



Emirates NBD



SUSTAINABILITY

REPORT

2015 - 2016

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About this Report (102-50), (102-51), (102-52), (102-54)



The report has been prepared in accordance with the GRI Standards: Core option.

This is Emirates NBD's first GRI Sustainability Report, covering performance across the calendar years 2015 and 2016. From 2017, we shall be reporting annually, per calendar year. This report has been prepared in accordance with the GRI Standards: Core option. Additionally, we have referred to the GRI G4 Financial Services Sector Disclosures and referenced a set of United Nations Global Compact (UNGC) Principles that are related to our report's content.

We have followed the GRI principles of sustainability context, stakeholder inclusiveness, materiality and completeness – and have reported on periodical information which is reliable and accurate.

We have aimed in this report to offer stakeholders a clear, transparent and comprehensive review of our sustainability performance. This includes our social, ethical, corporate governance and environmental performance. The content of the report has been defined through a meticulous materiality process involving all stakeholders; this is explained in detail in the body of the report.

Whenever comparable data has been available, we compared results between indicators across the years 2015 and 2016. However, since this is the Bank's first report, we will not be comparing across all indicators.



Scope of the Report (102-48), (102-49)

This report covers the sustainability performance for the calendar years 2015 and 2016.

The intention is to showcase the Bank's performance in a straightforward, transparent and informative manner. Providing a historical context for our performance will also help us set ambitious sustainability targets for coming years.

This is the Bank's first GRI Sustainability report, therefore, no significant changes in material topics or topic boundaries have occurred yet. All restatements are noted. The report provides data only on the Emirates NBD Bank in the UAE. The report's scope does not include impacts stemming from the Bank's overseas operations, subsidiaries, partners, sister companies within the Emirates NBD Group or from third party suppliers. However, for the Financial Performance, and the Economic Impact figures, the scope included the Emirates NBD Group globally and a statement has been added to imply so. For more details on our reporting boundaries for material aspects, please check the "Materiality" section in the report.

All monetary values in this report are expressed in Arab Emirates Dirhams (AED), unless otherwise stated.

External Assurance (102-56)

For our first sustainability report, we have opted to follow an internal assurance process, through which our team has reviewed all necessary information to provide management, shareholders and stakeholders with confidence in all data disclosed. We chose not to invite an external party to audit our non-financial data for this report, but will consider it for future reports.

The Bank's financial statements were independently audited by Ernst & Young. Our Financial Statements and Annual Reports can be found under the "About Us" section on www.emiratesnbd.com

Contact Point (102-53)

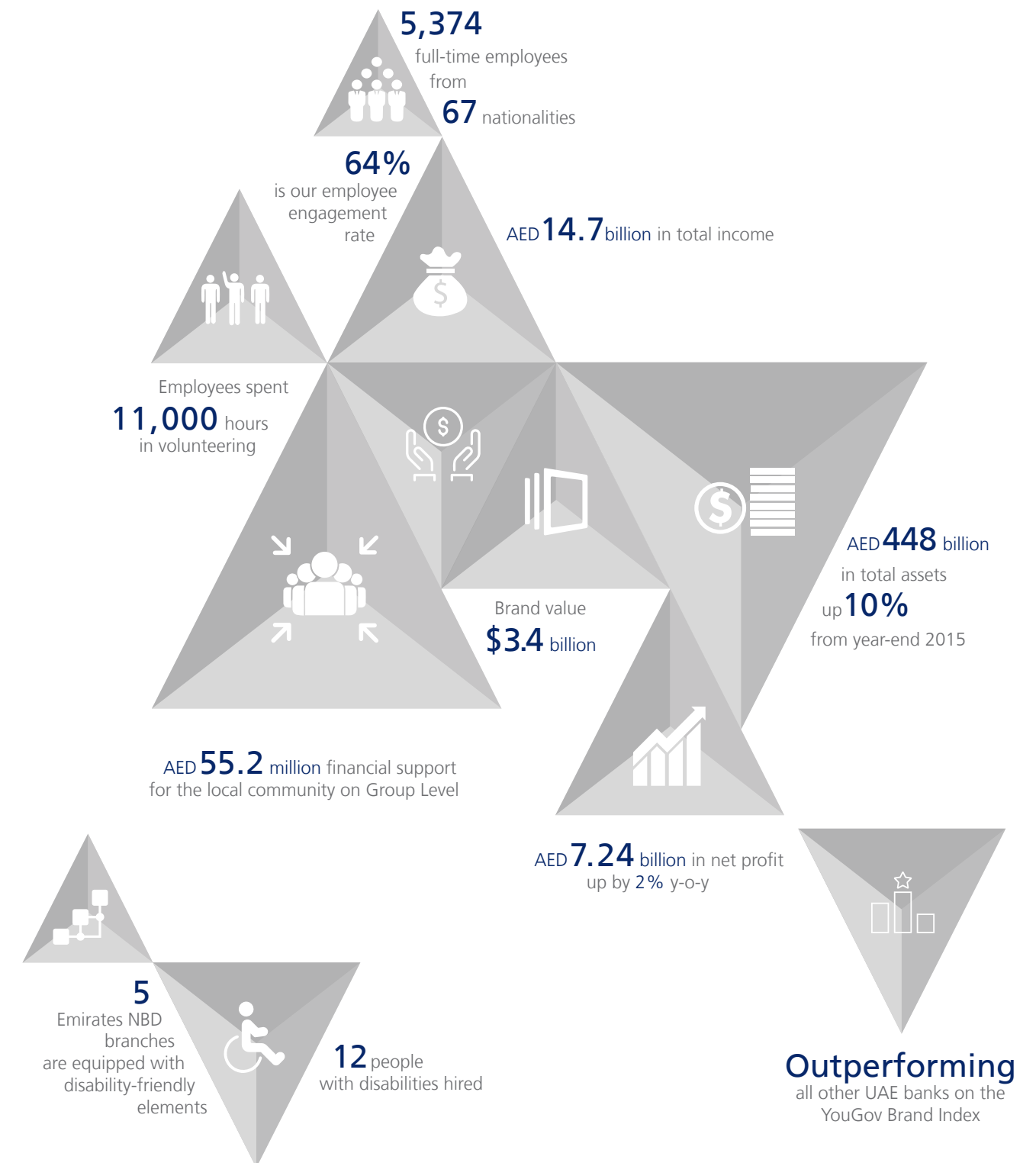
This sustainability report is our way of communicating our performance beyond the strictly financial arena. It also embodies our call to receive opinions on how we could further grow in this area through expanded partnerships and other initiatives.

For more information on our sustainability programmes, or ways to get involved, please contact:

Moadh Bukhash

Chief Marketing Officer
Emirates NBD

Key highlights



Message from the Chairman ⁽¹⁰²⁻¹⁵⁾



H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman, Emirates NBD

Dear Stakeholders,

On behalf of the Board, it is my pleasure to present Emirates NBD's first Sustainability Report, which confirms our commitment to being an ethical and responsible bank, and records our performance across material economic, social and environmental sustainability indicators in a transparent and diligent manner.

Our commitment to sustainability stems from the belief that our responsibility does not stop at creating financial prosperity for our shareholders. It extends to creating shared value for all our stakeholders. This commitment was reiterated in October 2016, when Emirates NBD became one of 11 financial institutions in the country to have signed the "Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance." Our participation in this declaration is a testimony to our commitment to align the Bank's activities with the UAE Vision 2021, the UAE Government's commitment to the Paris Climate Agreement, United Nations Convention for the Rights of Persons with Disabilities, the United Nations' Sustainable Development Goals and the UAE Green Agenda 2015-2030.

Within this context, Emirates NBD seeks to identify initiatives that enable sustainable development and the establishment of a climate-resilient, inclusive green economy in the UAE, to create significant socio-economic benefit for all stakeholders.

In terms of economic sustainability, we continued to fulfil our responsibility to supporting the national economy, despite challenging market conditions, recent volatility in oil prices and global political uncertainty. 2016 marked another successful year for Emirates NBD characterised by improved profitability and a stronger balance sheet. It was also a year of digital innovation as the Bank made bold strides in advancing its digital banking capabilities. The effort paid off substantially, as Emirates NBD received the award for 'Bank of the Year' in the UAE, for the second consecutive year from The Banker, recognising Emirates NBD's strong financials and pioneering approach to the digitisation of banking.

In the new financial year, amidst an environment that remains challenging both globally and locally, we are committed to maintaining our position as the most innovative bank in the region and further demonstrate the UAE's regional leadership in business innovation and global best practice. Simultaneously, our customer-first ethos will continue to guide new initiatives, provide a superior customer experience and increase shareholder value.

Emirates NBD's programme to empower UAE Nationals is a key sustainability initiative that has delivered promising results. Today, we are proud that Emiratis represent 20% of our workforce and 30% of our top management.

Emirates NBD has also built on its partnership with Dubai Government's Community Development Authority to provide value to the communities it serves. Most importantly, we are focused on working with people with disabilities (PwD) and those who lack financial literacy with the objective to create an inclusive banking environment for all, and align with the government's initiative to make Dubai disabled-access friendly by 2020.

Emirates NBD is aware of the critical significance of instilling and embedding sustainability through every aspect of our operations, and we invite all our stakeholders to engage in an open conversation on our sustainability credentials.

Message from the CEO ⁽¹⁰²⁻¹⁵⁾



Shayne Nelson
Group CEO, Emirates NBD

Dear Stakeholders,

The rapid pace of transformation led by the social and technological revolution within financial services, has meant that financial institutions must become intrinsically sustainable for survival and growth. We have incorporated sustainability as one of our key growth deliverables, and are proud to be a regional leader in innovation by developing smart and user-friendly products and services. We have acted with integrity and transparency towards all stakeholders including shareholders, customers and employees, and used our leadership and expertise to address various social and environmental challenges which positively contribute towards the communities we serve.

We are happy to present Emirates NBD's first Sustainability Report, which has been drawn up in line with Global Reporting Initiative Standards, and covers our economic, social and environmental progress and performance through 2015 and 2016. Our commitment to innovation and customer experience underpinned our strong financial performance in 2016, enabling us to close the year with a net profit of AED 7.24 billion, up 2% from the previous year, despite challenging market conditions. Our solid set of results is further strengthened by asset growth, a control on expenses and an improved cost of risk. The operating performance was also helped by further recoveries from legacy impaired loans, which offset lower non-interest income.

We enhanced our governance and compliance systems through the development of a three-year Compliance System Roadmap, which strengthened our capabilities relating to Anti-Money Laundering, Sanctions, the Foreign Account Tax Compliance Act and Regulatory Compliance.

Customer focus, innovation and service excellence are among the core organisational values at Emirates NBD. We continuously aim to enhance the customer experience through ongoing employee training programmes, such as the Customer Service Academy. Having already witnessed exceptional achievements in digital transformation, we continue to deliver on our promise to invest AED 500 million over the next three years in digital innovation. Recent successes include Future Lab, a strategic think tank and testing centre; EVA, the region's first intelligent, voice-based Virtual Assistant for banking; and Pepper, an artificial intelligence robot that interacts with customers in an engaging way to understand their needs.

Our continued growth is testimony to the exceptional dedication, talent and diversity of our staff who come from 67 nationalities. We are pleased that the Bank's annual employee engagement

survey reported higher engagement scores as compared with our peers in both GCC and global commercial banks. Through our award-winning Leadership and Management Development programme, we also invest heavily in the learning and development of our employees.

Emirates NBD's ongoing commitment to community support takes many forms. During 2015 and 2016, we have contributed over AED 59 million to assist people with disabilities, to fund programmes on financial literacy, women's empowerment, health and wellness, community development and the environment. Under the #TogetherLimitless advocacy platform for people with disabilities, we focus on inclusive education, equal employment opportunities and universal accessibility, aligning with the government's initiative to make Dubai disabled-access friendly by 2020. We have transformed five branches to be more accessible for people with physical disabilities and will improve accessibility in more branches. The Bank also launched Careers Network, which facilitates employment opportunities for people with cognitive disabilities, resulting in 12 persons being hired.

The second pillar of our Social Investment Framework is #moneywise, the Financial Literacy platform through which the Bank educates and empowers employees, customers and the public to effectively manage their own personal finances.


As part of our environmental stewardship, we launched The Go Green Initiative, with aims to decrease paper usage at the Bank by 15% by April 2017. Today, the programme addresses other environmental issues including water consumption, energy reduction and waste management.


Established in 2015, Exchanger, our unique, award-winning corporate volunteering programme, has seen a 61% increase in the number of volunteers over the last year, and has directly impacted more than 45,000 members of the public. We continue to establish partnerships with local non-profit organisations which provide employees with more opportunities for supporting our Social Investment programme.


We go into 2017 with a renewed commitment to sustainability, creating shared value and practicing conscientious corporate citizenship. We invite all our stakeholders to join us in this journey by opening doors for partnerships, environmental awareness and affirmative action.

About Emirates NBD Group ⁽¹⁰²⁻⁵³⁾



 **Vision:** To be globally recognised as the most valued financial service provider in the Middle East.

 **Mission:** Every day we make our customers' lives simpler by providing solutions that help them fulfil their financial aspirations.

 **Values:** Every day the Emirates NBD value set is customer-centric, enables differentiation and is built on our most important asset: Our People.



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

Emirates NBD, the leading banking group in the region, was formed on 16 October 2007 when the shares of Emirates NBD were officially listed on the Dubai Financial Market (DFM). The Emirates NBD 2007 merger between Emirates Bank International (EBI) and the National Bank of Dubai (NBD), became a regional consolidation blueprint for the banking and finance sector. It combined the second and fourth largest banks in the United Arab Emirates (UAE) to form a banking champion capable of delivering enhanced value across corporate, retail, private, Islamic and investment banking throughout the region.

In 2013, Emirates NBD celebrated its 50th anniversary, marking the Group's outstanding achievements while highlighting the bank's solid historical and financial foundations, as well as its promising future.

The Bank is a market leader across core business lines and is the leading retail banking franchise, with more than 220 branches and over 940 ATMs and CDMS (Cash Deposit Machines) spread across the country and overseas.

The Bank is part of a Group that is also a major player in the corporate banking arena. With fast-growing Islamic banking affiliated entities, strong investment and private banking services and leadership in the sector covering asset management products and brokerage services, Emirates NBD is well positioned to grow and deliver outstanding value to its shareholders, customers and employees.

The Group has operations in the UAE, Egypt, the Kingdom of Saudi Arabia, Singapore and the United Kingdom, with representative offices in India, China and Indonesia.

Currently, more than 5,000 people, representing 67 nationalities, are employed by Emirates NBD, making it one of the largest and most culturally diversified employers in the UAE. As a national banking champion, Emirates NBD is an ambassador of economic and social progress to the world for the entire UAE.

Emirates NBD's business segments include:

Retail Banking and Wealth Management:

- > Personal Banking
- > Priority Banking
- > Business Banking
- > Private Banking
- > Asset Management

Wholesale Banking:

- > Corporate and Institutional Banking
- > Global Markets & Treasury
- > Investment Banking

Islamic Banking

Brand value growth in billions

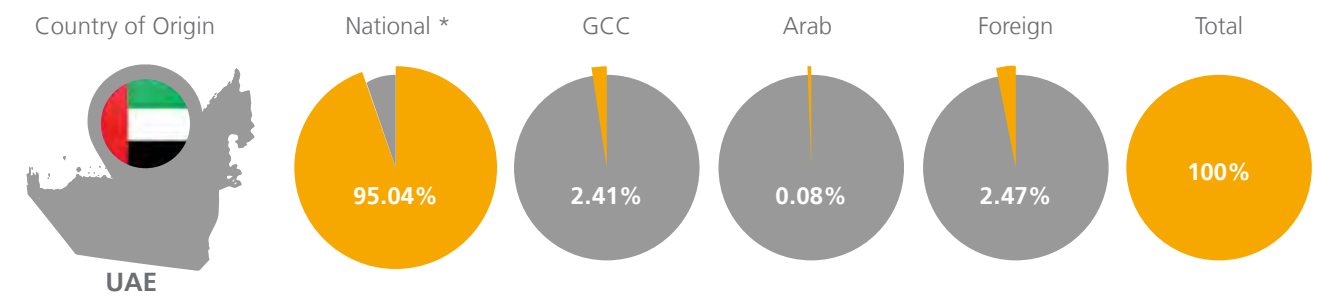


95% of the UAE public recognise our logo icon alone and link it to Emirates NBD

We outperform every other bank in the UAE on the **YouGov** Brand Index

Ownership Structure (102-5)

As at 29 December 2016



*National: Actual ownership by investors who hold the same nationality as the "Country of Origin"

Key Shareholders

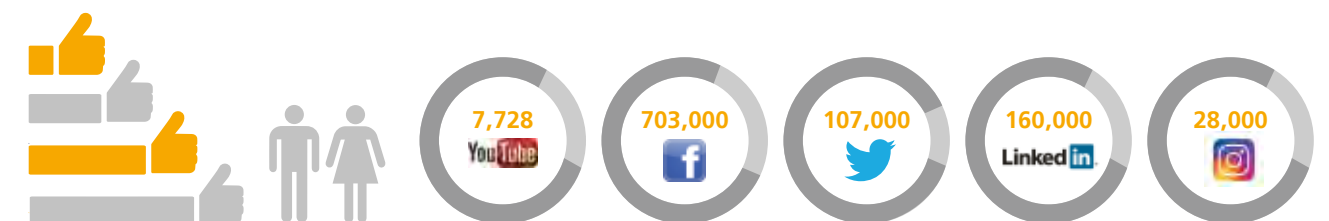


- > The majority of shares under Item 1 are owned by the Investment Corporation of Dubai (56%)
- > There are 1,500 shareholders
- > The foreign ownership limit is 5%. Currently 4.98% of the shares are held by foreigners

In the last year, Emirates NBD was sitting on top of the charts for the most Socially Devoted Bank in the UAE according to Socialbakers. It had over 250,000 interactions with its audiences across all channels. Our social media platforms also serve to manage tactical marketing campaigns that promote our business aims and complement our business marketing objectives.

Last year, the Social Media Team was presented with a total of 17 awards for a variety of campaigns, and has aggregated well over 14.2 million views for its videos on YouTube.

Our followers exceed



Awards & Recognitions



Memberships & Associations (102-12), (102-13)

UAE Banks Federation (UBF)	Institute of International Finance (IIF)
Dubai Chamber of Commerce	UAE Wage Protection System (WPS)
Al Etihad Credit Bureau (AECB)	United Nations Environmental Programme's Dubai Sustainable Finance Declaration
Union of Arab Banks	



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



We spread the concept of “Creating Shared Values” (CSV) across all our operations. To us, this means investing heavily in the development and growth of our local economy and ensuring the prosperity of all our stakeholders.

Economic Impact

Our growth journey has a clear vision: To be globally recognised as the most valued financial services provider based in the Middle East. This has been demonstrated by our robust performance over many years and increased recognition through numerous awards and accolades.

Looking forward, we are well positioned to capitalise on key opportunities, in a controlled and sustainable manner, whilst putting our stakeholders at the core of what we do.



Launch of the Dubai Economy Tracker

The Dubai Economy Tracker was launched in May 2015 and it is the first dedicated monthly survey of Dubai's economy. The tracker, compiled by Markit, is based on the methodology behind the Purchasing Managers' Index™ (PMI™) series and provides an accurate and timely signal of the performance of Dubai's non-oil sectors including manufacturing, services, construction and retail. The new survey is launched in conjunction with Emirates NBD Dubai Real Estate Tracker, which surveys real estate agents and households on a bi-monthly basis to gauge trends in Dubai's real estate sector.

Leader in SME Banking

Understanding the economic impact of the SME sector, we continue to consolidate our position as the leader in SME banking – fulfilling over 70,000 customers' needs through careful acquisition, relationship management and our service business model. We continue to focus on providing a complete SME offering with advisory services for asset, trade, treasury, wealth solutions and transactional banking. On the operating model, we have enhanced our relationship platform: adding Remote Relationship Managers who are able to service, advise and engage with our emerging SMEs by telephone. Our prudent approach to SME lending, and the priority given to advising customers on the right level of borrowing, have resulted in our asset quality continuing to be robust, and the overall loss rate fully within our risk appetite. During the period, we have proactively monitored and managed our credit book, consistently limiting exposure to clients showing deteriorating lines of credit.



Financial Performance ^{102-7), (102-45)}

The challenging global and regional environment has featured low oil prices, stock market volatility and rising global interest rates. Despite these negative influences, Emirates NBD managed to close both the years 2015 and 2016 by celebrating success through measured growth and the maintenance of strong credit ratings.

During 2015, for the first time in the Bank's history, total assets crossed the USD 100 billion mark, while total income exceeded AED 15 billion and net profit surpassed AED 7 billion, further reinforcing Emirates NBD's position of leadership in the region.

During 2016, total assets increased by 10% reaching AED 448 billion, total income declined by 3% reaching 14.7 billion (mainly due to lower non-interest income), and net profit grew by 2% to reach a total of AED 7.24 billion.

Commenting on the Group's performance, **His Highness Sheikh Ahmed Bin Saeed Al Maktoum, Chairman, Emirates NBD said:** "2016 marked another successful year for Emirates NBD as we continued to deliver improved profitability and a stronger balance sheet amid a challenging environment. We are proud to have launched a number of digital initiatives to support the 'Smart Dubai' vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. These include a futuristic banking space as part of Dubai Future Foundation's prestigious Museum of the Future, and a pilot blockchain (distributed database) network for international remittance and trade finance. I am very pleased to announce that Emirates NBD has been granted licenses to open three additional branches in the

Kingdom of Saudi Arabia and our first branch in India. As a leading bank in the region and a front-runner in digital banking innovation, we are well placed to take advantage of growth opportunities within the region. In light of the solid performance by the Bank, we are proposing to maintain the cash dividend at 40 fils per share."

Group Chief Executive Officer, Shayne Nelson said: "Emirates NBD delivered a solid performance in 2016. Net profit increased by 2% to AED 7.24 billion, underpinned by asset growth, a control on expenses and an improved cost of risk. The Bank's stable and resilient financial profile was recognized by Moody's in June when they upgraded Emirates NBD's long-term rating to A3. The Group's liquidity position remained strong, bolstered by a stable and highly diversified deposit base and our ability to raise over AED 20 billion of term funding. Given the ongoing challenging environment, we will remain focused on controlling expenses and managing risks whilst ensuring that we continue to invest to support future growth. I am confident that Emirates NBD will continue to deliver excellent customer service and superior value to our shareholders."

Further information on our financial performance can be found in the Annual Reports for 2015 and 2016, listed under the "Investor Relations" Section on our website: www.emiratesnbd.com

These figures represent the operations of Emirates NBD Group globally as a whole, and not just the Emirates NBD Bank in the UAE.

Financial Review

AED Million	12 months ended 31-Dec-16	12 months ended 31-Dec-15	Better / (Worse) (%)
Net interest income	10,111	10,241	(1%)
Non-interest income	4,637	4,987	(7%)
Total income	14,748	15,228	(3%)
General & administrative expenses	(4,888)	(4,719)	(4%)
Operating profit before impairment charges	9,860	10,509	(6%)
Impairment allowances	(2,608)	(3,406)	23%
Operating Profit	7,252	7,102	2%
Share of profits of associates	135	166	(19%)
Taxation charge	(148)	(145)	(2%)
Net Profit	7,239	7,124	2%
Cost to income ratio (%)	33.1%	31.0%	(2.1%)
Net interest margin (%)	2.51%	2.85%	(0.34%)
EPS (AED)	1.20	1.18%	2%
Return on Tangible Equity (%)	19.6%	21.5%	(1.8%)

AED Billion	as at 31-Dec-16	as at 31-Dec-15	Better / (Worse) (%)
Total Assets	448.0	406.6	10%
Loans	290.4	270.6	7%
Deposits	310.8	287.2	8%
Impaired Loan Ratio (%)	6.4%	7.1%	0.7%
Impaired Loan Coverage Ratio (%)	120.1%	111.5%	8.6%
Capital Adequacy Ratio (%)	21.2%	20.7%	0.5%
Tier 1 Ratio (%)	18.7	18.0%	0.7%



Total Equity

2015 53,860,918

2016 50,748,527



Total Debt

46,063,872

34,959,842



Credit Ratings & Reports for Emirates NBD

	Long Term / Short Term	Outlook	Most Recent Rating Action	Downloads
Moody's	A3/P-2	Stable	LT ratings upgraded and outlook 'Stable' (16-June-2016)	Credit Opinion (15-Dec-2016) Issuer In-depth: Retail Franchise Drives Resilience Against Prolonged Liquidity Tightening (03-Aug-2016)
Fitch	A+/F1	Stable	Ratings affirmed (25-Feb-2016)	Full Rating Report (18-Jul-2016) Press Release (25-Feb-2016)
Capital Intelligence	A+/A1	Stable	LT FCR and FSR upgraded (12-OCT-2016)	Rating Announcement (12-Oct-2016)

Sustainability Management ⁽¹⁰²⁻²¹⁾



Listening to our Stakeholders



Trust and advocacy can only be achieved through implementing a focussed strategy to engage our stakeholders, while being ready to adapt to their changing needs.

(102-18), (102-40), (102-42), (102-43), (102-44)

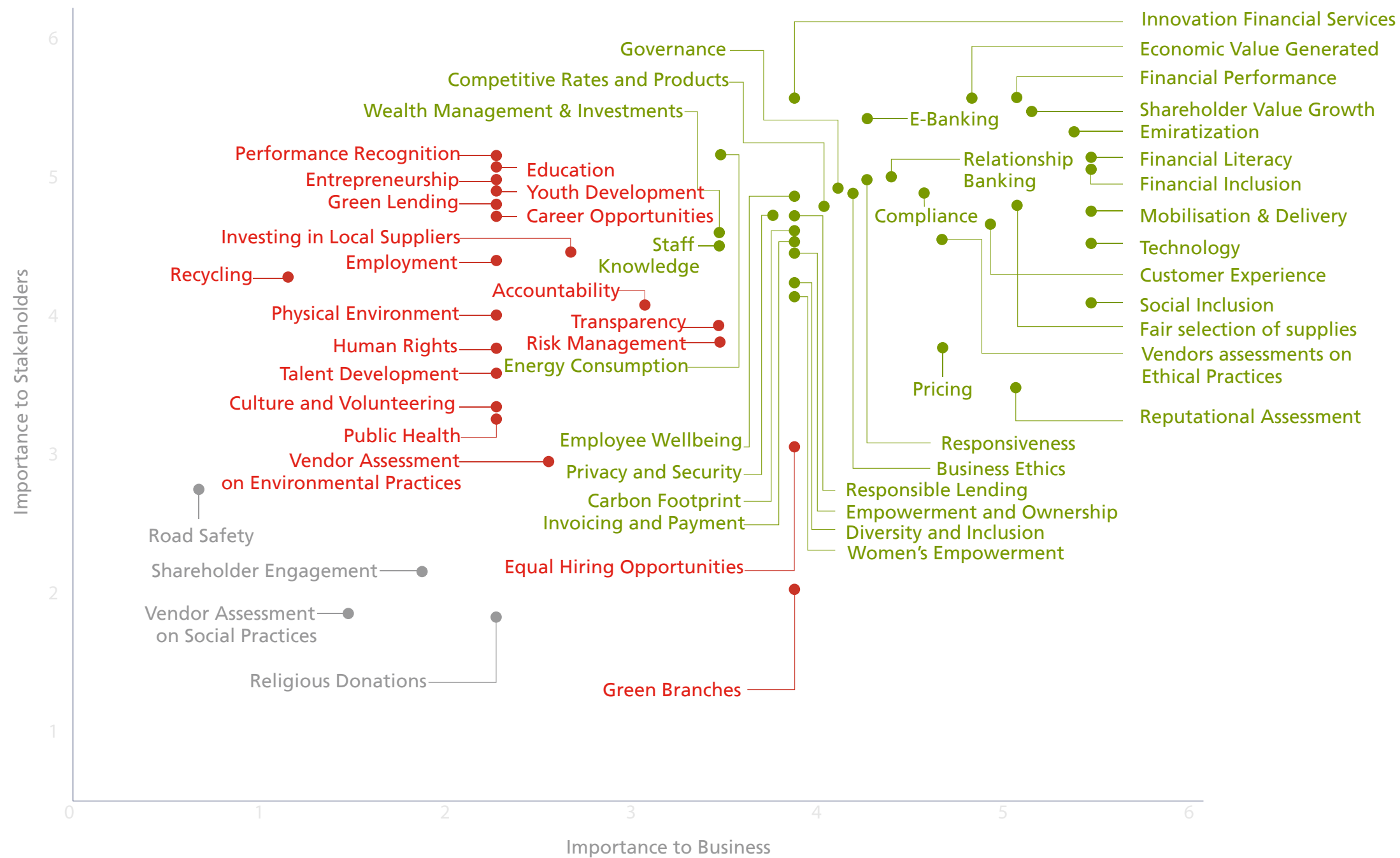
Our stakeholders are groups or individuals that are influenced by our activities, products and services, and who in turn affect our ability to achieve our goals. This an internal mapping process that identifies the level of influence of respective stakeholder groups on the Bank and the Bank's influence on those stakeholder groups. We have identified nine main stakeholder groups with which we regularly engage through various methods – while seeking to incorporate their feedback into our strategic thinking and day-to-day work.

Stakeholders	Engagement Methods and Frequency	Stakeholders Feedback
 Employees	<ul style="list-style-type: none"> > The Bank's Intranet > Face-to-face meetings, team meetings, e-learning courses, training programmes, team projects, group workshops, social events, rewards and recognitions. (These engagements are as frequent as needed) > Bi-annual Employee Engagement Surveys (Souwti) > Bi-annual performance appraisal meetings 	<p>On average, 90% of our employees answered the survey and gave feedback on its three pillars: Say, Stay, Strive</p> <p>Employees raised topics related to ensuring their retention and growth at the Bank. Topics included compensation, training, growth and development</p>
 Board of Directors	<ul style="list-style-type: none"> > Board of Directors Meetings - six times a year > Regular EXCO Meetings > Internal departmental meetings > Emails, calls, instant messaging software 	<p>Overall direction of strategy, supervision, corporate structure, financial reporting, internal controls, risk management policies. Feedback also focuses on approval of the Annual Report, corporate dividends and main sustainability focus areas</p>
 Investors	<ul style="list-style-type: none"> > Annual General Meeting (AGM) > Investors Relations Team and website section > Press conferences and releases, periodic reports, presentations 	<p>Development of financial performance, shareholder value growth, business ethics, governance, compliance, risk management, business continuity, aligning sustainability and commercial benefits</p>
 Customer	<ul style="list-style-type: none"> > Voice of Customer' satisfaction surveys > Social Media channels > Call centre, emails, phone calls > Advertisements and promotions > Account relationship management 	<p>Improvement in customer experience, innovative financial services, responsiveness, e-banking, relationship management, privacy and security, competitive rates and products</p>

 Suppliers	<ul style="list-style-type: none"> > Tenders and RFPs, Independent Sustainability > Stakeholder Engagement Study (2015) 	<p>Mobilization and delivery, fair selection of suppliers, compliance, vendor assessment based on ethical practices, reputational assessment, pricing, investment in local suppliers</p>
 Local Community	<ul style="list-style-type: none"> > Partnerships with community organisations > Case studies and field research > Sponsorships and donations > Cultural and social events 	<p>Engagement with local communities seeking further Bank investment in social inclusion, education on financial literacy, empowerment of women, investment in education, entrepreneurship, youth development and employment</p>
 Government	<ul style="list-style-type: none"> > Compliance with UAE Central Bank directives > Compliance with Dubai Financial Services Authority directives > Compliance with UAE Banks Federation directives > Compliance with semi-government bodies > Meetings as needed 	<p>Development of the Bank's mission and creation of positive socio-economic impact.</p> <p>Investment in anti-corruption and anti-fraud governance systems, plus alignment with national and global standards</p>
 Environment	<ul style="list-style-type: none"> > Partnerships with environmental organisations, both locally and globally > Meetings, press releases, emails 	<p>Monitoring of energy consumption, reporting on the Bank's carbon footprint and embedding of Sustainable Finance practices – including green lending and green bonds. Establishment of green buildings and monitoring and control of water consumption</p>
 Media	<ul style="list-style-type: none"> > Quarterly and annual financial results > Press conferences/releases and roundtables > Awards and recognition ceremonies > Radio/TV interviews > Daily market commentary > Weekly and monthly newsletters > Social Media > Print 	<p>Explain and clarify financial performance, innovation plans, and socio-economic impact through product releases, briefings and other special events</p>

Materiality Analysis (102-46), (102-47)

The evidence-based materiality matrix plots all related sustainability issues across two axes: Axis X shows the importance of these topics to the business itself while Axis Y shows the importance of the same topics to the stakeholders.



Emirates NBD follows the Global Reporting Initiative (GRI) definition of materiality for sustainability reporting. Material topics and indicators are those that reflect the organisation's significant economic, environmental and social impacts or that would substantively influence the assessments and decisions of stakeholders.

Through our materiality analysis process, we can identify topics that have a direct and/or indirect impact on our ability to create, preserve or erode economic, environmental and social value for our Bank, the communities in which we operate and all our stakeholders.

During 2015 and 2016, we worked with Sustainable Square, an independent sustainability and social investment advisory firm, to further deepen our understanding of our stakeholders' views on key social, environmental and governance topics.

Defining the Report's Content

First: Research

Having been a partner on previous community investment and impact measurement projects, Sustainable Square initiated this materiality analysis process by conducting a review of all the Bank's 2015 and 2016 sustainability-related strategies, programmes, initiatives and activities. They then reviewed the research published by the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) and the GRI Financial Services Sector Supplement (FSSS). They also assessed the latest Dubai Declaration of Financial Institutions of the United Arab Emirates on Sustainable Finance, signed by 11 UAE-based banks. This identifies material issues for the financial sector and is based on a detailed stakeholder dialogue. In addition, they reviewed peer practices and sought perspectives from our main stakeholder groups: these include the Bank's Board of Directors, employees, customers, investors, the media, local community organisations, environmental organisations, suppliers, government and regulators.

Second: Stakeholder Survey

We compiled an extensive inventory of 60 potential material sustainability topics related to financial institutions in general, and specifically to Emirates NBD. We then asked all main stakeholder groups to rate the importance of each topic on a scale from 1 to 5. The same list of topics was then rated by the Bank's key management and decision makers – those who have the highest impact on implementing the Bank's policies and strategies. They all rated the topics based on the Bank's ability to create positive impact from application of those topics to our business operations.

Third: Results

The average rating of all 60 issues resulted in the identification of 29 material issues. These received an average rating of 3.75 or higher (on a scale from 1 to 5). These issues correspond to 16 GRI Material Topics that identified the content of the report.

Impact Boundaries ⁽¹⁰³⁻¹⁾

The table below lists all GRI Standards Material Topics, sets out the impact boundaries, and provides references to pages where the topics are addressed:

Material Issue	Corresponding GRI Standards Material Topic	Impact Boundaries	Page No.
Financial Performance	Economic Performance	Shareholders, Investors and Government	17, 18, 19, 20, 21
Shareholder Value Growth	Economic Performance	Shareholders, Investors	17, 18, 19, 20, 21
Financial Literacy & Inclusion	Local Communities, Labour/ Management Relations, Training and Education	Local Communities, Customers, Employees	119, 120, 121, 122
Nationalisation	Local Communities, Employment	Local Communities, Employees	77, 80, 81, 82, 83, 84, 85
Economic Value Generated	Economic Performance	Shareholders, Investors and Government	17, 18, 19, 20, 21
Mobilisation & Delivery	Organisational Profile (Products and Services)	Suppliers	12, 66, 67
Technology & Innovative Financial Services	Organisational Profile (Products and Services)	Customers, Employees, Suppliers, Government	58, 59, 60, 61, 66, 67, 88, 89
Fair Selection of Suppliers	Procurement Practices	Suppliers	12, 66, 67
E-Banking	Organisational Profile (Products and Services)	Customers	58, 59, 60, 61
Customer Experience	Organisational Profile (Products and Services) Marketing and Labelling	Customers	49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61
Social Inclusion	Local Communities	Local Communities	107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118
Governance & Compliance	Governance	Central Bank, Government, Environment, Suppliers	35, 36, 37, 38, 39, 40, 41
Relationship Banking	Organisational Profile (Products and Services)	Customers	49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61
Responsiveness	Organisational Profile (Products and Services)	Customers	49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61

Material Issue	Corresponding GRI Standards Material Topic	Impact Boundaries	Page No.
Vendors Assessment for Ethical Practices	Procurement Practices, Supplier Social Assessment	Suppliers	12, 66, 67
Business Ethics	Governance, Ethics and Integrity, Human Rights Assessment	Board of Directors, Employees, Customers, Suppliers	35, 36, 37, 38, 39, 40, 41, 73
Competitive Rates & Products	Organisational Profile (Products and Services)	Customers	49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61
Employee Wellness	Occupational Health and Safety	Employees	96, 97, 98, 100
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Pricing	Organisational Profile (Products and Services)	Customers	49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61
Invoicing & Payment	Procurement Practices	Suppliers	12, 66, 67
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Wealth Management & Investments	Organisational Profile (Products and Services)	Customers	12, 19, 20, 21
Women's Empowerment	Labour/Management Relations, Diversity and Equal Opportunity	Employees, Local Communities	74, 75, 78, 79, 80, 81, 82, 82, 83, 84, 85, 86, 87, 92, 93, 125, 126



Sustainable Banking Framework ⁽¹⁰²⁻¹⁵⁾

The Dubai Declaration on Sustainable Finance ⁽¹⁰²⁻¹²⁾

We are proud to announce that, as of 25 October 2016, the Bank was one of 11 financial institutions in the UAE to have signed the **“Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance”**. The declaration was signed at the UNEP FI 2016 Global Roundtable in Dubai, where it was witnessed by H.E. Dr. Thani Ahmed Al Zayoudi, Minister of Climate Change and Environment, and H.E. Mubarak Rashed Khamis Al Mansoori, Governor of the Central Bank of the UAE.

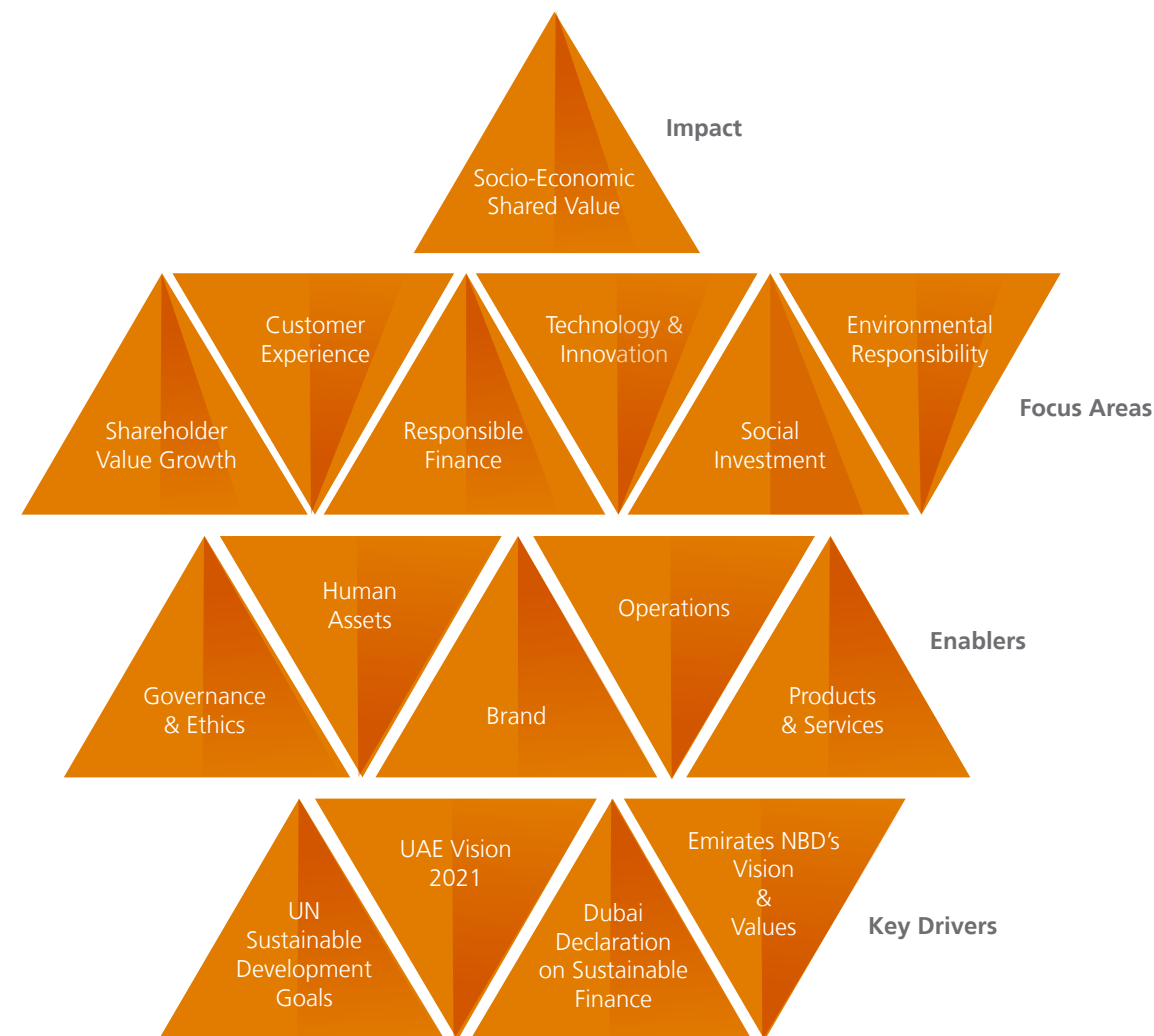
As part of the declaration, we recognise the UAE Vision 2021 and endorse the UAE Government’s commitment to the Paris Climate Agreement and the United Nations’ Sustainable Development Goals (SDGs), as well as supporting the sustainable development of the nation in line with the UAE Green Agenda 2015-2030.

Furthermore, the declaration details the role the financial sector must play to enable a climate-resilient, inclusive green economy and sustainable development:

- 1 Identify, manage, and improve the institution’s direct and indirect environmental and social performance.
- 2 Contribute, to the best of our abilities, towards community and society in creating economic, environmental and social opportunities.
- 3 Lend, invest in, facilitate financing or provide insurance to the projects, businesses and customers with sustainable purposes – as well as supporting the growth of a successful small and medium-sized enterprise (SME) sector.
- 4 Take into account climate and environmental, social and governance (ESG) risk in the institution’s risk management processes.

As a result, we have taken formal and intensive steps towards meeting all the environmental goals, as set out in the declaration, that have to be achieved by year 2021.

Emirates NBD's Sustainable Banking Framework



Enablers

We identify 'Enablers' as areas in which the Bank is heavily invested in since inception.

These enabling areas have grown to become reliable assets and provide a foundation for us to create impact. Ensuring the establishment of sound governance systems and business ethics has enabled us to grow and maintain a culture of transparency and integrity. Our human assets, which include our employees, suppliers and partners, add another cornerstone to the set of skills, expertise and deep relationships that we have built over the years.

Our brand is our biggest non-financial asset and is currently valued at USD 3.4 billion.

Our operations include all the systems, standard procedures, processes and best practices that we have streamlined. They also include the wealth of customer data and big data that enables us to innovate and grow.

Our products and services, continuously expanding and adapting, act as a catalyst in creating our finest achievement: our reputation.

Focus Areas

These are the main areas that we have identified as key in achieving sustainability at the Bank and creating long-term socio-economic impact throughout the communities in which we operate. These focus areas are integral to our Bank's growth and success and they feed into our vision and mission. We have a responsibility to ensure the prosperity of all our shareholders and to create financial and non-financial value. The Bank's Customer Experience is a ripe area for continuous innovation in terms of the customer journey, products, services, technology and processes. Through ensuring customer acquisition, retention and satisfaction we believe we have become a fully sustainable bank.

Responsible Finance is a focus area for 2017 and onwards. As signatories to the Dubai Declaration on Sustainable Finance, we will look to introduce new processes and guidelines which ensure we practice responsible and ethical lending throughout products and services. Technology and innovation is an investment and growth area that enables us to deliver in all other focus areas. The Bank is among leaders in the region when it comes to utilising technology and innovation to create solutions that make our customers' lives easier, generate shareholder value growth and create shared value with all stakeholders.

Our Social Investment Strategy addresses all the work that we do internally and for the communities we work in. This includes, but is not limited to, advocating support for people with disabilities, promoting financial literacy, health and wellness, women's empowerment, community development and the environment. Our Environmental Responsibility Strategy in turn addresses our carbon footprint, water usage, energy consumption, waste management practices and other environmental responsibilities.

Understanding the Framework



Key Drivers

The overall direction of our Sustainable Banking Framework is guided by four strategic drivers:

- > The United Nations Sustainable Development Goals (SDGs)
- > The UAE Vision 2021
- > The Dubai Declaration on Sustainable Finance
- > Our Bank's Vision and Values

We believe these drivers enable us to capitalise on our assets and expand our focus areas to achieve our responsibility towards creating Socio-Economic Shared Value.

Governance, Ethics & Compliance (102-16), (102-17)



Governance (102-18), (102-22), (102-23), (102-24), (102-25), (102-26), (102-28), (405-1)



Emirates NBD’s governance framework enables long-term value creation for all shareholders alongside risk reduction, while managing change so as to achieve our strategic objectives.

Sound governance policies, systems and practices are critical for running an organisation on foundations of transparency and accountability. The Board of Directors promotes governance and integrity in order to achieve performance, while conforming to all laws and regulations. The Board of Directors is governed by the corporate governance manual and uses innovative tools in its governance and compliance systems so as to be in line with best corporate practice.

Emirates NBD’s governance framework enables long-term value creation for all shareholders alongside risk reduction, while managing change so as to achieve our strategic objectives.

Emirates NBD fosters excellent professional relationships internally between Board Members and the Management Executive Committee, and externally with the Bank’s shareholders.

The Board

The Board of Directors for Emirates NBD Bank PJSC meets at least six times a year and is comprised of nine prominent members of the local business community, all of whom are leaders in their respective industries. Ms. Lubna Qassim is Group Chief General Counsel and Company Secretary: in her capacity as Group Company Secretary, she assists the Board in ensuring that regulatory obligations and corporate governance requirements are met. Ms. Qassim coordinates the operations of the company's formal decision-making and reporting machinery and ensures that correct procedures are followed. All members of the Board of Directors are UAE Nationals, and most are independent and non-executive.

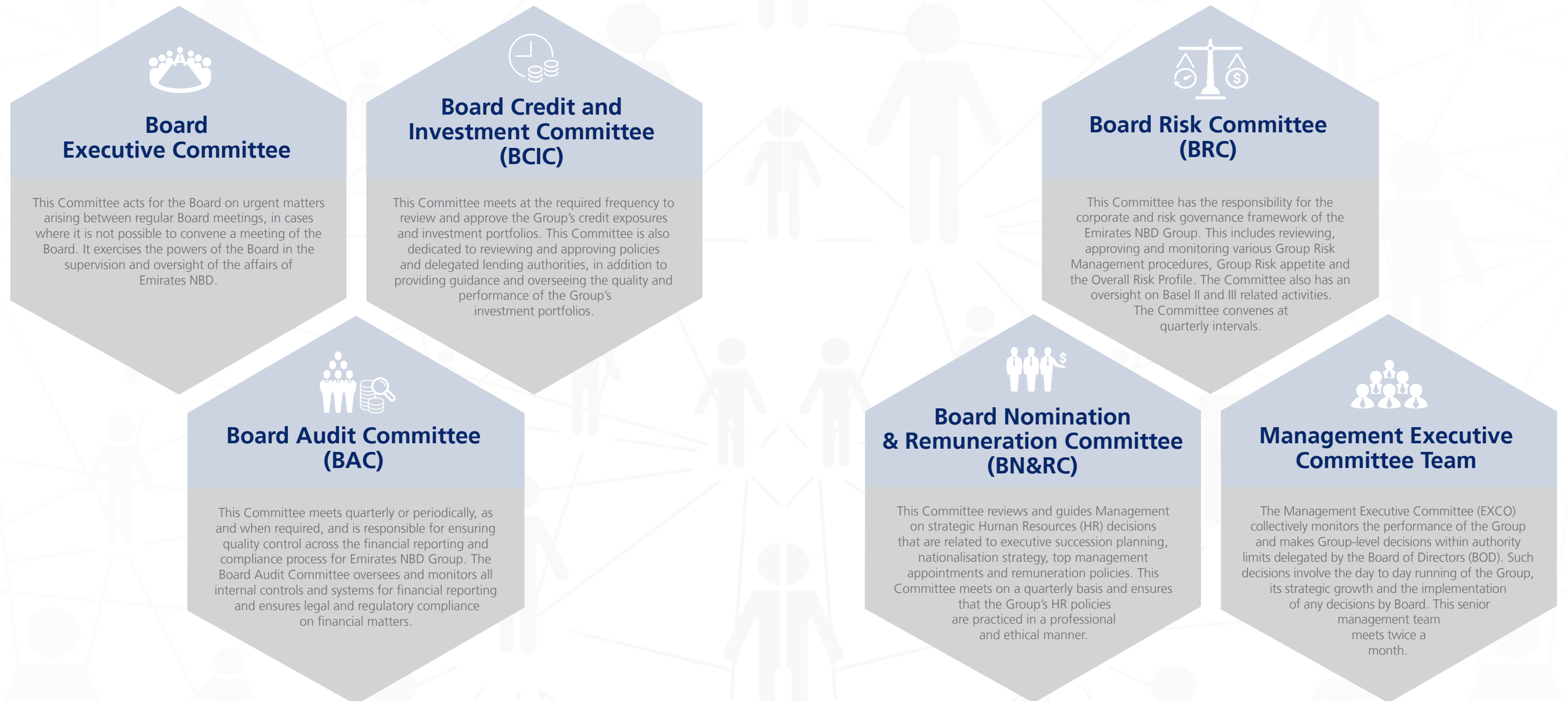
As provided in its Articles of Association, the Board is responsible for the overall direction, supervision and control of Emirates NBD. The Board's mandate covers a formal agenda for the overall strategy and oversight of the corporate structure, financial reporting, internal controls and risk management policies, as well as approval of the Annual Report and corporate dividends. Most of the members of the Board are mandated to be a suitable balance of executive, non-executive and independent directors. Emirates NBD defines 'independent' as having no perceived or actual conflicts of interest with any shareholder group or business partner.

Chairman	Vice Chairman	Director	Director
<p>H.H. Sheikh Ahmed Bin Saeed Al Maktoum</p> <p>June 2011</p> <p>Dubai Civil Aviation Authority President Emirates Airlines & Group Chairman & Chief Executive Dubai World Corporation Chairman The Dubai Supreme Fiscal Committee Chairman The Dubai Supreme Council of Energy Chairman The British University in Dubai Chairman Noor Investment Group LLC. Chairman Noor Takaful PJSC. Chairman Investment Corporation of Dubai (ICD) Director</p>	<p>Mr. Hesham Abdulla Al Qassim</p> <p>June 2011</p> <p>Wasl Asset Management Group/DREC CEO and Vice Chairman Emirates Islamic Bank PJSC Chairman Emirates NBD Egypt S.A.E. Chairman Dubai International Financial Centre (DIFC) Authority Board Member DIFC Investments LLC. Board Member Emirates Telecommunications Corporation (Etisalat) Board Member National General Insurance Co. Board Member Amlak Finance, Board Member Emirates Institute for Banking and Financial Studies (EIBFS) Board Member Dubai International Humanitarian City Board Member</p>	<p>H.E. Khalid Juma Al Majid</p> <p>November 2009</p> <p>Juma Al Majid Group Vice Chairman Central Bank of the UAE Vice Chairman Emirates Nationals Development Programme Member of Board of Trustees</p>	<p>Mr. Ali Humaid Ali Al Owais</p> <p>March 2013</p> <p>Al Owais Group Chairman United Food Company PJSC Chairman United Can PJSC Chairman Moderna Group LLC Chairman Modern Bakery LLC Vice Chairman Dubai Refreshment Co. PJSC. Vice Chairman Emirates Islamic Bank PJSC. Board Member Dar Al Takaful PJSC. Board Member Oman Refreshment Co. PJSC. Board Member</p>

Director	Director	Director	Director	Director
<p>Mr. Hussain Hassan Mirza Al Sayegh</p> <p>July 2007</p> <p>Jotun Powder Coatings Chairman Al Nasr Leisureland Deputy Chairman Oilfields Supply Center Ltd. Deputy Chairman Al Maktoum Foundation Director Emirates National Oil Co. Director National Bank of Fujairah Director Marsh InSCO LLC. Director Mawarid Finance PJSC. Director</p>	<p>Mr. Buti Obaid Buti Al Mulla</p> <p>July 2007</p> <p>Dubai Insurance Company PJSC. - Dubai Chairman Emirates Islamic Bank PJSC Vice Chairman Emirates Investment Bank PJSC - Dubai Vice Chairman Dubai Bank PJSC Director</p>	<p>Mr. Mohamed Hamad Obaid Khamis Al Shehi</p> <p>June 2011</p> <p>Emirates Financial Services PJSC. Chairman Emirates NBD Capital Ltd. Director Emirates Islamic Bank PJSC Director Dubai Bank PJSC Director Emirates NBD Asset Management Limited Director Dubai Real Estate Corporation – Government of Dubai Director Dubai Supreme Fiscal Committee Secretary Dubai Economic Development Committee, Sectoral Committees of the Executive Council Member Neuron LLC. Director</p>	<p>Mr. Mohamed Hadi Ahmad Al Hussaini</p> <p>June 2011</p> <p>Emirates Islamic Bank PJSC. Board Member Dubai Refreshment Co. Board Member Dubai Real Estate Corporation Board Member Etisalat Board Member Emaar Malls PJSC Board Member Emirates NBD S.A.E. Board Member</p>	<p>Mr. Shoaib Mir Hashem Khoory</p> <p>June 2011</p> <p>Dubai Bank PJSC. Chairman Lycee Francais International de Dubai Chairman International Concept Education LLC. FZ. Chairman Meydan MHK Education LLC. FZ. Chairman Emirates Islamic Bank PJSC. Board Member Dubai Real Estate Corporation Board Member Jebel Ali Cement Factory Board Member MAHY Khoory General Trading Board Member Mir Hashem Khoory LLC. Board Member</p>

Board Committees (102-33)

The following five Board Committees meet regularly to govern the Group's activities on behalf of its stakeholders:



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



Compliance

Compliance risk is the risk of legal or regulatory sanctions, fines and losses associated with damage to the Bank's reputation as a result of any failure to comply with applicable laws, regulations, policies or good practices. Group Compliance is responsible for assisting Emirates NBD's senior management in designing, implementing, delivering and supporting a framework that ensures appropriate measures are in place to mitigate these risks in all jurisdictions where the Bank operates. The Bank's Compliance Charter sets out the governance framework that ensures effective management of compliance risk.

Emirates NBD is committed to operating according to international best practices. A Compliance System Roadmap (for three years) was developed to consistently improve, enhance and implement industry-leading compliance systems throughout the Group, according to increasing regulatory requirements and good business practice. In line with the Roadmap, key initiatives covering Anti-Money Laundering (AML), Sanctions, Foreign Account Tax Compliance Act (FATCA) and Regulatory Compliance have been delivered during 2015 and 2016 – with further work continuing throughout 2017. As part of the Compliance Systems Roadmap, Emirates NBD has implemented automated processes to screen and monitor customers, counterparties and transactions, so as to ensure compliance with key regulatory requirements.

Transparency and accountability are central to Emirates NBD's business, ensuring that the controls necessary for effective risk management, regulatory compliance and accurate disclosure of information to the market are in place.

Collective Responsibility to Guard Our Ethics (205-2)

During the reporting period, Compliance worked closely with the businesses and support functions to improve policies, procedures, training, systems, controls and assurance processes.

Some key initiatives included:

- > The development / update of Group Policies covering Anti-Money Laundering (AML), Sanctions, Foreign Account Tax Compliance Act (FATCA) Breaches, Personal Account Dealing and Conflicts of Interest.
- > Continued progress on the three-year Group Compliance Systems Roadmap, as planned with five different systems / modules going live throughout various countries and businesses during the year. This included state-of-the-art payment, customer screening, FATCA monitoring, AML Transaction Monitoring and Regulatory Obligation systems. The effectiveness of the new screening systems was also independently tested and benchmarked against international industry peers.
- > The completion of the Know Your Customer (KYC) Remediation Project in the UAE and transition to ongoing Customer Due Diligence (CDD) in 2017. Digitisation initiatives, including online submission of CDD documents – and Emirates ID card readers being installed on all ATMs – have greatly assisted the project and will generate future efficiencies. Project resources have transitioned into permanent CDD Management roles within each of the businesses, as well as the Tanfeeth shared service centre to undertake ongoing periodic and trigger-based CDD reviews.
- > Continued regular dialogue with regulators in all countries where Emirates NBD operates – as well as key correspondent banks – to prevent de-risking and to ensure that the Bank keeps pace with regulatory and industry developments. In 2016, the Bank continued to proactively visit major correspondent banks, both at their premises and through industry forums (i.e. SIBOS, IMF and ACAMS conferences) to discuss progress on key compliance-related initiatives. An important achievement during the year was the opening of a new USD clearing capability, particularly during a period of continued de-risking.
- > The development and rollout of improved online and face-to-face training covering Sanctions, AML and FATCA across the businesses, branches and countries. This included the rollout of a Certificate course for the development of UAE Nationals working within the Compliance department.



On joining the Bank, each new employee is required to go through an induction process, whereby he or she is introduced to the Bank's Code of Conduct, the Employee Handbook and the Bank's Compliance policies.

The Bank also operates a Whistleblower Policy which sets out collective responsibility for reporting any fraud, suspicious behaviour or unlawful actions. Any team member can raise concerns by calling a dedicated number or sending an email to a dedicated address. All such reporters have the right to remain anonymous.

Risk Management & Business Continuity

(102-11), (102-18), (102-19), (102-20), (102-29), (102-30), (102-31), (102-33), (103-1), (103-2), (103-3), (307-1)



Risk Management



Emirates NBD Group Risk Management has been instrumental, and proactive, in identifying major existing and emerging risks and risk drivers, measuring and managing such risks against the backdrop of changing macro-economic conditions that can influence the Group's forward strategy.

Emirates NBD's Board Committees (Board Risk Committee - BRC, Board Credit and Investment Committee - BCIC), and management committees (Management Credit Committee - MCC, Group Risk Committee - GRC, Management Investment Committee - MIC, Asset Liability Committee - ALCO, Executive Committee - EXCO) are the principal governance structures that endorse and entrench risk management policies and practices across different business lines and processes.

The Chief Risk Officer (CRO) is responsible for implementing the risk policies as required and supervising risk strategy across the Emirates NBD Group. The CRO reports on overall risks and their management to the BRC on a quarterly basis.

The Board's Role in Evaluating Economic, Environmental & Social Risks



Employees are encouraged to raise critical economic, environmental or social risks with the relevant Board Committees depending on each committee's area of responsibility. Any critical concerns must be addressed through the Group General Counsel, the Group Chief Risk Officer or the Chief Compliance Officer. The topic will then be raised with the responsible Board Committee. The Committee receiving the critical information will then address the issue with the appropriate management and employees and take necessary action.

During the reporting period, several risk issues (within the regular course of business) have been addressed by the BRC and other committees. Such issues have included risk, audit, compliance and legal matters. All issues were addressed appropriately and as per the Committee's guidelines. The Board is informed whenever there are any updates on Bank policies and regulations during their regular meetings. The implementation of any changes requires Board approval.

Credit Risk - Corporate Banking

Emirates NBD has taken several initiatives to review and enhance policies and processes – so as to manage emerging risks, improve efficiencies and customer service; all are aligned to business strategy and risk appetite. For example, timely portfolio measures were employed to tighten underwriting standards, new client selection and the strengthening of underwriting terms and conditions, in order to maintain the quality of asset booking. In addition, security and other credit terms were enhanced, where warranted, to meet risk acceptance criteria. Periodic stress tests and reviews of the portfolio by geography, segment and sectors were undertaken to identify and proactively manage the weaker names through a robust and well-entrenched 'early alert' process.

Our portfolio remains well-diversified and within prescribed regulatory and internal thresholds. Breaches, if any, are kept within acceptable levels and are then dealt with proactively. The overall impact on Emirates NBD's corporate book, on account of new NPLs and provisions, has accordingly been contained.

The UAE Central Bank's criteria for asset classification and previously implemented ceilings were adhered to, ensuring that delinquency classification and compliance met provisioning norms. The Financial Restructuring and Remedial (FRR) team continued its recovery efforts from delinquent customers; this ensured efficient collections and reduction in the flow of new Non-Performing Loans (NPLs) while minimising the impact of NPLs on the Bank's performance.

The outlook for 2017 remains cautious. Economic conditions and sentiment remain subdued, with expectations of a phased recovery in oil prices and economic activity after mid-2017. That said, Emirates NBD remains committed to support its customers' activities to facilitate the Bank's strategy, growth agenda and to contribute to improving the UAE's economic activity.

Credit Risk - Retail Banking

Group Retail Credit proactively monitored portfolios and implemented strategies related to the external environment, focusing on selected segments. Portfolio management monitoring of existing customers continued, resulting in regular credit line reviews. The Bank's risk strategy is designed to support portfolio growth within acceptable risk appetite thresholds and to ensure that established objectives have been met.

This year, the Bank continued to make progress in building balance sheet growth in retail assets. The Bank has taken important initiatives for the recovery of non-performing advances and impairments.

Credit losses in retail assets are within the risk appetite. The financial performance of retail assets was robust and all products generated healthy returns. Going forward, the Bank will continue to focus on profitable and low-risk segments, so as to consolidate its retail banking portfolios – while investing in specific technological tools that will enhance operational efficiencies in its credit underwriting streams.



Economic, Environmental and Social risks fall under Operational and Reputational Risk and are addressed accordingly. The Chief Risk Officer (CRO) is responsible for implementing the risk policies as required and the risk strategy across the Emirates NBD Group. The CRO reports on the overall risks and management landscape to the BRC on a quarterly basis.

Internal Rating Systems Development

The Bank continued its use of internal rating models during the period. Data-driven risk assessment and decision models were extensively employed across wholesale and retail customer credit lifecycles: namely acquisition, portfolio management, collections and recoveries. Internal models and scorecards are monitored regularly. The Group now plans to achieve compliance to IFRS 9 standards by 2018. On this front, quantitative impact analysis was submitted to the UAE Central Bank – progress was also made on modelling work for a majority of Emirates NBD’s retail portfolios during the course of 2016. IFRS 9 model development for Emirates NBD’s wholesale portfolios has also progressed.

The internal scorecards and models for IFRS 9 impairment charges are validated against our internal model governance framework and external regulatory standards by independent third parties.

Portfolio Impairment Provisions (PIP)

The Bank continued to maintain portfolio impairment reserves in line with international accounting standards and the UAE Central Bank guidelines. The Bank’s general reserves remained above the target coverage ratio set by the UAE Central Bank. Portfolio impairment reserves also helped. Portfolio impairment reserves also helped improve the Bank’s coverage ratios during the course of 2016.

Capital & Portfolio Analytics

The Bank continues to strengthen its risk management capability and to develop its risk governance framework. The Bank has a risk strategy and risk appetite framework implemented and approved by the Board. Risk appetite metrics are regularly monitored and reported to the Board Risk Committee, enabling the Bank to track and manage risks in a disciplined way.

The Capital and Portfolio Analytics team actively tracks the reports from the Basel Committee on Banking Supervision for global regulatory frameworks. The Bank progressively integrates relevant aspects of the Basel framework and collaborates with the UAE Central Bank on these changes, so as to build a more resilient banking platform.

“ The Bank conducted its annual Internal Capital Adequacy Assessment Process (ICAAP) during 2016. This process provides the Bank with an assessment of potential risks and capital requirements under stressed scenarios. Through this exercise, the Bank has developed a systematic approach to manage capital requirements during times of stress. The report was approved by the Board of Directors and submitted to the UAE Central Bank.

Operational Risk

Group Operational Risk continues to work closely with all the Bank’s business lines and subsidiaries to raise awareness of operational risk. Key risks across business units are identified and discussed at the Group Risk Committee (GRC). A process is in place for the collection and reporting of operational risk data. The practice of conducting a risk review as part of the ‘New Product and Process Approval’ (NPPA), prior to the launch of any new or amended product; running Operational Risk Assessment Workshops (ORCA) is an essential process in the Bank’s operational risk management activity, in order to embed a risk culture throughout the organisation. Key Risk Indicators (KRIs) are used to monitor the levels of operational risks and associated issues in the Bank.

Business Continuity



Emirates NBD has established a rigorous business continuity management framework that allows for quick reactions to any disruptive events that may affect the continuity of the Bank’s operations. Business continuity plans are reviewed and tested at least annually across the Group, ensuring seamless service to customers and partners during any potential operational disruptions. The Bank has established a modern work area recovery site to provide all required facilities to business and operational units in the event of regular office units being inaccessible. Group Operational Risk regularly conducts awareness programmes for all employees.

The Group Business Continuity Management Policy has been framed to set out the minimum standards for all organisational units in preparing for, responding to and recovering from any operational disruption. It lays down requirements for design, development, exercise, maintenance and review of the “business continuity plans” for all Emirates NBD organisational units. The policy ensures consistent and structured planning throughout the Bank in line with international best practices.

Work Area Recovery Site

Emirates NBD has a Work Area Recovery Site, an alternate location where a department can relocate swiftly to resume its critical functions, in case the primary location is not accessible or functional. Details of the location are provided to all employees and the site is managed by the Group Operational Risk Team.

Business Continuity Coordinators

Business Continuity Coordinators are staff members nominated to perform business continuity management tasks for a specific unit. Each unit has one primary and one backup coordinator, who act as a Point of Contact for all BCM related activities.

Crisis Management Plan

This plan is framed to guide Emirates NBD’s management in handling a crisis situation, with the objective of a successful return to ‘business as usual’ conditions. The bank has a detailed plan which provides clarity on roles and responsibilities of all staff and teams involved during a crisis; it also sets out a clear governance structure for every potential crisis management situation.

Innovation and Customer Experience



Customer Satisfaction



Our relentless customer focus bears significant influence on every employee's performance and carries a significant weight in our annual performance management balanced scorecard.

With "customer focus" and "service excellence" being two of our core organisational values, raising our service standards and setting new service benchmarks for the industry remain our key priorities. We work diligently to constantly improve the customer experience and service culture at the Bank.

The Customer Experience unit defines our service excellence strategy and framework throughout the Bank; setting and monitoring service standards, driving external and internal service excellence through efficient processes, enabling our people and adequately rewarding and recognizing their efforts. The unit also facilitates the resolution of root causes of customer complaints and promotes a customer-centric culture that builds long-term customer relationships.



Our organisation is completely customer-focused and is available to service customers through all available channels.

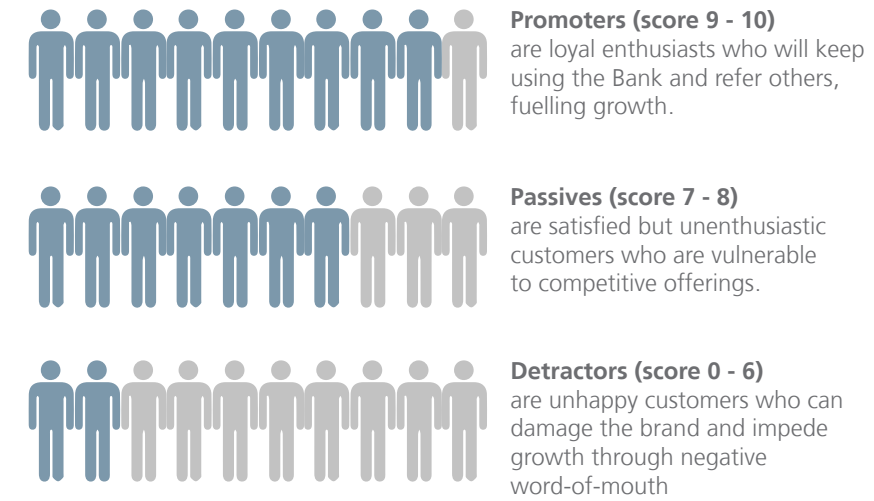
Customers can request information from	Customers can send requests through	Customers can raise complaints through
Our Branches	Our Branches	Our Branches
Call Centre	Call Centre	Call Centre
Website	Online & Mobile Banking Platforms	Online & Mobile Banking Platforms
Relationship Managers	Relationship Managers	Social Media Channels
Social Media Channels		Central Bank
		Media

Voice of Customer

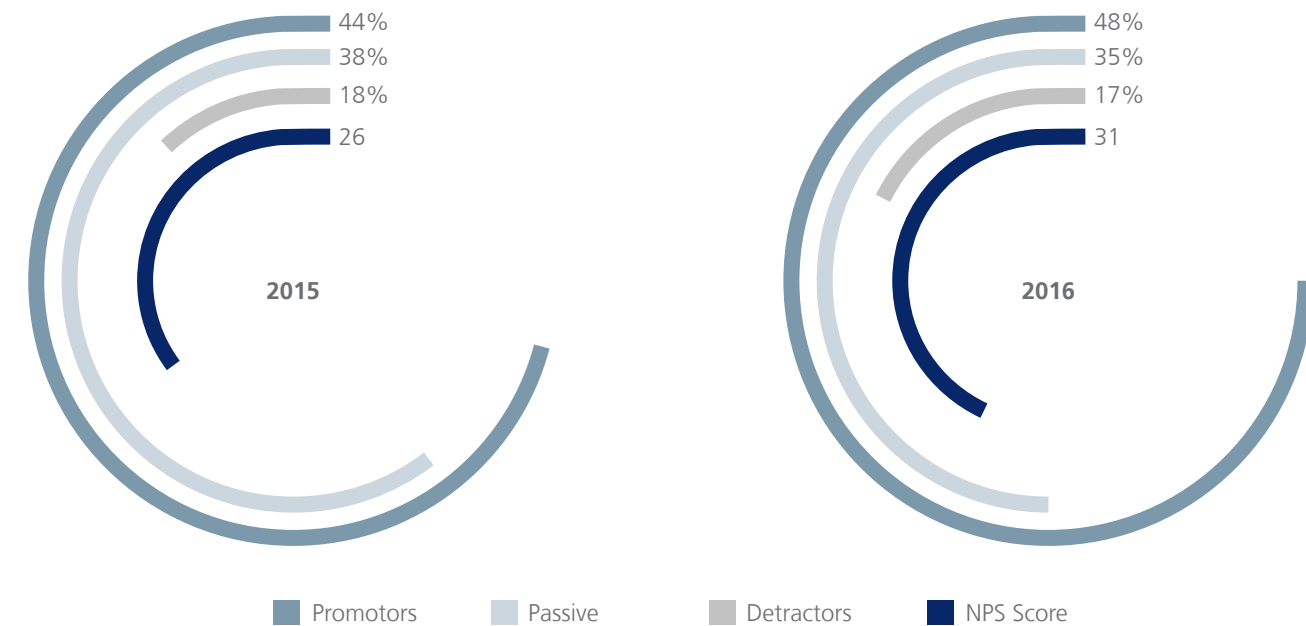
We measure customer satisfaction on a monthly basis. Our Voice of Customer programme is designed to better understand customer views on different aspects of the relationship, including recent experiences with one of the key touchpoints at the Bank. We also measure customers' perception evolution over time and identify key priorities for action to enhance the experience. Tools used to gather feedback are social media, phone, SMS, ATM machines and face-to-face.

Net Promoters Score (NPS)

The Net Promoters Score (NPS) measures customer experience and predicts business growth. NPS groups customers into three categories as follows:



Subtracting the percentage of Detractors from the percentage of Promoters yields the Net Promoter Score.





Customer Relationship Management (CRM) Governance & Workflow

Our CRM system ensures that we handle all customer concerns optimally. This is done by creating different parameters to address all types of complaints and requests. It also provides front office staff with a cockpit view of all customer interactions and financial footprints. This 360 degree view allows frontline and back office staff to resolve queries and complaints, without having to move through multiple systems.

XCEED Incentive Programme

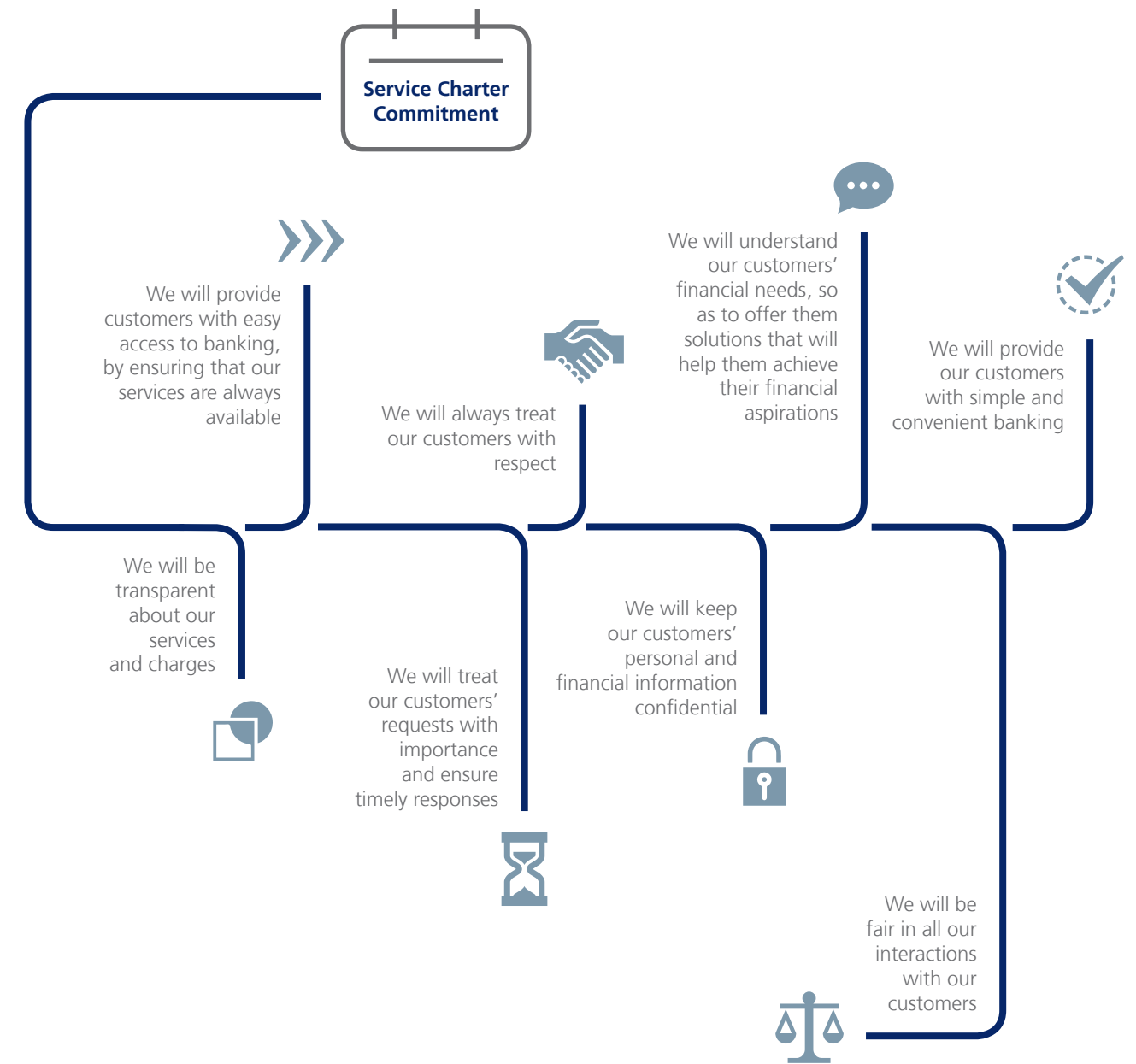
Our centralised staff performance report helps to manage the incentive and performance of ~2,700 staff across Retail Banking. The scheme, which incentivises all staff involved, is called "XCEED". The XCEED incentive programme is based on a "pay for performance" culture, through which a producer is incentivised on the value add that he/she brings to the Bank. The XCEED platform has been instrumental in driving productivity year on year. There is also a robust management information system and reporting process in place, which provides meaningful insights for top management that facilitate decision-making.

The Customer Service Excellence Programme

The Bank's customer experience proposition is built around a strategic organisation-wide platform called the 'Customer Service Excellence Programme' (CSEP). This ensures that customer experience-related initiatives are implemented and sustained across all channels while ensuring service consistency. These initiatives include 'Customer Journeys' (which involves redesigning the customer experience across segments, products and services), 'Proactive Services' and our 'TOP (Trust, Ownership, Personal Touch)' service model.

TOP and the Customer Service Academy

The key objective of the Academy is to encourage long-term differentiation and business excellence by leveraging our core values of Customer Focus, Innovation and Service Excellence. The employee training programmes offered by the academy are designed around our customer service model: Trust, Ownership and Personal Touch (TOP). The manifestations of TOP are detailed in our Service Charter Commitment:



Customer Appreciations

This programme celebrates employees who have succeeded in giving TOP Service to customers and have received an appreciation. Customer appreciations are published on our intranet and two winners are identified every month. Success stories of every appreciated employee are available for everyone to read and seek inspiration.

#YouMakeUsBetter

Our employees are encouraged to seek customers' feedback and implement it. We developed the #YouMakeUsBetter hashtag to thank our customers and showcase how we are eager to implement their comments and address their concerns.



Group Complaints Management Unit (CMU)

This unit plays a critical role within the organisation. It is responsible for boosting the customer experience by:

- > Managing complaints and suggestions received through various critical channels (such as the Central Bank, Media, Social Media, Senior Management and Website) in order to ensure a swift resolution
- > Suggesting and facilitating reasonable service recovery for any complainant and ensuring that the root cause of any complaint has been addressed and rectified

Customer Days

At Emirates NBD, the focus of the organisation is steadily moving from a transactional mindset towards the enhancement of customer experience and building positive relationships with our customers. With "Customer Experience" chosen as the key differentiator, the Customer Days initiative was launched and has become a platform to connect with our customers on a regular basis. The objectives are:

- > Promote Emirates NBD as a customer-centric organisation with the focus on service excellence
- > Instantly assist customers with their frequent issues and queries
- > Manage customer relationships through constructive feedback and suggestions

Customer Days help us to optimize our customers' experience as well as to understand their needs and behaviors. A positive and effortless customer experience then results in increased customer satisfaction, loyalty, advocacy and greater customer lifetime value.

Marketing & Labelling (103-1), (103-2), (103-3)

Our growth and expansion is based on constantly innovating new products and services to better serve our clients' needs. We practice responsibility in labelling and marketing all our products and services to ensure all existing and potential customers are always accurately informed. This in turn ensures that none of our marketing efforts could be misleading or leave room for misinterpretation. If any customer raises any concern, our Complaints Management Unit immediately investigates the issue and takes necessary action. The team responsible for any inaccurate labelling or marketing efforts takes on the responsibility of addressing the issue and, if necessary, reaching out to the customer to explain what further steps will be taken to avoid such incidents.

Privacy & security (103-1), (103-2), (103-3)



“ We realise that customer privacy and security are crucial to our growth and future business stability. Confidentiality for all personal and financial data, and all dealings related to customer relationship management, is of utmost priority.



Our Group Security Unit provides the Bank with a holistic approach to security management and ensures that all branches receive specialist support related to identification, treatment of security risks and management of security related projects.

All processes and practices related to customer privacy and security are strictly regulated through the Bank's Code of Conduct. We comply with all policies and regulations mandated by the UAE Central Bank for customer privacy and security. We also align with global standards and best practices to safeguard our customers' information and privacy. Such standards include (but are not limited to) ISO 27001: 2013, the Open Web Application Security Project (OWASP), the National Institute of Standards & Technology (NIST), the Center for Internet Security (CIS) and SANS.

Our Group Security Unit provides the Bank with a holistic approach to security management and ensures that all branches receive specialist support related to identification, treatment of security risks and management of security related projects. This applies to all stages from design and implementation to maintenance of systems and operations-related activities. We have a layered information security structure, managed by security professionals within Group Information Security Management, Group Operational Risk and Group Internal Audit. All key security decisions affecting customer data privacy and security are taken jointly by a group of members belonging to these units.

We invest heavily in security technologies, software and physical infrastructure. We also conduct ongoing internal tests to ensure that our system is immune to attacks and that our customers' data is completely safeguarded. We use the Defence in Depth Approach which deploys multiple layered technologies and processes to protect customer and data

privacy. Typical technologies include (but are not limited to) Firewalls, Intrusion Prevention Systems, Malware Detection and Event Management Systems. We constantly communicate with our customers to ensure they also take part in actively protecting their own data. We keep track of the latest global trends in fraud attempts, phishing, vishing, viruses and malware, and communicate warnings to our customers simultaneously. The Bank's Vulnerability and Threat Management Programme consists of exercises that assess potential weaknesses in Emirates NBD's infrastructure and application and thus provide insights on emerging security threats.

The latest security focus of Emirates NBD is to align, and be compliant with, the Information Assurance (IA) standards mandated by the National Electronic Security Authority (NESA) -- a government body tasked with protecting the UAE's critical information infrastructure and improving national cyber security.



Customer Friendly Security Initiatives

During the reporting period, we introduced simpler and more secure customer-friendly initiatives as follows:

- > Online submission of identification documents for updating Know Your Customer (KYC) details
- > Smart Pass – a secure and convenient way of authorising digital banking transactions via a soft token without the hassle of waiting for the SMS Authentication Code
- > Enhancement of mePay which makes cash transfers quick and easy. Using any Emirates NBD ATM or their mobile banking app, customers can now transfer cash to anyone in the UAE using only the recipient's mobile number

Shared Responsibility

Engaging our employees and customers during the reporting period, we have further enhanced our communication of security awareness threats to customers, by informing them of recent threats.

We also invested in our employee awareness programmes by enrolling employees, contractors and consultants throughout the Bank on security awareness simulation courses via innovative gaming concepts.

In addition, we conducted classroom security awareness sessions that depict real life and actual attack scenarios.

We also communicate regularly with our customers through social media, and especially through our innovative YouTube videos on banking security.

Fraud Prevention & Investigations

The Bank is determined to build and maintain a credible defence to the threat posed by fraud. The Fraud Prevention and Investigations Unit provides a specialised service for interdiction of fraud perpetrated against the Bank. In addition to providing fraud awareness training by developing the function, the Fraud Prevention and Investigations team collaborates closely with management in the identification and mitigation of fraud risks.

Emirates NBD has a number of policies and procedures in place to ensure compliance with prevailing legislation and limiting risk, including the risk of fraud. The anti-fraud policies are published to ensure that Bank employees have access and that awareness is created.

The Whistleblower Policy for reporting of malpractices is designed to encourage employees to feel confident in reporting suspected internal fraud and other breaches, while safeguarding them from retribution.

Technology & Innovation

Technology has revolutionised the banking industry and drastically transformed the ways in which banks do business. This wave of innovation offers a number of opportunities for those who are able to move quickly, and a set of challenges for those unable to move as fast. Willingness and the ability to innovate as an industry are key to delivering banking services adaptable to customer needs. They protect the industry from becoming obsolete or redundant, and ultimately contribute significantly to the survival and long-term growth of banks.

Implementing a proactive approach towards global trends and reiterating the Bank's commitment to support the Dubai Smart City vision, we continuously innovate new products, solutions and services that are customer-centric and are designed to make our customers' lives simpler. Our dedication in running an efficient organisation has led to many initiatives focusing on streamlining our organisational setup and eliminating overlaps.

Supporting the Bank's digitisation journey, these initiatives have paved the way in enhancing the customer experience across multiple channels through projects such as Automation of Audit Letters, KYC remediation through installation of Emirates ID card readers on ATMs (EIDA readers) and enabling document upload to our website, Smart PDF for Bulk telegraphic transfers and Account Maintenance and introduction of Biometric Signatures on the mobile banking app.

In 2016, IT landscape optimisation was a major focus area to increase organisational agility and further enable digital banking. We pledged to invest AED 500 million over the next three years for digital innovation and multichannel transformation of processes, products and services. We also launched the UAE's first digital bank, targeted directly at millennials. This will be a first-of-its-kind 'by the customer, for the customer' initiative, using digitisation and social input as key enablers. The new digital bank will offer customers the next generation of self-service money management with useful tools and applications. It will reinforce the Bank's position as a digital pioneer in the GCC region and as a key player in the emerging global digital banking industry.

Our Multichannel Transformation Programme puts significant emphasis on digital channels, to offer products and services never seen before in the region. It is designed to maximise efficiency and improve service delivery by

optimising the Bank's distribution mix. We will continue to work on our multichannel integration in order to deliver a superior customer experience. We will also extend servicing of products through online, mobile and social channels, whilst prudently investing in new digital products and capabilities.

Infosys, our strategic implementation partner, awarded Emirates NBD its 'Client Innovation Award' in 2016 for the Emirates NBD Pay, EIDA Integration and Open API projects in customer service innovation.




Emirates NBD Mobile App


Emirates NBD's mobile banking app is consistently ranked #1 in the Finance category in the UAE App Store, with an average of 4.5 stars/5 stars for customer satisfaction and over 810,000 downloads. The app is available on all major operating systems including iOS, Android, Windows and BlackBerry, both for smartphones and tablets.



Establishing the Future Lab

The Future Lab is the first of its kind in the UAE banking sector, where it acts as a strategic think tank and testing centre for innovative ideas, products and services for the Bank's retail and wholesale customers. The three focus areas are:

- Digital First:** To explore how digital channels can truly impact the present and future of banking and offer a differentiated, more seamless and convenient banking solution to the customer
- Self-service:** To encourage the adoption of digital products and services by enhancing their user-friendliness and engagement value
- Process Innovation:** To achieve operational efficiency by optimising and aligning internal processes





Emirates NBD Pay

Emirates NBD continued to lead the mobile application space in the region by introducing Emirates NBD Pay, a contactless payment app, plus enhancements to the mePay platform. These offer local funds transfer via ATM or the app to any recipient in the UAE, including non-customers, in addition to cardless ATM cash withdrawals via the app. Our mobile banking app has earned international and regional accolades from Global Finance Magazine, Asian Banker, Smart Cards & Payments Middle East, and Shortlist magazine's App Awards, among others.

Cheque Clearing System (ICCS)

Our Wholesale Banking clients can deposit cheques from the convenience of their scanner through our Image-based Cheque Clearing System (ICCS). This system allows for better management of cash flows and is ideal for any business that handles a high volume of cheques.





Launch of Mobile Cheque Deposit Facility

Emirates NBD became the first bank in the Middle East, Asia and Africa to offer a Mobile Cheque Deposit facility, allowing our Private Banking and Priority Banking customers to deposit a cheque (issued by Emirates NBD) via our mobile banking app. Customers can capture the image of the cheque and then upload it via the Bank's mobile app, saving them the hassle of visiting a branch or a Cheque Deposit Machine (CDM). In addition, the Bank has introduced the 'Mobile Queuing Ticket' service, a functionality that enables all our customers to obtain a queuing ticket for their branch transactions via the mobile app, even before reaching a branch, thus reducing the waiting time on arrival.

Introducing an Interactive Teller Machine (ITM)

The ITM elevates the traditional ATM experience by incorporating a real-time video connection that enables customers to interact with a teller, similar to a branch experience, without timing limitations or queuing. In addition, the ITM offers significantly enhanced services with a human touch, including the option to use Emirates ID to conduct transactions.





EVA - Emirates NBD's Virtual Assistant

'EVA™', is the region's first intelligent voice-based and chatbot Virtual Assistant for banking in the Middle East and North Africa (MENA). Emirates NBD Future Lab is currently piloting EVA™'s voice capabilities via a select customer user group for calls to its customer service centre. The beta version includes chatbot capabilities via the Bank's Facebook messenger, soon to be extended to its popular mobile banking application. The pilot enables the user group to interact and receive assistance from EVA™ using natural or conversational English, offering a more intuitive and personalised customer experience based on artificial intelligence algorithms.

Introducing Pepper

'Pepper' is an artificial intelligence robot that will interact with customers to understand visitation needs and present alternative products and services in an engaging way, assisted by the Bank's staff. Pepper will not deal with core banking functions. However, as the world of artificial intelligence and robots evolves, the Bank will continue to engage with these technologies to make banking simpler and more convenient.






Mobile Banking App links to Dubai Government's Smart Dubai Happiness Meter

The strategic partnership between Dubai Government and Emirates NBD underwrites the Bank's goal of providing superior customer experience through its digital services. The Smart Dubai Happiness Meter is a scientific approach to measuring happiness. Emirates NBD customers have been given the choice to choose between three ratings: happy, unhappy and neutral depending on the quality of their experience with the Bank's mobile banking app, thus creating a direct link for feedback between the Bank and its customers.

Banking via Twitter

This first-to-market banking service will allow Emirates NBD customers to simply tweet enquiries about their current or savings account or their credit cards, and also to perform transactions such as balance enquiries, viewing the previous five transactions or requesting the previous month's e-statement. The Bank will be able to respond to queries instantly, via a direct message, in order to safeguard customer privacy.





DirectRemit

Sending money to India, Philippines, Pakistan and Sri Lanka instantly.


Smart Touch on Mobile App

Viewing accounts using only a fingerprint.



The FinTech Challenge

Launched in February 2016 in partnership with the Berlin-based Open Bank Project, the Emirates NBD Global Innovation programme is considered a first by any bank from the Middle East. The 2016 FinTech Challenge invited FinTech experts, start-ups and individual developers/innovators from across the globe to present their big idea on financial technology: the winners were selected by the senior management of Emirates NBD and Emirates Islamic.



Ethical Collections



During the Global Financial Crisis between 2007 and 2009, Emirates NBD's retail banking had one of the lowest payment default rates in the UAE.

As a key operation in every bank, the Collections Unit ensures a healthy financial standing and assures that customers are empowered through facilitated lending and collection tools.

All the Bank's teams are fully trained on our ethical collection policy and follow a well-studied process that ensures the customer is always treated in the most effective ethical manner.

For our Retail Clients, the ethical guidelines that govern our collections operations are given below:



Customer segmentation: Loan customers are segmented, based on their behaviour when it comes to paying off their loans under the headings Platinum, Gold, Silver and Bronze. Our team follows a different outreach process based on each segment. For example, Platinum customers tend to pay on their own without reminders while Bronze customers tend to need several reminders before making a payment.

Pre-default date reminder: Clients who are expected to default receive a reminder through SMS or a telephone call.



Respecting time: Customer calls take place during official working hours only, unless a customer has indicated his/her availability after working hours. No calls are made on holidays, on Fridays or during Iftar in the holy month of Ramadan.

After default date: Customers are informed that their credit ratings will be affected negatively through the Credit Bureau; they are reminded again of pending payments. Customers may also receive a formal letter reminding them of the due payment.



Monitoring quality: All collection calls are monitored for quality assurance and training purposes, and to ensure the collections process has been implemented ethically and according to the Bank's guidelines.

Empowering the collections team: All collection targets for employees are logical and attainable. This ensures that our team members are comfortable achieving these targets and thus do not feel the need to pressure the customer or escalate matters beyond the Bank's guidelines.



Escalation Guidelines

- > We use every possible collections tool before having to escalate or engage law enforcement authorities. It is considered the very last resort and cases are filed only after a certain number of days have passed beyond the default date without any payment.
- > If a police case is filed, and the customer then settles the payment, we update our records immediately so that the customer does not have to engage further with the police or receive more collection reminders from the Bank.

Facilitation

- > In case a customer is deceased, the Bank freezes all future interest amounts on the loan. The Bank then reaches out to family members to provide documents for insurance claims, so as to close the liability and to provide the family with insurance benefits where applicable.
- > The Bank is proactive in providing solutions for customers under financial stress, like restructuring their liability, offering upfront settlements, enabling the customer to repay his/her liability in instalments or in one lump sum.

Training & Development

- > Our Collections team is empowered through a three-week induction training course on how to be efficient and ethical collectors. The induction training covers the Bank's vision, mission, values and necessary soft skills. It also focuses on the importance of listening to our customers and engaging with them. We have also developed 24 learning modules that cover different critical situations and highlight the quality-centric collection skills needed for our different products.

Responsible Supply Chain

(102-9), (102-10), (103-1), (103-2), (103-3), (204-1), (408-1), (409-1), (412-1), (414-1)



Suppliers Assessments & Selection



The Procurement Policy requires that all vendors comply with our Bank's Code of Conduct and demonstrate compliance with all UAE laws and regulations.

Our sustainable banking practices cannot be achieved without holding our supply chain accountable to the same sustainability standards. The Procurement Policy requires that all vendors comply with our Bank's Code of Conduct and demonstrate compliance with all UAE laws and regulations.



When we collaborate with suppliers who provide manpower, we ensure that they fully comply with the UAE's Labour Law. Prior to granting contracts, our team conducts site visits to suppliers' labour camps and assesses living conditions according to criteria that we have developed internally. If any camp conditions are inadequate, we extend our feedback to the supplier and demand improvements. We proceed with signing these contracts only once these expectations have been fulfilled, when the supplier is deemed compliant with our humane living criteria.

During the reporting period, there have been no significant changes to our supply chain, and we have not identified any issues related to forced labour, child labour, inhumane living conditions or any breaches to labour or human rights.

We are currently updating our Procurement Policy to include clauses related to ethics and governance, fair trade, environmental considerations, labour and human rights.



Empowering Local Suppliers (204-1)

The Bank has a responsibility to generate direct and indirect economic impact in every country where it operates. Therefore, we seek to source locally from companies registered in the UAE whenever possible and to ensure that our sourcing policies and practices extend beyond awarding contracts purely on price.

Facilitating Onboarding of Suppliers

Our streamlined processes ensure a smooth onboarding process for all suppliers. Our online system consists of a user-friendly platform which provides all new suppliers with necessary tools and forms to complete this process. We continuously work with our suppliers to gather feedback and further enhance the onboarding system through new processes and updated features.

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



“ Being a part of the leading banking group in the region means that Emirates NBD is always striving to recruit, nurture and grow the best employees the region has to offer.

Our employee value proposition revolves around providing exciting challenges at work, supporting personal development and rewarding superior performance.

All our people practices are designed to be as comprehensive and transparent as possible, with the aim of engaging our employees while reinforcing a cohesive organisational culture. It is not just about work with us, it is about a 360 degree approach that balances work with the diverse needs and interests of our employees. Our people are provided with the best service and the utmost support in all their endeavours to be successful.

Husam Al Sayed
Group Chief Human Resource Officer

Employee Engagement (103-1), (103-2), (103-3), (402-1)



We believe that our people are our most valuable asset. We heavily invest in nurturing an open work culture that identifies diversity, skill development, communication and collaboration as key elements in our growth. In order to guarantee the effective engagement of employees, and ensure necessary time to implement their feedback, we provide a notice period of one to four months for all operational changes.

HR Outreach Programme

One of the Bank's key engagement operations is the "HR Outreach Programme", which is facilitated by HR Business Partners (HR BP). The HR BP visits all Bank branches to hold sessions open to all employees. These sessions may take the form of an open forum, a discussion of a particular change or one-on-one sessions. Employees are informed of these visits by their department in advance, so they can prepare any queries or raise any concerns.

This programme has resulted in the creation of new initiatives, expanded learning and development opportunities and continuous proactive approaches to new issues as they emerge.



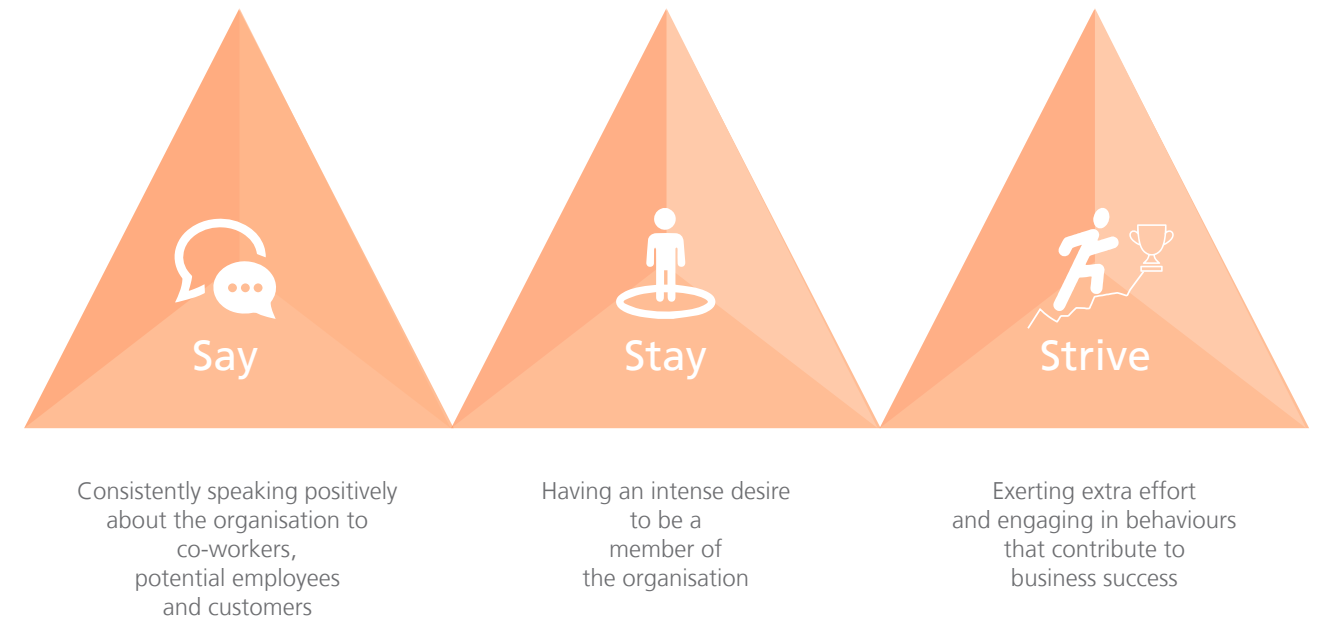
Our Human Resources unit is constantly introducing unique and innovative engagement programmes, while opening new communication channels to ensure that all employees have a chance to voice their opinions and provide feedback.



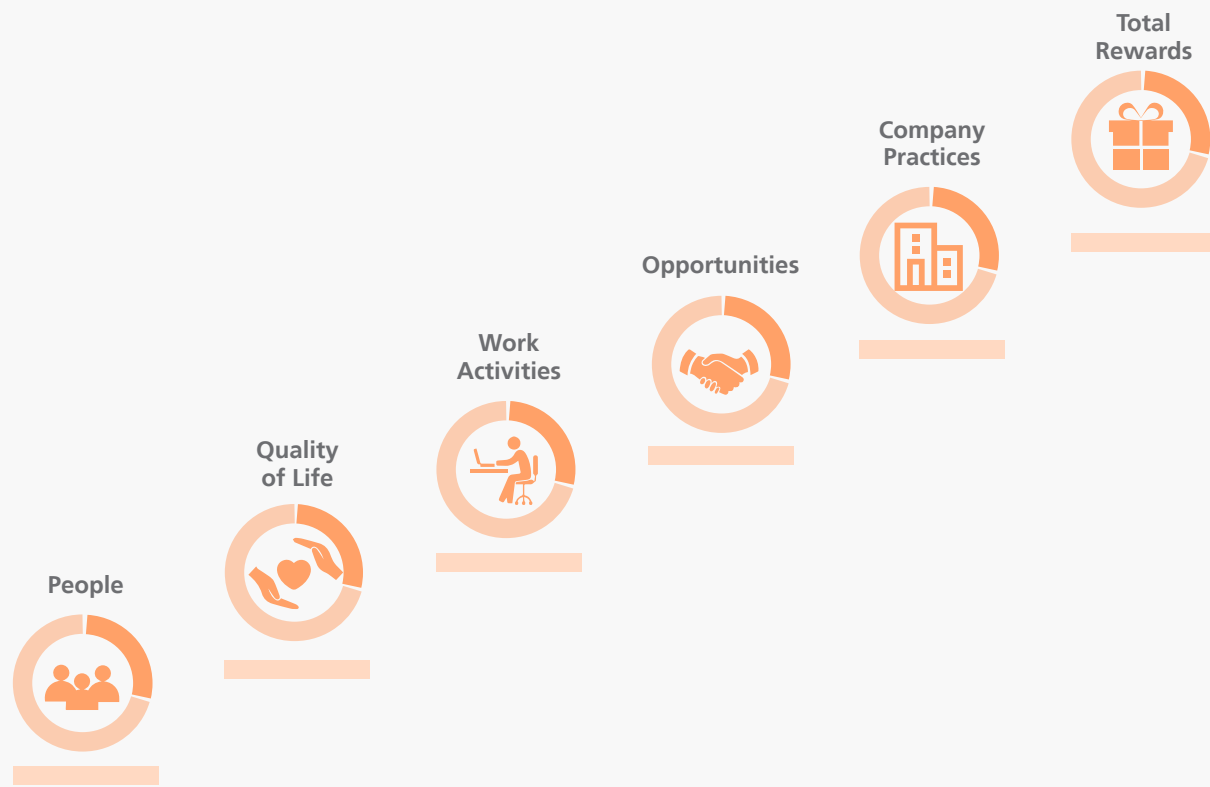
Souwti

Souwti is the Arabic word for 'My Voice'. It is an employee engagement initiative, designed to understand employee opinion about all areas that have an impact on Emirates NBD – and to identify key focus points for attention and action where these may have a significant impact on the employee in the future.

The three key behaviours that exemplify strong engagement are:

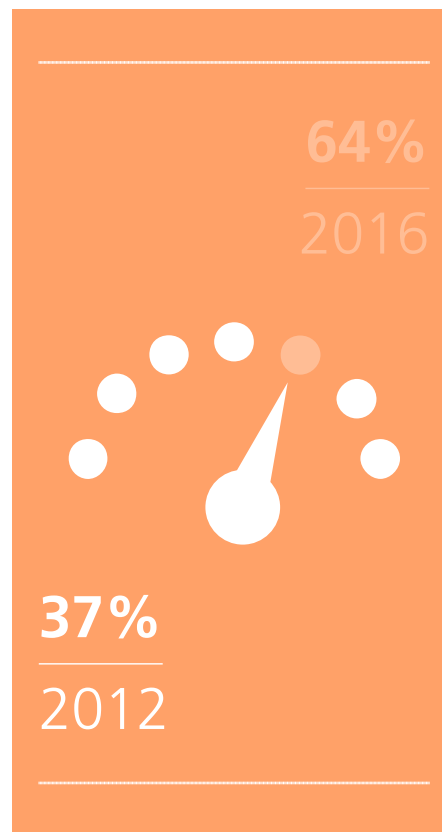


Engagement Drivers



We launched Souwti's employee engagement survey in 2012. The Bank's leadership team was committed to the engagement journey, and rolled out the survey against the backdrop of negative coverage of employee staff cuts. The results showed that our overall engagement score was 37%, i.e. in the second bottom quartile. The leadership team understood that it would now be a priority to take action and move the needle toward the top quartile. In this way, we began our employee engagement journey by being transparent – and communicating our scores and what that meant through out the organisation.

So far, the survey score has increased from 37% in 2012 to 64% in 2016. Throughout this journey, we have faced various challenges from common misunderstanding of the true meaning of engagement and shifting mind-sets of leaders, to aiming for "high scores" to acting on "employee issues" and empowering engagement champions to develop and facilitate action plans. An employee engagement score of 64% is already higher than similar engagement benchmarks in both GCC and global commercial banks. It is particularly heartening to note that this level of engagement was achieved despite the constraints on pay increases and the rationalisation of the workforce that prevailed during the year due to challenging business conditions.



Diversity and Inclusion (103-1), (103-2), (103-3), (402-1)

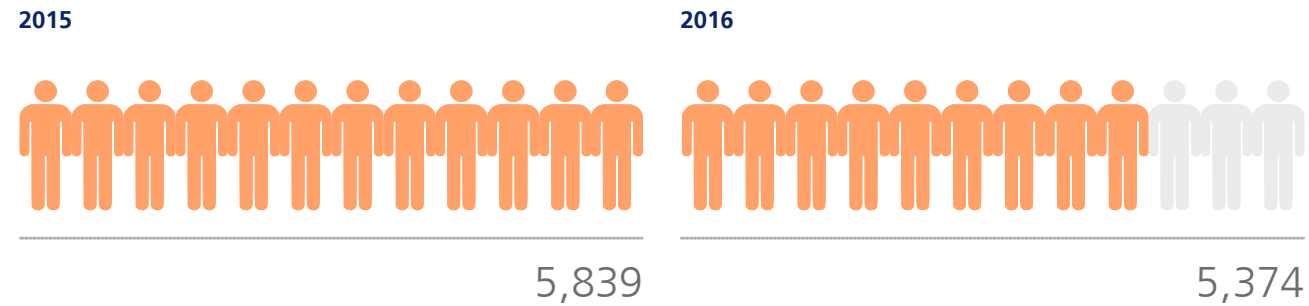


The Bank is committed to maintaining a workplace free of all forms of unlawful and unfair discrimination on the grounds of gender, race, nationality, ethnic or national origin, marital status, age, disability and religious beliefs or any other characteristic protected by law. This covers discrimination relating to – but not limited to – selection, performance management, compensation, training, placement, transfer, demotion, promotion, disciplinary action and termination. Furthermore, all forms of harassment, intimidation and bullying of employees are strictly prohibited. This covers general victimisation, sexual harassment, racial harassment and disability harassment. All employees are aware that non-compliance will not be tolerated and will result in disciplinary action.

The Bank's Intranet has a portal called 'Empower.' Through Empower, all employees have the right to file a grievance and choose an escalation path until their issue is resolved. A Grievance Frequently Asked Questions document is also available for all employees and is updated accordingly.



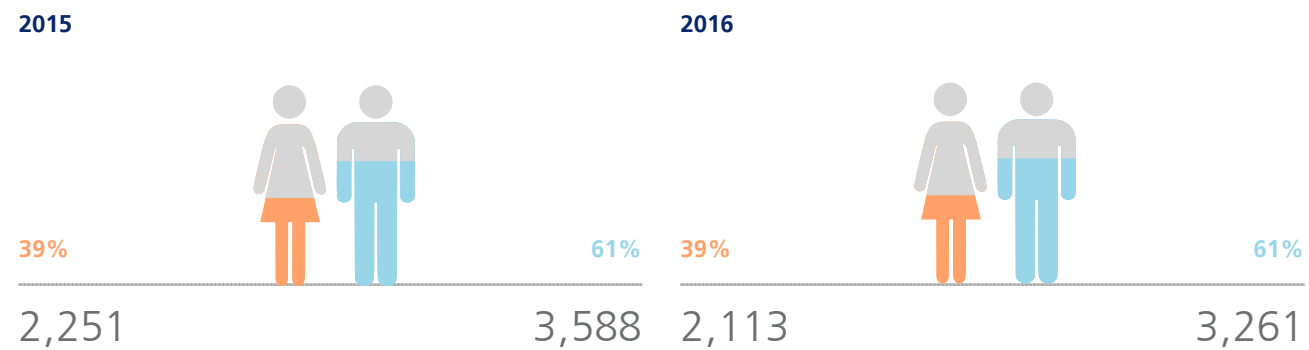
Number of Full-time Employees ^{(102-8), (405-1)}



Note: These figures represent Emirates NBD only, and not the Emirates NBD Group as a whole.

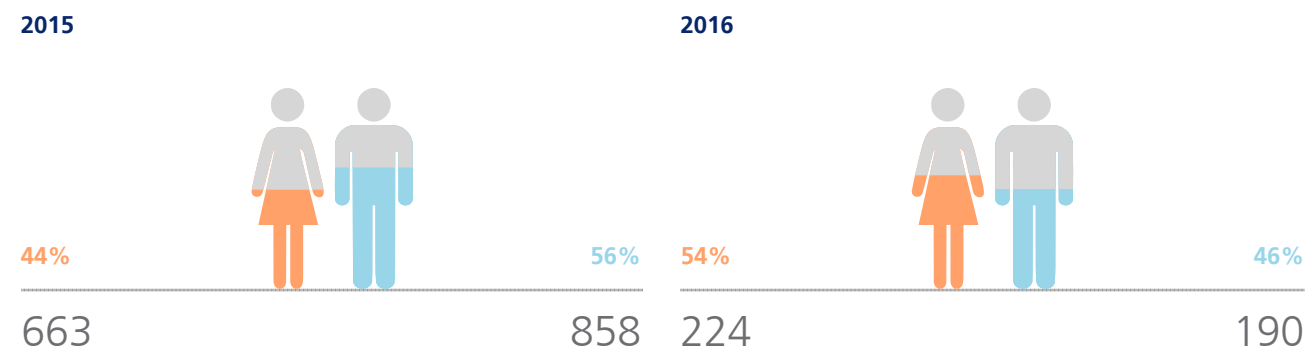
At Emirates NBD, gender equality, in all its manifestations, is something we monitor closely. All our HR data can be categorised based on gender, which helps us to create fair opportunities for both genders in job openings, recruiting, development and compensation. We currently have a ratio of 61% males and 39% females among our employees, but are determined to increase the percentage of women working at our Bank.

Full-time Employees - Broken Down by Gender



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

We have hired a total of 1,521 employees in 2015 and 414 in 2016. All candidates go through a rigorous process of screening, interviewing and assessment before they are hired, regardless of gender, ethnicity, age or religious views. The percentage of females among newly hired employees increased by 10% from 2015 to 2016.

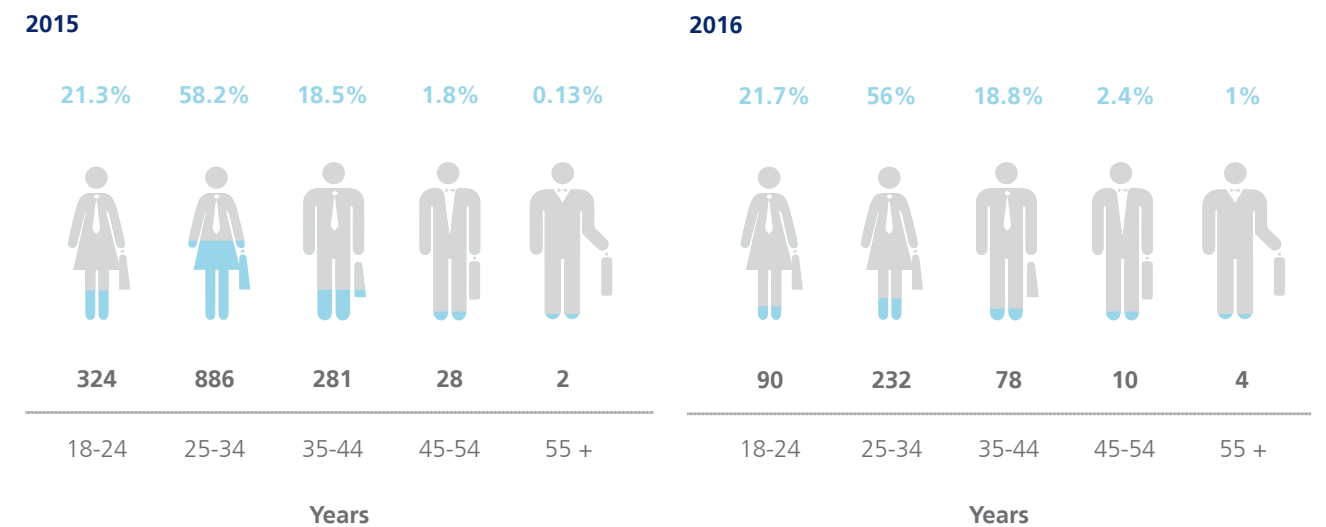


Full-time Employees - People with Disabilities

12 People with Disabilities have been hired across the Emirates NBD Group

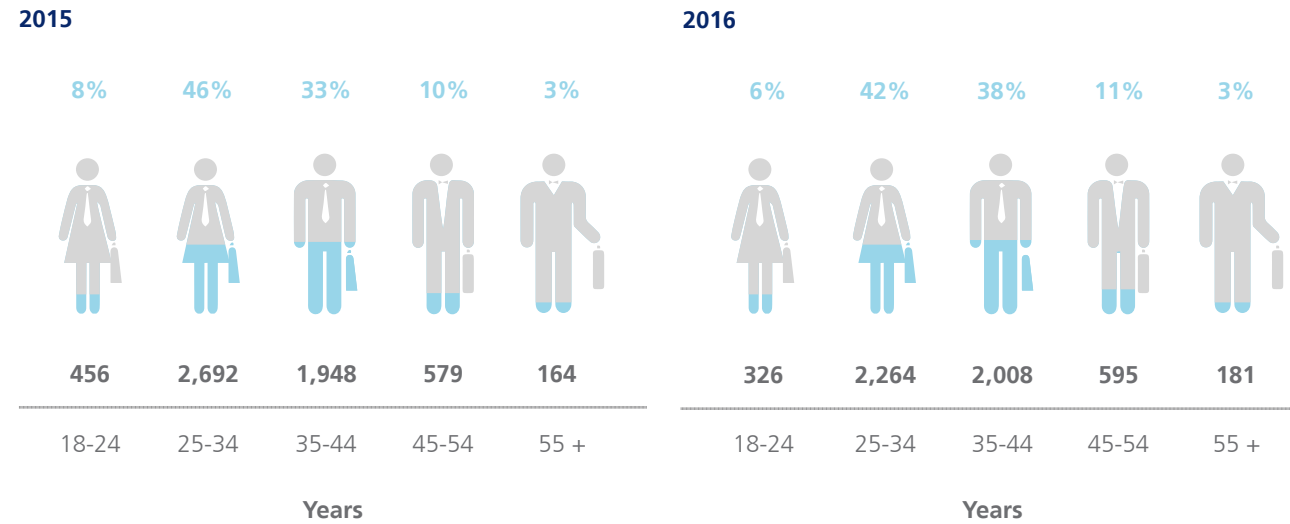


Newly Hired Employees Annually - Broken Down by Age ⁽⁴⁰¹⁻¹⁾



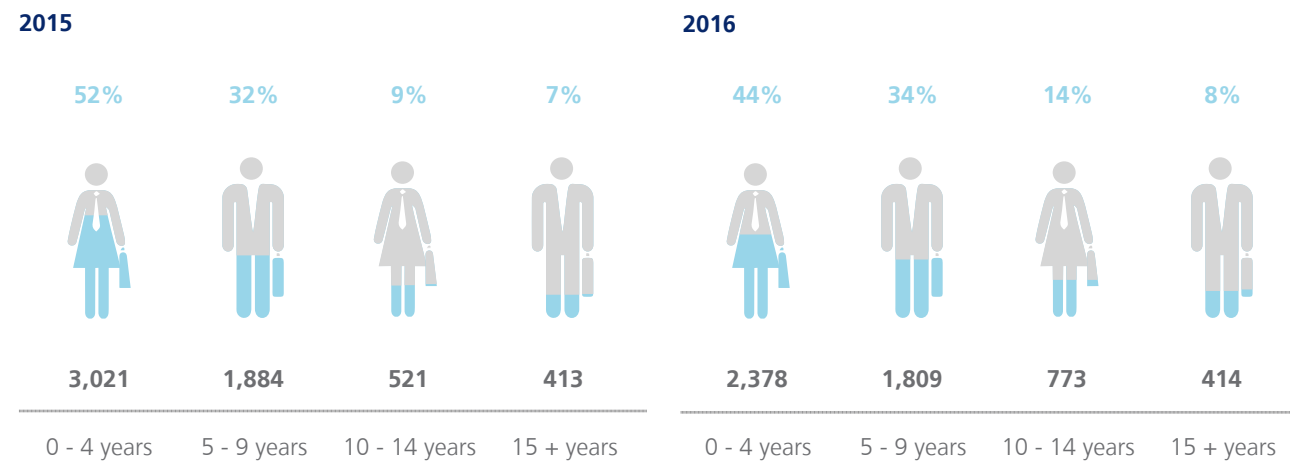
All Full-time Employees - Broken Down by Age

We ensure that the demographics of our Bank represent the demographics of the countries in which we operate. Therefore, 86% of our employees are aged between 18 and 44 years old; representing a youthful and dynamic organisation that provides jobs and opportunities to qualified applicants.



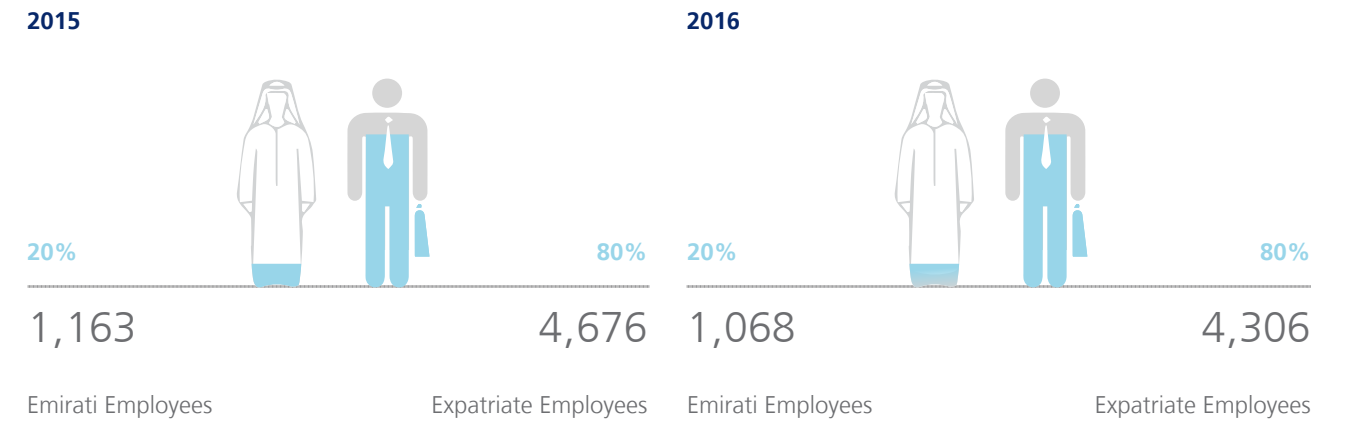
All Full-time Employees - Broken Down by Years of Service

Employee retention ensures that all resources invested in developing, training and empowering employees are maintained within the Bank and are well managed to create the most effective HR value. Our Hiring and Recruitment Policy mandates that 70% of vacancies be filled from among existing employees, thus promoting from within and creating a beneficial and motivated internal job market. As of 2016, 78% of our employees have stayed between 0 to 9 years with the Bank.



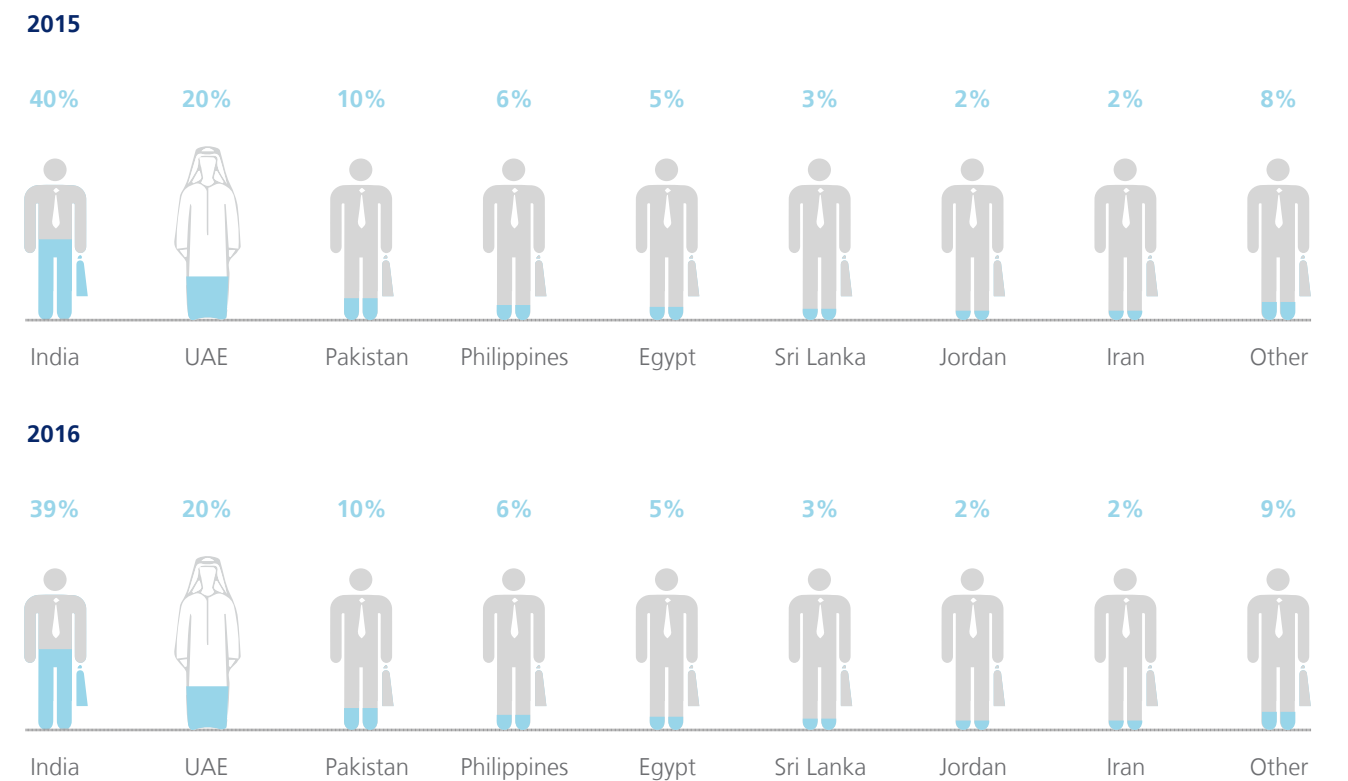
All Full-time Employees - Emiratis vs. Expatriates

We invest heavily in recruiting, development and maintaining national talent. The Nationalisation section of this report discusses our Nationalisation strategy and programmes in details.



All Full-time Employees - Broken Down by Nationality



A diverse workforce representing 67 nationalities supports an environment of creativity and competence.





Basic Salary Remuneration Rate of women to men is: 1:1 (405-2),

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

2015

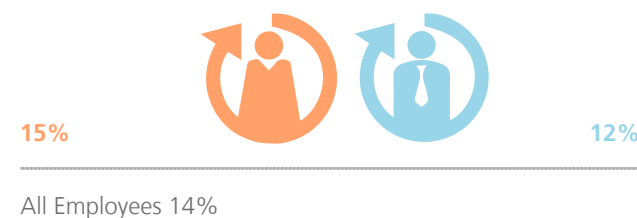
 Number of Employees Who Are No Longer at the Bank	96	411	223	41	23
 Turnover Rate Within all Employees in a Certain Age Range	23%	16%	12%	7%	14%
	18-24	25-34	35 - 44	45 - 54	55 +
	Years				

2016

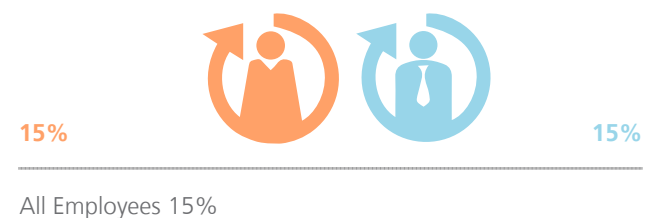
 Number of Employees Who Are No Longer at the Bank	115	457	255	47	31
 Turnover Rate Within all Employees in a Certain Age Range	30%	19%	13%	8%	18%
	18-24	25-34	35 - 44	45 - 54	55 +
	Years				

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

2015



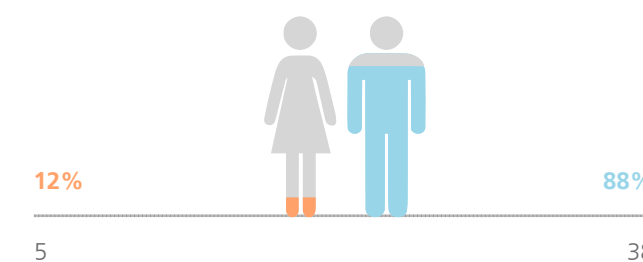
2016



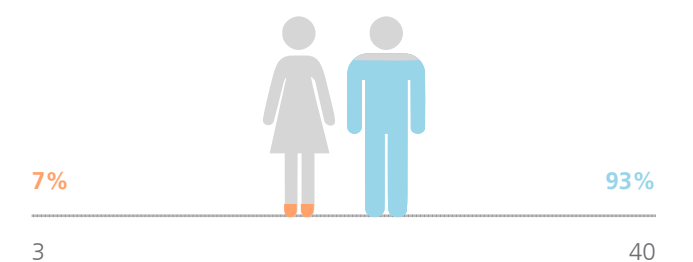
Top Management - Broken Down by Gender

We identify Top Management as employees in Job Band S and above, which means Managers S and Executives. The percentages of women who are holding top management positions is still not up to our expectations (11% in 2014, 12% in 2015 and 7% in 2016.) However, our Human Resources team is collaborating with departments throughout the Bank to ensure that this percentage is constantly growing. This will be realised through recruitment strategies, learning and development programmes and ensuring an environment that supports women's needs in the workplace. Women's Empowerment initiatives are highlighted in our Rewards and Recognition section.

2015



2016



Nationalisation



Emirates NBD is considered among the biggest employers of Emiratis in the UAE.



30% of top managers (Bands S and above) are Emiratis.

In alignment with the UAE Vision 2021, we have developed internal programmes, initiatives and recruiting mechanisms in order to grow our Emirati talent and invest in their constant learning and development. All these opportunities are available to the public on our website and can be accessed by visiting the Nationalisation page under Careers.

We have developed career development programmes for Emiratis in different phases:

High School Graduates

Al-Misha'al Programme

Al-Misha'al is a six month training programme, designed to train Emirati high school graduates for key front line positions, such as Tellers and Customer Services Executives. Through a hybrid educational model combining classroom and on-the-job training, graduates learn about specifics of each job as well as develop communication skills, English language and teamwork plus work etiquette and habits.



On meeting the training requirements, trainees will have demonstrated their potential as future employees of the Bank.





Before taking up any scholarships, scholars contract to work at the Bank for the same number of years that they have received scholarship benefits.

University Students & Graduates

The Scholarship Programme

Emirates NBD offers a scholarship programme that supports the education of exceptional students majoring in fields related to banking. This allows the Bank to create a pool of local talent that could eventually join the Bank as full-time employees upon graduation. In 2016, we have also expanded the scholarship programme to include students majoring in Special Education. This decision addresses the lack of certified and trained individuals to work with people with disabilities in the UAE.

- a. Bachelor Degree Students in Public Universities: Scholars receive a monthly salary of AED 5,000.
- b. Bachelor Degree Students in Private Universities: Scholars can get their entire tuition covered by the Bank and receive a monthly salary of AED 5,000.
- c. Bachelor Degree Students Studying Abroad: Scholars can get their entire tuition covered by the Bank and receive a monthly salary of AED 5,000.

Before taking up any scholarships, scholars contract to work at the Bank for the same number of years that they have received scholarship benefits.

Internships and Summer Jobs

The Bank collaborates with local and international universities to support students who have to conduct an internship as a requirement for graduation. We aim to offer 100 internships annually, 70 of them for Emirati students and 30 for expatriate students. During 2015, we had 85 interns and this number grew to 100 in 2016.

Programme for Accelerated Learning (PAL)

PAL is a training programme extending for up to 18 months, designed to provide Emirati university graduates with comprehensive, helpful and in-depth training that will boost their careers and allow them to grow both professionally and personally. The programme prepares them for guaranteed managerial and leadership roles in the Bank through theoretical, material and on-the-job implementation.

The programme is ideal for candidates who have degrees related to the banking industry such as Finance, Accounting and IT. All trainees receive professional training in management and leadership skills delivered through a practical and collaborative approach. Also included are classes on Essential Banking Systems, Products Training, Presentation Skills and a Management Development programme focussing on Delegation Skills, Motivation Theories, Coaching & Counselling, together with on-the-job training.

So far, PAL has graduated over 500 talented young Emiratis.

Embedding Social Responsibility within PAL

In 2015, our CSR and Nationalisation teams collaborated to integrate corporate social responsibility values into PAL. Two trainee batches from IT and Finance were given the opportunity to visit Manzil, a centre for people with disabilities in Sharjah. The Finance PAL trainees helped teachers by preparing class material. The IT PAL trainees assisted in teaching basic computer skills to teachers and students. Trainees came back with new and positive perspectives on people and children with disabilities.

Existing Emirates NBD Employees

The National Leadership Programme (NLP)

Emirates NBD launched a National Leadership Programme (NLP) in 2014 to develop future Emirati leaders who can grow into Executive Committee (EXCO) roles, as well as becoming directors who directly report to EXCO, in the next three to five years. The NLP is conceived as a vehicle to fulfil the Board of Directors' aspiration to nationalise 66% of EXCO jobs and 50% of the director positions that report directly to EXCO.

Out of all National Leaders chosen for this programme, 31% are women. All participants take part in rigorous potential leadership assessment processes, followed by individual feedback, coaching and development planning sessions. Each of them receives customised development programmes aimed at accelerated all-round leadership exposure, training and growth.

Coaching

In order to develop and retain our Emirati staff, Emirates NBD launched coaching for UAE Nationals in 2015. These coaching sessions aim to move employees to the next level in their career, either to an officer or a managerial level. The dedicated coaches' work with the UAE nationals and the units to ensure implementation of individualised development plans, providing feedback to employees every two months and with their managers every four months.

Al-Najaah Programme

Al-Najaah is a programme targeting Emirati talent at the Bank. It guarantees talent retention by developing skills to prepare selected Emiratis for senior and managerial roles. Through Al-Najaah, employees' development areas are identified and customised learning and development programmes are created.

The Al-Najaah Programme is a structured project, designed to fast track Tellers to Head Teller positions and Head Tellers to Branch Operations Managers. This programme was established during 2015, and in 2016, upon completion of the programme, successful employees were deployed to higher roles.

Ongoing Recruitment of Local Talent

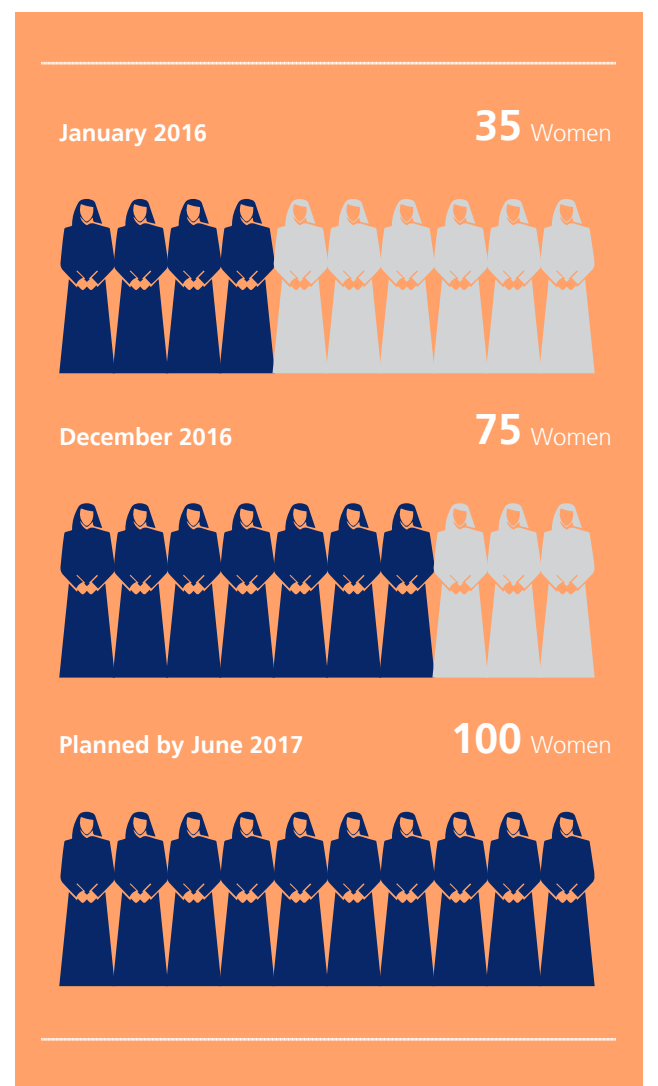
In addition to these customised recruitment, development and growth programmes, the Bank is always reaching out for Emirati talent through our direct recruitment portals, staff recommendations, participating in university fairs and career fairs in all Emirates. One of the latest methods is the launch of the Banki app in November 2016. Banki is a gaming mobile app, designed to attract and educate Emirati youth on banking and financial matters.

The Bank has also implemented an internal referral system. Through this, employees can refer Emiratis as potential new employees. If these new employees complete their probation period, the referring employee receives a financial incentive.

Empowering Emirati Women

We are committed towards leveraging growth within the region by creating and providing jobs in order to support the advancement and empowerment of Emirati women in the workplace.

Ras Al Khaimah was identified as the perfect city within the UAE to launch an all-Emirati Call Centre due to the ample availability of talent and desire to work within the region. When the RAK Call Centre was launched in January 2016, we started with just 25 Call Centre representatives for both inbound and outbound operations. Today, we have an impressive team of 75 Emirati women who are all fully certified to handle our customers. By the end of June 2017, we are on track to have a total of 100 employees at the centre, which will be completely run by fully qualified Emirati women.





Our employees will have the skills and tools to become subject matter experts, trainers, team leaders and be continuously motivated to grow in their careers to the next level.

To prepare our RAK employees for success; we created an extensive role-based curriculum that covers a variety of elements. It includes an exclusive communications programme focused on English, customer service elements and power words to provide employees with a robust foundation. The communication programme is followed by product, process and on-the-job training plan where we extended training duration and added additional resources on the ground who provide real-time feedback and on-going support to the agents.

Post completion of the role-based curriculum, a training needs analysis and survey is conducted quarterly to identify additional developmental and or technical trainings. Accordingly, the sessions are run on a monthly basis for all employees. Leadership and developmental programmes are also conducted as needed and for our high performing agents.

We are also actively working to launch a Women's Leadership Campaign exclusively for the RAK Call Centre. This campaign will run all year with various guest speakers addressing a range of different topics and themes. As the majority of the workforce are fresh out of university, we believe these sessions would help them in gaining experience. Additionally, they will also get the right exposure to role models with positive motivational messages. We are confident that with the developmental exposure and learning interventions, our employees will have the skills and tools to become subject matter experts, trainers, team leaders, and be continuously motivated to grow in their careers to the next level.

Talent Management



Our award-winning programmes empower thousands of employees to express their development needs, enhance their skills and achieve promotion within the Bank.

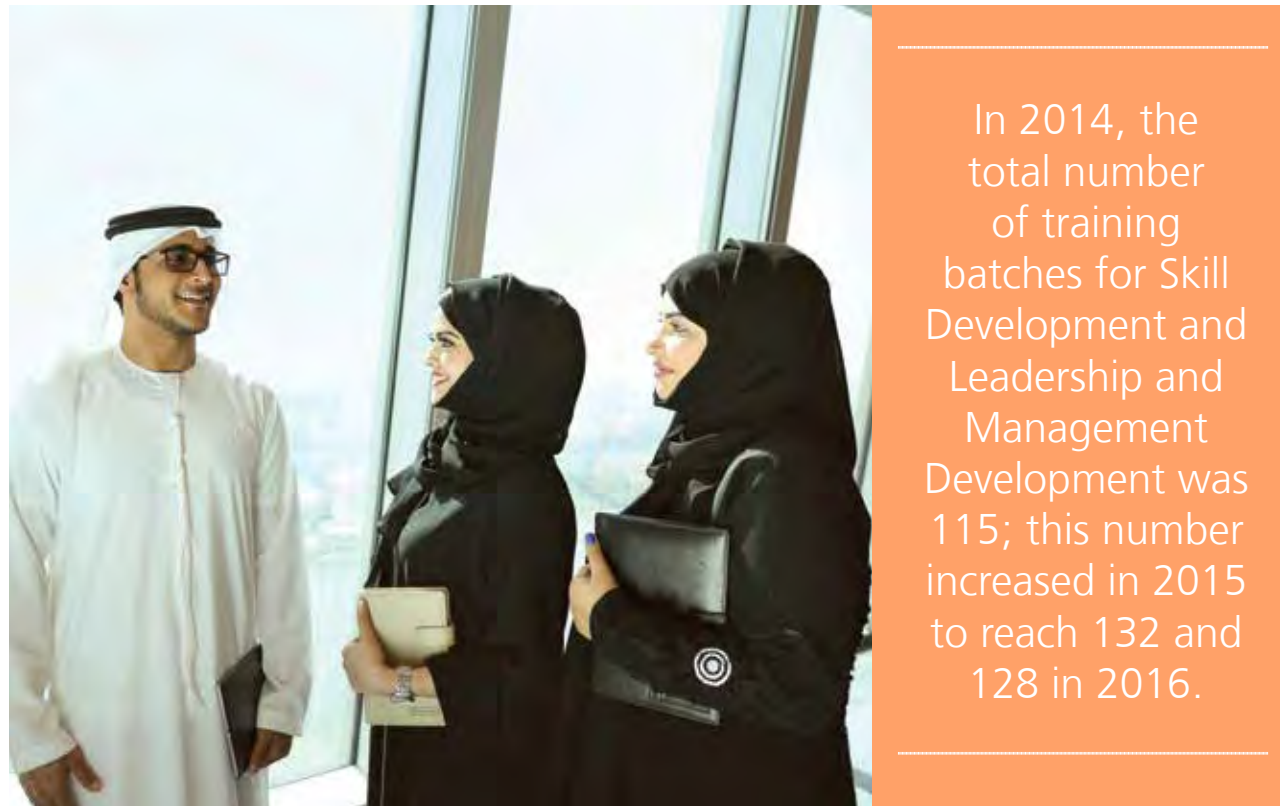
Emirates NBD has an active Talent Management programme for UAE National and Expatriate employees. The Talent Management approach is an integral part of the Bank's business strategy to create a pool of high potential (HIPO) talent that can be leveraged for business success. The concept is to identify high potential managers who could constitute the future top talent of the Bank and invest in this talent pool to address future leadership needs.

To be nominated as a "Talent", employees have to display both a strong performance record and high leadership potential. A transparent process is followed for shortlisting employees, followed by world-class assessment processes designed to shed more light on the potential or readiness of these talented employees to grow into advanced roles. Chosen staff members go through a process of identifying

career growth opportunities and a customised development plan for learning and development. The current Talent Pool represents 17 nationalities; out of which 20% are women.

We invest heavily in the training, development and growth of our employees. Our award-winning programmes empower thousands of employees to express their development needs, enhance their skills and achieve promotion within the Bank.

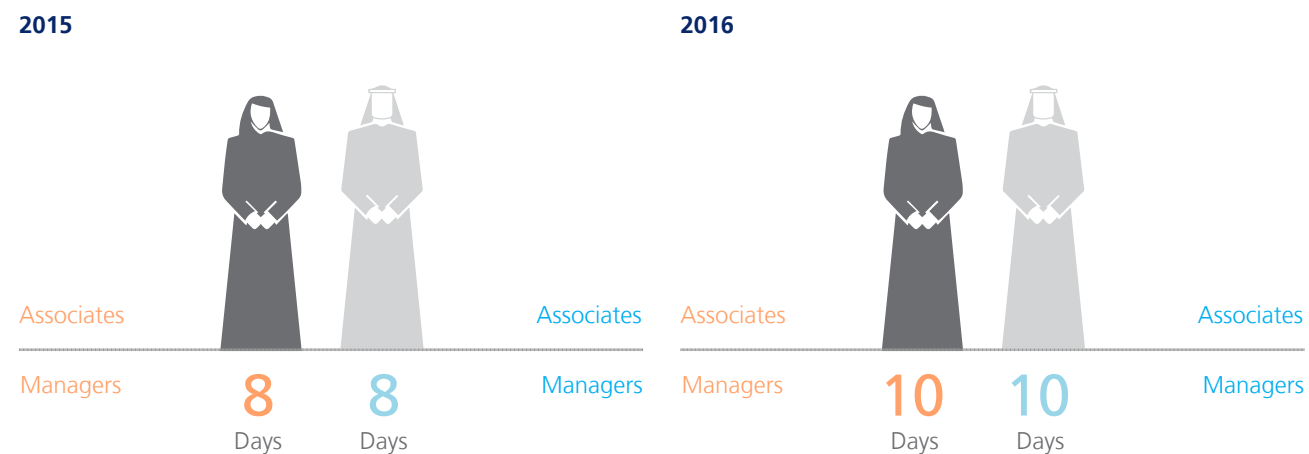
Learning & Development (103-1), (103-2), (103-1), (103-2), (103-3), (404-1), (404-2)



The Learning and Development department includes units that address different learning needs. Thousands of training sessions are made compulsory for all employees, such as those related to the Bank's policies and guidelines. Other programmes are created for specific employment grades, or are customised based on employee needs as expressed by certain units or direct managers.

We offer programmes for skills management and lifelong learning that support continued employability and equip employees for advanced roles. In 2014, the total number of training batches for Skill Development and Leadership and Management Development was 115; this number increased in 2015 to reach 132 and 128 in 2016.

Average Training Days – Broken Down by Gender



Leadership & Management Development (L&MD)



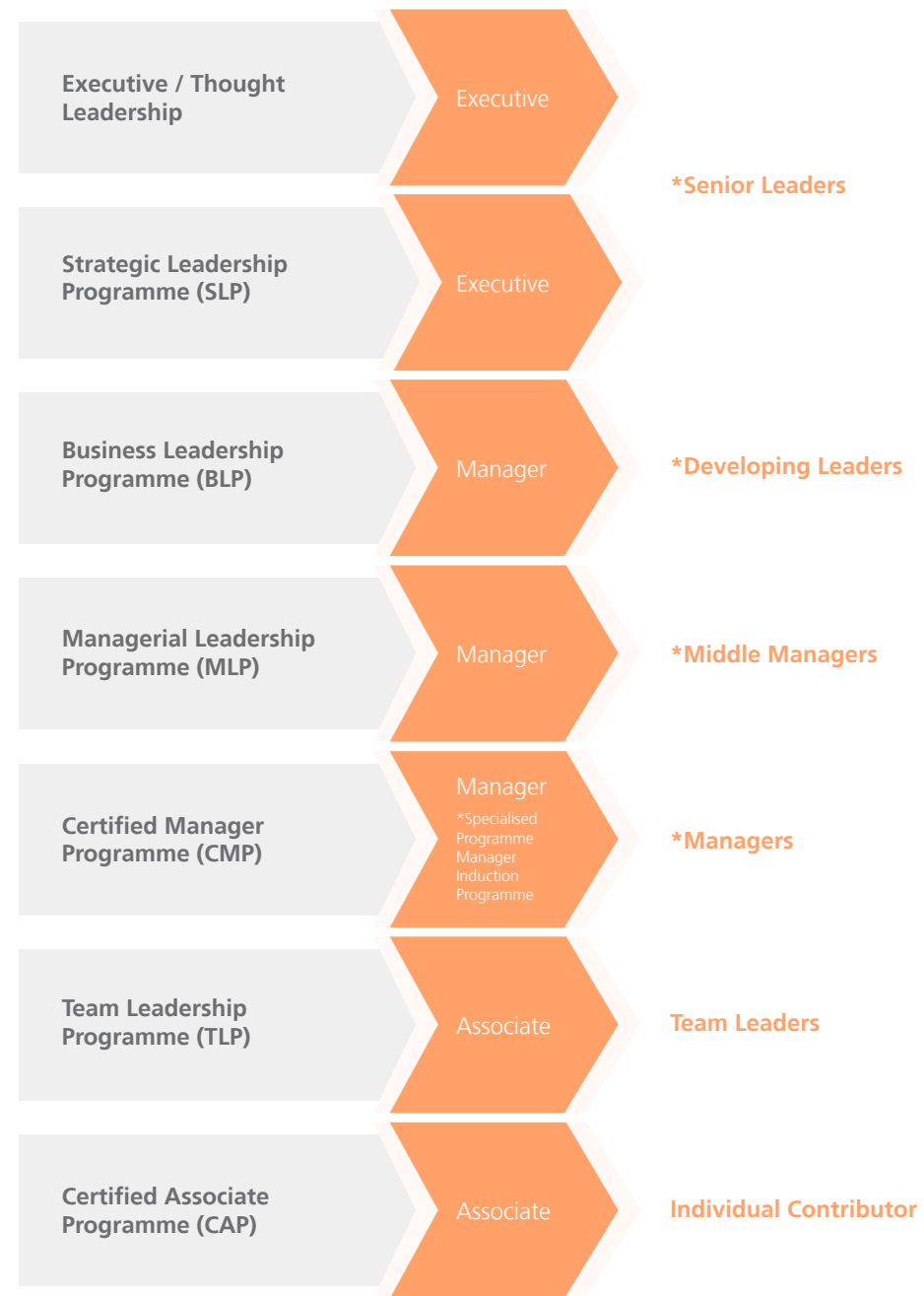
The award-winning L&MD programme consists of a series of structured training courses, implementing a blended approach that combines e-learning, in-person workshops, case studies, role playing, discussion, presentations and workplace assignments.

The curricula were developed through partnerships with globally renowned universities and institutes – including Harvard, Hult, Duke and several others. L&MD programmes have received recognition from the Association for Talent Development (ATD), Brandon Hall Excellence Awards and LearnX Awards.

L&MD offers customised training for every employment band within the Bank, as follows:

Leadership and Management Development (L&MD) Model

Leadership-specialised skill development programmes are designed to build leaders at all levels and overcome their career transition challenges.



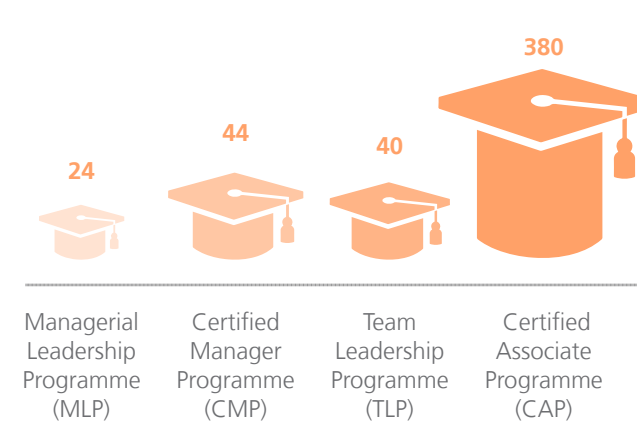
Programme Partners



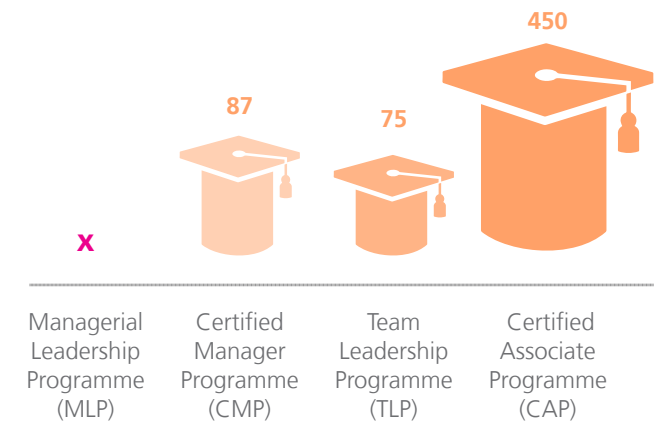
Learning Partner



Number of 2015 Graduates



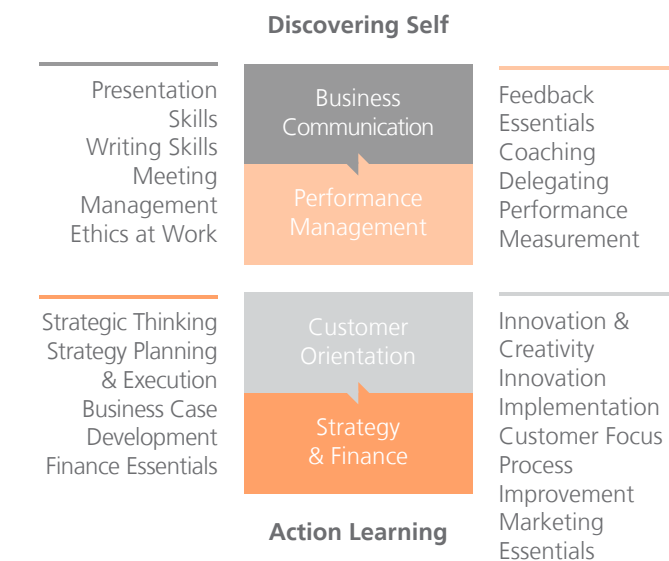
Number of 2016 Graduates



The Leadership & Management Development Team continues to be a key enabler for RBWM in the development of talent across the group. The different Programmes targeting junior, middle and senior level managers, including senior UAE nationals have been helpful in providing high potential staff with opportunities to build on leadership skills, enhance team work and build strength for the business. Additionally, the team has provided valuable contribution in facilitating action learning projects on high priority business and CSR topics.

Suvo Sarkar
Senior Executive Vice President & Group Head of Retail Banking & Wealth Management

Certified Manager Programme



CASE STUDY
The Certified Manager Programme (CMP)

Overview

CMP was started in 2010 and has graduated 400 managers to date. The programme was created through a holistic approach that addresses all management topics related to the Bank's needs.

> Topics Covered

Business Communications, Performance Management, Strategy & Finance, Customer Orientation. All these topics contain a Corporate Social Responsibility element

> Selection Criteria

Employees are selected based on business requirements, needs raised by the units, and other employee-specific selection criteria

> Duration

4 months

> Embedding CSR

In addition to the main topics covered, we have embedded Corporate Social Responsibility (CSR) as a key component. Our Head of CSR conducts workshops during the relevant training periods, and later works with trainees on identifying a sustainability initiative – this is based on the Bank's CSR focus areas and trainees develop and present a business case. Some of the ideas that have emerged related to improving financial literacy, introduction of a nursing room for new mothers, reducing plastic bottle consumption and a women's empowerment mentorship programme

Rewards & Recognition ⁽⁴⁰⁴⁻³⁾



Job Banding

The job banding structure is based on three principles:

Broad Bands

Fewer and wider bands with distinct accountability and competency levels

Transparency

Methodical and consistent way of slotting jobs into a job banding structure that is transparent

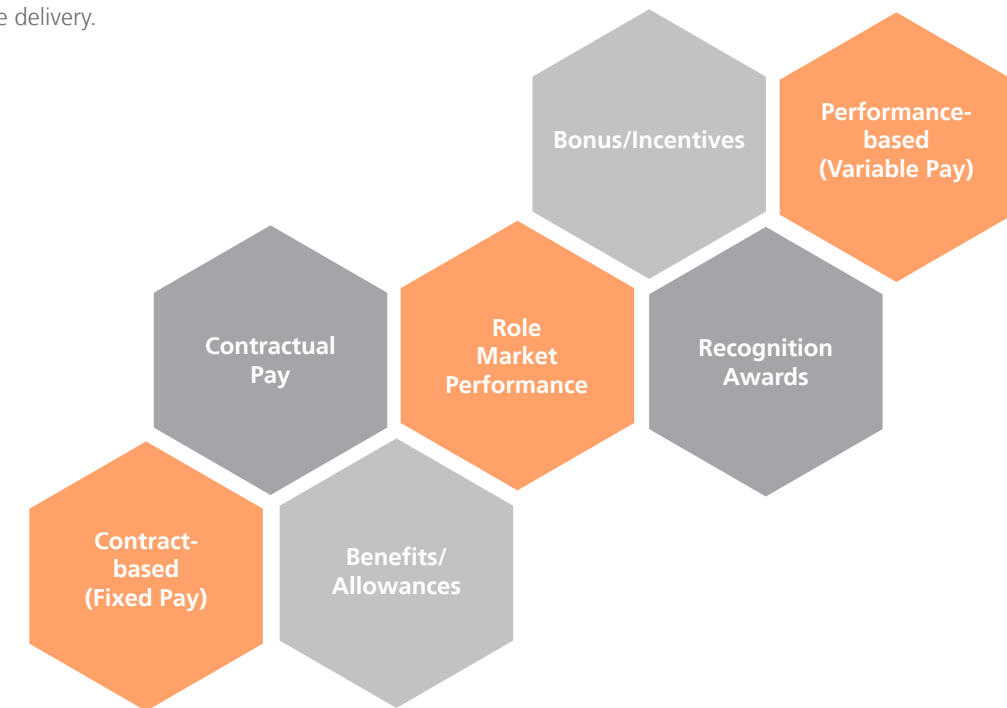
Sustainable

Fit for purpose now and in the future, independent of organisational structures, business and technology-based processes

All jobs in Emirates NBD are assigned to a job band, which becomes the main basis for determining the reward for the job holder. All our employees receive periodic performance and career development reviews to empower them to excel at their job and to be promoted from within.

Total Reward Framework ⁽⁴⁰¹⁻²⁾

Total Reward (fixed and variable pay) is influenced by the role accountabilities, market benchmarks and performance delivery.



Leave Benefits

We promote a culture that celebrates personal development, respects family life and encourages employees to seek work-life balance. We follow the Labour Law of the UAE when it comes to all employee leave arrangements and have taken the initiative to extend several types of leave to further empower staff.



Benefits ⁽⁴⁰⁴⁻³⁾

The benefits extended by Emirates NBD to its full-time employees can be broadly categorised as follows:

- End of Service Benefits
- Health and Life Insurance
- Leave Benefits

Leave Type	Description	Leave Days
Examination Leave	To attend and take an approved exam	10 days per annum
Maternity Leave	<ul style="list-style-type: none"> > All new mothers > Inclusive of days before, after and for actual delivery date 	<ul style="list-style-type: none"> > 60 days (while UAE Law requires only 45 days) > Full pay if more than one year service > Half pay if less than one year service
Paternity Leave	All new fathers	2 days at full pay
Volunteer Leave	All employees interested in volunteering	One day at full pay

Parental Leave - Broken Down by Gender (401-3)

We comply with the national requirement for parental leave and encourage all employees to take their full leave. In 2016, out of all employees who have taken parental leave, 95% of female employees and 96% of male employees returned to work and thereafter stayed with the Bank for the subsequent 12 months.

Leave Type	2015		2016	
	Female	Male	Female	Male
Employees entitled to parental leave	1,261	2,619	1,238	2,557
Employees who took parental leave	145	111	126	157
Employees who came back to work after parental leave	145	111	126	157
Employees who came back to work after parental leave and were still employed 12 months after their leave	123	103	120	151
Retention Rate	85%	93%	95%	96%



Part-Time Working Hours for Women

In order to cater for employees' needs to balance their careers, as well as their personal lives, we offer employees the option of working part-time, based on special cases. We currently offer this to two employees: based on their experience and our own business needs, we are looking into expanding this benefit for others depending on individual situations.

Expectant Mothers Designated Parking

In order to support expectant mothers, we offered nine maternity parking spots which will provide expectant mothers with convenient parking close to their office buildings.

New Mothers Room

We have built a special room inside our Head Office, customised for all employees who have recently become new mothers and have returned to work. The women-only room offers them comfort and privacy to take care of their nursing needs. So far, 11 women have benefited from this facility. Furthermore, new mothers have their working days cut by two hours for 18 months after the date of giving birth. We also accommodate flexi hours to support all new mothers.

Financial Facilities

The Bank offers all eligible employees financial facilities broken into three types:

Salary Advance

90% of one month's contractual pay be made available in advance. This arrangement is subject to a maximum of two times in a calendar year, but not over two consecutive months.

Subsidised Loans/Financing

Eligibility requirements vary, depending on job band, contractual pay, years of service, age at the time of maturity of loan and other considerations.

Subsidised Banking Tariffs

Employees are required to maintain a current account with the Bank to enable transfer of monthly pay. The Bank offers free or subsidised banking transactions on these accounts. Interest is paid on employee current accounts. Employees are also offered safe deposit lockers at subsidised rates.

Performance Management and Pay

Performance Management (PM) is a process designed to:

- Translate business plans into actions**
- Review and assess employee performance**
- Reward and develop employees**

PM is an annual process that follows the organisation's financial year (January to December). It has three stages – performance planning, mid-year performance review and year-end performance assessment.



Planning - January

- > Sharing business priorities and goals
- > Agreeing performance plan
- > Setting performance expectations

Assessment - December

- > Rating performance
- > Calibrating rating
- > Communicating the ratings

Review - July

- > Monitoring and tracking performance
- > Providing ongoing feedback, coaching and guidance
- > Resetting objectives, if required

Performance Pay is designed to reward employees at the discretion of Management, based on their Bank unit and individual performance. The pay typically includes:

Annual Performance Bonus

Incentives

Recognition Awards (cash, in-kind, certificates, trophies)

Employee Appreciation

Milestone Celebrations

We celebrate employees who have been with the bank for 10, 15 and 25 years. Employees are congratulated at a festive team event and receive messages of appreciation and trophies to thank them for their dedication and achievements.

Employee to Employee Appreciation Portal (Bravo)

Bravo is a peer-to-peer appreciation platform. Employees access the online system to recognise positive performances by their colleagues.

They choose among three categories:

- > Behaviours Observed
- > Help Provided
- > Prompt Action Taken



They can then choose to send a predesigned certificate template in different languages.

Going the Extra Mile (GEM) Awards

This is an internal awards platform that recognises our most precious assets, the people who go the extra mile, inspire others and shine in their performance.



Health, Safety and Wellness (103-1), (103-2), (103-3), (403-2)



Investing in our employees' health and safety is among our top priorities. Having a safe environment ensures that employees are always focused on their priority tasks – action which leads to better productivity.

We take seriously our responsibility for maintaining a healthy physical environment, monitoring health and safety hazards, ensuring the control of air conditioning temperature, and supplying all offices with ergonomic furniture to provide employees with the most comfortable working environment.



As a result of our conscious health and safety practices, we are proud to record zero work-related absenteeism, diseases, injuries or fatalities among our full-time and contractor employees.

Being Proactive

The Bank's Safety Committee meets periodically to revise policies, communicate updates and monitor and evaluate safety throughout the Bank. The Committee ensures the implementation of policies such as the UAE Fire and Life Safety Code of Practice



Employee Wellness Activities



We stage a range of employee wellness activities, in order to keep all employees educated and engaged in maintaining good health. These programmes are revised and expanded annually.

Annual Health Checkup

In partnership with our Group Health Insurance Provider, Metlife, we offer employees a discounted annual health checkup for only AED 150.

Employee Wellness Fair

Held between 28 August and 8 September 2016, the Fair attracted more than 1,000 employees and engaged them in various health-related activities, talks, free health tests and giveaways.

Employee Wellness Newsletter

This quarterly newsletter highlights health topics and informs employees about our latest Wellness Programmes.

Our team constantly creates partnerships with suppliers, offering our employees exclusive deals at gyms, healthy food services, dental clinics, sports centres, etc.

- Breast Cancer Awareness in October
- Men's Health Awareness in November
- Flu Shots in November
- Employee Wellness Deals



Al Jood Fund

Al Jood is an HR programme that provides basic financial assistance to member employees in financial distress, due to unexpected circumstances and emergencies. Membership is voluntary and open to all Emirates NBD Group employees. The contribution is a nominal monthly amount, dependent on employee band. Employees going through financial difficulties can apply to the fund and be granted approval for support after the Fund Committee evaluates the situation against a specific set of criteria.

Employees Welfare Fund

This Fund was created to assist employees who are in financial need: unlike Al Jood Fund, it does not require membership. This assistance is generally for education, medical needs not covered under our insurance scheme, financial needs of ailing parents and assistance with house rentals. The Bank considers these cases on a need-basis and supports individuals by providing funds to either partially or completely cover their financial needs.



The Social Club

The Social Club promotes cultural activities, sports and charity events. Every year, a variety of new, fun and engaging events are added. Below are a few highlights:

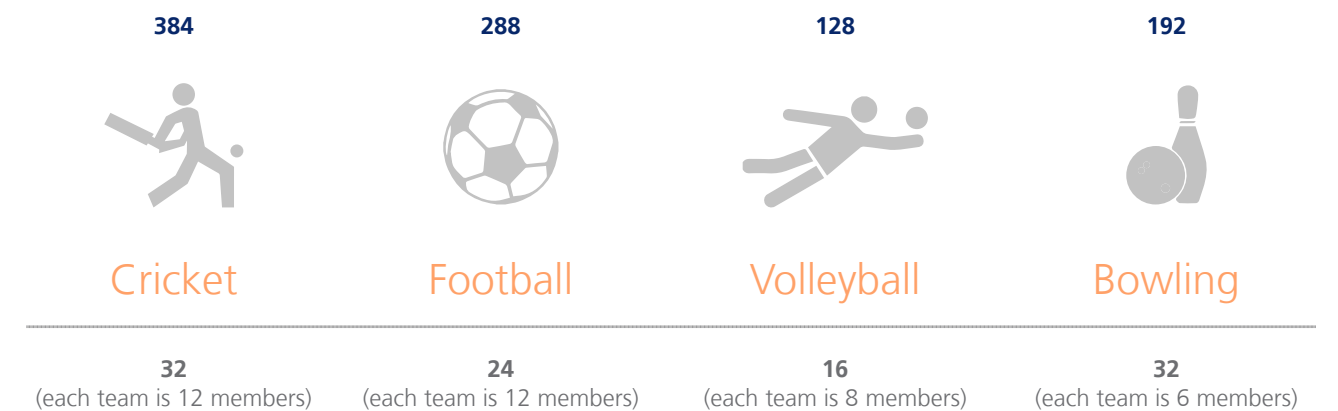
Charity Desert Walk, December 9th, 2016

In partnership with the Emirates Wildlife Society-World Wildlife Fund (EWS-WWF), more than 500 employees and members of the Executive Committees (EXCOs) walked in the UAE desert in support of the environment. Employees chose a 5km or a 10km walk, and the Bank donated AED 100, on behalf of every participating employee, to EWS-WWF.



Sports

Our employees maintain an active and healthy lifestyle through our sports tournaments. We have more than 104 teams playing in different sports. Tournament events annually gather an audience of more than 1,000 employees and their families.



Our Social Investment (103-1), (103-2), (103-3), (413-1)

Social Investment Strategy 1



Social Investment Strategy



In two short years, we have successfully managed to embed CSR as part of our corporate identity, culture and business activity.

As an ethical bank, our responsibility to our local communities equals that to our customers, shareholders and employees. We therefore believe that our Corporate Social Responsibility (CSR) practices, our brand and our long-term business growth go hand-in-hand.

Throughout the development of our Social Investment Strategy, we have been determined to translate the concept of Creating Shared Values (CSV) into measurable programmes and KPIs. The inspiration came from addressing key social issues highlighted in the United Nations Global Sustainable Goals (SDGs), the UAE's Vision 2021, and Emirates NBD's own mission and vision. In 2014, we conducted community needs assessment research to understand

current gaps and how the Bank can address them. The research highlighted a recurring theme of 'inclusion'.

We believe that the strategic approach, and the mindful organic process followed to establish the CSR strategy, is what makes it a success. In two short years, we have successfully managed to embed CSR as part of our corporate identity, culture and business activity. We have moved away from charity-based activities to manifest the true meaning of CSV. What we have achieved so far would not have been possible without the dedication of our partners, employees and management's encouragement and support.

The two graphs below explain our Social Investment Strategy Framework. We have developed a corporate-level framework, and another country-level framework that is localised based on the needs of our operation in the UAE.

Emirates NBD Vision & Values



Two Main Focus Areas

These are the programmes on which we primarily focus:

- > Advocacy for People with Disabilities
#TogetherLimitless
- > Financial Literacy
#moneywise



Four Support Areas

These are secondary programmes to which we contribute:

- > Health & Wellness
- > Women's Empowerment
- > Community Development
- > Environment



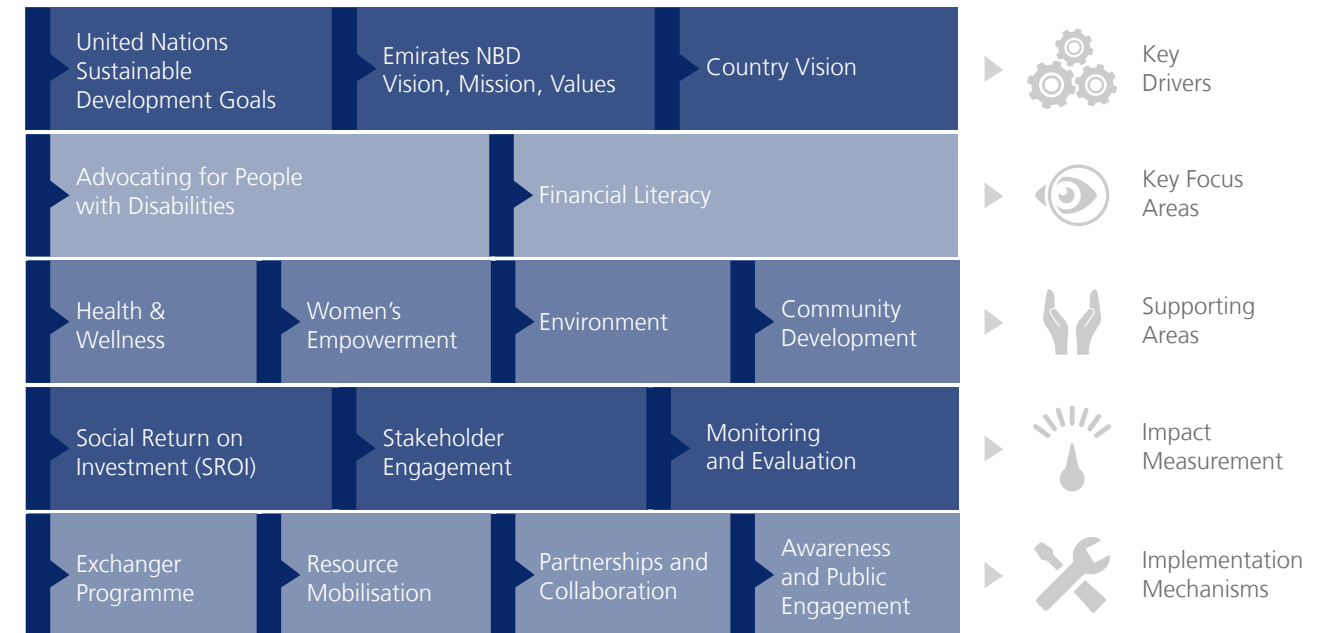
Four Implementation Mechanisms

Through these mechanisms, we implement all activities that fall under our main focus and support areas:

- Exchanger**
Emirates NBD's Employee Volunteering Programme
- > Resource Mobilisation
 - > Partnerships & Collaborations
 - > Awareness & Public Engagement

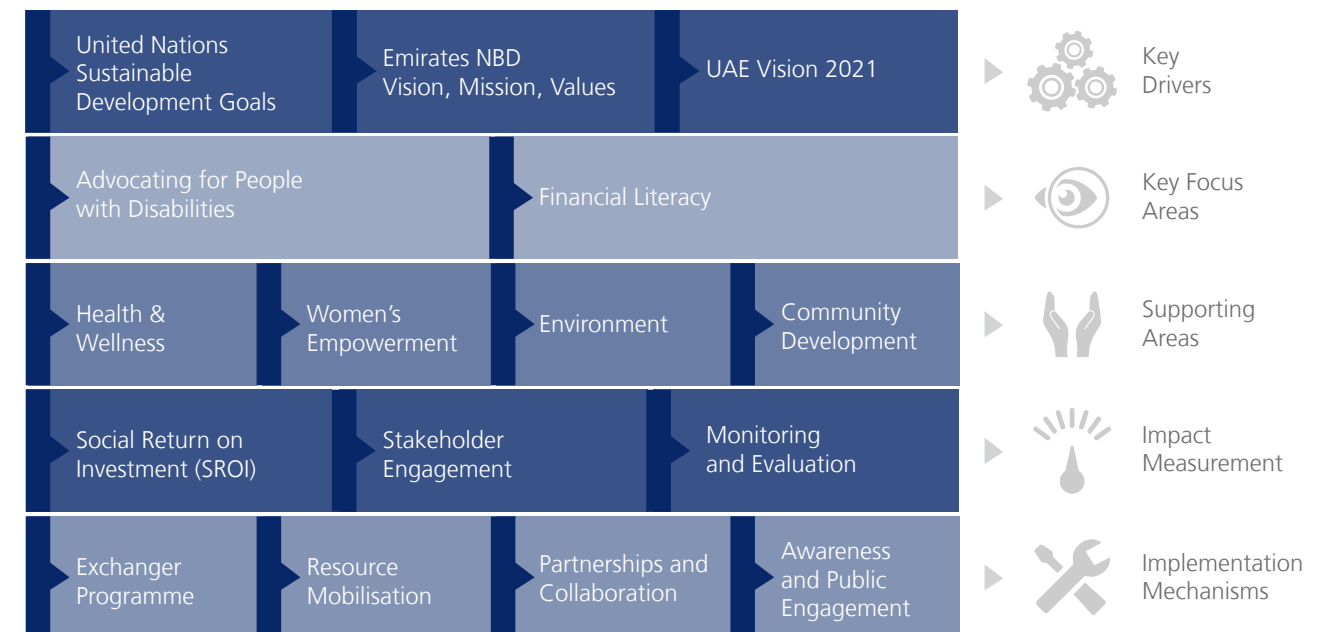
Corporate Social Investment Framework | Emirates NBD

Guided by our overall CSR Strategy - Creating Shared Values (CSV)



Country Social Investment Framework | UAE

Guided by our overall CSR Strategy - Creating Shared Values (CSV)



We invest in our Key Focus Areas and Support Areas through both financial and in-kind contributions. The table below gives a summary of our contributions:

Social Investment Element	Amount in AED			
	2015	2016	Total for Both Years	
Advocacy for People with Disabilities	3,000,000	3,000,000	6,000,000	Internal and external programmes developed and implemented by the Bank on the advocacy of people with disabilities (i.e. #TogetherLimitless, Careers Network, Disability Etiquette Training, Disability Friendly Branches, etc.)
Financial Literacy	500,000	1,500,000	2,000,000	Internal and external programmes developed and implemented by the Bank on financial literacy (i.e. #moneywise, internal training, etc.)
Health & Wellness	1,000,000	1,000,000	2,000,000	Internal and external programmes developed and implemented by the Bank on health and wellbeing (i.e. health awareness activities)
Women's Empowerment	500,000	500,000	1,000,000	Internal and external programmes developed and implemented by the Bank on women's empowerment (i.e. new mothers' room, expectant mothers' parking, e7 Girls Summit)
Community Development	19,900,000	23,700,000	43,600,000	Sponsorship and events, as well as activities conducted in the community outside the categories listed above.
Environment	500,000	500,000	1,000,000	Internal and external programmes developed and implemented by the Bank on environment (i.e. Green with PRIDE, water and energy audit)
Resource Mobilisation	1,300,000	2,300,000	3,600,000	Financial resources raised through our giving platforms (i.e. online donation channel, Like-to-Donate on Facebook, and Plus Points exchange for charity)
				Percentage Growth in Financial Contributions from 2015 to 2016
2015	2016	Total for Both Years		22%
26,700,000	32,500,000	59,200,000		

Zooming In On Two of Our Implementation Mechanisms

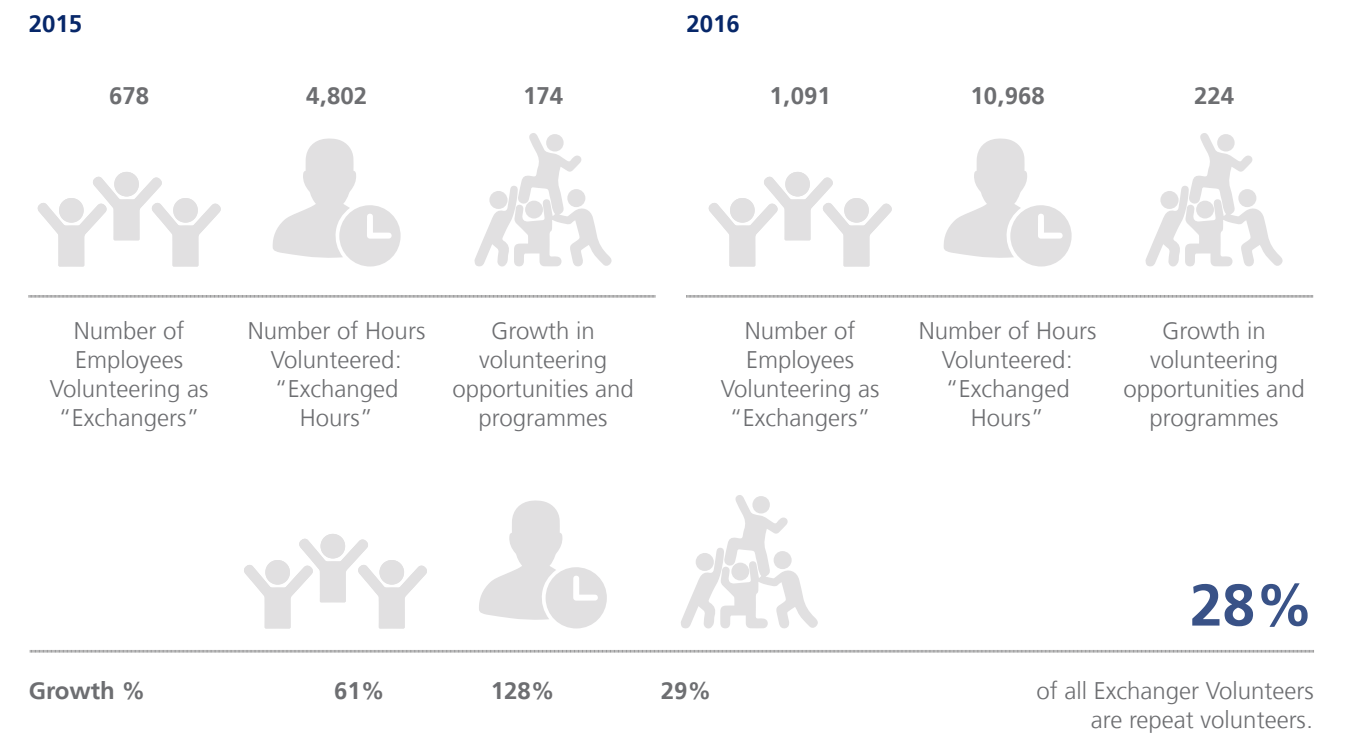


Emirates NBD's Employee Volunteering Programme

The programme was established in 2015 after employees expressed their interest in playing active roles in their local communities by volunteering. Through the Exchanger programme, all employees are able to support the Bank's key CSR areas.

In two years, the Exchanger programme has achieved the following:

(Disclaimer: The statistics below represent the Exchanger Programme's performance on the Emirates NBD Group Level and not merely the Emirates NBD Bank).



One of the key success factors behind this programme has been the complete support of the HR Department:

- > Volunteering is added to every department's performance appraisal as a KPI
- > Every department in the Bank is expected to have 20% of its employees volunteer annually
- > Every employee receives one day of fully paid leave to volunteer per year

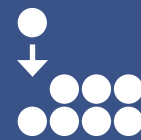
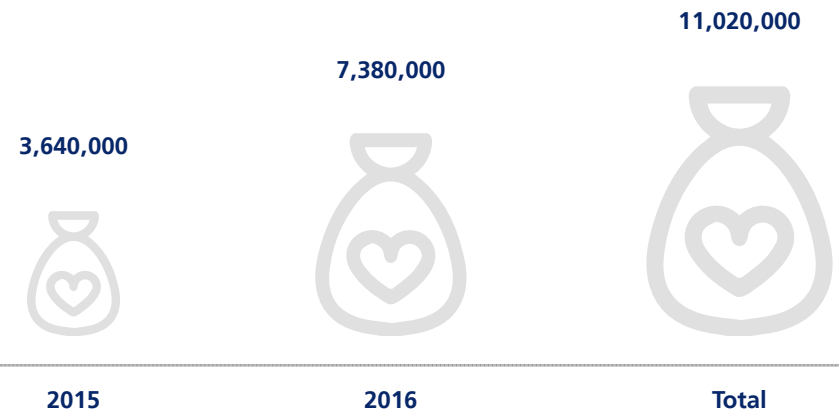
To celebrate these achievements, and to show appreciation for the volunteers who have dedicated their time to society, the Bank holds an annual Exchanger Summit in a festive atmosphere, where awards and recognition certificates are exchanged.



Almost 45,000 members of the public have been directly impacted by the Exchanger Programme

Resource Mobilisation

Amount raised from the public for different causes through our volunteering programmes (AED)



Like-to-Donate

Through our online banking and mobile app, we connect customers to non-profit organisations authorised to receive donations. In addition, customers are able to utilise our "Like-to-Donate" feature on social media channel Facebook, by clicking the "Like" button to effortlessly donate to causes they care about.

Plus Points

Customers have been able to donate money to support children with disabilities by redeeming their unused Plus Points from selected credit cards. Facilitated by Beit al Khair, the campaign will run indefinitely with funds raised used to support the education and Umrah requirements of marginalised children with disabilities from key centres including Rashid, Manzil, Al Noor and SNF.

Focus Area

Advocacy for People with Disabilities



Our Commitment



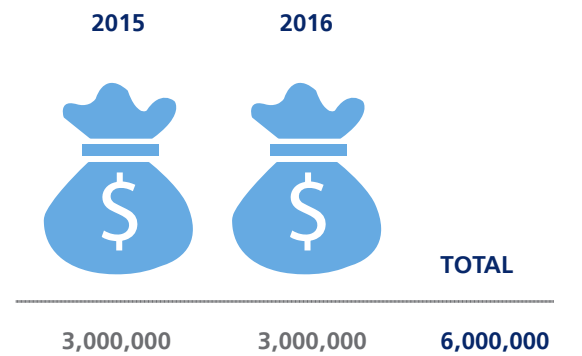
Overview

#TogetherLimitless, the Bank's flagship advocacy platform and commitment to people with disabilities, was developed in line with the United Nations Sustainable Development Goals (Goal 10: Reduce Inequality), the UAE 2021 Vision (Social Cohesion Index), and the '#MyCommunity... A City for Everyone' (establishing Dubai as a fully inclusive, disability friendly city by the year 2020.)

From the five goals set by '#MyCommunity... A City for Everyone', the the Bank has identified three to which we can positively contribute:

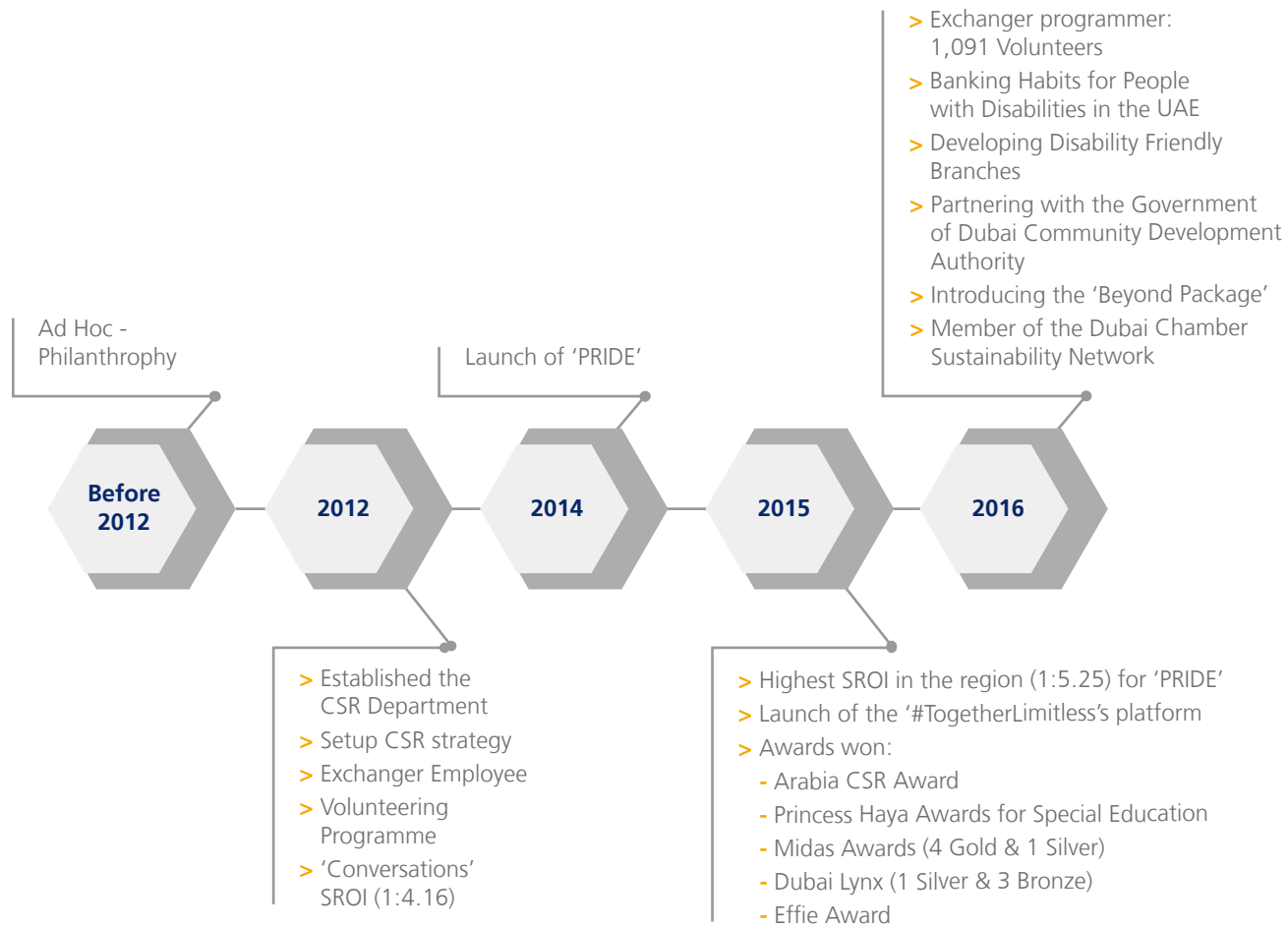
- > Inclusive Education
- > Equal Employment opportunities
- > Universal Accessibility

Monetary Contribution to Advocacy for People with Disabilities Focus Area (AED)



From this cascading rationale, carefully crafted to contribute to national and international visions, #TogetherLimitless was launched in 2015. The platform offers solutions to issues faced by people with disabilities, to enable them to live in a world where there are no barriers to achieve the same dreams and potential as everyone else. Changing perceptions and preconceptions requires intensive effort and time: with a healthy combination of both, we are confident this platform will help to bring change for people with disabilities in the UAE community as a whole.

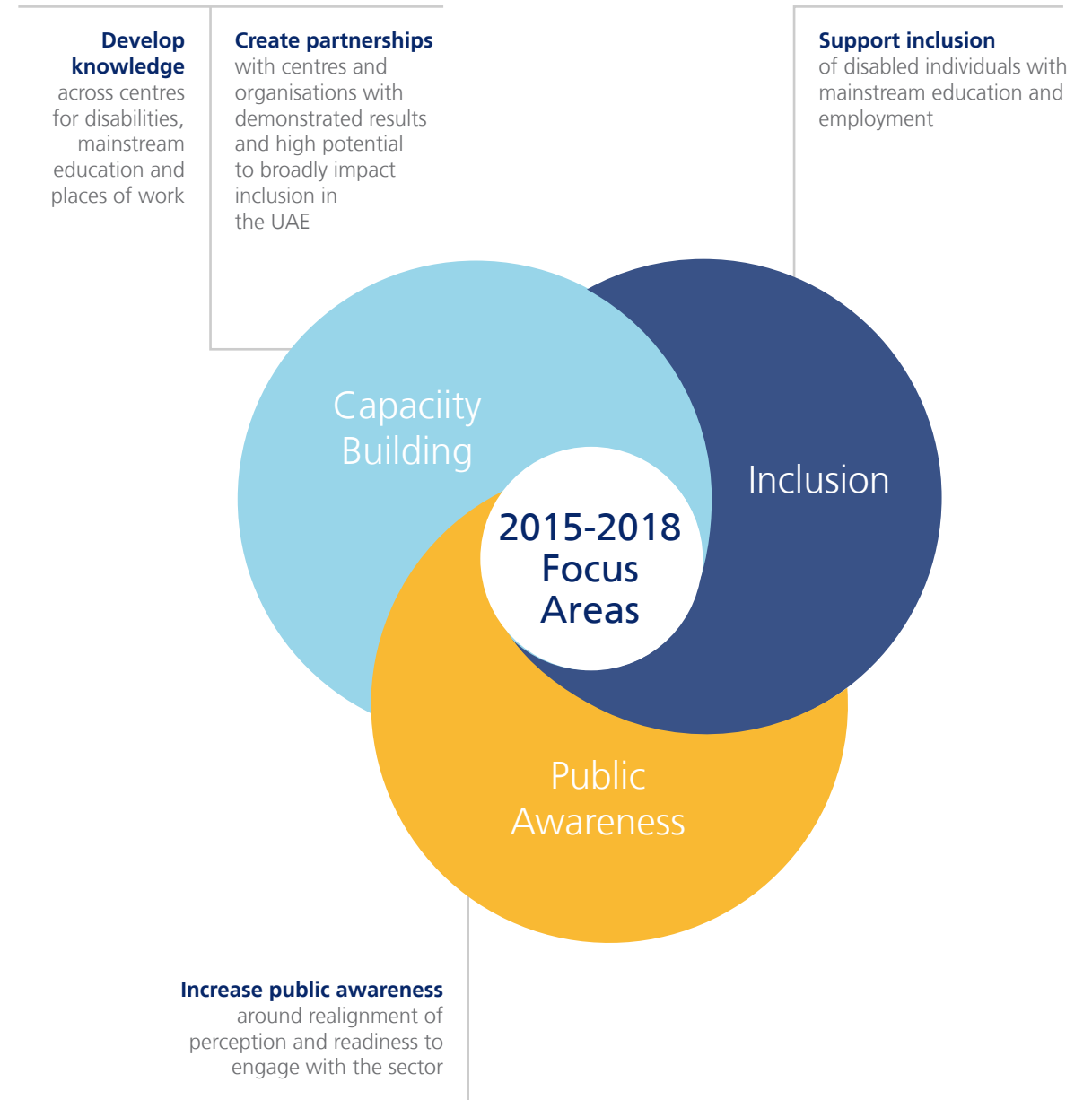




Partnerships Highlighted

Partnership People Receiving Independence and Dignity through Empowerment (PRIDE)

PRIDE is the result of almost 10 years of collaboration between Emirates NBD and the Manzil Center, a UAE-based organisation that provides early intervention, education, transition and vocational training programmes for individuals with disabilities.



The programme has three focus areas where the Bank's assets and goals are utilised to enhance impact:

Capacity Building

Develop knowledge across centres for disabilities, mainstream education and place of work, create partnerships with centres and organisations with demonstrated results

Inclusion

Support the inclusion of individuals with disabilities through education, employment and other services provided by the Bank

Public Awareness

Increase public awareness to realign perceptions and encourage readiness to engage with the sector

Measuring Impact with PRIDE

Since its launch in 2015, PRIDE conducted an annual comprehensive monitoring and evaluation process to measure its social impact. We implemented the framework developed by Social Value International, which provides a detailed methodology to measure Social Return On Investment (SROI) through the quantification of financial and non-financial indicators.



In 2015, the finding of the social impact study was that for every AED 1 invested in PRIDE, a social value equal to AED 5.25 was generated in return.

The finding of the 2016 social impact study was that for every AED 1 invested in PRIDE and the Careers Network*, a social value equal to AED 6.35 was generated in return. This social return on investment is the highest impact measured in the region to date.

The total investment in PRIDE and Careers Network:
2015: AED 1.6 million
2016: AED 1.7 million

The total social value created:
2015: AED 6.88 million
2016: AED 11.01 million

* In 2017, the impact of PRIDE and the Careers Network will be measured separately.

Clear objectives are set annually across the three Focus Areas as follows:

Focus Area	Number of People Reached	
	2015 Actuals	2016 Actuals
Education Inclusion		
Capacity Building Developing key skillsets for people with disabilities	762	827
Inclusion Supporting the inclusion of individuals with disabilities through education, training and other services provided by the Bank	7,085	6,214
Awareness Including public awareness sessions through fairs, speeches, media and social media	16,861	15,568
Total Direct Impact Summation of all people intentionally reached	24,708	22,609
Total Indirect Impact	2.5 Million	To be calculated in 2017



Human Assets

Exchanger Staff Volunteer Programme

32% of our Exchanger volunteer employees are deployed to volunteer with programmes and initiatives related to working with people with disabilities.

Workplace Inclusion

We have invested in ongoing recruitment, training, hiring and job shadowing programmes to welcome People with Disabilities (PwD) and grow their careers at Emirates NBD. Despite the recent economic downturn, which froze hiring at most companies in the UAE, our official policy was still to consider and expand our hiring of PwD. In addition, we have trained over 300 employees on inclusion mechanisms, to ensure we are the employer of choice for PwD. We expanded our learning to our private sector partners and mobilised them to offer job opportunities for graduates with disabilities as well.


 The Emirates NBD Group hires
12
 people with disabilities



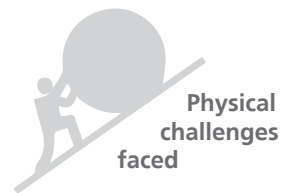

Products & Services

The Beyond Package for All Sanad Card Holders

The Dubai Community Development Authority (CDA) issues the smart Sanad Card for people with disabilities: the card includes privileges that support them and provide access to special services. The Bank offered all Sanad Card Holders the Beyond Personal Banking Package, which exempts customers from banking a minimum salary, while it offers them preferential transaction rates, insurance premium waivers and lifestyle rewards.

Research Study

Banking Habits for People with Disabilities throughout 2015 and 2016, we conducted and publicized the first known research entitled "The Banking Habits of People with Disabilities in the UAE." The research was designed to inform the financial sector in the UAE about the struggles and perspectives of people with physical, hearing and visual disabilities in accessing banking services and branches.



- > Lack of access to assistive technology (AT)
- > Lack of talking ATMs
- > Unable to read website text
- > Website incompatible with their current audio software
- > Difficulty entering buildings
- > Lack of appropriate facilities (lowered tellers accessible toilets, seating)
- > Lack of ATMs with lowered height
- > Ramp/elevator, door inaccessible
- > Lack of assistive technology
- > Lack of customer service via instant chat



- > Bank employees not understanding their condition
- > Employees not trained to serve people with visual impairment
- > Employees not trusting they can make their own financial decisions



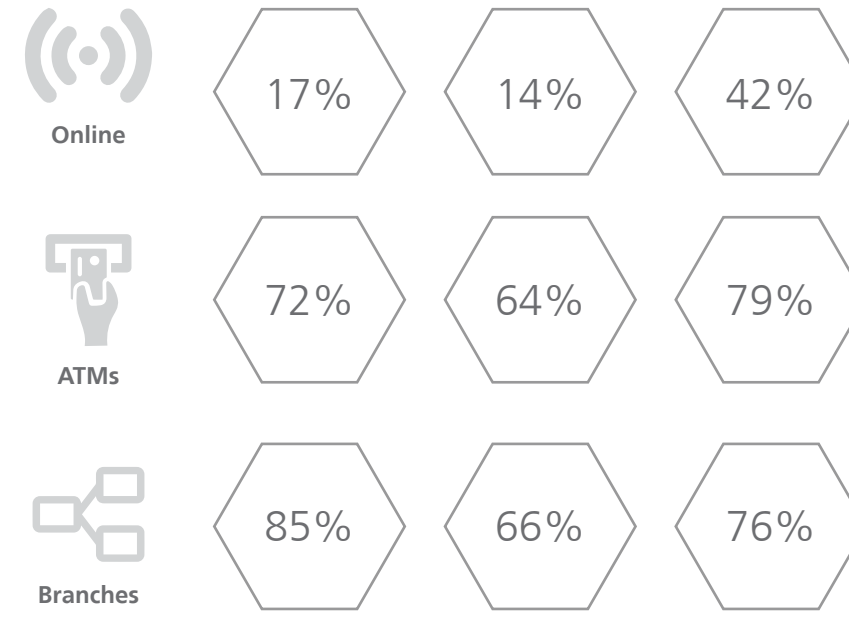
- > Employees not understanding their condition



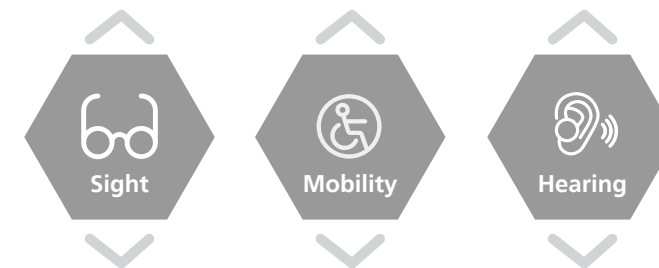
- > Employees not trained to communicate in sign language
- > Employees not understanding their condition



Challenges related to attitudes and skills



People with sight impairment, followed by the hearing impaired, show the most interest in visiting bank branches with enhanced features for people with disabilities.



The hearing impaired followed by the visually impaired are the most interested in using ATMs.

The interest for online banking is significantly higher amongst the hearing impaired as compared to others.

Findings

The results indicated that People with Disabilities feel often stereotypically grouped according to the type of disability (e.g. mobility disabled assumed as one group). The study showed that eight out of ten people with some form of disability have some degree of a relationship with a bank in the UAE, but that there were differences in habits and expectations between hearing, sight and physically impaired respondents. The conclusion of the research was that much of the financial sector's resistance to change can be solved through implementation of technology and by in-depth customer service training.

As a result of the findings, we have started working internally to develop practical solutions, in order to become the bank of choice for people with disabilities. Among these solutions are the development of disability friendly branches, and developing the Bankability mobile app.



Surveyed sample **225 people** with a range of physical, visual and hearing disabilities



All respondents were **18 years** of age or older, eligible to open a bank account and to live in the UAE



The Careers Network connects work-ready individuals with employers interested in bringing diversity into their workforces

Disability Friendly Branches

The findings of the research we conducted, under the title 'The Banking Habits for People with Disabilities in the UAE', have enabled the Bank to relaunch five branches with disability friendly elements and enhance the customer journey for people with disabilities – as well as training our frontline employees on disability etiquette. Employees at a further four branches were given disability etiquette training. We plan to make over ten more branches disability friendly in 2017.

Community

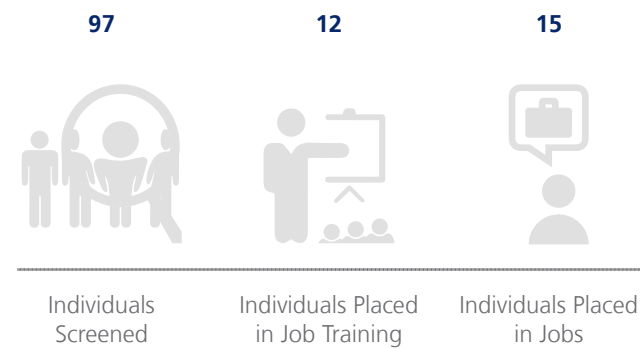
Creating Opportunities for Educational Inclusion

We created opportunities through the People Receiving Independence and Dignity through Empowerment (PRIDE) programme, in partnership with Manzil Center for People with Disabilities.

Launching the Careers Network

The Careers Network was launched in 2016, whereby graduating and graduated students – and work-ready individuals with disabilities are identified as ready and able to enter the workforce. The Careers Network connects work-ready individuals with employers interested in bringing diversity into their workforces. After going through assessments conducted by professionals in the disability space, beneficiaries are matched with career opportunities based on their skills and interests. We at the Bank have benefited from the Careers Network and have accordingly hired a CSR Coordinator to join our team.

Careers Network 2016



Perspectives

Emirates NBD joined hands with the Manzil Center for Individuals with Disabilities to raise awareness and funds for special needs individuals through 'Perspectives', a unique art exhibition and event in 2015. The event was held at the Al Murooj Rotana Hotel, Dubai and showcased stunning artworks created by students at Manzil. Guests of the Bank, comprising private, priority and personal banking customers, joined art patrons to view the paintings, followed by a live auction. All proceeds from the exclusive event were donated to Manzil Center.

Arts and Crafts Bazaar

We have facilitated the sale of handicrafts, paintings and novelties crafted by people with disabilities from various centres and organisations within our branches. The kiosks were set up in a strategic location (accessible to all customers and employees) within our Al Barsha and Ajman locations where the Arts and Crafts Bazaar proudly displayed items for sale.

I am ME

Emirates NBD is proud to support the voices of "I am ME (most extraordinary)" in collaboration with #TogetherLimitless. The project aims to Educate, Advocate, and Mainstream beauty in difference by sharing visual stories and interviews from real people with disabilities in Dubai, so as to increase awareness and support positive change.



Awards & Recognitions

Lynx Awards - 2015 and Midas Awards - 2015

We received one Silver and three Bronze Lynx awards as well as four Gold and one Silver Midas Awards for our video of the Perspectives Art exhibition and event – where we partnered with Manzil Center for Individuals with Disabilities to raise awareness and collect funds for people with disabilities.

Princess Haya Awards for Special Education - 2015

The Bank was presented with the Princess Haya Award for Special Education (PHASE) for Corporate Social Responsibility in the Outstanding Institutional Supporter (Private Sector) category. Emirates NBD won the award in recognition of the Bank's continued commitment to improving the lives of people with special needs. The Princess Haya Award for Special Education honours excellence in special needs practices and performance in the area of special needs provision. It is designed to encourage creativity and it acknowledges the roles of special needs educators, therapists, management, caregivers, organisations and companies.

Arabia CSR Awards - 2015

Emirates NBD received the Arabia CSR Awards in the Partnerships and Collaborations category. The Bank was commended for its strategic partnership with Manzil's PRIDE (People Receiving Independence and Dignity through Empowerment) programme, as part of #TogetherLimitless, the Bank's advocacy platform for people with disabilities.

2015 Effie Awards (MENA) - GOLD Award

Emirates NBD's Perspectives advocacy campaign won the Effie award for its highly effective awareness platform. The campaign showed creative excellence, setting benchmarks for the best marketing ideas that meet organisational objectives. The Bank has been named the world's top financial services brand in the Global Effie Effectiveness Index. Emirates NBD was the only company in the MENA region to be included in the 2015 Global Effie Effectiveness Index.



Focus Area Financial Literacy

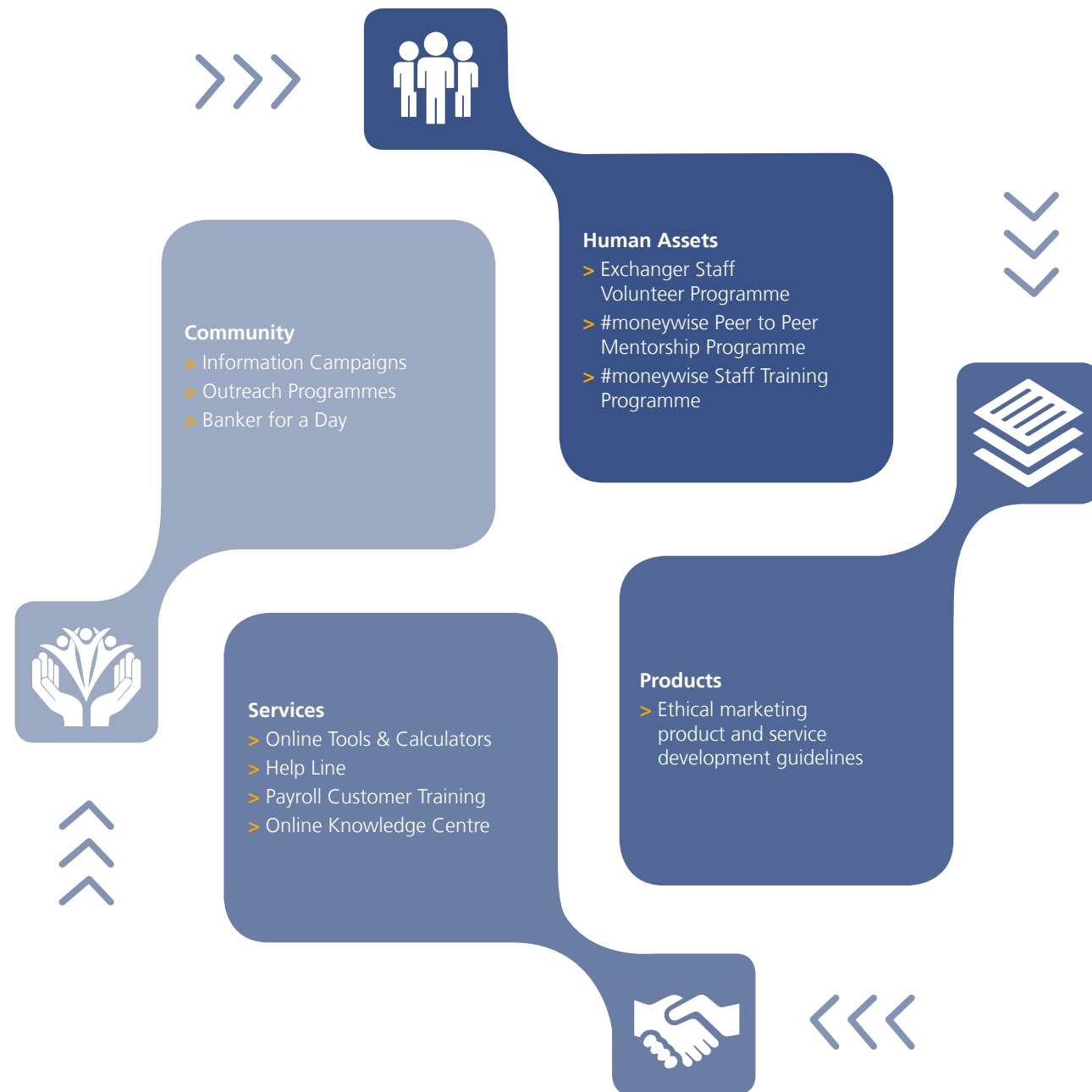


Banker for a Day



#moneywise

Our Commitment

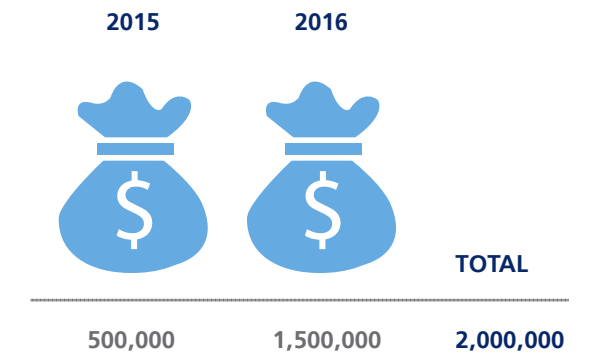


Overview

Financial Literacy is the second main focus area at the Bank for our Social Investment Strategy. It feeds directly into the Bank's Vision of 'making our customers' lives simpler by providing solutions that help them fulfil their financial aspirations.' Through this focus area, we promise to be a trusted partner, helping our customers to meet their financial goals, and empowering them to make informed financial decisions. We believe that everybody should be equipped with the knowledge and capability to effectively manage their own personal finances. Our responsibility is to educate and empower our customers and society.

We launched the #moneywise platform in November 2016, a multi-faceted financial literacy platform aimed at educating and empowering employees, customers and society to effectively manage their own personal finances.

Monetary contributions to the Financial Literacy Focus Area (AED)



Human Assets

Exchanger Employees Volunteering Programme: Our employees are deployed to volunteer for initiatives related to financial literacy, including workshop facilitation and financial coaching.

Employee Financial Coaching Programme

The #moneywise Financial Coaching programme is an internal initiative, under the broader #moneywise platform, which aims to improve the financial health of Emirates NBD employees through peer-to-peer financial coaching. #moneywise matches financial coaches (registered through our Exchanger volunteering programme) with employees either looking for assistance with a specific financial issue or simply having a desire to learn more about financial concepts. By joining the programme as coaches, employees are able to share their financial knowledge and experience in a meaningful way. Financial coaches will work with employees and their spouses to improve their knowledge, develop a personalised strategy for improving their financial health, and help them to stay on track – whether their goal is to reduce their debts, build wealth, plan for emergencies or simply expand knowledge. Overall, each financial coach works with employees to improve their self-confidence and help achieve financial independence and security.



Products & Services

Ethical marketing, products and services

We have committed to developing simple and understandable product Terms and Conditions for products and services that address social needs. Our promise is to look for opportunities during our day-to-day interactions with our customers to improve financial knowledge and capability and to provide the best possible solutions that address our individual customers' needs.

Worthy.ae

Worthy.ae is a platform that extends financial literacy and wellbeing content to the social space. Articles are written by various authors, who turn complex queries into simple, relevant and useful explanations and solutions. The sole intention is to share quality content and practical ideas.



Emirates NBD recently partnered with Integreat Centre to sponsor its “Money Management” course, a first-in-the-region programme to cover personal budgeting, financial tracking and payment methods for students with disabilities

Money Management Educational Course

The programme aims to teach students with disabilities, who are aged between 16 and 25, about financial literacy. It is designed to enable them to further their own financial independence. During the course, students will cover a broad curriculum of topics relevant to financial independence, including: personal budgeting, wants vs. needs, income and expenses, and the use of diverse payment methods. Emirates NBD will provide its products and services as real life tools for students, including model ATMs, account opening forms and sample debit/credit cards and cheque books. Students will also be offered field trips to the Bank's branches to practice self-sufficient banking in a learning environment – with branch staff available to provide informational or procedural assistance.

Community

Outreach Programmes

We have developed programmes designed to improve financial literacy for various focus groups including employees, customers, youth, corporates, SMEs and labour workers.

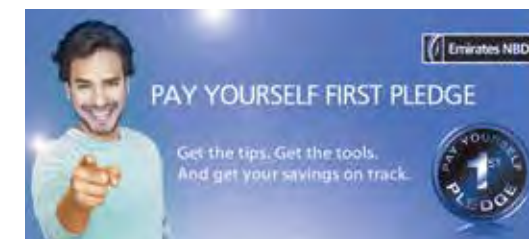


Banker for a Day

Nearly 1,000 students from across the UAE have participated in the ‘Banker for a Day’ programme, learning how the banking industry functions and translating theory into practical knowledge.

The Borrow Wisely Campaign

This a campaign to encourage loan customers to self-assess loan requirements and not borrow more than they need, or what they believe they can pay back. The Bank grants customers a one month grace period to cancel their loan if they believe they would not able to pay it back, or if they realise that the amount is more than they need.



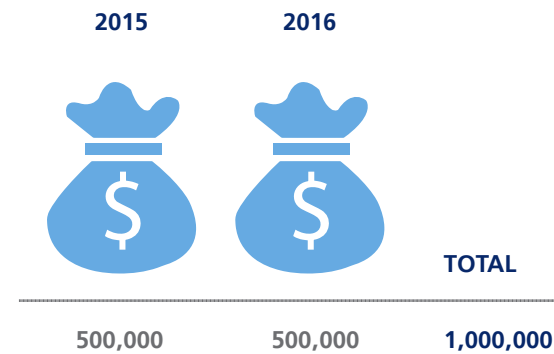
Pay Yourself First Campaign: This is an innovative financial education campaign designed to encourage individuals to manage their finances responsibly, and thus improve their personal saving habits. Through a series of online tools and helpful tips, individuals enrolled in “Pay Yourself First Pledge” are encouraged to set aside savings as soon as they receive their income, instead of waiting until all expenses are met.

Support Area

Women's Empowerment



Monetary contributions to the Women's Empowerment Support Area (AED)



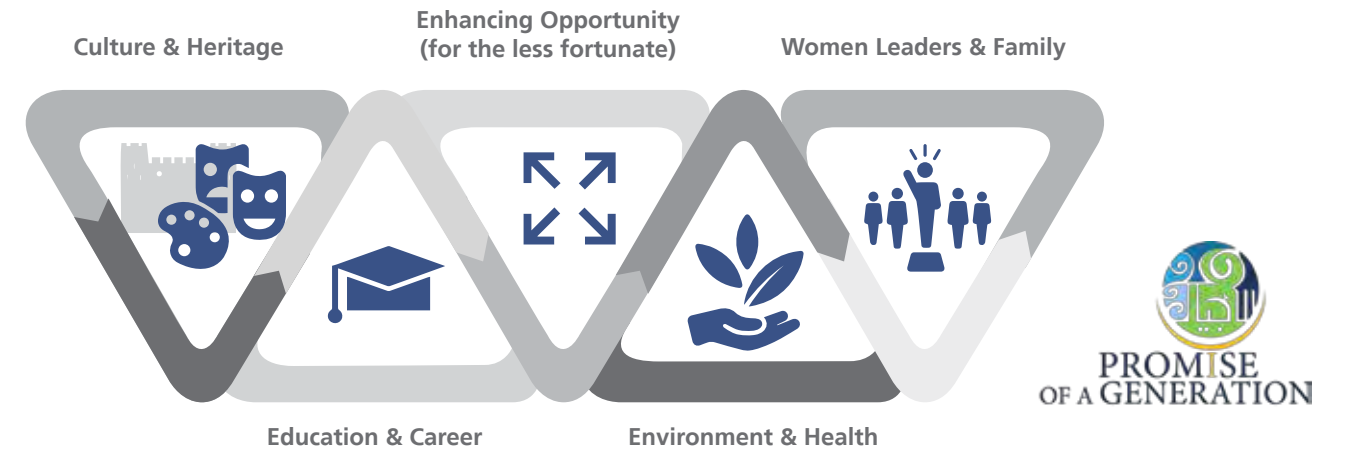
e7 Girls Summit

We have been proud to sponsor the first Emirates NBD 'e7 Girls Summit' in Dubai and to provide AED 100,000 cash to seed-fund community team projects developed by participants. The 'e7 Girls Summit: Daughters of the Emirates' is the creation of Promise of a Generation (POAG), a nine year old not-for-profit community initiative that fosters community dialogue. The e7 aims to inspire, train and connect young women in the Emirates, enabling them to benefit their communities through a commitment to positive team initiatives.

The 4-day e7 Summit gathered 35 young women (aged 18-25), five from each Emirate (three UAE nationals, two long-time residents). The participants were provided with the tools and support to commit to developing and implementing team initiatives that would benefit their communities throughout a year. Each participant was matched with a mentor to support her throughout her journey. The e7 Board and Committee Members provided both online and offline support for all participants and their mentors. Together they worked on an action plan to bring their projects to life.

All projects fell under one of POAG's five pillars of action

Community leaders and panel speakers consisted of both Emirati nationals and expatriates from multiple business sectors (banking, government, media, etc). Entrepreneurs and socially responsible individuals engaged with the participants throughout the summit. This support offered participants one-to-one interaction with respected figures from their communities.



2016 Team Projects

- > **Mootary:** Bringing independent car ownership to women in the UAE through practical workshops
- > **Masaari:** Allowing high school students in the UAE to explore their passion and interest at an early age by trying different career paths in various workplaces. This helps them decide which future path to choose
- > **We Feel:** Changing the community's perspective on cancer by utilising social media and spreading awareness in national universities
- > **Tagheer:** Educating college students to improve overall health and wellness
- > **Ghenemt:** Celebrating Emirati culture and heritage
- > **Taqa:** Educating youth on energy efficiency, sustainability and solar energy
- > **Aman:** Working for cleaner beaches
- > **Let's Lead:** Enabling young women between the ages of 16 and 24 to step into leadership roles, especially when faced with modern challenges while transitioning from academia to the workplace

#NisaAlGhad

In celebration of International Women's Day 2016, Emirates NBD launched the Women of Tomorrow (#NisaAlGhad).

This is to reinforce our commitment to female empowerment with programmes in support of female entrepreneurship and encouragement of social and economic development of women in the UAE.

The initiative invited women in the UAE to submit innovative and feasible business proposals via the Bank's social media platform. Entries have been shortlisted by a jury (made up of industry practitioners), and one winner will be selected via public vote. Emirates NBD will offer the winner financing to bring the proposal to fruition, with free marketing support provided by Expatwoman.com – an official partner of the Women of Tomorrow initiative.

Support Area

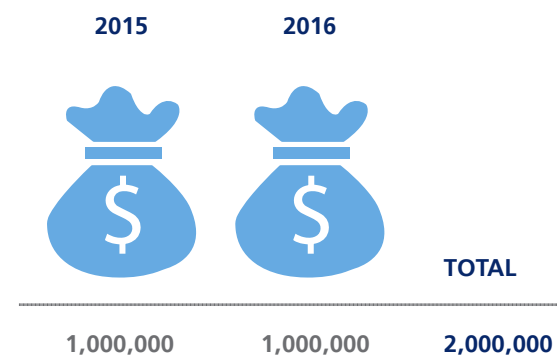
Health and Wellness



The Biggest Loser Challenge (Anti-Obesity Month)

In a bid to raise public awareness of overeating and the lack of exercise during Anti-Obesity Month in September, 50 Emirates NBD employees took part in the Biggest Loser Challenge, an initiative geared towards getting fit, losing weight and developing a healthy lifestyle. A total of 36 participants completed the programme, together losing 142 kg and raising AED 10,000 for the Al Jalila Foundation for Obesity Research. The Biggest Loser participants were ranked not only on their weight loss but for positive lifestyle changes as well.

Monetary contributions to the Health & Wellness Support Area (AED)



Fitness-linked Savings Account

The Bank launched a one-of-a-kind savings account designed to motivate account holders to get moving with their fitness. The Emirates NBD Fitness Account rewards savers by incrementally increasing their interest rate, based on the number of steps savers take. To help savers reach their fitness goals, the Bank sends motivational messages and goal updates – letting savers know where they stand in relation to their goals. The account also boasts free natural and accidental life insurance coverage for active account holders.

Unity Run

In celebration of United Arab Emirates unity, 200 Emirates NBD employees participated in the Unity Run event. The Unity Run 2016 was a celebratory walk and run, with the aim of raising money for the Al Noor Training Centre for Persons with Disabilities – as well as increasing awareness of people with disabilities. It was a combination of an untimed 3KM walk and 7KM run to celebrate unity in diversity. Out of 200 Emirates NBD employees participating, 100 took part in either the 3KM walk or the 7KM run and the other 100 volunteered to help with different aspects of the event.

Support Area

Community Development

GEMS Citizens of Tomorrow Innovation Competition:

This is an initiative undertaken as part of the Emirates NBD Group's External Innovation programme, in partnership with Emirates Islamic. Three winning teams received gift vouchers worth AED 5,000, AED 3,000 and AED 2,000 as first, second and third prizes respectively after the competition finals took place at the GEMS Modern Academy, Dubai. The awards ceremony was the culmination of a month-long innovation programme for over 200 school students, aged between 13 and 17, from 32 GEMS schools in the UAE. They worked in teams to develop innovative concepts centred on three challenge themes: 'Future Banking', 'Innovation in Cards' and 'Community', creating business models and basic prototypes for their concepts.

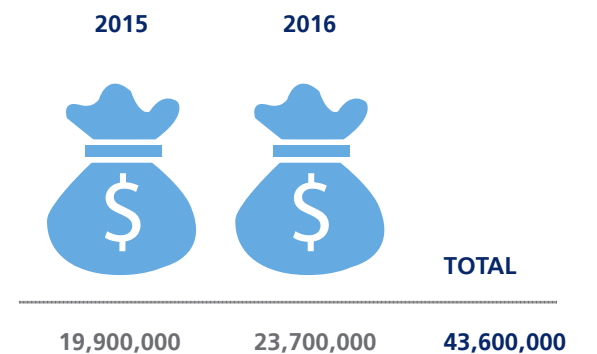


AED 2 Million to Provide 200,000 Books for the 'Reading Nation' Campaign

As part of the 'Reading Nation' Ramadan campaign launched by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Emirates NBD contributed AED 2 million to provide 200,000 books to establish libraries in 200 schools in Egypt, benefiting thousands of students.

Our contribution comes from an appreciation of the relationship between education and knowledge on the one hand, and between social and economic development on the other.

Monetary contributions to the Community Development Support Area (AED)



Ramadan Events 2016

The Bank held 32 volunteering activities during the holy month, when 593 Exchangers participated and spent 2,521 hours volunteering -- with some volunteering for more than 8 hours a day. The CSR department was so overwhelmed with volunteering requests that it had to create a waiting list. Events included packing food boxes, serving Iftar meals to the underprivileged, shopping for new Eid outfits for underprivileged children and storytelling with the Elderly.



Our Environmental Footprint (103-1), (103-2), (103-3)



We are committed to supporting the nation’s vision towards a green economy and being an active citizen when it comes to environmental stewardship.

As a responsible, ethical bank, we understand that managing our carbon footprint and ensuring environmentally-friendly processes is crucial to the overall sustainability of the Bank. Operating in the UAE, we are committed to supporting the nation’s vision towards a green economy, and being an active citizen when it comes to environmental stewardship. Therefore, we monitor our energy consumption, calculate our carbon footprint, monitor water usage, manage our waste and introduce innovative environmental initiatives that ensure inclusion of our employees and local communities.

At the Bank, environmental risks fall under Operational and Reputational Risk and are addressed accordingly. The Chief Risk Officer (CRO) is responsible for implementing risk policies and strategies as required. The CRO reports on the overall risks and management landscape to the Board Risk Committee on a quarterly basis.

Employees are encouraged to raise critical environmental risks with the Board Committees depending on the committee’s responsibility area. The Committee receiving the concern then addresses the issue with management and employees and takes necessary action.

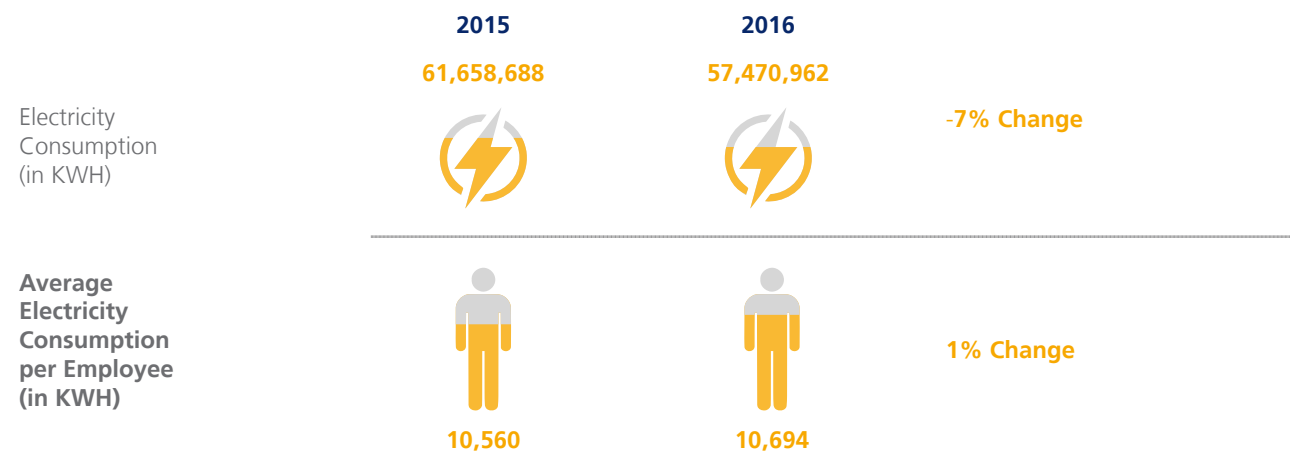
During the reporting period, no fines or non-monetary sanctions were imposed on the Bank for non-compliance with environmental laws.

Energy Consumption (302-1), (302-3), (302-4)

Electricity

We understand that we operate in a geography where electricity usage is ever increasing due to air conditioning usage and a growing population. Therefore, we take full responsibility for monitoring our water and electricity usage, developing reduction goals, using technological solutions to preserve resources and mobilising our employees through internal engagement tools and communication.

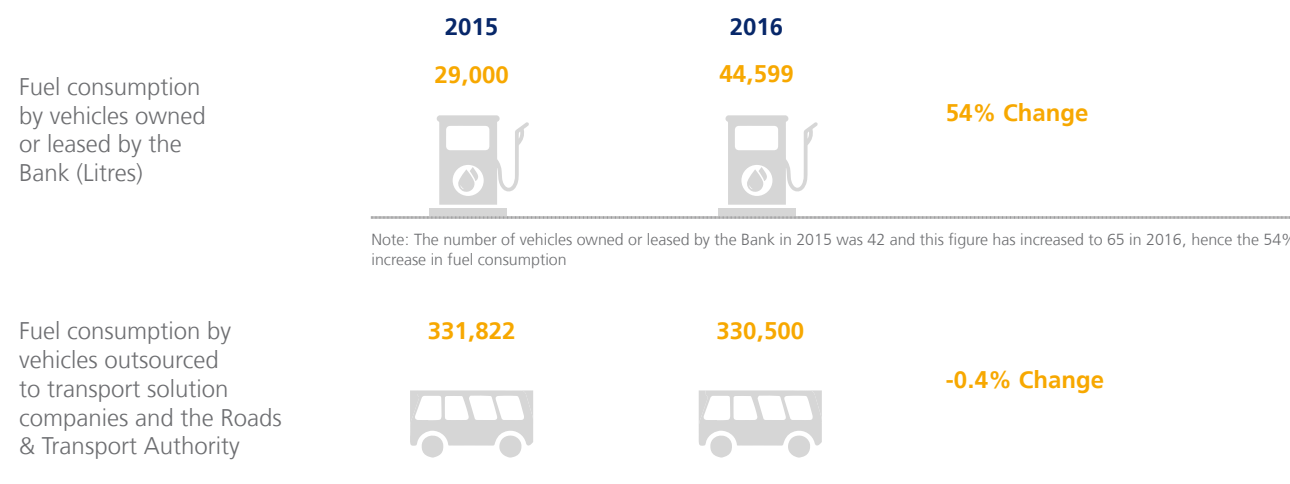
We purchase energy through local authorities. The figures below represent consumption by our main offices and branches in Dubai – they are taken from bills we receive from Dubai Electricity and Water Authority (DEWA).



Note: These figures exclude our mall branches. The consumption at mall branches is considered part of the mall's internally authorised overhead and is addressed accordingly.

Fuel Consumption

We own and lease vehicles for our employees' use. We also provide group transportation solutions to support all employees commuting to work and to ensure minimal negative environmental impact. We have partnered with a private transportation company, along with the UAE Roads & Transport Authority (RTA), to provide safe, convenient and environmentally friendly options for our employees. All vehicles that we own, lease or hire from contractors use petrol or Green Fuel. None of them use diesel fuel. All details related to transportation are mentioned in our Group Vehicle Fleet Policy.



Note: The number of vehicles owned or leased by the Bank in 2015 was 42 and this figure has increased to 65 in 2016, hence the 54% increase in fuel consumption

Greenhouse Gases (GHG)

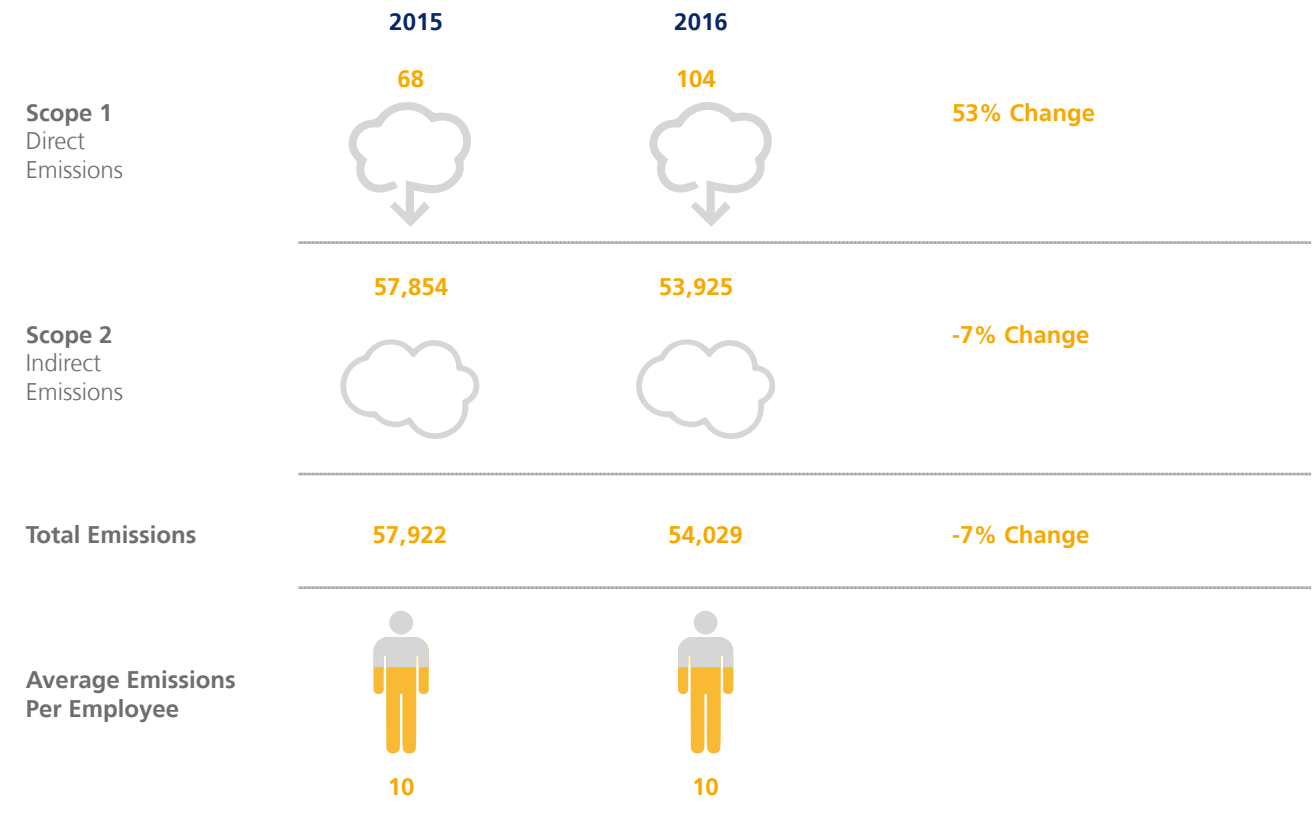
Emissions (103-1), (103-2), (103-3), (305-1), (305-2), (305-4), (305-5)

Managing our GHG emissions is crucial to acknowledging our responsibility towards climate change. On the UAE level and on a global level, we believe that conscious environmental practices help us create efficient processes that create a shared responsibility, help save operational costs and ultimately control unnecessary emissions with negative environmental impact.

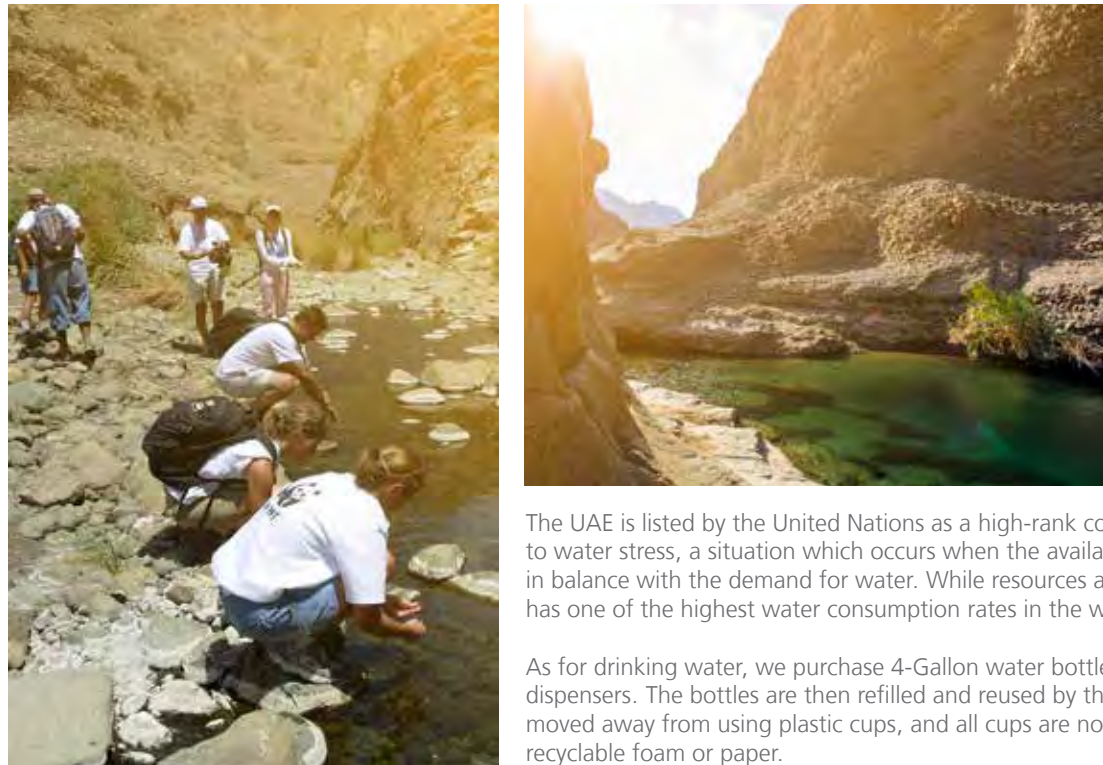
Our Procurement Team analyses our operations and identifies major sources of emissions at the Bank. For the reporting period, three main sources have been identified: emissions resulting from vehicles owned or leased by the Bank, electricity usage and employee travel.

For this report, we have included only Scope 1 and Scope 2 emissions in our calculations for 2015 and 2016. We plan to extend the calculations to include Scope 3 for our future reports to cover all emissions resulting from employee travel.

tCo2e (Tonnes of CO2 Equivalent)



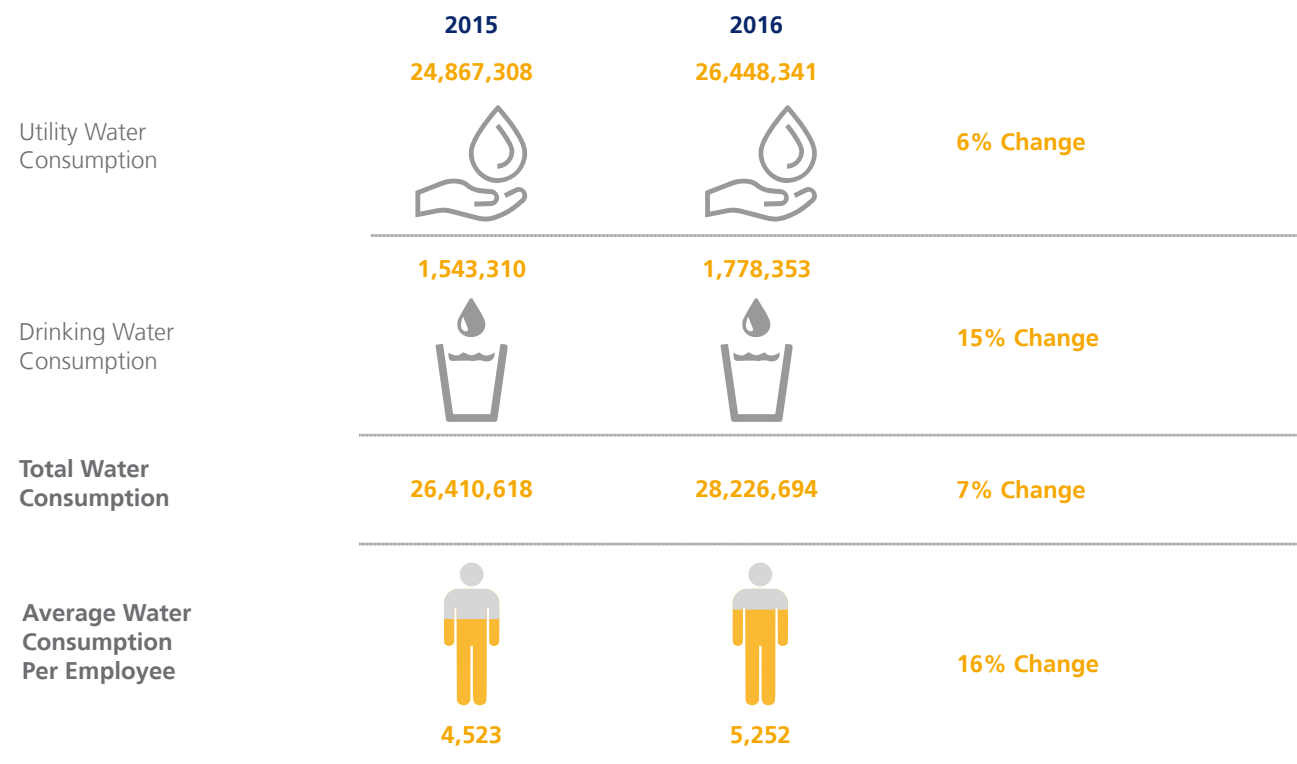
Water Consumption (103-1), (103-2), (103-3), (303-1)



The UAE is listed by the United Nations as a high-rank country when it comes to water stress, a situation which occurs when the availability of water is not in balance with the demand for water. While resources are limited, the UAE has one of the highest water consumption rates in the world.

As for drinking water, we purchase 4-Gallon water bottles for the water dispensers. The bottles are then refilled and reused by the company. We have moved away from using plastic cups, and all cups are now made of either recyclable foam or paper.

Water Consumption (Litres)



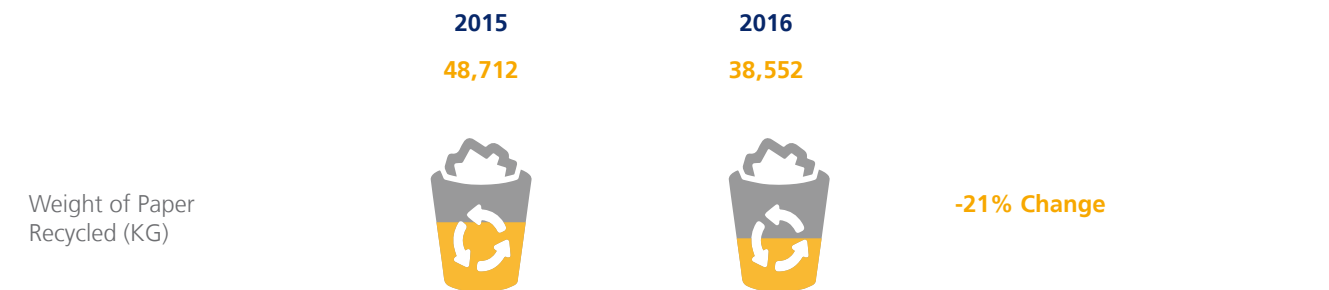
Note: These figures exclude our mall branches. The consumption at mall branches is considered part of the mall's internally authorised overhead and is addressed accordingly.

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



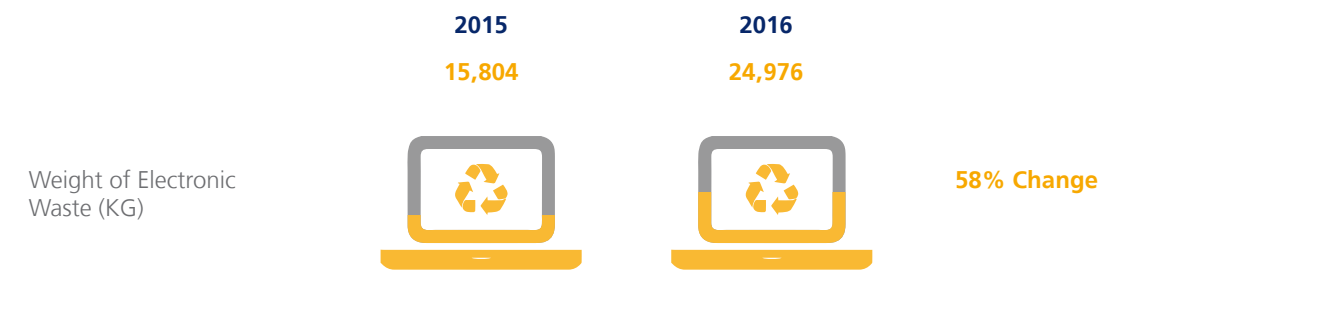
Paper Waste

In the banking industry, the majority of our waste is in the form of paper. We have partnered with Trashco, a UAE waste management company, which collects our paper waste and reports monthly on our consumption.



Electronic Waste

We understand the potential negative impact that electronic waste has on the environment. Therefore we have partnered with EnviroServe, our supplier for recycling all electronic waste, to dispose of any remaining items in an environmentally-friendly manner.



The Go Green Initiative



Background

During 2016, The Group Digitisation team at the Bank estimated that our annual paper consumption was close to 35 Million sheets annually: the equivalent to trees that would fill eight large football fields.

As a result, the Emirates NBD Group Executive Committee mandated a "Go Green/Paperless" initiative in May 2016 – aimed at reducing paper usage through four pillars: process streamlining, digitization, mass engagement and awareness.

Implementation

The initiative involves a core committee of 15 champions from various departments, who will drive mass engagement. The champions are encouraged to drive "Go Green" campaigns to reduce paper consumption and encourage employees in their departments to come up with innovative reduction ideas.

For continuous engagement, a bi-weekly meeting of the champions will brainstorm ideas, discuss challenges and share success stories. Additionally, regular bulletin updates will be shared across the Emirates NBD Group through internal communications.

The Go Green Initiative's goal is to reduce total paper consumption by **10 - 15%** by April 2017



Rewards & Recognition

Every month, a voucher worth AED 1,000 is awarded to the department with the best idea. Ideas are evaluated based on the extent of their cost reduction, scalability, ease of implementation and the positive impact on employees' day-to-day practices. Every quarter, employees with the three top ideas get a chance to present them to the Executive Committee and are awarded an iPad.

Implemented Ideas

- > Around 20% of overall paper consumption comes from employees printing the "End of Day Report". This report is now being digitised – a process that will save 7.5 Million sheets of paper annually once fully implemented. Furthermore, this proposal has a positive impact on our carbon footprint because the reports no longer need to be couriered to archive centres
- > Introducing an option on printers to preview jobs before printing. This ensures that employees have the option to delete print items which had been requested by mistake or were no longer required
- > 'No Print Day': Every second Monday of the month is celebrated as a 'No Print Day', which has resulted in significant reductions in printing
- > Providing training material in digital format and avoiding paper format unless absolutely necessary
- > Elimination of printing bank-branded diaries and reusing envelopes

Expanding the Impact

The initiative's success has led to the implementation of other ideas beyond paper consumption, such as:

- > Swapping plastic cups with ceramic mugs
- > Replacing individual plastic water bottles with large dispensers that can be refilled
- > Providing training material in digital format instead of print

300 ideas have been generated

30 have been implemented



Preferred Interest Rates on Loans for Electric and Hybrid Cars

The Bank offers preferred interest rates to customers taking out loans to purchase electric and hybrid cars. This project is part of our initiative to promote responsible transport and decrease our carbon footprint.

Waterless Car Wash Services

We introduced a Waterless Car Wash Service at our Meydan location, available to all employees. Waterless car wash products are biodegradable and environmentally-friendly.

Raising Funds for Water Education

The Bank has developed a philanthropic opportunity which enables high-net-worth clients to make individual donations to support water education and conservation programmes. These are administered by our partner, Emirates Wildlife Society (EWS), in association with World Wide Fund for Nature (WWF).

Other Initiatives

Our Procurement team is always working on identifying facilities where physical upgrades can achieve energy efficiencies, as described below:

In 2016, we achieved estimated savings of AED 850,000 due to switching to LED Lights in several branches.

Initiative	Premises
Replaced all lights with LED energy saving lights in all floors' common areas, lift lobby, corridors and staircases	Head Office, Meydan Buildings N, P & Q
Installed solar film in the entire building	Meydan Buildings N, P & Q
Fixed aerators in the pantry sinks	Key premises
Decreased the working duration of lights in parking lots, all floors' common areas, lift lobby, corridors and staircases	Key premises
As part of rebranding, the Bank replaced all external signboard lights with LED	All branches



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			Part Omitted	Reason	Explanation	
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General
Disclosures
2016**

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	102-30 Effectiveness of risk management processes	42, 43, 44, 45, 46, 47					
	102-31 Review of economic, environmental and social topics	42, 43, 44					
	102-32 Highest governance body's role in sustainability reporting	35, 44					
	102-33 Communicating critical concerns	38					
	Stakeholder engagement						
	102-40 List of stakeholder groups	24					
	102-41 Collective bargaining agreements	Collective bargaining is not permitted within the UAE					
	102-42 Identifying and selecting stakeholders	24					
	102-43 Approach to stakeholder engagement	24					
	102-44 Key topics and concerns raised	24					

Principles 1 - 10

Reporting practice						
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission			UNGC Principles
			Part Omitted	Reason	Explanation	
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	19				No Specific COP Requirements
	102-46 Defining report content and topic boundaries	26, 27				
	102-47 List of material topics	26, 27				
	102-48 Restatements of information	6				
	102-49 Changes in reporting	6				
	102-50 Reporting period	6, 7, 8				
	102-51 Date of most recent report	6, 7, 8				
	102-52 Reporting cycle	6, 7, 8				
	102-53 Contact point for questions regarding the report	6				
	102-54 Claims of reporting in accordance with the GRI Standards	6, 7, 8				
	102-55 GRI content index	138				
	102-56 External assurance	6				
Material Topics						
GRI 200 Economic Standard Series						
Economic Performance						
GRI 102: General Disclosures 2016	103-1 Explanation of the material topic and its boundary	16, 17				No Specific COP Requirements
	103-2 The management approach and its components	16, 17, 18, 19				
	103-3 Evaluation of the management approach	16, 17, 18, 19				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	16, 17, 18, 19, 20, 21				

Procurement Practices						
	103-1 Explanation of the material topic and its boundary	64, 65, 66, 67				-
GRI 201: Economic Performance 2016	103-2 The management approach and its components	64, 65, 66, 67				-
	103-3 Evaluation of the management approach	64, 65, 66, 67				Principles 1 - 10
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-	Proportion of spending on local suppliers	UI*	The current structure of procurement spend does not provide the data in the format that the disclosure requires. The Bank will report on this disclosure starting next year	-
Anti-corruption						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	40, 41				
	103-2 The management approach and its components	40, 41				
	103-3 Evaluation of the management approach	40, 41				Principles 1 - 10
GRI 103: Management Approach 2016	205-1 Operations assessed for risks related to corruption	40, 44				
	205-2 Communication and training about anti-corruption policies and procedures	41				
GRI 300 Environmental Standards Series						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	128, 129, 130, 131				
	103-2 The management approach and its components	128, 129, 130, 131				
	103-3 Evaluation of the management approach	128, 129, 130, 131				Principles 7,8,9
GRI 302: Energy 2016	302-1 Energy consumption within the organization	130				
	302-3 Energy intensity	130				
	302-4 Reduction of energy consumption	130				

*Information Unavailable

Water						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	128, 129, 132				
	103-2 The management approach and its components	128, 129, 132				Principles 7,8,9
	103-3 Evaluation of the management approach	128, 129, 132				
GRI 303: Water 2016	303-1 Water withdrawal by source	132				
Emissions						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	128, 129, 131				
	103-2 The management approach and its components	128, 129, 131				
	103-3 Evaluation of the management approach	128, 129, 131				Principles 7,8,9
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	131				
	305-2 Energy indirect (Scope 2) GHG emissions	131				
	305-4 GHG emissions intensity	131				
Effluents and Waste						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	42, 43, 44				
	103-2 The management approach and its components	42, 43, 44				Principles 7,8,9
	103-3 Evaluation of the management approach	42, 43, 44				
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	42, 43, 44				
GRI 400 Social Standards Series						
Employment						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	68, 69, 70, 91, 92				
	103-2 The management approach and its components	68, 69, 70, 91, 92				Principles 6
	103-3 Evaluation of the management approach	68, 69, 70, 91, 92				

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	74, 75, 78				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	91				
	401-3 Parental leave	92				
Labour/Management Relations						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	68, 69, 70				Principles 6
	103-2 The management approach and its components	68, 69, 70				
	103-3 Evaluation of the management approach	68, 69, 70				
GRI 103: Management Approach 2016	402-1 Minimum notice periods regarding operational changes	70				
Occupational Health and Safety						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	96, 97, 98, 99				Principles 6
	103-2 The management approach and its components	96, 97, 98, 99				
	103-3 Evaluation of the management approach	96, 97, 98, 99				
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	96				
Training and Education						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	86, 87, 88, 89				Principles 6
	103-2 The management approach and its components	86, 87, 88, 89				
	103-3 Evaluation of the management approach	86, 87, 88, 89				

GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	86				
	404-2 Programmes for upgrading employee skills and transition assistance programmes	86, 87, 88, 89				
	404-3 Percentage of employees receiving regular performance and career development reviews	90				
Diversity and Equal Opportunity						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	35, 36, 37, 74, 75, 76, 77, 78, 79				Principles 6
	103-2 The management approach and its components	35, 36, 37, 74, 75, 76, 77, 78, 79				
	103-3 Evaluation of the management approach	35, 36, 37, 74, 75, 76, 77, 78, 79				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	35, 36, 37, 74, 75, 76, 77, 78, 79				
	405-2 Ratio of basic salary and remuneration of women to men	74, 83				
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	64, 65, 66				Principles 5
	103-2 The management approach and its components	64, 65, 66				
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GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	64, 65, 66				
Human Rights Assessment						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	64, 65, 66				Principles 2
	103-2 The management approach and its components	64, 65, 66				
	103-3 Evaluation of the management approach	64, 65, 66				
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	64, 65, 66				

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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	100 - 127				Principles 1
	103-2 The management approach and its components	100 - 127				
	103-3 Evaluation of the management approach	100 - 127				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programmes	100 - 127				
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	64, 65, 66				Principles 1
	103-2 The management approach and its components	64, 65, 66				
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GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	64, 65, 66				
Marketing and Labeling						
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	55				No Specific COP Requirements
	103-2 The management approach and its components	55				
	103-3 Evaluation of the management approach	55				

GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	-			CC*	This information is handled by the legal department and is considered confidential. The Bank is currently revising it and considering reporting on this disclosure for next year	
	417-3 Incidents of non-compliance concerning marketing communications	-			CC*	This information is handled by the legal department and is considered confidential. The Bank is currently revising it and considering reporting on this disclosure for next year	
Customer Privacy							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	55					Principles 1
	103-2 The management approach and its components	55					
	103-3 Evaluation of the management approach	55					
GRI 103: Management Approach 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-			CC*	This information is handled by the legal department and is considered confidential. The Bank is currently revising it and considering reporting on this disclosure for next year	

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