as the introduction of enhanced risk-based authentication measures and facial recognition technology. These advances not only reduce the risk of customers falling victim to fraud, but also contribute to an improved customer experience and increased trust in banking services.

ADCB operates a cybersecurity action plan and a rigorous testing regime, using internal and external testing teams to verify controls. In addition, the Bank retains a specialist consultancy to provide immediate technical support and advice if a cybersecurity event were to occur. ADCB has also developed a cyber-threat communications playbook to help manage such an event and communicate effectively with stakeholders. Regular simulation exercises are conducted to maintain a high level of preparedness for respondents to act effectively in case of any type of cyber incident. Threat intelligence gathering has also been strengthened with additional sources of new threats continuously fed into the security operations centre.

The Bank validates and certifies its security practices through global standards, including ISO 27001, PCI DSS, SWIFT CSCF and UAE Information Assurance Standards.

The successful completion of an operational resilience review undertaken by the Central Bank of the UAE in September and October 2024 further emphasises the Bank’s focus on mitigating cyber and operational risks. Enhancements in these areas are ongoing, driven by an Operational Resiliency Team, which is focused on enterprise-wide resiliency, investment in upskilling and resources, and continuous improvement to security measures.

Spotlight

Disciplined risk management approach

ADCB’s rigorous approach to risk management is reflected by the robust governance structures in place. Alongside regular meetings of the various risk committees, sub-committees and steering groups, the Bank also conducts monthly portfolio reviews that are central to the Bank’s risk management ethos.

A range of risk related meetings were undertaken in 2024 through the following:

- Board Risk Committee
- Risk Management Committee
- Model Risk Management Committee
- Data Steering Group
- Environmental and Social Risk Management (ESRM) Working Group
- Operational Risk Working Group
- Information Security Working Group
- Internal Shari’ah Supervisory Committee
- Fraud Risk Taskforce

Anti-bribery & corruption, digital risk and fraud risk

+3 principal risks



Elevated to be included among 17 defined ‘principal risks’

Leveraging technology and AI

As the financial services industry transforms through digitisation, new challenges continue to emerge in the realms of cybersecurity, fraud prevention, and data protection. Safeguarding customer privacy and maintaining the Bank's integrity and reputation are paramount to ADCB's approach to managing digital risks.

ADCB's comprehensive strategy for information security revolves around regular security assessments and technological upgrades. A key component of this approach is the implementation of an AI-powered detection and response system, which bolsters defences against cyberattacks, unauthorised access attempts, and potential data misuse. This multi-faceted approach ensures the Bank remains at the forefront of digital security in the UAE financial sector.

AI and automation are central to ADCB’s strategy for improving efficiency in risk management processes and for future-proofing risk management operations. The Bank is leveraging AI to reduce manual processes, improve reporting speeds, and minimise resource requirements. Several business cases for AI and automation have been identified across different risk areas, including model documentation, stress testing, and market risk reporting, with implementation to continue in 2025.

Additionally, AI is being used to create chatbots that handle policy-related queries, with plans to expand this functionality into areas such as ESG and operational risk. These investments underscore ADCB’s unwavering commitment to fortifying its defences and maximising information security.

(1) <https://help.upguard.com/en/articles/3765184-how-are-upguard-s-security-ratings-calculated>
(2) As at September 2024
(3) As at November 2024. ESG risk rating score ranges from 0 to 40+ (0=lowest risk)
(4) ADCB UAE is certified to ISO 27001. The scope of this certification covers the information security management of the Bank's digital customer channels

Information security third-party ratings



875 out of a maximum score of 950 Security Rated at ‘Advanced Level’

UpGuard⁽¹⁾, a leading global cyber risk rating agency, provides ratings based on an organisation’s cybersecurity posture, with a rating scale of 0-950. ADCB was rated at ‘Advanced Level’ with a score of 875, up from 847 in the previous year. This reflects the Bank’s robust approach to managing the ever-changing threat landscape.



7.1 out of 10⁽²⁾

MSCI ESG ratings rank ADCB above the industry average (3.8 out of 10) on ‘Privacy and Data Security’. This assessment of companies is based on evaluation of the amount of personal data collected, exposure to evolving or increasing privacy regulations, vulnerability to potential data breaches, and systems for protecting personal data.



1.6 - negligible risk⁽³⁾

Sustainalytics has assigned ADCB an ESG risk rating of 1.6, indicating negligible risk on 'Data Privacy and Cybersecurity'. This places the Bank in the top 3rd percentile of global banks within the ESG risk rating universe.

Information security certifications



Payment Card Industry Data Security Standard

The Payment Card Industry (PCI) Data Security Standard is an information security standard for organisations that handle branded credit cards. The PCI Standard is mandated by the card brands and is administered by the Payment Card Industry Security Standards Council. The standard was created to increase controls around cardholder data to reduce credit card fraud.



VISA Card PIN Security Standard

The Visa Card PIN Security Standard ensures that customer card PIN data is handled with the highest level of security. It outlines the security, compliance and procedural requirements to ensure protection of the Visa payment system and the sensitive data that flows through the network, including Visa cardholder PIN data.



SWIFT Customer Security Programme

SWIFT’s Customer Security Programme helps financial institutions ensure their defences against cyberattacks are up to date and effective. Security measures implemented by the Bank are compared against the Customer Security Controls Framework (CSCF) annually through an independent external assessment to verify compliance.

Spotlight

ISO 27001 Information Security Management System⁽⁴⁾

ISO 27001 is the global standard for the protection of information security. It details the requirements for establishing, implementing, maintaining and continually improving the information security management system. The standard helps organisations make information assets more secure.



- **Scope of certification**
The certification covers the information security of the Bank’s digital channels. All customer facing applications are included in the scope of ISO 27001 certification.
- **Frequency of audits**
External independent audits are conducted on an annual basis as a part of UAE Information Assurance (IA) Standard, ISO 27001, PCI DSS and SWIFT CSCF certifications.

Data management

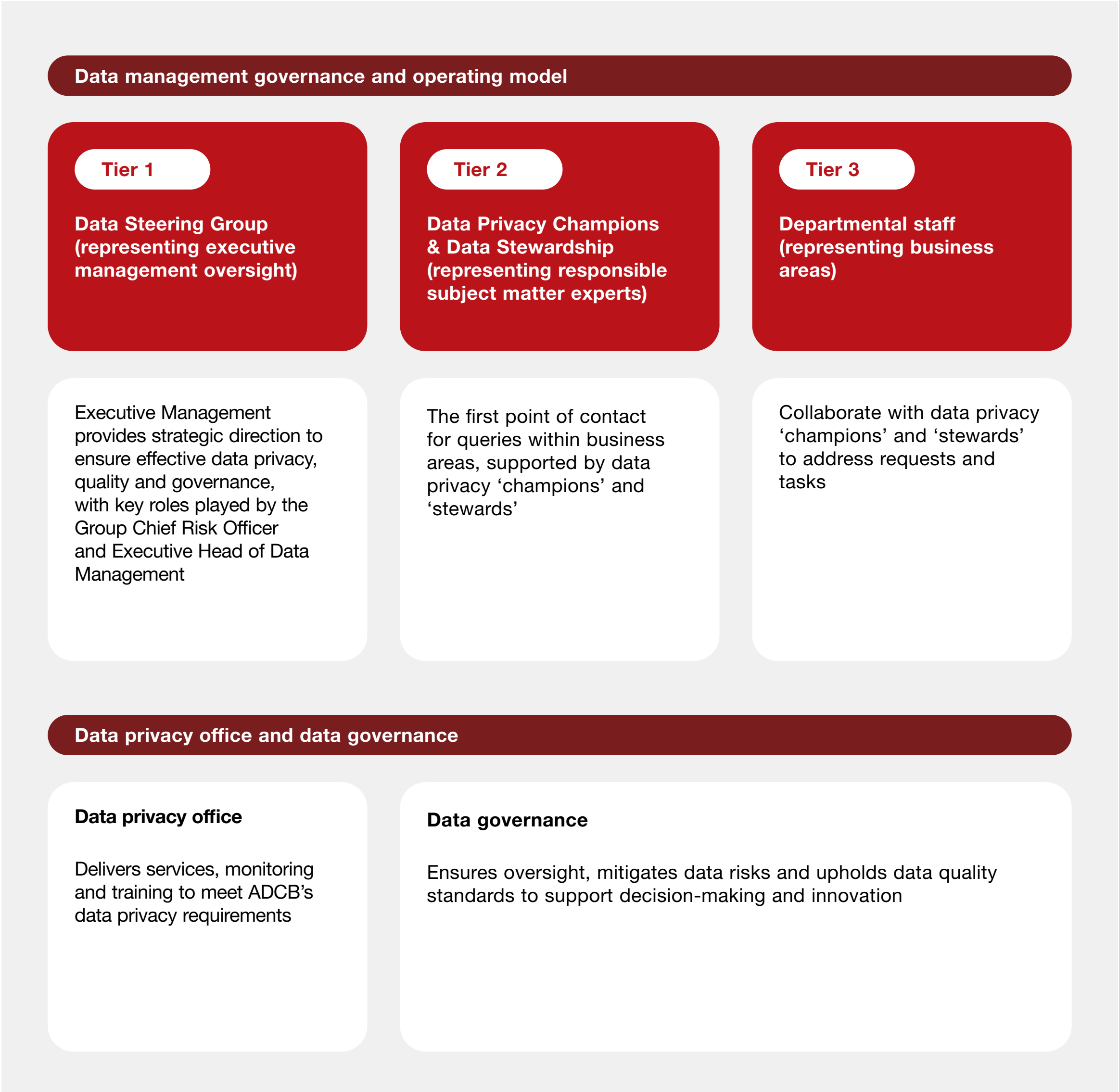
ADCB is committed to managing customer and other sensitive data with care and respect. Treating data as an asset like any other asset is our guiding principle. Protecting the data privacy rights of our customers, and the confidentiality, quality and accuracy of their data, is not just a regulatory requirement, but also an ethical responsibility.

The Bank’s Data Privacy Office (DPO) is committed to developing and enhancing privacy practices in alignment with the evolving data protection landscape. One of its key responsibilities is to ensure that ‘privacy by design’ and ‘privacy by default’ are embedded within the Bank’s operations. The DPO is responsible for reporting to regulators in line with the requirements of the various jurisdictions in which we operate. A dedicated Data Protection Officer is accountable for the Bank’s compliance with data privacy regulations.

Over the past three years, the Bank has made significant progress on its MEC-approved Group Data Strategy and roadmap, based on the following core principles:

- Data federation
- Data efficiencies
- Data producer and consumer collaboration
- Data ownership and stewardship
- Data protection
- Continuous data quality monitoring and improvement

The Bank has taken a proactive approach to expand the roadmap deliverables as part of ADCB's new strategy, with the aim of enhancing data management practices and culture within the organisation.



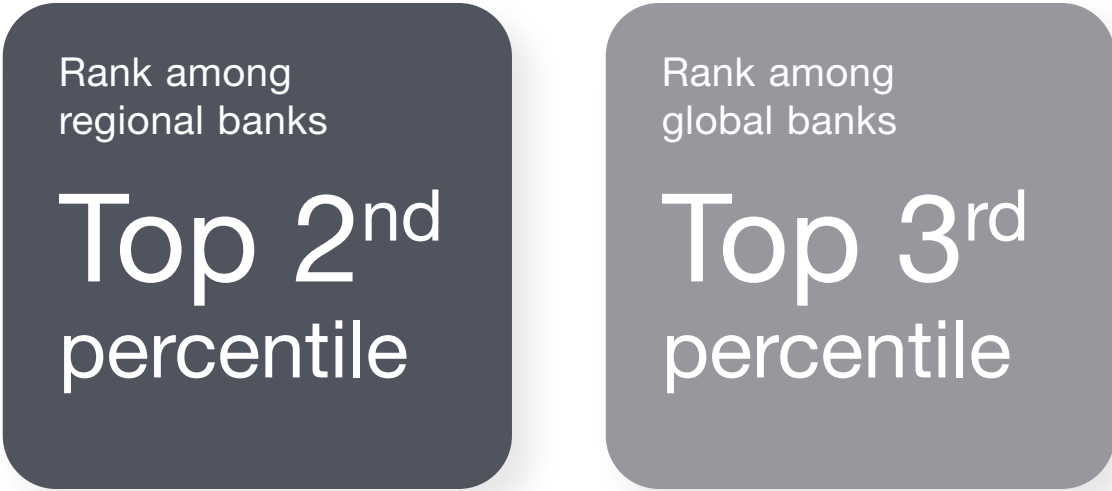
Spotlight

Prioritising data management

Our approach to data management made a significant contribution to the upgrade of the Bank’s ESG risk score from Sustainalytics, one of the world’s leading ESG rating agencies. ADCB was ranked in the top 2nd percentile of regional banks and top 3rd percentile of global banks on data privacy and cybersecurity.

In addition, MSCI ESG ratings ranked ADCB above the industry average on ‘Privacy and Data Security’⁽¹⁾. This assessment is based on evaluation of a number of factors, including evidence of access control and protection of personal or sensitive data, measures to address data breaches, and data protection programmes covering suppliers and business partners.

Sustainalytics risk rating on data privacy and cybersecurity⁽¹⁾



(1) As at November 2024



Case study

Revamped Privacy Notice puts customers first

ADCB undertook a comprehensive update to its **Group Privacy Notice** in July 2024. This update demonstrates ADCB's commitment to transparency, customer trust, and compliance with data protection regulations. This not only enhances the Bank's data privacy practices, but also empowers customers with greater knowledge and control over their personal information.

The update followed a thorough review of the existing privacy notice, focusing on several key areas to improve transparency and align with evolving data protection standards. The updated notice provides our customers with a detailed explanation of the types of personal data collected by ADCB Group and the reasons behind this collection. This includes specific disclosures about sharing personal data with third-party service providers, regulators, and government entities.

The revised Privacy Notice reassures customers about the robust measures in place to protect their personal information. In addition, a new section on data breaches has been introduced, demonstrating ADCB's comprehensive incident management approach and highlighting the Bank's commitment to personal data protection.

The section on data transfers outside of the UAE has also been revamped to align with the Federal Personal Data Protection Law, ensuring compliance with the latest regulations.

ADCB uses account holder information only for primary intended purposes⁽¹⁾

(1) ADCB will use the account holder's information solely for the purposes it was originally collected for, and not for any unrelated or secondary purposes

Third-party due diligence for robust data protection

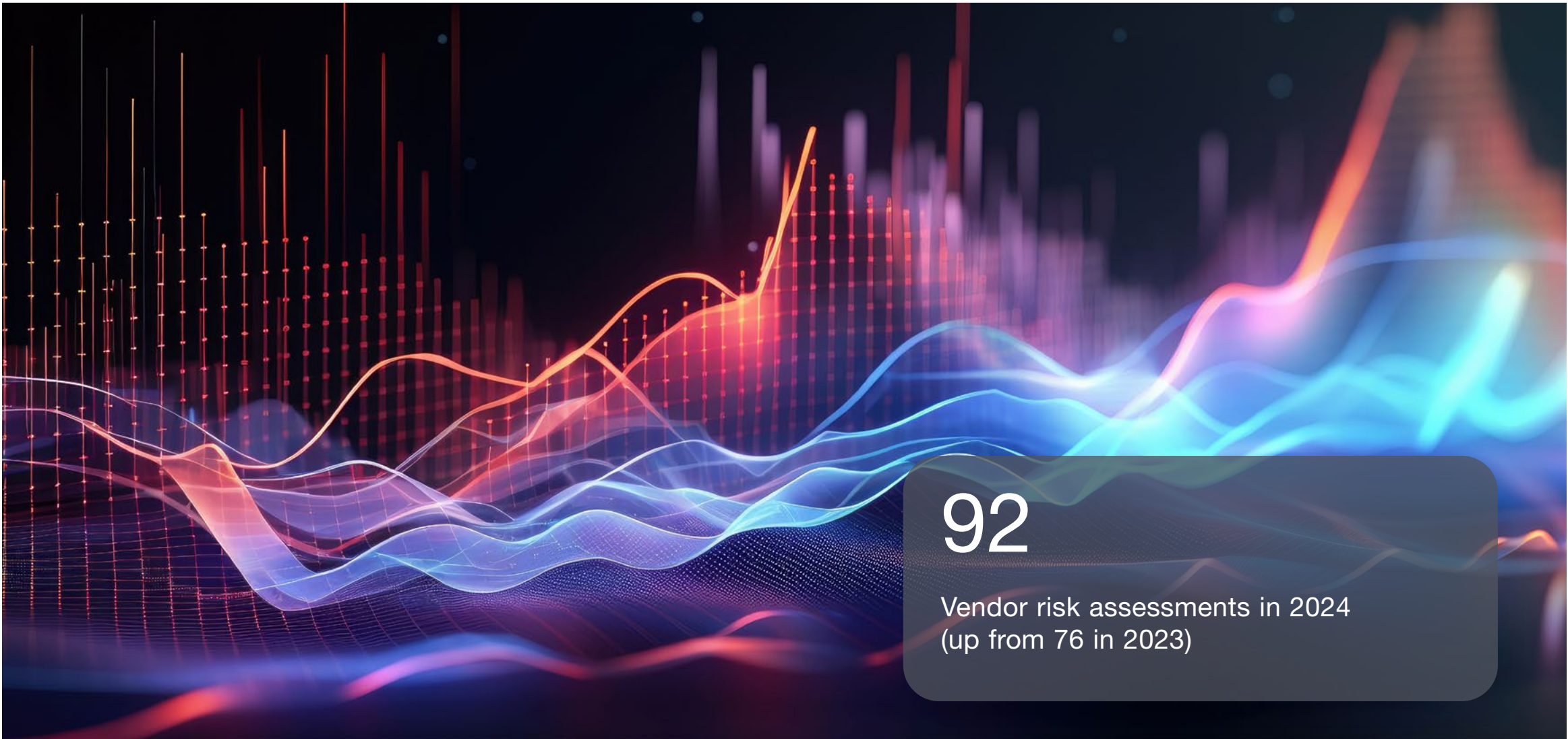
ADCB Group often relies on third-party vendors, suppliers, partners and affiliates to support its operations. This dependency creates potential privacy risks. As these external partnerships become increasingly complex, the need to protect ADCB data and ensure compliance with stringent data protection laws and regulations is critical.

The Bank ensures all third-party relationships are compliant with applicable laws and regulations through its rigorous third-party due diligence processes. These processes include robust data protection requirements to ensure ADCB data is adequately protected throughout the third-party relationship life cycle.

Data protection awareness and training

ADCB fosters a strong data privacy and protection culture through training and awareness initiatives. This is essential for ensuring all employees, consultants, and independent contractors understand the importance of data privacy and their role in protecting sensitive information.

The Bank's training and awareness programme includes mandatory training and additional initiatives on key topics such as data protection regulations, best practices for handling personal data, responsible data sharing practices, and the consequences of data breaches. Additionally, regular awareness campaigns help the Bank reinforce these concepts and keep data privacy top of mind. By fostering a culture of vigilance and responsibility, the Bank ensures employees are equipped with the knowledge and tools they need to safeguard sensitive information and data.



Financial crime, anti-bribery and corruption

Why it matters

Financial crime, corruption and bribery are recognised as growing risks in the global economy, particularly for financial institutions. ADCB seeks to manage and mitigate these risks to reduce the potential consequences for businesses, communities, and people.

Our approach and progress

ADCB Group continues to maintain the highest ethical standards and compliance with all applicable laws and regulations. The Bank advocates the prevention of all forms of financial crime, including money laundering, terrorist financing, bribery and corruption, the intentional evasion of sanctions, and proliferation financing. The Group recognises financial crime risk management as a fundamental pillar of its business. The implementation and maintenance of a robust financial crime risk management framework is of primary importance to its success.

ADCB has implemented a Financial Crime Compliance (FCC) framework. This comprises policies, processes, measures, systems, and training to combat money laundering, corruption, financing of terrorism, financing of criminal activity and proliferation financing.

ADCB's Money Laundering Reporting Officer leads a team of experienced compliance analysts and specialists who manage financial crime risks.

Financial Crime Compliance framework

ADCB maintains a robust Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) framework that complies with all applicable laws. The Bank has established a Group 'Know Your Customer' (KYC) and AML/CFT policy to ensure:

- all employees are made aware of the minimum AML/CFT control standards that apply across the Bank
- any AML/CFT risks are mitigated appropriately
- any prohibitions which fall outside the Bank's risk appetite are clearly stipulated

In 2024, ADCB undertook multiple AML/CFT and Anti-Bribery and Corruption (ABC) initiatives. These focused on enhancing the Group's FCC framework, policies, processes and systems to ensure increased efficiencies and implementation of adequate and effective AML/CFT controls.

AML/CFT and ABC initiatives in 2024 included:

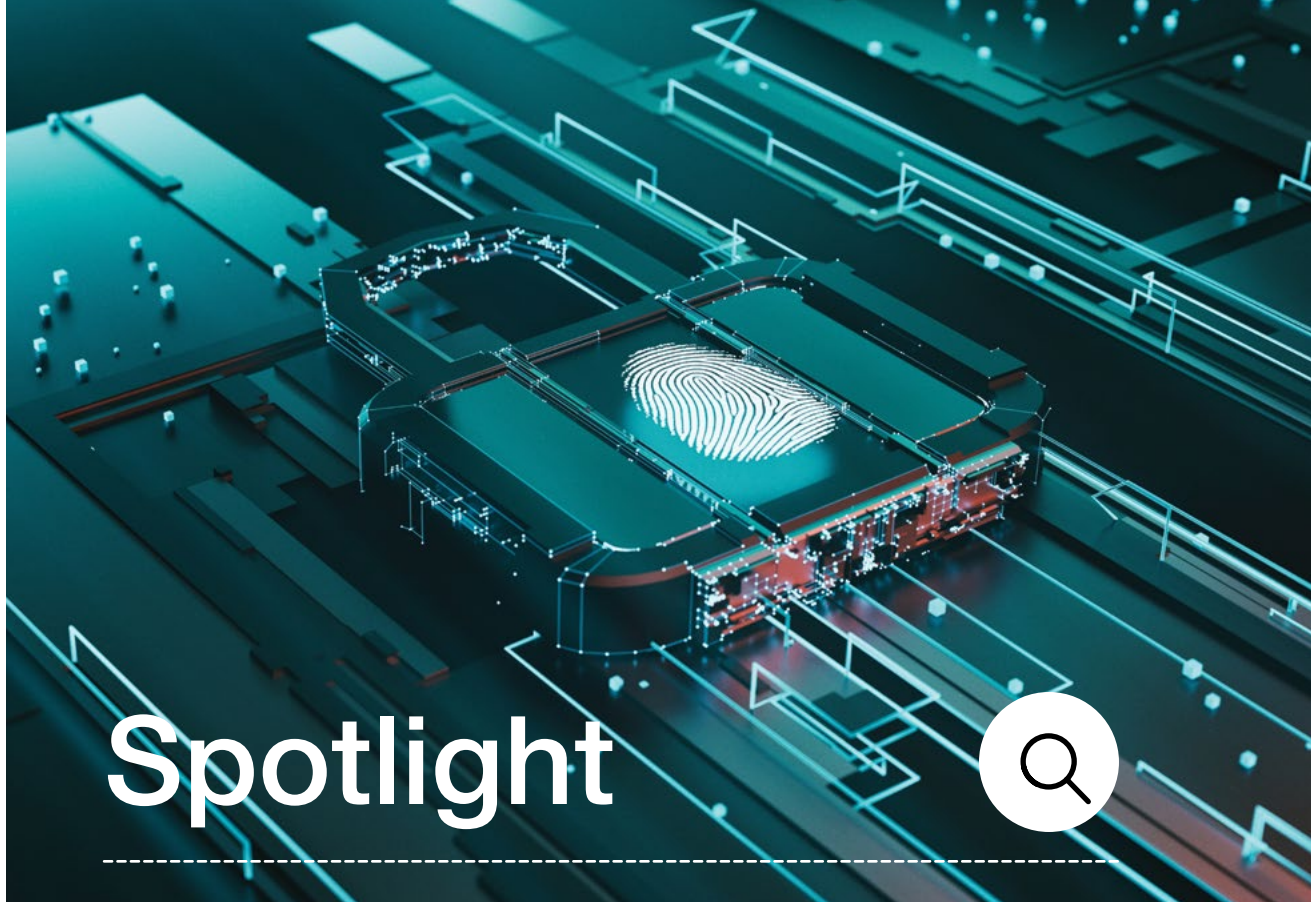
- continued optimisation of the Group's transaction monitoring system, with the creation of new scenarios and ongoing refinement of existing scenarios
- appointed an external vendor to develop and execute the continuous monitoring of all deployed AML models

- updated and recalibrated the dynamic customer risk assessment model to ensure optimal coverage and assessment outcomes
- implemented an automated AML/CFT enterprise-wide risk assessment
- updated AML and ABC policies to ensure alignment with applicable regulatory requirements
- delivered AML/CFT and ABC risks training for employees across the Bank

Robust Board oversight

- To ensure the resilience of ADCB's compliance framework, the Board Audit Committee oversees the activities and performance of the Bank in line with all compliance policies and standards. This includes AML, CFT, KYC, ABC, sanctions and counter-proliferation financing policies.

Please click here for [ADCB Financial Crime Policy Statement](#)



AI for management of financial crime risks

In 2024, ADCB implemented numerous initiatives focused on the continuous enhancement of the Group's Financial Crime Compliance Framework, policies, processes and systems to ensure adequate and effective AML/CFT controls.

Machine learning models deployed to enhance the AML/CFT control environment were refined during the year. As part of this automation drive, six AML machine learning models (including dynamic customer risk assessment, alert prioritisation models, correspondent banking and trade-based money laundering models) were validated by an independent third-party, in line with regulatory requirements.

An automated AML/CFT enterprise-wide risk assessment tool was also implemented to increase efficiencies in the risk assessment process for 2024 and beyond. Optimisation of the Group's transaction monitoring system continued, including the creation of new scenarios, which went live in April 2024.

Managing sanctions and proliferation risk

ADCB has developed a robust ‘Counter Proliferation Financing and Sanctions Evasion Programme’ over a number of years to enable the Bank to effectively evaluate and address risk exposures in a priority area for the UAE government and regulators. The Bank’s Sanctions and Counter Proliferation Financing Policies support the management of financial crime risks by ensuring ADCB:

- does not participate in any activity that could expose the Bank, its customers, employees and counterparties to sanctions risk
- does not participate in any transactions designed or intended to evade sanctions
- will not facilitate the proliferation of goods that can or will be used for the purpose of developing or producing chemical, biological or nuclear weapons

Enhancements to sanctions compliance

In 2024, the Bank continued to reinforce this programme by implementing significant enhancements to its automated screening systems, process flows, risk assessments and team capabilities. This has included deployment of multiple automated tools for the detection of potential sanctions and proliferation risk within trade operations and wider payment flows, complemented by additional intelligence data feeds covering areas of risk exposure not included in conventional sanctions lists.

These advances strengthen the Bank’s capacity to monitor and detect risks related to trade-based money laundering, dual-use goods and sanctions evasion, supporting ADCB’s commitment to implement the foreign and domestic export control requirements set by the UAE’s Executive Office for Control and Non-Proliferation.

In addition, ADCB takes a rigorous approach to conducting ‘Proliferation Financing Risk Assessments’ to proactively detect any vulnerabilities in operations and customer relationships. The Bank continues to adapt these assessments and its controls to meet an evolving risk environment, and in particular the use by state and non-state actors of the banking system’s digital payment and transfer services.

Independent external reviews

- In 2024, ADCB commissioned an independent assessment of the Compliance function by a specialist third-party company. The assessment produced a positive outcome with 19 of 20 aspects assessed as ‘fully compliant’ and the other categorised as ‘largely compliant’, reflecting a strong and effective framework.
- A ‘Baseline Examination Report’ received from the CBUAE indicated that the Bank had made significant improvements to its AML/CFT programme in line with its directives.

Anti-Bribery and Corruption

ADCB Group does not tolerate or condone any form of bribery and corruption.

The Group’s Anti-Bribery and Corruption (ABC) policy prohibits employees and associated persons from engaging in bribery and corruption. Employees must ensure any hospitality, gifts or business courtesies provided or received do not violate any applicable law, regulation, or policies of ADCB Group.

The policy prohibits facilitation payments of any kind. It also prohibits political contributions or donations being made on behalf of the Group, a subsidiary or its international offices. Employees are required to report any suspected or actual violations of the policy, or any applicable laws or regulations, to the Anti-Bribery and Corruption Officer, or via one of the Bank’s whistleblowing channels.

All employees receive mandatory training on the Bank’s ABC policy, along with regular refresher sessions to keep their knowledge up to date. This helps to ensure they have the skills and understanding to promptly identify and report incidents of corrupt and unethical practices.

In addition, ADCB’s **Vendor Code of Conduct** aims to uphold the Bank’s high standards across its supply chain. It includes a dedicated section about business ethics, covering anti-corruption, bribery, confidentiality, and the Bank’s right to audit.

Please click here for Anti-Bribery and Corruption Policy

Spotlight

Assessing bribery and corruption risks

The ADCB UAE ABC Risk Assessment was conducted to evaluate inherent bribery and corruption risks and corresponding controls in order to determine the residual risks posed to the Bank. The methodology assesses:

- the potential liability created by intermediaries and other third-party providers
- bribery and corruption risks associated with countries and industries in which ADCB operates
- transactions involving state-owned or state-controlled entities and/or public officials
- bribery and corruption risks associated with gifts and business hospitality, charitable donations, sponsorships, and political contributions
- potential bribery and corruption risks posed through the hiring of candidates, and through the acceptance of trainees/interns referred by public officials, customers or vendors

The outputs from the risk assessment informed the ABC-related Key Risk Indicators (KRIs), which were endorsed by the Board Risk Committee in April 2024. Furthermore, the results of the assessment contributed to the update of the Group ABC Policy, which was refreshed to reflect the New UAE Federal Penal Code, as well as the industry-leading **Wolfsberg Group’s Guidance on ABC**.

Tax Transparency

Why it matters

As a corporate leader in the region, the ADCB Group adheres to the highest standards of corporate behaviour and values, including its approach to taxation.

We believe greater transparency leads to greater trust and makes the Bank a more responsible business. As regulators around the world increase their scrutiny and enhance their requirements for tax transparency, it is vital that ADCB Group maintains its reputation as a transparent, ethical and trustworthy institution, helping to reduce both financial and reputational risks.

Our approach and progress

We comply with all applicable tax laws, rules and regulations, without exception. ADCB does not enter into artificial arrangements to minimise or avoid taxation.

The Bank maintains its transparent approach to tax by ensuring it has a strong tax governance framework, risk management process, and controls in place to manage tax risk.



(1) As at September 2024
(2) RACI stands for responsible, accountable, consulted and informed

Governance

ADCB's Tax Control Framework is an important means of managing our tax affairs. The Tax Control Framework outlines all tax policies and procedures across the Group. The Tax Control Framework also comprises all processes and controls for each tax obligation, with continuous monitoring and review to ensure they are fit for purpose.

ADCB's Tax Control Framework

1. ADCB Group Tax Policy

The Tax Policy applies to the entire Group, including all executive and non-executive directors, employees, contractors and consultants. It applies to all worldwide taxes, including indirect taxes, such as VAT, and direct taxes, such as corporate tax and withholding tax.

ADCB's approach to tax risk management is founded on the following key principles:

1. ADCB will be in full compliance with the tax laws
2. ADCB will maintain a robust Tax Control Framework
3. ADCB will not engage in unacceptable tax planning
4. ADCB will use the arm's length tax transfer pricing principles to set transactions between related parties
5. ADCB will maintain a constructive working relationship with tax authorities



2. ADCB Group tax standard operating procedures

ADCB's tax standard operating procedures support the Group Tax Policy. The tax standard operating procedures provide additional detail on the various processes and actions required to enable compliance with the key principles outlined in the Tax Policy.

In addition, the tax standard operating procedures set out the roles and responsibilities of the various business units across ADCB Group to assist in managing tax risk across the Bank.



3. ADCB Group tax procedures

The ADCB Group tax procedures consist of a number of independent procedures which assist in complying with the key principles outlined in the ADCB Group Tax Policy. These include:

- Tax Transfer Pricing Procedure
- Tax Regulatory Change Procedure
- Tax Advice Procedure
- Tax Compliance Procedures, consisting of:
 - Tax Obligation Process Maps
 - Tax Obligation Procedures and Controls
 - RACI⁽²⁾ matrix per tax obligation
- Internal Review Process



4. ADCB Group Tax Team procedures

There are several tax procedures that support the Group Tax Team in adhering to the key principles of the ADCB Group Tax Policy.

These include:

- Tax Position Paper Procedure
- Peer Review Procedure
- Knowledge and Records Management
- Tax Authority Engagement Procedure
- External Tax Advisor Engagement Procedure
- ADCB Group Board Engagement Procedure
- ADCB Management Engagement Procedure
- Tax Training Procedures



Key principles of the Group Tax Policy

Central to ADCB's Tax Control Framework is the Group wide Tax Policy. The Tax Policy applies to all functions of ADCB including employees, contractors and agents. For the purpose of the Tax Policy, tax risk is defined as an unexpected adverse financial or reputational consequence arising from adopting a position or taking an action that is inconsistent with the key tax principles detailed below.

1. Full compliance with tax laws

ADCB seeks to be fully compliant with tax obligations in all the jurisdictions in which it operates by providing tax authorities with complete, accurate and timely information as set out in legislation or as agreed with tax authorities. ADCB will not adopt a tax position that is contrary to tax laws or administrative practices of the relevant jurisdictions.

The Bank continuously monitors the potential impact of new legislation, judicial pronouncements and administrative practices in assessing the impact on its operations and transactions.

Day-to-day management of each subsidiaries' tax obligations is delegated to the Executive Head of Tax. The Group Tax Department is centralised and works directly with internal stakeholders to identify, assess, monitor and avoid or mitigate any tax risk, submit tax returns to tax authorities in a timely manner and to report the correct tax liabilities and entitlements.

The Group Tax Department also ensures material risks are reported to senior management. This includes an overview of the potential tax liabilities and advice on how to mitigate and control these tax risks.

2. Maintenance of a robust Tax Control Framework

ADCB exercises strong governance over its tax affairs and maintains a robust Tax Control Framework, which is subject to regular testing and assurance.

Tax risk is managed in the context of ADCB Group's framework on risk management accountabilities. The Bank enforces strict protocols to control the type of transactions that it engages in and the tax risks associated with these transactions.

3. Tax planning

As part of the prudent management and organisation of its affairs, the Bank does not engage in transactions that are not in accordance with, or in line with the spirit of, the applicable tax legislation and regulations.

ADCB does not tolerate tax evasion and will take appropriate action against any employee who is found to have facilitated tax evasion. The Bank does not provide any tax advice to third-parties and does not promote tax avoidance to its customers.

Furthermore, ADCB does not:

- transfer value to operations in low tax jurisdictions to obtain a tax benefit or without genuine commercial reasons and substance
- participate in, or promote, complex arrangements or tax structures that could be considered aggressive or viewed as contrived or serve no other genuine economic or business purpose
- use structures, including those situated in tax havens or jurisdictions that are uncooperative with tax authorities, that are designed to obtain a tax benefit or avoid disclosures of activities
- provide tax advice or planning to customers or promote tax structures of any kind to its customers

ADCB has developed policies and procedures to detect and report on financial crimes, including tax evasion.

4. Use of arm's length tax transfer pricing principles

ADCB's guiding principle in all intra-Group transactions is that the dealings must be in accordance with the arm's length standard for transfer pricing.

ADCB will not participate in arrangements where transfer pricing outcomes are not consistent with value creation. ADCB will not use transfer pricing to artificially shift or accumulate profits in low tax jurisdictions. Tax havens are not used for tax avoidance purposes but only for legitimate Group funding and liquidity purposes.

The Bank does not use the secrecy rules of jurisdictions to hide assets or income and pays taxes where the underlying economic activity occurs.

The Bank seeks to comply with domestic transfer pricing rules in each of the regions in which it operates. These rules, while predominantly based on the Organisation for Economic Co-operation and Development (OECD) Guidelines, do differ by country, which can result in different requirements depending on the region.

To address this matter, the following principles apply:

- OECD Guidelines will form the basis of ADCB's approach to transfer pricing
- ADCB will apply the arm's length standard for its transfer pricing arrangements

Transfer pricing outcomes must be consistent with the functional activities undertaken, risks assumed, and assets utilised in each jurisdiction.

5. Maintaining a constructive working relationship with tax authorities

ADCB proactively works with tax authorities in each of the jurisdictions in which it operates to establish a constructive working relationship based on transparency, mutual trust, respect and cooperation.

The ADCB Group Tax Department is responsible for managing relationships with local tax authorities and external tax advisors in all jurisdictions. To this end, ADCB:

- is fully transparent in disclosing and discussing significant uncertainties in relation to tax matters
- provides all relevant information to tax authority questions and enquiries in a timely manner
- works openly and collaboratively to resolve any tax issues
- engages in a cooperative, supportive and professional manner

ADCB also proactively engages with local tax authorities to disclose any significant inaccuracies which may arise, via voluntary disclosure to the relevant tax authorities.

Since 1 January 2018, ADCB Group has applied for 20 tax rulings to the UAE tax authorities. Responses received have been applied to ensure the Group's tax applications are fully compliant with local tax laws.

Tax Policy governance

ADCB's Tax Policy applies across the Group and is approved by the Board Risk Committee. The Board's role in tax matters is to provide oversight and monitor the Tax Policy and Tax Control Framework. This includes ensuring adequate tax risk management policies are in place.

Executive Management is responsible for ensuring the effective operation of ADCB's Tax Control Framework. The ADCB Group Chief Financial Officer (GCFO) bears the accountability of tax risk management. The GCFO delegates responsibility for tax risk management to the Executive Head of Tax.

The Executive Head of Tax provides regular risk reporting to the GCFO. The GCFO and the Executive Head of Tax also report to the Board on a semi-annual basis regarding key tax risks and metrics, and provide assurance to the Board around the continued effectiveness of the Tax Control Framework. The Group Chief Risk Officer is also consulted on relevant tax matters.

Tax Policy controls

The Executive Head of Tax is responsible for implementing robust internal controls, relevant policies and procedures, to ensure:

- the timely preparation, review and submission of tax returns and payment of taxes as they fall due globally
- appropriate and periodic tax risk assessments are undertaken
- compliant record keeping is maintained
- changes in tax laws are updated into Group Tax policies, procedures and training

All tax compliance and advisory related work must be prepared by dedicated tax specialist staff with an appropriate level of experience and a technical understanding of local tax legislation.

There are a number of controls in place to ensure tax risk is managed across ADCB Group.

The key controls include:

- a qualified, experienced and well-resourced in-house Tax Team to manage and oversee the day-to-day tax compliance and advisory affairs of the Group
- external tax advice is sought for material, uncertain or complex issues or transactions, to ensure accuracy in our tax reporting obligations
- engagement with tax authorities to obtain tax private rulings on products and transactions
- maintaining robust accounting systems and strong internal controls to support our tax compliance and reporting obligations
- ADCB Group Internal Audit performing periodic reviews of tax financials, processes and documentation

UAE Corporate Tax

The ADCB Group has completed an enterprise-wide project to implement the UAE corporate tax regime into its systems and processes. From 1 January 2024, UAE corporate tax is reflected in the ADCB Group's financial statements for income generated in the UAE at a rate of 9% on taxable profits above AED 375,000.

ADCB's first UAE Corporate Tax return for the financial year 2024, and payment is due by 30 September 2025.

Please refer to the 'Data and assurance section' on page 112, for further information on ADCB's total corporate tax provision and payments during the 2024 financial year.



The Base Erosion and Profit Shifting (BEPS) Pillar 2 rules

For the year ending 31 December 2024, ADCB has assessed the impact of the Organisation for Economic Co-operation and Development's (OECD) Base Erosion and Profit Shifting (BEPS) Pillar Two framework, which introduces a global minimum tax rate of 15% for multinational enterprises with annual revenues exceeding EUR 750 million.

As a regulated financial institution, ADCB has reviewed its tax positions across all the jurisdictions in which it operates to ensure compliance with emerging global tax standards. In jurisdictions where effective tax rates fall below the minimum threshold, ADCB has analysed the potential implications of top-up taxes and engaged with relevant stakeholders to align our tax policies with the new regulations. Based on this assessment for the year ending 31 December 2024, ADCB does not expect the top-up tax to be considered material.

In 2025, the UAE Ministry of Finance released the Pillar 2 legislation which will apply to ADCB starting on or after from 1 January 2025. ADCB is currently implementing these rules in its systems and processes and has commenced providing for the top-up tax from 2025. The first Pillar 2 tax return for the UAE will be due 15 months after the end of the reporting fiscal year, with a deadline of 31 March 2027.

Income tax expense reconciliation

Below is a reconciliation of Income Tax Expense for ADCB Group for the year ending 31 December 2024. ADCB Group’s Income Tax Expense reconciliation is disclosed in Note 49 of ADCB Group’s 2024 Annual Financial Statements.

The Income Tax Expense disclosed in ADCB’s income statement does not represent ADCB’s liability to the Federal Tax Authority (or relevant overseas revenue authority), but rather Income Tax Expense is calculated in accordance with International Financial Reporting Standards and represents the accounting profit multiplied by the prima facie corporate tax rate with subsequent adjustments for ‘non-temporary’ differences between accounting and tax. These adjustments take into account the difference between expense and income recognition criteria under accounting principles and the UAE Corporate Tax legislation. Some examples include non-deductible expenses, exempt income and foreign tax rate differences for income derived overseas.

Income tax expense reconciliation (AED '000)	2022	2023	2024
Profit before tax	6,668,609	8,426,714	10,585,380
Prima facie tax expense at 9% (2023 and 2022: 0%)	-	-	952,684
Tax effect of difference			
Tax effect of exempt income	-	-	1,191
Tax effect of non-deductible expenses	-	-	5,307
Tax effect of different tax rates of overseas operations	133,606	143,599	133,459
Changes in deferred tax	-	-	42,845
Unrecoverable withholding tax	1,467	77,050	30,992
Others	-	-	(351)
Income tax expense	135,073	220,649	1,166,127

Effective tax rate

The Effective Tax Rate (ETR) for the year ending 31 December 2024 was 11.02% (2023: 2.62%) for the ADCB Group. The significant increase from 2023 was due to the introduction of UAE Corporate Tax, which applied to the ADCB Group on and from 1 January 2024.

The ETR is the Income Tax Expense as a percentage of statutory profit before Income Tax. ADCB’s ETR for the years 2022 to 2024 is shown below. ADCB’s statutory ETR differs from the UAE Corporate Tax rate of 9% principally due to differing corporate tax rates in offshore locations where ADCB operates.

Effective tax rate (AED '000)	2022	2023	2024
Profit before income tax	6,668,609	8,426,714	10,585,380
Income tax expense	135,073	220,649	1,166,127
Effective tax rate	2.03%	2.62%	11.02%

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ADX ESG KPIs

Scope of reporting

The KPIs included cover our activities undertaken during the 2024 fiscal year (1 January – 31 December 2024), along with historical data on the previous fiscal years (2021–2023), subject to the availability of data. The data presented in this section covers Abu Dhabi Commercial Bank PJSC (referred to as ‘ADCB Group’), its subsidiaries, branches within and outside of the UAE, unless stated otherwise.

The entities covered include the following:

- Abu Dhabi Commercial Bank, UAE (ADCB UAE)
- Al Hilal Bank PJSC, UAE (AHB UAE)
- ADCB Islamic Bank JSC (ADCB Kazakhstan)
- Abu Dhabi Commercial Bank – Egypt SAE (ADCB Egypt)
- ADCB Securities LLC (ADCB Securities)
- ADCB Asset Management Limited (ADCB Asset Management)
- ITMAM Services LLC and ITMAM Services FZ LLC (ITMAM)
- Abu Dhabi Commercial Engineering Services LLC (ADCE)

Restatements of prior reporting

The measurement and reporting of ESG metrics involves a degree of variability in the data due to changes in the data collection process and calculation methodologies. We have highlighted instances of restatements of prior year data, as footnotes to the disclosures.

Basis of reporting for GHG metrics (operational emissions)

Our reporting methodology for the GHG emissions reported for 2024 (1 January – 31 December 2024) along with historical data on the previous years (2021–2023) is aligned with the guidance in The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard⁽¹⁾.

We report GHG emissions in tonnes of carbon dioxide equivalent (tCO₂e), a universal unit of measurement to indicate the global warming potential (GWP) of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide.

Organisational boundary

For 2024, our reporting covers ADCB Group including all our subsidiaries operating in the UAE, Egypt and Kazakhstan. For 2021, our reporting covered ADCB and its subsidiaries in the UAE only. The measurement and reporting of GHG emissions data involves a degree of estimation due to variability in the data and the data collection process. We have highlighted instances of restatements of prior year data, as footnotes to the disclosures.

Reporting boundary

We report emissions arising from activities for which we are responsible. Our operational GHG reporting excludes emissions from employee commute, and third-party sources other than suppliers managing our data centres.



(1) <https://ghgprotocol.org/corporate-standard>

Scope 1 GHG emissions

Scope

Emissions from company-owned vehicles used for business and from the use of backup generators by the Bank.

Method

Fuel consumption by Bank’s own vehicles

Fuel consumption (in litres) recorded as per the invoices paid to the supplier is converted to CO₂e using the emission factors from the GHG Conversion Factors for Company Reporting (2024)⁽¹⁾ by the UK’s Department for Environment, Food and Rural Affairs (DEFRA).

Diesel consumption by Bank’s power backup generators

Our backup generators are currently used for monthly performance and load testing as part of generator maintenance activities. The volume of diesel consumed (in litres) is an estimated value and converted to CO₂e using emission factors from the GHG Conversion Factors for Company Reporting (2024)⁽¹⁾ by the UK’s Department for Environment, Food and Rural Affairs (DEFRA).

Natural gas consumption – ADCB Egypt

Fuel consumption (in m³) recorded as per the invoices paid to the supplier is converted to CO₂e using the emission factors from the GHG Conversion Factors for Company Reporting (2024)⁽¹⁾ by the UK’s Department for Environment, Food and Rural Affairs (DEFRA).

Scope 2 GHG emissions

Scope

Emissions from electricity consumed by the Bank at the premises it operates from. Our reporting comprises emissions generated from the use of electricity in the Bank’s owned or rented properties where we hold the supply contract directly with the local utility providers in the UAE, Egypt and Kazakhstan. We have also included electricity usage from the Head Office building of AHB UAE, although the Bank do not hold the supply contract directly with local utility provider. This excludes properties owned by the Bank but leased to third parties.

Method

Electricity consumption was recorded using billed invoices (in kWh) from the utility provider. For the UAE, separate grid emission factors were used for Abu Dhabi and all other Emirates.

For Abu Dhabi, we used emission factors from Emirates Water and Electricity Company (EWEC)⁽²⁾. For all other Emirates, emission factors from Dubai Electricity and Water Authority (DEWA)⁽³⁾ was used to calculate emissions from the electricity consumed, as per the GHG Protocol’s location-based reporting guidance.

For Kazakhstan and Egypt, location specific grid emission factors were used as per the ‘IFI Default Grid Emission Factors’ (2021)⁽⁴⁾ by the United Nations Framework Convention on Climate Change (UNFCCC).

(1) <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>
(2) <https://www.ewec.ae/en/media/statistical-reports>

(3) https://www.dewa.gov.ae/-/media/Files/Sustainability/DEWA_Sustainability_Report_2023_English.ashx
(4) https://unfccc.int/sites/default/files/resource/Harmonized_IFI_Default_Grid_Factors_2021_v3.2_0.xlsx

Scope 3 GHG emissions (operational)

Scope

Emissions from the following sources have been include;

- Emissions from the use of electricity in Bank’s owned properties leased to third parties (for facilities where we hold the supply contract directly with the local utility providers in the UAE and Kazakhstan. ADCB Egypt does not have property leased to third parties)
- Emissions from the use of electricity by suppliers or vendors providing shared services (ADCB primary data centre and AHB disaster recovery data centre)
- Business travel undertaken by our employees

Method

Properties leased to third parties – ADCB UAE and ADCB Islamic Bank JSC (ADCB Kazakhstan)

For facilities where we hold the supply contract directly with the utility provider, electricity consumption was recorded using billed invoices (in kWh).

For properties in Abu Dhabi, we used emission factors from Emirates Water and Electricity Company (EWEC)⁽¹⁾.

For all other Emirates, emission factors from Dubai Electricity and Water Authority (DEWA)⁽²⁾ was used to calculate emissions from the electricity consumed, as per the GHG Protocol’s location-based reporting guidance. For Kazakhstan, a location specific grid emission factor was used as per the UNFCCC’s ‘IFI Default Grid Emission Factors’ (2021)⁽³⁾.

ADCB UAE primary data centre (outsourced)

Total electricity consumption (covering rack load, lighting and cooling) estimated based on the rack load allocated to ADCB within the outsourced data centre.

AHB UAE disaster recovery data centre (outsourced)

Electricity consumption estimated based on the agreed IT infrastructure electric power usage as per the contract with the vendor, considering 24/7 annual operations. Grid emission factors from Dubai Electricity and Water Authority (DEWA)⁽²⁾ was used to calculate emissions from the electricity consumed for our data centres listed above.

Employee business travel (road)

The distance travelled (in km) for business travel by privately-owned or hired vehicles was calculated from our expense systems which reimburses our employees on a cost per km travelled basis. The CO2e from road travel was calculated using emission factors from the GHG Conversion Factors for Company Reporting (2024)⁽⁴⁾ by the UK’s Department for Environment, Food and Rural Affairs (DEFRA).

Employee business travel (air)

Flight details (based on origin of travel and destination, including stopovers and connections availed) for business air travel was obtained from our expense systems and the emissions calculated using the Carbon Emissions Calculator from the International Civil Aviation Organisation (ICAO)⁽⁵⁾.

Basis of reporting for GHG metrics (financed emissions)

In addition to our operational GHG emissions, ADCB also discloses GHG emissions linked to our financing and investment activities, reported as Scope 3: Category 15 (financed emissions). To ensure a credible approach, we have adopted the methodology provided by the Partnership for Carbon Accounting Financials (PCAF)⁽⁶⁾.

For further details on our basis of reporting for financed emissions, please refer to [pages 31-32](#) of this report.

(1) <https://www.ewec.ae/en/media/statistical-reports>
(2) https://www.dewa.gov.ae/-/media/Files/Sustainability/DEWA_Sustainability_Report_2023_English.ashx
(3) https://unfccc.int/sites/default/files/resource/Harmonized_IFI_Default_Grid_Factors_2021_v3.2_0.xlsx

(4) <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>
(5) <https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>
(6) <https://ghgprotocol.org/sites/default/files/2023-03/The%20Global%20GHG%20Accounting%20and%20Reporting%20Standard%20for%20the%20Financial%20Industry.pdf>

1. Strategic Priority: Climate

1.1. Sustainable Finance Portfolio

Sustainable finance portfolio category (AED bn)	Cumulative value of financing 2021-2024	Total liabilities (AED bn)	As at 31 December 2024
Lending ⁽¹⁾	40.3	Green bonds issued ⁽⁵⁾	4.2
Investments ⁽²⁾	10.8	Sustainable deposits ⁽⁶⁾	0.3
Facilitation ⁽³⁾	7.5		
Total sustainable financing - assets	58.6	Total liabilities	4.6

Sustainable lending (AED mn)	Limit Booked, as at 31 December 2024	Sustainable investments (AED mn)	Total value invested as at 31 December 2024
Green loans	27,517	Green bond/Sukuk	6,120
Social loans	857	Social bond/Sukuk	1,612
Sustainable loans	1,286	Sustainability bond/Sukuk	2,831
Sustainability-linked loans	10,619	Sustainability-linked bond/Sukuk	213
Total lending	10,619	Total investments	10,776

Eligible green loan portfolio breakdown – funded outstanding (as per ADCB Green Bond Framework ‘use of proceeds’) – (AED mn)			2023 ⁽⁴⁾	2024 ⁽⁴⁾
Green buildings			4,315	6,114
Renewable energy			2,606	4,396
Solar			2,441	3,992
Green Hydrogen			165	323
Wind			-	81
Clean transportation			679	-
Energy efficiency			815	940
Sustainable water and wastewater management			761	546
Pollution prevention and control			399	397
Total green lending			9,575	12,393

Note: Figures may not add up due to rounding differences
(1) For Corporate and Investment Banking Group (CIBG)/Private Banking Group (PBG) - Limit booked at execution of new facilities provided (and any incremental increase in limits in case of refinancing). For Retail Banking Group (RBG) – Total disburseals
(2) Total invested
(3) For CIBG: Apportioned value of ADCB’s participation in the transaction. For Asset Management: Assets Under Management (AuM)

1.2. Environmental and Social Risk Management

Exposure concentration in sectors with material E&S risks as per ADCB ESRM Policy ⁽⁴⁾⁽⁷⁾⁽⁸⁾	2023	2024
Restricted sectors	0.1%	0.01%
High-risk sectors	12.2%	11.96%

Portfolio exposure to economic sectors with material E&S risks (AED mn) ⁽⁴⁾⁽⁸⁾	As at 31 Dec 2024	Portfolio weight
Energy		
Oil & gas extraction	6,913	1.8%
Power - conventional	5,009	1.3%
Power - renewables	0.5	0.1%
Real estate investment	49,612	13%
Transport & communication		
Aviation	2,593	0.7%
Shipping	273	0.1%
Government & public sector entities		
Oil & gas extraction	5,539	1.5%
Aviation	2,371	0.6%
Power - conventional	4,753	1.2%
Power - renewables	3,958	1.0%
Manufacturing	12,452	3.3%

(4) The value of the portfolio as a total monetary value based on ‘on-balance sheet’ assets as at 31 December of the reported year
(5) Reported as total issued
(6) Includes deposits in Sustainable Call Accounts and escrow accounts for green buildings
(7) For further details please refer to [ADCB's ESRM Policy](#)
(8) Exposure concentration (%) and portfolio exposure (%) reported for ADCB UAE only.
Total lending to Oil and Gas extraction is AED 12.5 billion, representing 3.6% of ADCB UAE loans and advances

1.3. Net Zero Operations

Energy consumption	UAE operations		ADCB Group ⁽¹⁾		
	2021	2022	2022	2023	2024
Within the organisation					
Energy intensity (GJ/FTE) ⁽²⁾	30.15	28.68	25.70	24.15	24.86
Total energy consumption (GJ)	203,863	204,674	217,364	218,012	303,965
Total electricity consumption (kWh)	55,434,691	55,531,048	57,514,169	57,680,404	58,397,397
Fuel consumption					
Total petrol consumption (litres)	127,773	141,322	163,033	164,638	154,871
Total diesel consumption (litres)	569	823	1,068	2,478	4,823
Natural gas consumption (m³)	N/A	N/A	124,276	123,022	302,774
Outside the organisation ⁽⁴⁾					
Total energy consumption (GJ)	79,448	90,756	96,408	94,523	76,667
Total electricity consumption (kWh)	18,746,604	18,986,103	19,079,260	15,765,341	13,525,131
Bank's properties leased to third parties	13,351,204	13,485,842	13,578,999	10,232,206	8,196,996
ADCB UAE primary data centre (outsourced)	4,519,400	4,732,000	4,732,000	4,763,000	4,558,000
AHB UAE disaster recovery data centre (outsourced)	876,000	768,261	768,261	770,135	770,135
Total fuel consumption for employee business travel by road (litres)	356,956	668,631	827,290	1,127,037	834,856

Greenhouse Gas (GHG) emissions	UAE operations			ADCB Group ⁽¹⁾	
	2021	2022	2022	2023 ⁽³⁾	2024
GHG emissions intensity (tCO ₂ e/FTE) ⁽⁵⁾	2.76	2.96	2.73	2.51	2.69
Total GHG emissions (tCO ₂ e)	22,143	24,845	26,868	25,217	26,496
Scope 1 (tCO ₂ e) ⁽⁶⁾	299	331	633	644	960
Scope 2 (tCO ₂ e) ⁽⁶⁾	15,378	16,742	17,980	16,863	19,262
Scope 3 - operational (tCO ₂ e) ⁽⁶⁾	6,467	7,772	8,254	7,710	6,274
Bank's properties leased to third parties	3,450	3,739	3,813	2,605	1,892
ADCB UAE primary data centre (outsourced)	1,826	2,031	2,031	1,922	1,814
AHB UAE disaster recovery data centre (outsourced)	354	330	330	311	306
Employee business travel (road)	831	1,557	1,926	2,649	1,740
Employee business travel (air)	5	115	153	223	522

ADCB UAE only (2023)				
Scope 3 financed emissions by sector ⁽⁶⁾	Exposure ⁽⁷⁾ (AED bn)	Absolute financed emissions (million tCO ₂ e)	Financed emissions intensity (million tCO ₂ e/1,000 AED)	PCAF score ⁽⁸⁾
Oil & Gas	10.4	8.08	0.78	2.8
CRE	60.2	1.91	0.03	4.4
Power	6.0	1.34	0.22	3.1
Aviation	4.4	1.07	0.24	4.8
Iron & steel	0.7	0.50	0.67	1.8
Road transport	0.7	0.21	0.29	3.5
Shipping	0.4	0.13	0.30	5.0
RRE	13.5	0.02	<0.01	4.0
Total	96.4	13.25	0.14	4.1

Note: Figures may not add up due to rounding differences

(1) Reporting in 2021 was limited to UAE only. From 2022 onwards, our reporting boundary covers ADCB Group (including our subsidiaries in Egypt and Kazakhstan). We have expanded the boundary of reporting in 2024 to include electricity and fuel consumption from 47 branches in ADCB Egypt and therefore the reported figures are not comparable with the prior year (2022-2023) figures

(2) Energy intensity covers electricity and fuel consumption within the organisation

(3) Prior year adjustments: We have restated prior year data (2023) as a result of methodology updates

(4) Total energy consumption outside the organisation is limited to electricity consumption by the Bank's properties leased to third parties, electricity consumption by outsourced data centres and fuel consumption from employees' business travel by road

(5) Our disclosure on GHG emissions intensity excludes Scope 3 emissions from properties leased to third parties

(6) The following disclosures have been verified by a third-party assurance provider: Scope 1 GHG emissions (tCO₂e), Scope 2 GHG emissions (tCO₂e), Scope 3 GHG emissions (tCO₂e)

(7) As at 31 December 2023

(8) PCAF scores based on scope 1+2 emissions

1.3. Net Zero Operations (continued)

Water consumption	ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan)			
	2021	2022	2023	2024
Water consumption within the organisation (Megalitres)	80.3	96.6	148.3	131.8
Water intensity (m³/FTE)	11,872	13,540	19,327	17,153
Material waste generated	ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan) ⁽¹⁾			
	2021	2022	2023	2024
Total waste generated (kg)	226,205	388,093	402,006	407,962
Total waste broken down by composition (kg):				
Paper	27,831	54,985	21,157	58,147
Plastic	40	301	543	406
Cardboard	1,956	865	6,350	8,060
General waste (including food waste)	196,378	322,542	373,956	341,349
Total amount of waste disposed, broken down by disposal method (kg):				
Landfilling	196,378	322,542	373,956	341,349
Recycling	29,827	56,151	28,050	66,613
Electronic waste ⁽²⁾	ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan)		ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan)	
	2023	2024	2023	2024
Total electronic waste generated (kg)	35,537	13,172	Total paper printed for office use (kg)	180,322
Total electronic waste recycled (kg)	35,537	13,172		

1.4. Green procurement and supply chain

Spent on local suppliers	2021	2022	2023	2024 ⁽⁴⁾
Percentage of the procurement budget spent on local suppliers (%)	94%	93%	96%	95%

(1) Waste data reported covers select facilities in the UAE including head office buildings (ADCB UAE and AHB UAE) and our warehouse in Abu Dhabi
(2) In 2023, the Bank scrapped old IT equipment which led to the significant increase in electronic waste generated
(3) We continue to promote usage of digital tools instead of printing papers for office usage, which has led to the decrease in print volumes
(4) For 2021 - 2023 reported for UAE operations (excluding ADCB Egypt and ADCB Kazakhstan). For 2024, reported for ADCB Group

2. Strategic Priority: Customers and Communities

2.1. Customer satisfaction

Customer experience	2021	2022	2023	2024
NPS scores recorded by ADCB UAE ⁽⁵⁾⁽⁶⁾	66	69	73	77
Retail Banking NPS ⁽⁶⁾	63	63	70	77
Private Banking NPS ⁽⁷⁾	75	84	88	96
Corporate & Investment Banking NPS ⁽⁶⁾	64	68	78	86
Treasury NPS ⁽⁷⁾	90	91	91	84
NPS score recorded by AHB UAE ⁽⁶⁾	54	50	42	46

Customer complaints	ADCB Group			
	2021	2022	2023	2024
Total number of customer complaints recorded (#)	16,130	25,047	25,148	16,721
Total number of complaints recorded per 1,000 customers (#)	10	13	10	5

2.2. Financial inclusion

Accounts to unbanked or underbanked customers	ADCB UAE			
	2021	2022	2023	2024
Total number of no-cost retail checking accounts provided to previously unbanked or underbanked customers (⁽⁸⁾)	112,754	185,886	280,000	329,783

(5) NPS scores recorded excludes subsidiaries
(6) Refers to Fast Feedback Loop (FFL) NPS Score
(7) Refers to Strategic NPS Score
(8) Includes the number of accounts for individuals through the digital onboarding app 'Hayyak' with a salary less than AED 5,000 per month in ADCB UAE

2.2. Financial inclusion (continued)

Financial literacy	2021	2022	2023	2024
Number of participants in financial literacy initiatives ('000) ⁽¹⁾	1,591	2,579	1,395	1,940
Loans to promote small business (microenterprise and SME) ⁽²⁾	ADCB Group			
	2021	2022	2023	2024
Number of loans – Small Business (#)	13,136	13,082	16,115	13,564
Value of net loans – Small Business (AED mn)	3,868	3,411	3,431	4,010
Percentage of total lending to small business (%) ⁽³⁾	1.58%	1.32%	1.14%	1.14%
Percentage of revenues from lending to small business (%) ⁽⁴⁾	5%	5%	6%	7%

2.3. Digital and innovation

	ADCB Group			
Digital channels for customer engagement	2021	2022	2023	2024
Number of internet banking subscribers (#)	619,835	678,177	762,224	785,381
Number of mobile banking app subscribers (#)	985,965	1,382,360	1,993,025	2,829,234

		ADCB UAE			
Digital transactions		2021	2022	2023	2024
Percentage of digital transactions (%)	Retail customers	95%	96%	97%	97%
	Corporate customers ⁽⁵⁾	96%	96%	97%	97%
Total number of transactions by channel (# mn)					
Online transactions	Retail customers	11.2	10.5	8.1	8.0
Mobile transactions		63.4	86.3	118.5	202.8
SMS banking transactions		1.0	1.4	1.6	1.9
WhatsApp transactions		0.1	0.6	0.5	0.4
ATM transactions		29.4	36.9	38.7	48.2
Branch transactions		3.8	3.8	3.7	4.8

2.4. Community investments

	ADCB Group ⁽⁶⁾			
Direct community investments	2021	2022	2023	2024
Total direct community investments (AED '000)	16,341	3,993	10,273	13,248
Donations (AED '000)	12,721	2,056	1,683	3,004
Sponsorships (AED '000)	3,620	1,937	8,590	10,244
Community investments as a percentage of revenues (%)	0.13%	0.03%	0.06%	0.07%

(1) Reported based on email open rates for 2021-2022. From 2023 onwards, we have reported the unique number of participants

(2) Small business: Non-subsidiary, independent firms with turnover not exceeding AED 250 million

(3) Percentage of total book as at 31 December of the respective reporting year

(4) Reported as percentage of net interest income

(5) Transactions through ProCash

(6) We have enhanced the scope of our reporting and therefore data reported in 2022-2024 is not comparable to 2021

3. Strategic Priority: Employees

3.1. Employee engagement and wellbeing

Employees breakdown by contract	ADCB Group			
	2021	2022	2023	2024
Total number of employees	7,987	8,460	9,031	9,158
Full-time employees ⁽¹⁾	7,982	8,459	9,026	9,142
Part-time employees	3	0	0	0
Contractors/consultants	2	1	5	16
Workers who are not employees and whose work is controlled by the organization ⁽²⁾	649	900	1,208	1,332
Full time employees breakdown by gender	ADCB Group			
	2021	2022	2023	2024
Male	4,624	4,881	5,136	5,106
Female	3,361	3,578	3,890	4,036
Percentage of female employees (%)	42%	42%	43%	44%

New employee hires		ADCB Group			
		2021	2022	2023	2024
Total new hires (#)		1,046	1,316	1,400	1,219
New hires by age (#)	Under 25 years	209	198	171	143
	25–34 years	618	646	766	654
	35–45 years	188	401	387	353
	Over 45 years	31	71	76	69
New hires by gender (#)	Male	433	748	791	647
	Female	613	568	609	572
New hires by nationality: Emirati nationals (#)	Male	91	82	92	65
	Female	386	170	224	189
New hires by nationality: Local employees (#) ⁽³⁾	Male	240	251	259	265
	Female	478	286	313	319

(1) Includes temporary employees on a full time basis. Total full time employees disclosed includes 4 temporary employees who are replacements for employees on maternity leave in ADCB Kazakhstan, as maternity leave in Kazakhstan is 3 years for each child and can be extended
(2) These workers include outsourced staff with yearly contract deployed on the following: direct sales of loans and credit cards, collections, sales support (Coordination and MIS) and operational activities (credit administration, MIS, marketing, document verification, property officers, maintenance officers)
(3) Local employees are the nationals (citizens) employed within our respective group locations in UAE, Egypt and Kazakhstan

3.1. Employee engagement and wellbeing (continued)

		ADCB Group							
		2021		2022		2023		2024	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Employee turnover									
Total employee turnover (voluntary and involuntary)		768	9.6%	821	9.7%	861	10%	1,008	11.0%
Employee turnover (voluntary and involuntary) breakdown:									
Turnover by age	<i>Under 25 years</i>	27	11%	35	12%	34	12%	53	21%
	<i>25–34 years</i>	333	12%	345	13%	324	11%	396	13%
	<i>35–45 years</i>	303	9%	339	9%	340	9%	402	10%
	<i>Over 45 years</i>	105	8%	102	6%	163	9%	157	9%
Turnover by gender	<i>Male</i>	478	10%	492	10%	563	11%	595	12%
	<i>Female</i>	290	9%	329	9%	298	8%	413	10%
Turnover by nationality	<i>Emirati nationals</i>	107	6%	171	9%	135	6%	231	11%
	<i>Local employees^{(1)/(2)}</i>	328	11%	347	11%	349	10%	462	13%

Employee engagement		ADCB UAE and its subsidiaries in the UAE (excl. AHB UAE)			
		2021	2022	2023	2024
Organisational Health Index (OHI) survey score		80	80	79	81
Employee response rate (%)		88%	88%	96%	94%

3.2. Emiratisation

Emiratisation level		ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan)			
		2021	2022	2023	2024
UAE national employees (#)		1,854	1,910	2,096	2,107
Emiratisation rate (%) ^{(3)/(4)}		38%	38%	40%	39%
UAE national employees by gender	<i>Male (#)</i>	376	410	454	436
	<i>Female (#)</i>	1,478	1,500	1,642	1,671

Local employment⁽⁵⁾		ADCB Group			
		2021	2022	2023	2024
Number of local employees (#)		3,074	3,229	3,444	3,562
Local employees in workforce (%)		38%	38%	38%	39%
Local Employees in Senior Management (%)		32%	32%	32%	32%
Local employees by gender	<i>Male (#)</i>	1,183	1,265	1,336	1,368
	<i>Female (#)</i>	1,891	1,964	2,108	2,194

(1) Local employees are the nationals (citizens) employed within our respective group locations in UAE, Egypt and Kazakhstan

(2) We have enhanced the scope of our reporting and therefore restated historic data

(3) As percentage of total ADCB UAE and its subsidiaries in the UAE excluding non-financial entities such as ITMAM, ADCP, ADCE and outsourced employees. Emiratisation rate is calculated as the percentage of Emirati nationals (with a family book) within the total full time employees in ADCB UAE and AHB UAE

(4) For 2022-2023, this disclosure was verified by a third-party assurance provider

(5) Local employees are the nationals (citizens) employed within our respective group locations in UAE, Egypt and Kazakhstan

3.3 Learning and development

		ADCB Group							
		2021		2022		2023		2024	
Training hours (breakdown)		Total training hours	Average hours per employee	Total training hours	Average hours per employee	Total training hours	Average hours per employee	Total training hours	Average hours per employee
Total training hours (#) ⁽¹⁾		336,463	42	381,516	45	391,133	43	381,245	42
By gender	Male	163,431	35	164,544	34	184,166	36	195,425	38
	Female	173,032	52	216,972	61	206,968	53	185,820	46
By employee category	Senior and Executive management	3,312	22	2,665	15	4,925	23	4,145	19
	Middle management	57,721	29	59,198	28	85,379	34	92,947	35
	Non-management	275,430	47	319,653	52	300,830	48	284,152	45
For Nationals									
	UAE nationals	121,917	66	182,284	95	182,126	87	118,211	56
	Local employees ⁽²⁾	182,583	59	244,979	76	257,431	75	225,231	63

		ADCB Group			
eLearning hours for staff		2021	2022	2023	2024
Total eLearning hours provided for all staff (number)		122,578	128,879	120,047	143,997
		ADCB Group			
Training expenditure		2021	2022 ⁽³⁾	2023	2024
Total training expenditure (AED '000)		9,101	23,986	22,148	25,256
Training expenditure per employee (AED '000/FTE)		1.1	2.84	2.45	2.76
		ADCB Group			
Performance reviews ⁽⁴⁾		2021	2022	2023	2024
Total employees who received a regular performance and career development review during the reporting period (%)		100%	100%	100%	100%
Employee category (%)	Senior and Executive management	100%	100%	100%	100%
	Middle management	100%	100%	100%	100%
	Non-management	100%	100%	100%	100%
By gender (%)	Male	100%	100%	100%	100%
	Female	100%	100%	100%	100%

(1) Although total training hours have decreased in 20204, our focus continues to remain on quality, specialisation, and impact of the trainings provided to our employees, ensuring a smarter, more strategic approach to professional development

(2) Local employees are the nationals (citizens) employed within our respective group locations in UAE, Egypt and Kazakhstan

(3) The data reported in 2022 is not comparable to previous years reporting

(4) Reported for employees eligible for a performance and career development review

3.4. Equality, diversity and inclusion

		ADCB Group			
Employee diversity		2021	2022	2023	2024
Employees by age (%)	Under 25 years	3.2%	3.6%	3.3%	2.7%
	25-34 years	35.0%	32.2%	33.5%	33.4%
	35-45 years	44.4%	44.3%	42.8%	45.1%
	Over 45 years	17.4%	19.9%	20.4%	18.8%
Employee by gender (%)	Male	58%	58%	57%	56%
	Female	42%	42%	43%	44%
Employee by category and gender: Entry and mid-level positions (%)	Male	57%	57%	56%	55%
	Female	43%	43%	44%	45%
Employee by category and gender: Senior and executive level (%)	Male	84%	86%	85%	83%
	Female	16%	14%	15%	17%
		ADCB Group			
Parental leave		2021	2022	2023	2024
Female employees that took maternity leave (#)		204	193	213	197
Female employees who returned to work after maternity leave ended (#)		201	190	212	195
Female employees returned from maternity leave who were still employed twelve months after returning to work (retention) (#)		132	170	181	205
Return to work rate (%) ⁽¹⁾		99%	98%	99.5%	99.0%
Retention rate (%) ⁽²⁾		89%	91%	95.3%	97.0%

		ADCB Group (excl. ADCB Egypt and ADCB Kazakhstan)			
Gender pay ratio (median male to median female salary) ⁽³⁾		2021	2022	2023	2024
Overall (ratio)		0.99	0.98	0.94	0.97
Senior and Executive management		1.13	1.00	1.06	1.02
Middle management		1.03	1.03	0.97	0.95
Non-management		0.71	0.72	0.77	0.75
		ADCB Group			
Wages and benefits		2021	2022	2023	2024
Total salaries and benefits paid to employees (AED '000)		2,437,165	2,767,876	3,064,387	3,359,714
		ADCB Group			
Employee nationalities		2021	2022	2023	2024
Total number of employee nationalities (#)		81	81	84	83
		ADCB Group			
People of determination		2021	2022	2023	2024
Total number of people of determination employed (#)		16	17	18	19

(1) Female employees who returned to work after parental leave ended

(2) Female employees who returned from parental leave and were still employed twelve months after returning to work

(3) This disclosure was verified by a third-party assurance provider for the data reported for 2022-2023. Reported for ADCB UAE and all its subsidiaries in the UAE, excluding outsourced employees. Gender pay ratio is calculated as the ratio of median male to median female gross salary. Salary is considered as the monthly total pay in AED (including fixed pay, social allowance, job-based allowances as applicable) as calculated for the month of December

4. Strategic Priority: Governance

4.1. Corporate governance, compliance and code of conduct

Composition of the Board of Directors	ADCB Group			
	2021	2022	2023	2024
Total number of Board of Directors (#)	10	11	11	11
Total number of independent Board members (#)	9	10	10	9
Total number of executive members of the Board (#)	0	0	0	0
Percentage of independent board members (%)	90%	91%	91%	82%
Board composition by gender (%)				
Male	90%	82%	82%	82%
Female	10%	18%	18%	18%
Board composition by age group (%)				
Less than 25 years	0%	0%	0%	0%
25-34 years	10%	18%	18%	18%
35-45 years	30%	36%	27%	27%
Above 45 years	60%	46%	55%	55%
Monetary losses as a result of non-ethical business practices	ADCB Group			
	2021	2022	2023	2024
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations (AED)	0	0	0	0

(1) Previously reported for ADCB Group. Reporting boundary restated in 2024 as ADCB Group (excluding ADCB Egypt and ADCB Kazakhstan)
(2) The data privacy and protection training for all staff of ADCB Group was rolled out in October 2021

Whistleblowing cases	ADCB UAE			
	2021	2022	2023	2024
Total number of whistleblowing cases filed in the reporting period (#)	35	121	131	183
Total number of whistleblowing cases addressed or resolved in the reporting period (#)	35	121	131	183
Percentage of whistleblowing cases that were substantiated (%)	23%	17%	15%	13%

4.2. Risk management and cybersecurity

Data security breaches	ADCB Group			
	2024			
Number of data security breaches (number)	0			
Training on data privacy and protection	ADCB Group (excluding ADCB Egypt and ADCB Kazakhstan) ⁽¹⁾			
	2021	2022	2023	2024
Percentage of employees formally trained on data privacy and protection (%) ⁽²⁾	52%	97%	94%	97%
Card-related fraud	ADCB Group			
	2024			
Amount of fraudulent transaction activity (total value of account holder transactions refunded to account holders due to fraud) (AED) ⁽³⁾	16,825,325			
Percentage of activity from card-not-present fraud (relates to online/e-commerce card transactions) (%) ⁽⁴⁾	95%			
Percentage of activity from card-present and other fraud (relates to in-store card transactions) (%) ⁽⁵⁾	5%			

(3) Card-related fraud linked to customer usage at third-party merchants. (ADCB incurred a net loss of AED 697,504 through card-related fraud in 2024)
(4) Card-related fraud for a transaction in a non-face-to-face setting with a merchant (conducted online)
(5) Card-related fraud for a transaction in a face-to-face setting with a merchant

4.3. Financial crime, anti-bribery and corruption

	ADCB Group			
Legal cases regarding corruption	2021	2022	2023	2024
Number of public legal cases regarding corruption brought against the organisation or its employees during the reporting period (#)	0	0	0	0
	ADCB Group			
Employee acknowledgement on Code of Conduct	2021	2022	2023	2024
Percentage of workforce who have formally acknowledged compliance with the Employee Code of Conduct (%)	100%	100%	100%	100%
	ADCB Group			
Employee training on anti-corruption ⁽¹⁾	2021	2022	2023	2024
Percentage of workforce formally trained on the anti-corruption/bribery policy (%)	100%	100%	100%	100%

	ADCB Group			
Communication on anti-corruption policy to the Board	2021	2022	2023	2024
Percentage of Board of Directors that the organisation’s anti-corruption policies and procedures have been communicated to (%)	100%	100%	100%	100%
	ADCB Group (excl. ADCB Egypt and AHB Kazakhstan)			
Anti-corruption policies and procedures in the supply chain	2020	2021	2023	2024
Percentage of business partners that the organisation’s anti-corruption policies and procedures have been communicated to (%)	100%	100%	100%	100%

(1) Reported as anti-bribery and corruption training for new hires as part of the induction program, and code of conduct training for all employees

4.4. Tax transparency

Tax disclosures	ADCB Group			
	2021	2022	2023	2024
<i>Corporate income tax paid on cash basis split by jurisdiction</i>				
Total income tax expense (AED mn)	63.35	77.58	116.0	133.84
UAE	-	-	-	-
Kazakhstan	1.4	7.8	10.4	9.40
Egypt	59.4	68.6	112.1	100.37
Jersey	0.7	-	-	-
UK	1.0	-	-	-
India	0.8	1.2	(6.5)	-
Others ⁽¹⁾	-	-	3.06	24.07
<i>Corporate income tax accrued on profit/loss per jurisdiction</i>				
Total income tax expense (AED mn)	99.61	135.07	220.65	1,166.13
UAE	-	-	-	956.40
Kazakhstan	3.17	7.38	11.02	7.80
Egypt	86.44	127.69	133.62	173.12
Others ⁽¹⁾	10.00	-	76.01	28.80

Notes on ADCB Group's tax disclosures

- **UAE:** Corporate Tax in the UAE was not applicable during financial year ending 31 December 2023, and previous reporting years. The UAE Corporate Tax applied to the ADCB Group from 1 January 2024
- **Kazakhstan:** ADCB Group has operations in Kazakhstan. To this end, corporate tax and other taxes are payable to the Kazakhstan tax authorities
- **Egypt:** ADCB Group has operations in Egypt. To this end, corporate tax and other taxes are payable to the Egyptian tax authorities
- **Jersey:** ADCB Group does not have any operations in Jersey and therefore no corporate tax is payable in this jurisdiction
- **UK:** ADCB Group's operations in the UK ceased in 2020. ADCB does not undertake any business activity in the UK
- **India:** ADCB India Branch ceased operations from 2021

Note: For further information, please refer to the [2024 ADCB Annual Report](#)
(1) Withholding tax expense paid in international jurisdictions

GRI context index

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
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GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021		
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	2-2 Entities included in the organization’s sustainability reporting	99
	2-3 Reporting period, frequency and contact point	3
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	2-5 External assurance	139
2. Activities and workers	2-6 Activities, value chain and other business relationship	4–5 (see ref. 1)
	2-7 Employees	106
	2-8 Workers who are not employees	106
3. Governance	2-9 Governance structure and composition	18, 19, 80 (see ref. 2)
	2-10 Nomination and selection of the highest governance body	83 (see ref. 2)
	2-11 Chair of the highest governance body	18, 80 (see ref. 2)
	2-12 Role of the highest governance body in overseeing the management of impacts	18, 23
	2-13 Delegation of responsibility for managing impacts	18
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	2-17 Collective knowledge of the highest governance body	84
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	2-20 Process to determine remuneration	71, 83 (see ref. 2)
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GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
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	2-23 Policy commitments	21
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5. Stakeholder Engagement	2-28 Membership associations	21
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Disclosures on material topics	3-1 Process to determine material topics	23
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Aligning portfolios and reducing financed emissions		
GRI 103: Material Topics 2021	3-3 Management of material topics	31–34
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GRI 103: Management Approach 2016	3-3 Management of material topics	43–50
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	302-2 Energy consumption outside of the organization	103
	302-3 Energy intensity	103
	302-4 Reduction of energy consumption	51
GRI 303: Water and Effluents 2018 (Management approach disclosures)	302-5 Reductions in energy requirements of products and services	37–42, 43–49 (see ref. 5)
	303-1 Interactions with water as a shared resource	52
GRI 303: Water and Effluents 2018 (Topic specific disclosure)	303-2 Management of water discharge-related impacts	52
	303-3 Water withdrawal	104
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	305-1 Direct (Scope 1) GHG emissions	103
	305-2 Energy indirect (Scope 2) GHG emissions	103
	305-3 Other indirect (Scope 3) GHG emissions	33, 103
	305-4 GHG emissions intensity	103
	305-5 Reduction of GHG emissions	51 (see ref. 5)
	305-6 Emissions of ozone-depleting substances (ODS)	(see ref. 7)
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	(see ref. 7)

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
GRI 306: Waste 2020 (Management approach disclosures)	306-1 Waste generation and significant waste-related impacts	52
	306-2 Management of significant waste-related impacts	52
GRI 306: Waste 2020 (Topic specific disclosure)	306-3 Waste generated	104
	306-4 Waste diverted from disposal	104
	306-5 Waste directed to disposal	104
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	104
Social Indicators		
Customer satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	57–59
Non GRI Topic-Specific Disclosures	NPS scores recorded by the bank	104
	Total number of customer complaints recorded	104
	Total number of complaints recorded per 1,000 customers	104
Financial inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	60–62
Non GRI Topic-Specific Disclosures	Total number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	103
	Number of participants in financial literacy initiatives	105
	Total number and value of loans outstanding qualified to programmes designed to promote small business and community development	119
	Total number and value of past due and non-accrual loans qualified to programmes designed to promote small business and community development	119
	Total number and value of loans to small business	105
	Percentage of total lending to small business	105
	Percentage of revenues from lending to small business	105

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
Digital & Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	63–65
Non GRI Topic-Specific Disclosures	Total number of internet banking subscribers	105
	Total number of mobile banking app subscribers	105
	Percentage digital transactions by customers (Retail and Corporate)	105
	Total number of transactions by channel	105
Community investments		
GRI 3: Material Topics 2021	3-3 Management of material topics	66–67
GRI 203: Indirect Economic Impact 2016	203-1 Infrastructure and services supported	66–67, 105 (see ref. 5, 8)
	203-2 Significant indirect economic impacts	66–67 (see ref. 5, 8)
Employee engagement and well-being		
GRI 3: Material Topics 2021	3-3 Management of material topics	69–71
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	106–107
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	71
	401-3 Parental leave	77, 109
GRI 403: Occupational health and safety 2018 (Management approach disclosures)	403-1 Occupational health and safety management system	70
	403-2 Hazard identification, risk assessment, and incident investigation	70
	403-3 Occupational health services	70
	403-4 Worker participation, consultation, and communication on occupational health and safety	70
	403-5 Worker training on occupational health and safety	70
	403-6 Promotion of worker health	70
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	70

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
GRI 403: Occupational health and safety 2018 (Topic-specific disclosure)	403-8 Workers covered by an occupational health and safety management system	70 (see ref. 9)
	403-9 Work-related injuries	70
	403-10 Work-related ill health	70
Emiratisation		
GRI 3: Material Topics 2021	3-3 Management of material topics	72–73
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	(see ref. 10)
	202-2 Proportion of senior management hired from the local community	72
Learning and development		
GRI 3: Material Topics 2021	3-3 Management of material topics	74–75
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	108
	404-2 Programs for upgrading employee skills and transition assistance programs	73–74
	404-3 Percentage of employees receiving regular performance and career development reviews	108
Equality, diversity and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	76–77
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of Governance bodies and employees	109–110
	405-2 Ratio of basic salary and remuneration of women to men	109

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
Governance topics		
Corporate governance, compliance and Code of Conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	79–87
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	110
Non GRI Topic-Specific Disclosures	Total number of Board of Directors	110
	Total number of independent Board members	110
	Total number of executive members of the Board	110
	Composition of the Board of Directors broken down by gender and age	110
	Total hours of training for Board members	110
	Total number of whistleblowing cases (filed, addressed or resolved) in the reporting period	110
	Percentage of whistleblowing cases that were substantiated	110
Risk management and cybersecurity		
GRI 3: Material Topics 2021	3-3 Management of material topics	88–98
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	(see ref. 3)
Non GRI Topic-Specific Disclosures	% of employees formally trained on Data Protection & Privacy	110
	Amount of fraudulent transaction activity (total value of account holder transactions refunded to account holders due to fraud)	110
	Number of data security breaches	110
Financial crime, anti-bribery and corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	92–93
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	93
	205-2 Communication and training about anti-corruption policies and procedures	111
	205-3 Confirmed incidents of corruption and actions taken	(see ref. 11)

GRI Standard	Indicator and disclosure	Disclosure/reference to report page numbers
Tax transparency		
GRI 3: Material Topics 2021	3-3 Management of material topics	94–97
GRI 207: Tax 2019 (Management approach disclosures)	207-1 Approach to tax	94–96
	207-2 Tax governance, control, and risk management	94–96
	207-3 Stakeholder engagement and management of concerns related to tax	95–96
GRI 207: Tax 2019 (Topic specific disclosure)	207-4 Country-by-country reporting	112

GRI references

Ref #	Description
1	Our suppliers consist of third-party service providers, contractors, logistics providers, and others. Many of our suppliers are local to our areas of operations and include small and medium enterprises
2	For further details, please refer to 2024 ADCB Annual Report
3	Not reported due to confidentiality constraints
4	Collective bargaining is prohibited as per UAE law and therefore not reported for ADCB Group
5	As a bank, ADCB is committed to supporting our customers in their transition to a low carbon economy through our financing. Please refer to the 2024 ADCB Green Bond Report for further details of our impacts through financing
6	All water that is used by ADCB is discharged back through the local sewerage services companies
7	Information unavailable as data is currently not monitored. We will continue to enhance our data collection and reporting methodology in the future
8	ADCB supports the development of the community through infrastructure projects that we finance
9	ADCB's Health & Safety policy covers all full time employees
10	Our HR practices comply with the requirements of the UAE Labour Law which promotes equal pay for female employees undertaking the same work as their male colleagues
11	ADCB has zero tolerance towards bribery and corruption. We adhere to the reporting requirements as mandated by the Central Bank of the UAE
12	No material incidents of non-compliance with laws and regulations in 2024

SASB context index

SASB content index – 2024

SASB topic	SASB sub-topic	Accounting metric	Code	ADCB material topic	Reference to report page number
Commercial Banks	Data Security	Number of data security breaches	FN-CB-230a.1	Risk Management & Cybersecurity	110
		Description of approach to identifying and addressing data security risks	FN-CB-230a.2		88–91
		% of employees formally trained on Data Protection & Privacy	NA		110
	Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	Financial Inclusion	119
		(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2		119
		Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3		104
		Number of participants in financial literacy initiatives	FN-CB-240a.4		105
	Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	FN-CB-410a.2	ESRM	43–0
	Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-CB-410b.1	Aligning portfolios and Reducing Financed Emissions	33
		Gross exposure for each industry by asset class	FN-CB-410b.2		33
		Percentage of gross exposure included in the financed emissions calculation	FN-CB-410b.3		33
		Description of the methodology used to calculate financed emissions	FN-CB-410b.4		31, 32, 34
	Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	Corporate Governance, Compliance and Code of Conduct	110
		Description of whistleblower policies and procedures	FN-CB-510a.2		87
Consumer Finance	Data Security	Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	FN-CF-230a.2	Customer Privacy and Data Security	110

SASB data table – 2024

SASB topic	Accounting metric	Unit of measure	Reporting boundary ⁽¹⁾	2021	2022	2023	2024
Commercial Banks	Number of data security breaches	#	Group	-	-	-	0
	Percentage of employees formally trained on Data Protection & Privacy	%	Group ⁽²⁾⁽³⁾	52% ⁽⁴⁾	97%	94%	97%
	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development ⁽⁵⁾	#	Group	2,881	2,129	2,493	3,025
		AED mn		1,959	1,980	2,266	3,726
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development ⁽⁵⁾	#	Group	133	159	137	234
		AED mn		87	100	103	131
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers ⁽⁶⁾	# ('000)	ADCB UAE	113	186	280	330
	Number of participants in financial literacy initiatives ⁽⁷⁾	# ('000)	ADCB UAE	1,591	2,579	1,395	1,940
	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	million tCO ₂ e					
	Gross exposure for each industry by asset class	AED bn	ADCB UAE	Please refer to pages 31 and 32 of this report			
Consumer Finance	Percentage of gross exposure included in the financed emissions calculation	%					
	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	AED	Group	0	0	0	0
	Amount of fraudulent transaction activity (total value of account holder transactions refunded to account holders due to fraud) including recoveries through chargebacks ⁽⁸⁾	AED mn	Group				16.8
	Percentage of activity from card-not-present fraud (relates to online/e-commerce card transactions) ⁽⁹⁾	%	Group	Previously reported as not material			95
	Percentage of activity from card-present and other fraud (<i>relates to in-store card transactions</i>) ⁽¹⁰⁾	%	Group				5

(1) Reported for ADCB (UAE, Egypt and Kazakhstan), AHB UAE unless otherwise stated
(2) ADCB Group excluding ADCB Egypt and ADCB Kazakhstan
(3) Previously reported for ADCB Group. Reporting boundary restated in 2024 as ADCB Group (excluding ADCB Egypt and ADCB Kazakhstan)
(4) The data privacy and protection training for all staff of ADCB Group was rolled out in October 2021
(5) Loans qualified are extended to SMEs with annual sales turnover ≤ to AED 20 million under the following programmes; Khalifa fund, Sanadkum, Department of Finance (Government of UAE), Kazakhstan State ‘Damu’ Fund Programme

(6) Includes number of accounts opened for individuals through ‘Hayyak’ with salary < AED 5K/month in ADCB UAE
(7) Reported based on email open rates for 2021-2022. From 2023 onwards, we have reported the unique number of participants
(8) Card-related fraud linked to customer usage at third-party merchants. (ADCB incurred a net loss of AED 0.7 million through card-related fraud in 2024)
(9) Card-related fraud for a transaction in a non-face-to-face setting with a merchant (conducted online)
(10) Card-related fraud for a transaction in a face-to-face setting with a merchant

SASB data table – 2024

SASB topic	Activity metric	Unit of measure	Reporting boundary ⁽¹⁾	2021	2022	2023	2024
Commercial Banks	Number of checking & savings accounts: Small Business	# ('000)	ADCB UAE	50.7	55.8	58.9	89.9
	Value of checking & savings accounts: Small Business	AED mn	ADCB UAE	14,556	16,719	19,351	23,286
	Number of loans: Small Business	# ('000)	Group	13.1	13.1	16.1	13.6
	Value of loans: Small Business	AED mn	Group	3,868	3,411	3,431	4,010
Consumer Finance	Numbers of unique customers with active credit card accounts	# ('000)	ADCB UAE	407	450	519	578
	Number of credit card accounts	# ('000)		481	538	650	754
Mortgage Finance	Number and value of residential mortgages originated	#	Group	1,579	2,311	3,090 ⁽³⁾	3,318
		AED mn		2,228	3,756	5,867 ⁽³⁾	6,439
	Number and value of commercial mortgages originated ⁽²⁾	#	Group	1	4	7	8
		AED mn		5.3	4.9	18	42
	Number and value of residential mortgages purchased	#	Group	569	0	0	0
		AED mn		619	0	0	0
	Number and value of commercial mortgages purchased ⁽²⁾	#	Group	85	0	0	0
		AED mn		244	0	0	0

(1) Reported for ADCB (UAE, Egypt and Kazakhstan), AHB UAE unless otherwise stated
(2) Our commercial mortgages relate to the SME segment
(3) Prior year adjustments: We have restated prior year data (2023) as a result of changes in our data collection and calculation methodology

ADX ESG disclosures

Environmental

ADX topic and sub-topic	ADX reporting metric	Unit of measure	Reporting boundary for 2024 ⁽¹⁾	2021	2022	2023	2024
E1. GHG emissions ⁽²⁾⁽³⁾⁽⁴⁾	Total amount in CO ₂ equivalents, for Scope 1	tCO ₂ e	ADCB Group	299	633	644	960
	Total amount in CO ₂ equivalents, for Scope 2	tCO ₂ e	ADCB Group	15,378	17,980	16,863 ⁽⁴⁾	19,262
	Total amount, in CO ₂ equivalents, for Scope 3	tCO ₂ e	ADCB Group	6,467	8,254	7,710 ⁽⁴⁾	6,274
E2. Emissions intensity ⁽²⁾⁽⁴⁾⁽⁵⁾	Total GHG emissions per output scaling factor	tCO ₂ e/FTE	ADCB Group	2.76	2.73	2.51 ⁽⁴⁾	2.69
	Total non-GHG emissions per output scaling factor	kg/FTE		N/A	N/A	N/A	N/A
E3. Energy usage ⁽²⁾	Total amount of energy directly consumed	MWh	ADCB Group	55,435	57,514	57,680	58,397
	Total amount of energy indirectly consumed	MWh	ADCB Group	18,747	19,079	15,765	13,525
E4. Energy intensity ⁽²⁾	Total direct energy usage per output scaling factor	GJ/FTE	ADCB Group	30.2	25.7	24.2	24.86
E5. Energy mix ⁽⁶⁾	Percentage: Energy usage by generation type:						
	Electricity	%	ADCB Group	N/A	95.26	95.24	92.49
	Natural Gas	%	ADCB Group	N/A	2.21	2.18	5.14
	Petrol	%	ADCB Group	N/A	2.51	2.53	2.28
	Diesel	%	ADCB Group	N/A	0.02	0.04	0.08
E6. Water usage	Total amount of water consumed ⁽⁷⁾	Mega litres	UAE	80.3	96.6	148.3	131.8
	Total amount of water reclaimed	Mega litres		N/A	N/A	N/A	N/A
E7. Environmental operations	Does your company follow a formal Environmental Policy?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Does your company follow specific waste, water, energy and/or recycling policies?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Does your company use a recognised energy management system?	Yes/No	ADCB Group	No	No	No	No
E8. Environmental oversight	Does your Management Team oversee and/or manage sustainability issues?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
E9. Environmental oversight	Does your Board oversee and/or manage sustainability issues?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
E10. Climate risk mitigation ⁽⁸⁾	Total amount invested, annually, in climate-related infrastructure, resilience and product development	AED mn	UAE	7,738	8,725	10,031	12,393

(1) UAE refers to: ADCB UAE, AHB UAE, ADCB Securities, ADCB Asset Management, ITMAM, ADCE, and excludes ADCB Egypt, ADCB Kazakhstan. ADCB Group refers to all the entities as described in the scope of reporting on [page 99](#)

(2) Reporting on environmental data for ADX topics E1, E2, E3, and E4 for 2021 was limited to UAE only. 2022 onwards, our reporting boundary covers ADCB Group (including our subsidiaries in Egypt and Kazakhstan). We have expanded the boundary of reporting in 2024 to include energy consumption from 47 branches in ADCB Egypt and therefore the reported figures are not comparable with the prior year (2022-2023) figures

(3) Disclosure on ADX topic E1 (for 2021–2024) was verified by a third party assurance provider

(4) Prior year adjustments: We have restated prior year data (2023) for the following ADX topics E1, E2 as a result of methodology changes

(5) Our disclosure on ADX topic E2 excludes Scope 3 emissions from properties leased to third parties

(6) Covers direct energy usage only

(7) Disclosure on ADX topic E6 relates to ADCB's water withdrawal data

(8) Disclosure on ADX topic E10 relates to ADCB's eligible green loan portfolio

Social

ADX topic and sub-topic	ADX reporting metric	Unit of measure	Reporting boundary for 2024 ⁽¹⁾	2021	2022	2023	2024
S1. CEO pay ratio	Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation	X:1		N/A	N/A	N/A	N/A
	Does your company report this metric in regulatory filings?	Yes/No		N/A	N/A	N/A	N/A
S2. Gender pay ratio ⁽²⁾	Ratio: Median male compensation to median female compensation	X:1	UAE	0.99	0.98	0.94	0.97
S3. Employee turnover ⁽³⁾	Percentage: Year-over-year change for full-time employees	%	ADCB Group	9.5	9.9	9.5	11.0
	Percentage: Year-over-year change for part-time employees	%	ADCB Group	70.0	0	0	0
S4. Gender diversity	Percentage: Total enterprise headcount held by men and women:						
	Men	%	ADCB Group	57.9	57.7	56.9	55.9
	Women	%	ADCB Group	42.1	42.3	43.1	44.1
	Percentage: Entry- and mid-level positions held by men and women:						
	Men	%	ADCB Group	57.4	57.1	56.2	55.2
	Women	%	ADCB Group	42.6	42.9	43.8	44.8
	Percentage: Senior-and executive-level positions held by men and women:						
	Men	%	ADCB Group	83.9	85.5	84.6	83.3
	Women	%	ADCB Group	16.1	14.5	15.4	16.7
S5. Temporary worker ratio	Percentage: Total enterprise headcount held by part-time employees	%	ADCB Group	0.04	0	0	0
	Percentage: Total enterprise headcount held by contractors and/or consultants	%	ADCB Group	0.03	0.01	0.06	0.17
S6. Non-discrimination	Does your company follow non-discrimination policy?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
S7. Injury rate	Percentage: Frequency of injury events relative to total workforce time	%	UAE	0	0	0	0
S8. Global health & safety	Does your company follow an occupational health and/or global health & safety policy?	Yes/No	UAE	Yes	Yes	Yes	Yes
S9. Child & forced labor	Does your company follow a child and/or forced labor policy?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	If yes, does your child and/or forced labor policy also cover suppliers and vendors?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
S10. Human rights	Does your company follow a human rights policy?	Yes/No	UAE	← ADCB complies with the UAE labour law →			
	If yes, does your human rights policy also cover suppliers and vendors?	Yes/No					
S11. Nationalisation	Percentage of national employees (Emiratisation rate)	%	UAE	38	38	40	39
S12. Community investment	Amount invested in the community, as a percentage of company revenues	%	ADCB Group	0.13	0.03	0.06	0.07

(1) UAE refers to: ADCB UAE, AHB UAE, ADCB Securities, ADCB Asset Management, ITMAM, ADCE, and excludes ADCB Egypt, ADCB Kazakhstan. ADCB Group refers to all the entities as described in the scope of reporting on [page 99](#)

(2) Disclosure on ADX topic S2 from 2023 onwards includes CEO compensation

(3) Reported as employee turnover (%)

Governance

ADX topic and sub-topic	ADX reporting metric	Unit of measure	Reporting boundary for 2024 ⁽¹⁾	2021	2022	2023	2024
G1. Board diversity	Percentage: Total board seats occupied by:						
	Men	%	ADCB Group	90	82	82	82
	Women	%	ADCB Group	10	18	18	18
G2. Board independence	Does company prohibit CEO from serving as board chair?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Percentage: Total board seats occupied by independent board members	%	ADCB Group	90	91	91	82
G3. Incentivised pay	Are executives formally incentivised to perform on sustainability?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
G4. Supplier code of conduct	Are your vendors or suppliers required to follow a Code of Conduct?	Yes/No	UAE	Yes	Yes	Yes	Yes
	If yes, what percentage of your suppliers have formally certified their compliance with the code?	%	ADCB Group	N/A	N/A	N/A	N/A
G5. Ethics & prevention of corruption	Does your company follow an Ethics and/or Prevention of Corruption policy?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	If yes, what percentage of your workforce has formally certified its compliance with the policy?	%	ADCB Group	100	100	100	100
G6. Data privacy	Does your company follow a Data Privacy policy?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Has your company taken steps to comply with GDPR rules?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
G7. Sustainability reporting	Does your company publish a sustainability report?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
G8. Disclosure practices	Does your company provide sustainability data to sustainability reporting frameworks?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Does your company focus on specific UN Sustainable Development Goals (SDGs)?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes
	Does your company set targets and report progress on the UN SDGs?	Yes/No	ADCB Group	No	No	No	No
G9. External assurance ⁽²⁾	Are your sustainability disclosures assured or verified by a third-party audit firm?	Yes/No	ADCB Group	Yes	Yes	Yes	Yes

(1) UAE refers to: ADCB UAE, AHB UAE, ADCB Securities, ADCB Asset Management, ITMAM, ADCE, and excludes ADCB Egypt, ADCB Kazakhstan. ADCB Group refers to all the entities as described in the scope of reporting on [page 99](#)

(2) Disclosures on ADX topic E1 (2021-2024) and topics S2 and S11 (for 2021–2023) were verified by a third party assurance provider

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

ADCB acknowledges the significance of the IFRS Sustainability Disclosure Standards (SDS) in driving decision-useful, globally comparable sustainability-related disclosures that meet the information needs of our investors. This section covers our disclosures informed by the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.

The Bank will continue to assess the reporting requirements and develop internal capabilities in preparation for adoption of all the requirements of the IFRS Sustainability Disclosure Standards in future reporting periods.

Governance

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-27 (a): The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities, including information about:	I. How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	• 2024 ADCB ESG Report, P: 18, 43 • 2024 ADCB Annual Report, P: 204, 218-220, 240-243
	II. How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities	• 2024 ADCB ESG Report, P: 18 • 2024 ADCB Annual Report, P: 217
	III. How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities	• 2024 ADCB ESG Report, P: 18 • 2024 ADCB Annual Report, P: 234-237
	IV. How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	• 2024 ADCB ESG Report, P: 18, 43 • 2024 ADCB Annual Report, P: 204, 218-220, 240-243
	V. How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies	• 2024 ADCB ESG Report, P: 18, 43, 80 • 2024 ADCB Annual Report, P: 204, 218-220, 240-245
IFRS S1-27 (b): Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	I. Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	• 2024 ADCB ESG Report, P: 18-19, 43 • 2024 ADCB Annual Report, P: 153, 159-160, 168, 220-221
	II. Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	

Strategy | Sustainability-related risks and opportunities

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-30 (a)	Sustainability-related risks and opportunities that could reasonably be expected to affect the entity’s prospects	• 2024 ADCB ESG Report, ADCB Sustainability Strategy, P: 14 • 2024 ADCB ESG Report, Materiality assessment, P: 25-26
IFRS S1-30 (b)	The time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur	
IFRS S1-30 (c)	The definitions of ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	

Strategy | Business model and value chain

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-32 (a)	A description of the current and anticipated effects of sustainability-related risks and opportunities on the entity’s business model and value chain	• 2024 ADCB ESG Report, ADCB Sustainability Strategy, P: 14 • 2024 ADCB ESG Report, Materiality assessment, P: 25-26
IFRS S1-32 (b)	A description of where in the entity’s business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	

Strategy | Strategy and decision-making

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-32 (a)	How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making	• 2024 ADCB ESG Report, ADCB Sustainability Strategy, P: 14 • 2024 ADCB ESG Report, Materiality assessment, P: 24-26 • 2024 ADCB ESG Report, Strategic priorities, P: 28-97 • 2024 ADCB ESG Report, Data and assurance, P: 98-112, 119-123
IFRS S1-32 (b)	The progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information	
IFRS S1-33 (c)	Trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community)	

Strategy | Financial position, financial performance and cash flows

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-34 (a)	The effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	• 2024 ADCB ESG Report, ADCB Sustainability Strategy, P: 14 • 2024 ADCB ESG Report, Materiality assessment, P: 23-26
IFRS S1-34 (b)	The anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects)	Our first financial materiality assessment relied on qualitative information and quantitative data (where available) to inform the assessment of effects of sustainability-related risks and opportunities. ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of sustainability-related risks and opportunities on financial position, financial performance and cash flows in the future
IFRS S1-35 (a)	Quantitative and qualitative information about how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	
IFRS S1-35 (b)	Quantitative and qualitative information about the sustainability-related risks and opportunities identified in 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	
IFRS S1-35 (c): Quantitative and qualitative information about how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:	I. Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	• 2024 ADCB ESG Report, ADCB Sustainability Strategy, P: 14 • 2024 ADCB ESG Report, Materiality assessment, P: 23-26
	II. Its planned sources of funding to implement its strategy	ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of sustainability-related risks and opportunities on the Bank's financial position and factor into financial planning and strategy in the future
IFRS S1-35 (d)	Quantitative and qualitative information about how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities	Our first financial materiality assessment relied on qualitative information and quantitative data (where available) to inform the assessment of effects of sustainability-related risks and opportunities. ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of sustainability-related risks and opportunities on financial position, financial performance and cash flows and factor into financial planning and strategy in the future

Strategy | Resilience

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-41	A qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon	2024 ADCB ESG Report, Sustainable Finance, P: 35-42 2024 ADCB ESG Report, Environmental and Social Risk Management (ESRM), P: 43-50 ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of sustainability-related risks and opportunities on financial position, financial performance and cash flows and factor into financial planning and strategy in the future

Risk management

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-44 (a): The processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:	I. The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	2024 ADCB ESG Report, Materiality assessment, P: 23-26 ADCB will continue to assess methodologies and processes that would help to further enhance identification, measurement and monitoring of sustainability-related risks and opportunities and factor into risk management in the future
	II. Whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks	
	III. How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	
	IV. Whether and how the entity prioritises sustainability-related risks relative to other types of risk	
	V. How the entity monitors sustainability-related risks	
	VI. Whether and how the entity has changed the processes it uses compared with the previous reporting period	
IFRS S1-44 (b)	The processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities	
IFRS S1-44 (c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity’s overall risk management process	

Metrics and targets

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S1-46 (a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity’s prospects	ADCB has disclosed progress against our Sustainable Finance target at AED 125bn by 2030 in this report. We are currently in the process of setting decarbonisation targets for the most carbon-intensive sectors. These new portfolio emission reduction targets will guide our climate actions for portfolio alignment and client transition plan development in the future We will continue to assess metrics to monitor our performance in relation to sustainability-related risks and opportunities identified for ADCB and will evaluate other applicable targets in the future • 2024 ADCB ESG Report, Sustainable Finance, P: 35 (for progress against our sustainable finance target) • 2024 ADCB ESG Report, Data and assurance, P: 99-112 (disclosures on performance on metrics for material topics) • 2024 ADCB ESG Report, Data and assurance, P: 118-120 (disclosures on SASB Industry Standards)
IFRS S1-46 (b)	Metrics the entity uses to measure and monitor that sustainability-related risk or opportunity and its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation	
IFRS S1-51 (a)	The metric used to set the target and to monitor progress towards reaching the target	
IFRS S1-51 (b)	The specific quantitative or qualitative target the entity has set or is required to meet	
IFRS S1-51 (c)	The period over which the target applies	
IFRS S1-51 (d)	The base period from which progress is measured	
IFRS S1-51 (e)	Any milestones and interim targets	
IFRS S1-51 (f)	Performance against each target and an analysis of trends or changes in the entity’s performance	
IFRS S1-51 (g)	Any revisions to the target and an explanation for those revisions	

IFRS S2 Climate-related Disclosures Content Index

(aligned to TCFD recommendations)

This section covers our enhanced disclosures on climate-related risks and opportunities informed by the requirements of IFRS S2 Climate-related Disclosure Standard. The IFRS S2 standard is aligned to the disclosure recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), and our disclosures in 2024 builds on our TCFD disclosures from previous years.

The Bank will continue to assess the reporting requirements and develop internal capabilities in preparation for adoption of all the requirements of the IFRS Sustainability Disclosure Standards in future reporting periods.

Governance

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-6 (a): The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	I. how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	• 2024 ADCB ESG Report, P: 18, 43 • 2024 ADCB Annual Report, P: 204, 218-220, 240-243
	II. how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities	• 2024 ADCB ESG Report, P: 18 • 2024 ADCB Annual Report, P: 217
	III. how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	• 2024 ADCB ESG Report, P: 18 • 2024 ADCB Annual Report, P: 234-237
	IV. how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	• 2024 ADCB ESG Report, P: 18, 43 • 2024 ADCB Annual Report, P: 204, 218-220, 240-243
	V. how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies	• 2024 ADCB ESG Report, P: 18, 43, 80 • 2024 ADCB Annual Report, P: 204, 218-220, 240-245
IFRS S2-6 (b): Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	I. whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	• 2024 ADCB ESG Report, P: 18-19, 43 • 2024 ADCB Annual Report, P: 153, 159-160, 168, 220-221
	II. whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	

Strategy

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-9 (a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects	For climate-related risks, please refer to the ‘Aligning Portfolios and Reducing Financed Emissions’ (P: 31-34) and ‘Environmental and Social Risk Management (ESRM) (P: 43-50) of the 2024 ESG Report For climate-related opportunities, please refer to the ‘Sustainable Finance’ section of the 2024 ESG Report, P: 35-42. Also, refer to the 2024 Green Bond Report
IFRS S2-9 (b)	The current and anticipated effects of those climate-related risks and opportunities on the entity’s business model and value chain	• 2024 ADCB ESG Report, Aligning Portfolios & Reducing Financed Emissions, P: 31-34
IFRS S2-9 (c)	The effects of those climate-related risks and opportunities on the entity’s strategy and decision-making, including information about its climate-related transition plan	• 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 43-50
IFRS S2-9 (d)	The effects of those climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity’s financial planning	• 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 43-50
IFRS S2-9 (e)	The climate resilience of the entity’s strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity’s identified climate-related risks and opportunities	ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of climate-related risks and opportunities on financial position, financial performance and cash flows and factor into financial planning and strategy in the future

Strategy | Climate-related risks and opportunities

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-10 (a)	Climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects	• 2024 ADCB ESG Report, Aligning Portfolios & Reducing Financed Emissions, P: 31-34 • 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 43-50
IFRS S2-10 (b)	For each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	• 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 46
IFRS S2-10 (c)	For each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur	
IFRS S2-10 (d)	How the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	

Strategy | Business model and value chain

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-13 (a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	• 2024 ADCB ESG Report, Materiality assessment, P: 25 • 2024 ADCB ESG Report, Aligning Portfolios & Reducing Financed Emissions, P: 31-34 • 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 43-50
IFRS S2-13 (b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	• 2024 ADCB ESG Report, Aligning Portfolios & Reducing Financed Emissions, P: 33 • 2024 ADCB ESG Report, Sustainable Finance, P: 37-41 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 45

Strategy | Strategy and decision-making

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-14 (a): How the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:	I. Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments) II. Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications) III. Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains) IV. Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies V. How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets	ADCB is committed to net zero within our lending and investments portfolios, our operations and supply chain. The Bank is in the process of setting decarbonisation targets for the most carbon-intensive sectors. These new portfolio emission reduction targets will guide our climate actions for portfolio alignment and client transition plan development in the future
IFRS S2-14 (b)	How the entity is resourcing, and plans to resource, the activities disclosed in accordance with 14(a)	
IFRS S2-14 (c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with 14(a)	

Strategy | Financial position, financial performance and cash flows

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-15 (a)	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	• 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 43-50
IFRS S2-15 (b)	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects)	In addition to our existing disclosures, ADCB will continue to assess methodologies and processes that would help to further enhance identification and measurement of relevant effects of climate-related risks and opportunities on financial position, financial performance and cash flows and factor into financial planning and strategy in the future. The assessment of the effects of climate-related risks and opportunities will also inform the development of ADCB's climate transition plan in the future
IFRS S2-16 (a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period	
IFRS S2-16 (b)	The climate-related risks and opportunities identified in 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	
IFRS S2-16 (c): How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	I. Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	• 2024 ADCB ESG Report, ADCB's new strategy, P: 11 • 2024 ADCB ESG Report, ADCB's climate framework, P: 29 • 2024 ADCB ESG Report, Aligning Portfolios & Reducing Financed Emissions, P: 31-34
	II. Its planned sources of funding to implement its strategy	• 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P:48-49
IFRS S2-16 (d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation)	ADCB is in the process of developing our climate transition plan covering our lending and investments portfolios, our operations and supply chain. The transition plan would be informed by sector decarbonisation targets for the most carbon-intensive sectors to guide our actions for the management of climate-related risks and opportunities in the future

Strategy | Climate resilience

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-22 (a): The entity's assessment of its climate resilience as at the reporting date, including the information about:	I. The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	• 2024 ADCB ESG Report, Environmental & Social Risk Management, P: 48-49
	II. The significant areas of uncertainty considered in the entity's assessment of its climate resilience	
	III. The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including	• 2024 ADCB ESG Report, Sustainable Finance, P: 35-42 • 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 48-49
	1) The availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities	
	2) The entity's ability to redeploy, repurpose, upgrade or decommission existing assets	
	3) The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	
IFRS S2-22 (b): How and when the climate-related scenario analysis was carried out, including the information about:	I. The inputs the entity used, including:	• 2024 ADCB ESG Report, Environmental and Social Risk Management, P: 48-49
	1) Which climate-related scenarios the entity used for the analysis and the sources of those scenarios.	
	2) Whether the analysis included a diverse range of climate-related scenarios	
	3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks	
	4) Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change	
	5) Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties	
	6) The time horizons the entity used in the analysis	
	7) What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis)	
	II. The key assumptions the entity made in the analysis, including assumptions about:	
	1) Climate-related policies in the jurisdictions in which the entity operates	
	2) Macroeconomic trends	
	3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources)	
	4) Energy usage and mix	
	5) Developments in technology	
	III. The reporting period in which the climate-related scenario analysis was carried out	

Risk management

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-25 (a): The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	I. The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	2024 ADCB ESG Report, Environmental and Social Risk Management, P: 45-49
	II. Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks	
	III. How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	
	IV. Whether and how the entity prioritises climate-related risks relative to other types of risk	
	V. How the entity monitors climate-related risks	
	VI. Whether and how the entity has changed the processes it uses compared with the previous reporting period	
IFRS S2-25 (b)	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	
IFRS S2-25 (c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	

Metrics and targets | Climate-related metrics

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-29 (a): Information relevant to the cross-industry metric categories of greenhouse gases, including:	I. Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as: 1) Scope 1 greenhouse gas emissions 2) Scope 2 greenhouse gas emissions 3) Scope 3 greenhouse gas emissions	2024 ADCB ESG Report, Data and assurance, P: 103
	II. Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	2024 ADCB ESG Report, Data and assurance, P: 99-101
	III. Disclose the approach it uses to measure its greenhouse gas emissions including: 1) The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; 2) The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and 3) Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	2024 ADCB ESG Report, Data and assurance, P: 31-32, 99-101
	IV. For Scope 1 and Scope 2 greenhouse gas emissions disclosed (disclose its absolute gross greenhouse gas emissions) disaggregate emissions between: 1) The consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and 2) Other investees excluded, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries)	2024 ADCB ESG Report, Data and assurance, P: 103
	V. For Scope 2 greenhouse gas emissions, disclose location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	2024 ADCB ESG Report, Data and assurance, P: 103
	VI. For Scope 3 greenhouse gas emissions disclose, 1) The categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and 2) Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance	2024 ADCB ESG Report, Data and assurance, P: 103 2024 ADCB ESG Report, Aligning Portfolios and Reducing Financed Emissions, P: 31-34
IFRS S2-29 (b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	2024 ADCB ESG Report, Environmental and Social Risk Management, P: 45 2024 ADCB ESG Report, Data and assurance, P: 102

Metrics and targets | Climate-related metrics (continued)

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-29 (c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	2024 ADCB ESG Report, Environmental and Social Risk Management, P: 46, 49
IFRS S2-29 (d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	2024 ADCB ESG Report, Sustainable Finance, P: 35-42 2024 ADCB ESG Report, Data and assurance, P: 102
IFRS S2-29 (e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	2024 ADCB ESG Report, Environmental and Social Risk Management, P: 49
IFRS S2-29 (f): Internal carbon prices—the entity shall disclose:	I. An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis)	ADCB is in the process of developing our climate transition plan covering our lending and investments portfolios, our operations and supply chain. The transition plan would be informed by sector decarbonisation targets for the most carbon-intensive sectors to guide our actions for the management of climate-related risks and opportunities in the future We will assess the feasibility and application of internal carbon prices to help us achieve our targets as part of the climate transition plan in the future
	II. The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions	
IFRS S2-29 (g): Remuneration, including the information about:	I. A description of whether and how climate-related considerations are factored into executive remuneration II. The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations	Please refer to P: 83 of the 2024 ADCB ESG Report for further details on how ESG KPIs (including milestones and targets linked to our climate framework) are linked to executive remuneration In addition, progress against the Bank’s E&S Key Risk Indicators disclosed on P: 45 of the 2024 ADCB ESG Report are also linked to executive remuneration

Metrics and targets | Climate-related targets: Quantitative and qualitative climate-related targets

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-33 (a)	The metric used to set the target	ADCB is committed to net zero within our lending and investments portfolios, our operations and supply chain. The Bank is in the process of setting decarbonisation targets for carbon-intensive sectors. These new portfolio emission reduction targets will guide our climate actions for portfolio alignment and client transition plan development in the future In addition, ADCB is committed to supporting our customers in their transition to a net zero economy through our sustainable financing. Please refer to P: 35 of this ESG Report for further details on our Sustainable Finance target
IFRS S2-33 (b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	
IFRS S2-33 (c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region)	
IFRS S2-33 (d)	The period over which the target applies	
IFRS S2-33 (e)	The base period from which progress is measured	
IFRS S2-33 (f)	Any milestones and interim targets	
IFRS S2-33 (g)	If the target is quantitative, whether it is an absolute target or an intensity target	
IFRS S2-33 (h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	

Metrics and targets | Climate-related targets: Approach to setting and reviewing each target, and monitoring progress against each target

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-34 (a)	Whether the target and the methodology for setting the target has been validated by a third party	Please refer to P: 36 of this ESG Report for our approach on the review and monitoring of our sustainable finance target Further details on our climate-related targets will be disclosed as part of the Bank's climate transition plan, in the future
IFRS S2-34 (b)	The entity's processes for reviewing the target	
IFRS S2-34 (c)	The metrics used to monitor progress towards reaching the target	
IFRS S2-34 (d)	Any revisions to the target and an explanation for those revisions	

Metrics and targets | Climate-related targets: Performance against each climate-related target and an analysis of trends or changes in the entity’s performance

Reference number	Disclosure description	ADCB's disclosure references and/or explanation
IFRS S2-35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity’s performance	ADCB is committed to net zero within our lending and investments portfolios, our operations and supply chain. The Bank is in the process of setting decarbonisation targets for the most carbon-intensive sectors. These new portfolio emission reduction targets will guide our climate actions for portfolio alignment and client transition plan development in the future. We will disclose our performance against the climate-related targets, once they are set in the future
IFRS S2-36 (a)	Which greenhouse gases are covered by the target	
IFRS S2-36 (b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target	
IFRS S2-36 (c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target	
IFRS S2-36 (d)	Whether the target was derived using a sectoral decarbonisation approach	
IFRS S2-36 (e): The entity’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target, including the information about:	I. The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits	
	II. Which third-party scheme(s) will verify or certify the carbon credits	
	III. The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal	
	IV. Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset)	

Assurance report

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Independent limited assurance report to Abu Dhabi Commercial Bank P.J.S.C (“ADCB” or “Bank”) on the preparation of the selected sustainability metrics (“Selected Information”) prepared in accordance with ADCB’s Basis of Reporting (“Basis of reporting for GHG metrics (operational emissions) and Basis of reporting for GHG metrics (financed emissions)”) and presented within the 2024 ADCB ESG Report (the “Report”).

What we looked at: scope of our assurance work

ADCB has engaged Deloitte to perform limited assurance procedures on the following selected sustainability information (“Selected information”) reported in the 2024 ADCB ESG Report (the “Report”).

Selected subject matter for assurance

ADCB’s reported performance during the given reporting period for the Selected Information presented in Table 1 below:

Table 1: Selected Information

Selected Information	Assured figure for the year ended 31 December 2024	Report pages
Scope 1 GHG emissions	960 (tCO ₂ e)	P: 30, 51, 103
Scope 2 GHG emissions	19,262 (tCO ₂ e)	P: 30, 51, 103
Scope 3 Operational GHG emissions	6,274 (tCO ₂ e)	P: 30, 51, 103
Selected Information	Assured figure for the year ended 31 December 2023	Report pages
Scope 3 Financed GHG emissions	13.25 (million tCO ₂ e)	P: 30, 33, 103

Basis of Reporting

The above Selected Information has been assessed against the Basis for Reporting shown on pages 99-101 of the Report (“Basis of reporting for GHG metrics (operational emissions) and Basis of reporting for GHG metrics (financed emissions)”) (collectively the “Basis of Reporting”).

What standards we used: basis of our assurance work and level of assurance

We carried out limited assurance procedures over ADCB’s Selected Information in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”) and with the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”). To achieve limited assurance, ISAE 3000 and ISAE 3410 require that we review the processes, systems and competencies used to compile the Selected Information presented in the Report, on which we provide limited assurance. It does not include detailed testing for each of the selected sustainability metrics reported, or of the operating effectiveness of processes and internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Consequently, our conclusion is not expressed as an audit opinion.

What we did: key limited assurance procedures

- To form our conclusion, we undertook the following procedures:
- Understood the roles and responsibilities of the preparation, governance and oversight arrangements of the Selected Information and assessed its preparation against the Basis of Reporting included in the Report;
 - Performed enquiries with management to understand how the Basis of Reporting has been applied in the preparation of the Selected Information;
 - Assessed the compilation of the Basis of Reporting against market practice;
 - Reviewed and evaluated the Basis of Reporting for measurement and reporting for each of the selected sustainability metrics against the actual calculation performed by the Bank to support the Selected Information shown in Table 1; and,
 - Assessed the availability and quality of evidence provided to support the Selected Information;

Inherent limitations

The process an organisation adopts to define, gather, and report information on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature is subject to variations in definitions, collection and reporting methodology, often with no consistent, accepted external standard. This may result in non-comparable information between organisations and from year to year within an organisation as methodologies develop. To support clarity in this process, ADCB has developed a Basis of Reporting document (“Basis of reporting for GHG metrics (operational emissions) and Basis of reporting for GHG metrics (financed emissions)”), which defines the scope of each assured sustainability metric and the method of calculation. This Basis of Reporting is available on pages 99-101 of the Report and should be read together with this report.

In relation to our work performed on the Selected Information, we note the following specific limitations:

- Our assurance procedures did not include detailed testing of General Information Technology Controls of the underlying systems used by ADCB to collate and report data for the Selected Information.
- With the exception of the Selected Information shown in the table above, our testing did not include assurance of, or detailed testing of the underlying data for any other sustainability metrics than those reported in Table 1, or of published assertions. As such, our work does not involve procedures to verify the accuracy of the performance data or assertions published.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in the UAE. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

In performing our work, we applied International Standard on Quality Management (“ISQM”) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Roles and responsibilities

ADCB

ADCB is responsible for the preparation of the calculation for the Selected Information in accordance with the Basis of Reporting. Specifically, ADCB is responsible for ensuring that the information provided under the Selected Information is properly prepared in accordance with the Basis of Reporting and confirming the measurement or evaluation of the Selected Information against the applicable Basis of Reporting. The Management is also responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

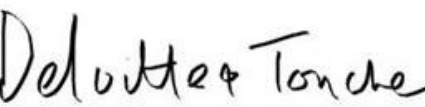
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Our responsibility is to provide a limited level of assurance on the Selected Information as defined within the scope of work above to ADCB in accordance with our letter of engagement, and report thereon. In conducting our limited assurance engagement, we have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code).

Our work has been undertaken so that we might state to ADCB those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ADCB for our work, for this report, or for the conclusion we have formed.

Conclusion

Based on our limited assurance procedures performed and evidence obtained, subject to the limitations mentioned above, nothing has come to our attention that causes us to believe that the Selected Information has not been prepared, in all material respects, in accordance with ADCB’s Basis for Reporting as appropriate.



Deloitte & Touche (M.E.)

Abu Dhabi – United Arab Emirates
28 April 2025

Abu Dhabi Commercial Bank

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