

*Celebrating
50 years*

Annual Report 2013



Emirates NBD

“ To be globally recognised as the most valued financial services provider based in the Middle East ”



H.H. Sheikh Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates



H.H. Sheikh Mohammed Bin Rashid Al Maktoum
Vice President and Prime Minister
of the United Arab Emirates and Ruler of Dubai



H.H. Sheikh Hamdan Bin Mohammed
Bin Rashid Al Maktoum
Crown Prince of Dubai



H.H. Sheikh Hamdan
Bin Rashid Al Maktoum
Deputy Ruler of Dubai
Minister of Finance



H.H. Sheikh Maktoum Bin Mohammed
Bin Rashid Al Maktoum
Deputy Ruler of Dubai



In the presence of H.H. Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Emirates NBD held a ceremony to honour its Chairmen, Vice-Chairmen and Members of the Board of Directors and CEOs since its inception in 1963.

The ceremony was held on 16th December 2013 at the Dubai World Trade Centre, Sheikh Saeed Hall.



EMIRATES NBD
BOARD OF DIRECTORS



**H.H. Sheikh Ahmed Bin Saeed
Al Maktoum**
Chairman



Hesham Abdulla Al Qassim
Vice Chairman



Buti Obaid Buti Al Mulla
Director



**Mohamed Hamad Obaid
Al Shehi**
Director



H.E. Khalid Juma Al Majid
Director



Ali Humaid Ali Al Owais
Director



Hussain Hassan Mirza Al Sayegh
Director



Mohamed Hadi Ahmad Al Hussaini
Director



Shoaib Mir Hashem Khoory
Director

Chairman's Message	10
Group CEO's Message	12
50th Anniversary Celebrations	14
Economic Overview	18
2014 Strategy	20
Review of Performance	22
> Financial Overview	22
> Consumer Banking and Wealth Management.....	24
> Retail Banking	24
> Priority Banking	25
> Business Banking	26
> Consumer Finance	27
> Wealth Management	27
> Emirates NBD Asset Management.....	28
> Emirates NBD Securities	29
> Wholesale Banking	30
> Corporate Banking	30
> Investment Banking	32
> Islamic Banking	32
> Emirates Islamic	32
> Global Markets and Treasury	33
> International	34
> Information Technology and Operations	35
> Tanfeeth.....	36
> Emirates NBD Properties.....	37
> Group Human Resources	38
Group Risk Management	40
The Board and its Committees	44
Beyond Banking	46
Management	48
Financial Highlights	50
Emirates NBD Branches and Contacts	54
Emirates NBD Overseas Offices	56
Other Subsidiaries and Associate Contacts	57

H.H. SHEIKH AHMED
BIN SAEED AL MAKTOUM
CHAIRMAN EMIRATES NBD



In 2013, the UAE's economy demonstrated positive signs of recovery and steady growth, despite the economic challenges that remain, both regionally and globally. The development and success of the UAE allows it to remain an oasis of economic safety and prosperity, which is due to the wise leadership and vision of the UAE Government. The UAE is positioned to continue enjoying further improvements to its economy over the year, while leveraging on the numerous benefits that will emerge in line with the positive progress.

The UAE's successful bid to host the Expo 2020 in Dubai is an excellent opportunity to showcase the UAE's capabilities. The country's win will undoubtedly create valuable prospects for the nation, which will reflect in improvements across all the UAE economic sectors, including trade, transportation and tourism, among others. The recent inauguration of the Dubai World Central Al Maktoum International Airport and the first phase of the Mohammed Bin Rashid City project, and various other leading infrastructure projects, will further promote the nation's construction sector over the next few years.

During the year, Dubai continued with its ambition to establish itself as the capital for Islamic Finance by taking various measures to ensure the success of its mission. Such efforts included the issuance of several Sukuks in the local market and the establishment of the Dubai Centre for Excellence in Islamic Banking and Finance. The Group extended its support towards Dubai's efforts in making the city a capital for Islamic Finance with the issuance of Sukuks by Emirates Islamic, with a nominal value of USD 1 billion, raising the total value of Sukuks listed on Dubai's exchanges to become the third largest USD Sukuk issuer in the world.

Against this backdrop, Emirates NBD maintained a strong record in 2013, with key highlights including:

- > Net profit for 2013 of AED 3.3 billion, up 27% from 2012
- > Total assets were up 11% at AED 342.1 billion
- > Customer deposits reached AED 239.6 billion, up 12% from the previous year
- > Capital adequacy ratio remained at a healthy level of 19.6%

In line with our strong results, 2013 was a special year for Emirates NBD as it celebrated its 50th anniversary, which included a host of activities throughout the year and a remarkable ceremony that was graced by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai and His Highness Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, Dubai Crown Prince, and other dignitaries and senior officials. The special occasion was held to honour the Chairmen, Vice-Chairmen and Members of the Board of Directors and CEOs of Emirates NBD since its inception in 1963, during the lifetime of the late Sheikh Rashid Bin Saeed Al Maktoum. As the first national bank in the UAE, our journey over the last 50 years reflects the wisdom of our leadership, the support of our shareholders, the loyalty of our customers, the diligence of our employees, and our strong proclamation of providing a service that excels in continuing to serve our economy and country.

In closing, I wish to thank Rick Pudner, for his highly valuable efforts during his tenure at Emirates NBD. I am also pleased to welcome Shayne Nelson, who joins us with a successful banking career and a wealth of knowledge and experience in the sector. Shayne's strong background in the banking arena will surely continue the Group's ambition to be the leading bank in the region.

Finally, I wish to thank the Group's Board Members, senior Management team and employees for their continued efforts and dedication towards achieving Emirates NBD's objectives. I would also like to thank all our customers for their loyalty and trust, and I look forward to 2014 being another successful year for Emirates NBD.

SHAYNE NELSON
GROUP CEO
EMIRATES NBD



Emirates NBD's financial results for 2013 portray the Bank's solid performance throughout the year, and I am pleased to be joining at a time when the Bank celebrates its proud history of 50 years of success since its inception in 1963. In my inaugural address of the Group's full year performance, I am delighted to report that we have delivered a strong set of financial results with net profit of AED 3.3 billion up 27%.

The UAE economy enjoyed robust growth last year, as oil production continued to rise and the continued recovery in domestic and regional demand boosted the non-oil sectors. In Dubai this has been particularly relevant with growth seen in manufacturing, hospitality and the trade sectors. The acceleration in private sector credit growth, strong retail sales and continued recovery in the real estate sector provide evidence of the sort of trends that typically benefit the banking sector as revealed in our net profits for the year.

With the UAE winning the bid to host Expo 2020 in Dubai, opportunities will emerge which will positively impact all the UAE's economic sectors, including trade, logistics, infrastructure, tourism and transportation. It is expected that

Expo 2020 will favourably influence the country's GDP, which we estimate has grown by 4.6% in 2013 and is further expected to grow by 4.5% in 2014. Looking ahead, Emirates NBD will endeavour to create an environment that will allow for its operations to leverage on the opportunities that will arise from this growth, creating further potential for the Group to expand and maintain its position as a successful and leading financial services provider.

During 2013, the Bank continued to implement its Wholesale Banking strategy, which focuses on building a Centre of Excellence around various key sectors and geographic locations. The Bank continues to build more profitable corporate relationships by improving risk based pricing, and especially by cross-selling fee oriented Treasury and Investment Banking products and increased Cash Management and Trade Finance penetration.

Emirates NBD's Consumer Banking and Wealth Management unit saw an improvement of 15% in revenue, while deposits grew by 11%, driven mainly by growth in Customer Accounts and Saving Accounts (CASA). Consumer Banking and Wealth Management loans witnessed an increase of 32%, buoyed by the demand for mortgages, personal loans, credit cards and auto loans. With more than 560 ATMs and 100 branches, the Bank has successfully improved its distribution capability as part of its channel optimisation strategy. Our mobile and internet banking transactions grew by over 50% last year compared to a growth of about 10% in branch-based transactions. We are investing significantly in our mobile banking capabilities consistent with our strategy to make banking more efficient and convenient to customers.

The Group's Global Markets and Treasury Sales Desk witnessed modest revenue growth from the demand for foreign exchange and interest rate hedging products. Due to the market volatility that stemmed from the US Federal Reserve's decision to defer action on quantitative easing, the Group's trading activity was challenged during the second half of the year.

During 2013, Emirates NBD's Islamic segment, Emirates Islamic, strengthened its core franchise through the expansion of its retail, SME and corporate offering. Moreover, the Bank's revenue improved, its financing receivables grew by 3% and its customer accounts rose by 12% from the previous year. As the Bank launched its successful new brand, its branches and ATM distribution reached 50 and 180 respectively.

In 2013 we successfully completed our acquisition of BNP Paribas Egypt. Renamed as Emirates NBD, the bank now functions as a full service commercial banking platform in Egypt with a strong focus on large corporates and multinational corporations, which serves more than 4,000 clients. The Egypt operation, with its robust profitability and healthy balance sheet, contributed to the success of the Group, with high growth potential in its Retail Banking segment, which serves over 246,000 clients. At present, the Bank has a significant presence in Egypt, with a total of 70 branches and more than 180 ATMs.

In terms of asset quality and provisioning, the Bank's experience in 2013 has been in line with guidance. The impaired loan ratio improved by 0.4% during 2013 to finish the year at 13.9%. During 2013, Emirates NBD increased its coverage ratio by over 8% to 57.5%.

The year also saw a further improvement in the Group's liquidity and funding position as Emirates NBD's advances to deposits ratio ended the year at 99.5%, compared with 102% a year ago. Liquidity remains strong and the level of cash and Central Bank balances reached over AED 38 billion at 31 December 2013, which represents 12.8% of the Bank's total liabilities. Emirates NBD took advantage of favourable market conditions to issue additional Tier 1 capital during the year, which improved the Tier 1 capital ratio by 1.5% to 15.3%.

Our solid performance for 2013 is a reflection of the Group's mission, vision and thorough strategy, and the collective efforts of the management team and employees, who have worked together to ensure that the organisation continues to function efficiently.

In 2013, Emirates NBD successfully implemented its strategy, which has been built on five core building blocks: to deliver an excellent customer service experience, to build a high performing organisation, to drive core business, to run an efficient organisation and to drive geographic expansion. Going forward, I will be endorsing Emirates NBD's strategy, with an implementation plan to create further growth and success opportunities for the Group.

In closing, I would like to thank the Chairman, His Highness Sheikh Ahmed Bin Saeed Al Maktoum, the Vice-Chairman, the Board of Directors and the Senior Management team for their invaluable support and guidance as I commence my journey with Emirates NBD. I would also like to thank Emirates NBD's professional and dedicated members of staff for their relentless efforts and commitment, which have been fundamental in the Group's achievements during 2013. While there may be many challenges ahead, there are many exciting opportunities for our Group and I look forward to seizing these prospects together, as we continue to build Emirates NBD's long and solid history of success.

50TH ANNIVERSARY LOGO DESIGN COMPETITION

Online



Web Banner



Facebook App



Print



ATM Screen



Outdoor

Hoarding



Lamp post



Bridge Banner

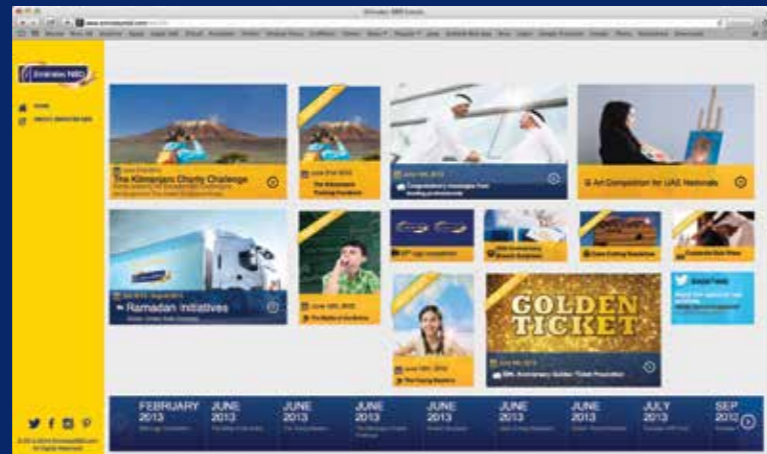


50TH ANNIVERSARY COMMUNICATION

Winning Logo



Online Website



Print



50TH ANNIVERSARY CELEBRATIONS

Cake Cutting Roadshows



50th Anniversary Tree Planting



50th Anniversary Branch Surprises



The 50th Anniversary Kilimanjaro Charity Challenge





Emirates NBD celebrates UAE National Day

The UAE economy enjoyed robust growth last year, as oil production continued to rise and the continued recovery in domestic and regional demand boosted the non-oil sectors. Oil production rose by an estimated 4.7% in 2013, well above Emirates NBD's forecasts at the start of the year, and in contrast to the Kingdom of Saudi Arabia (KSA), which saw oil production ease in 2013. As oil production accounts for around one-third of GDP, this provided a substantial boost to overall growth.

The non-oil sector has also enjoyed strong expansion, particularly in Dubai where data shows that manufacturing, hospitality and trade grew robustly in the first half of 2013. Emirates NBD expects these trends to have continued in the second half of the year. Indeed, the purchasing managers' surveys suggest that the non-oil sectors in the UAE expanded at a record pace in the fourth quarter, driven mainly by domestic demand rather than exports. As fiscal policy in the UAE has been relatively contained compared with the substantial fiscal stimulus in KSA and Qatar over the last couple of years, this suggests that the private sector has been a key driver of the UAE's growth in 2013. The acceleration in private sector credit growth, strong retail sales and continued recovery in the real estate sector provide further evidence of this. Overall, Emirates NBD conservatively estimates that the UAE's economy expanded by 4.6% in real terms during 2013.



Emirates NBD celebrates UAE National Day

Looking ahead, Emirates NBD expects growth at a similar pace during 2014. The oil sector is unlikely to contribute significantly to the UAE's growth this year, as substantial increases to crude output in 2011-2013 are now in the base, and supply from Iran, Iraq and Libya is expected to rise this year. Instead, the Bank expects growth to come almost entirely from the non-oil sectors, which are likely to benefit from an improving global growth environment as well as strong domestic and regional fundamentals. These include supportive fiscal policy in the rest of the GCC, which will continue to spill-over into the UAE through trade and tourism, as well as increased consumer and investor confidence in the UAE's medium and long-term growth prospects.

Winning the right to host the Expo 2020 event has provided an additional boost to sentiment, providing a firm time-table for additional infrastructure spend and underpinning Dubai's tourism and hospitality strategy over the next seven years. This, together with the sharp recovery in real estate prices over the last two years, has encouraged developers to launch new projects, and as a result, the Bank expects the construction sector to contribute positively to Dubai's GDP growth for the first time since 2008, after bottoming in 2013.

The inflation outlook for 2014 is less benign than it has been for several years as higher housing costs feed through to the official inflation indices and firms start to pass on rising production costs to consumers. Emirates NBD expects inflation to average 3% this year, up from just over 1% in 2013.

Emirates NBD Group continues to operate with a clear vision, 'To be globally recognised as the most valued financial services provider based in the Middle East', and mission, 'Every day we make our customers' lives simpler by providing solutions that help them fulfill their financial aspirations'. These statements reiterate Emirates NBD's commitment towards placing the customer at the heart of its decisions while focusing its value proposition on delivering an excellent customer experience.

Building on its vision and mission statement, Emirates NBD has a focused strategy based on five core building blocks:

1. Deliver an excellent customer experience
2. Build a high performing organisation
3. Drive core business
4. Run an efficient organisation
5. Drive geographic expansion

Delivering an excellent customer experience is at the core of Emirates NBD's customer proposition. In 2013, the Group focused on embedding Customer Service Excellence in the organisational culture with the launch of a Group wide service charter, the re-engineering of key customer facing processes, and the enhancement of a Group-wide complaint resolution system. The efforts have resulted in shorter Turn-Around Times (TATs), a 30% reduction in complaints, and Group Net Promoter Scores (NPS) remaining above industry benchmarks.

Emirates NBD has made significant investments to enhance the digital capabilities of the Bank by enhancing its mobile banking applications across all platforms, introducing the region's first Interactive Teller Machine, iPad Advisory and Sales Application for Relationship Managers.

During the year, Emirates NBD was recognised at the Middle East Call Centre Awards 2013 as the 'Best Call Centre Sales Programme in 2012' as well as the 18th Middle East e-Government and e-Services Excellence Awards for the 'Best Mobile Banking Application'. At present, Emirates NBD has the largest and most engaged audience on social media amongst all banks in the UAE, with over 200,000 social media fans, and 3 million views on YouTube. In 2014, the Group will remain focused on continuing with the Group-wide Customer Service Excellence Programme, whilst continuing to pave the way on multi-channel banking in the UAE.

Emirates NBD is focused on building a high performing organisation, attracting talent and contributing to the development of UAE National leaders. In 2013, the Group made significant strides in improving the Emirates NBD value proposition for Nationals as well as improving the overall engagement scores across the Bank. Emirates NBD's staff engagement scores are now at par with regional banks, and the Group's goal is to sustain and increase staff engagement levels to be at par with global banks. The Group remains committed to further develop UAE nationals through targeted training and recruitment programmes.

In 2013, the Bank continued to transform the Wholesale Banking business through the introduction of key account planning, boosting the investment bank, and enhancing TATs for key customer processes. The Retail and Islamic franchises have gone from strength to strength and continue to outperform the market. In 2014, the Group will remain focused on driving its core business in the UAE, maintaining prudent risk appetite and compliance oversight.

Emirates NBD is dedicated to running an efficient organisation and has continuously invested in enhancing its platforms in technology and operations. Through the ongoing lean transformation initiative, the IT platform has been significantly strengthened. Over the last year, Tanfeeth, the fully owned subsidiary operating as the Group's Business Process Outsourcing (BPO) provider, led and delivered on end-to-end transformation of the Bank's key processes. The Group will pursue opportunities to further streamline the organisational setup and to eliminate overlaps.

The Emirates NBD Group remains committed to its ambition of being a Regional Banking Leader. In 2013, the Bank successfully completed the acquisition of BNP Paribas Egypt, and launched efforts to integrate the entity into the Group. In Q4 2013, Emirates NBD opened a Representative Office in Indonesia to capitalise on the growing linkages between the Middle East and South East Asia. During 2014, the Bank will continue to integrate the Egypt operation into the Group, while selectively pursuing organic growth in its current international markets.



Emirates NBD Board Members and Senior Executives raise the UAE National flag to commemorate H.H. Sheikh Khalifa Bin Zayed Al Nahyan's ascension

Financial Overview

During 2013, the UAE economy enjoyed robust growth, as oil production continued to rise and the continued recovery in domestic and regional demand boosted the non-oil sectors. Against this backdrop, Emirates NBD delivered a strong operational performance with net profit for the Group up 27% to AED 3,256 million from AED 2,554 million in 2012.

The Board of Directors will recommend to shareholders at the Annual General Meeting a 25% cash dividend for the 2013 financial year.

Total income for the year ended 31 December 2013 amounted to AED 11,856 million, an increase of 16% compared with AED 10,217 million in 2012. Net Interest Income for the year ended 31 December 2013 improved by 18% to AED 8,139 million from AED 6,912 million in 2012. The improvement in net interest income is attributable to a combination of year-on-year loan growth of 9%, an improvement of 0.2% in the net interest margin helped by a more efficient capital and funding structure and higher growth in consumer lending. Non-interest income recorded an improvement of 12% to AED 3,717 million for 2013, driven primarily by an increase in both core banking fee and property related income.

Costs for the year ended 2013 amounted to AED 4,194 million, an annual increase of 12%. Excluding cost associated with the acquisition of BNP Paribas Egypt, cost increased by 6%. This 6% increase is due to investment in customer service, IT, marketing and communication related costs. However, the cost to income ratio improved by 1.3% in 2013 compared to 2012 as improving top line momentum offset the increase in costs that were primarily directed at customer facing activities.



Emirates NBD Vice Chairman, Board Members, Group CEO and Senior Executives at the launch of the branch-focused 50th anniversary celebrations

Credit quality has been in line with guidance. The impaired loan ratio improved by 0.4% during 2013 to finish the year at 13.9%. The impairment charge in 2013 was raised to AED 4,713 million compared with AED 4,004 million in 2012. This impairment charge was primarily composed of conservative specific provisions made in relation to the Bank's corporate and Islamic financing portfolios and resulted in an improvement of 8.1% in the impaired loan coverage ratio to end the year at 57.5%. As at 31 December 2013, total portfolio impairment allowances amounted to AED 3.95 billion or 2.6% of unclassified credit risk weighted assets, in excess of the UAE Central Bank requirement of 1.5% by AED 1.7 billion.

The positive contribution of the Bank's investments in associates and joint ventures amounted to AED 147 million in 2013 compared with AED 110 million in 2012. During the year, the Group sold 32.6% of its stake in Union Properties PJSC, resulting in a decrease in the Group's shareholding from 47.6% as at 31 December 2012 to 15% and a gain of AED 191 million was recorded on the disposal of the stake.

Customer Loans as at 31 December 2013, including Islamic financing, amounted to AED 238.3 billion, an increase of 9% from the end of 2012. Customer Deposits as at 31 December 2013 were AED 239.6 billion, an increase of 12% from 31 December 2012. The advances to deposits ratio continued to remain within the Bank's target range of 95% to 105% throughout 2013 to end the year at 99.5%.

As at 31 December 2013, the Bank's total capital adequacy ratio and Tier 1 capital ratio were 19.6% and 15.3% respectively, compared with 20.6% and 13.8% as at 31 December 2012. The improvement in the Tier 1 ratio of 1.5% during the year resulted from the issuance of AED 3.7 billion new Tier 1 capital notes and an increase in retained earnings more than offsetting the 2012 dividend payment. The movement in the total capital adequacy ratio was mainly due to an increase in risk weighted assets resulting from the Egypt acquisition, the repayment of AED 7.8 billion of the UAE Ministry of Finance Tier 2 deposits and the 2012 dividend payment, partly offset by an increase in retained earnings and new Tier 1 and Tier 2 capital raised during the year.

Consumer Banking and Wealth Management

Emirates NBD's Consumer Banking and Wealth Management (CWM) division outperformed the market by recording outstanding results in 2013 while achieving growth across all its businesses, products and segments.

During the year, CWM continued its focus on increasing revenues and enhancing service standards with several new products, process and channel initiatives being launched. In 2013, income for the division increased by 15% to AED 5,024 million from AED 4,385 million in 2012, driven by a 13% growth in net interest income to AED 3,535 million from 3,139 million and a 20% improvement in fee income to AED 1,490 million from AED 1,246 million. CWM's sustained focus on deposit growth, driven by a strong momentum in current and savings account (CASA) balances, resulted in a growth of 11% in customer deposits to reach AED 97.6 billion. In addition, strong asset growth of 32% was witnessed during the year, particularly in credit cards, personal loans, auto loans and SME lending, to reach AED 26.6 billion at the end of 2013.

The division's efforts in 2013 delivered excellent financial results, pioneering product and service innovation and enhanced customer experience, reinforcing Emirates NBD's position as a market leader in the UAE. CWM's various business segments and products won several awards and accolades during the year, including 'Best Retail Bank in the UAE' by the Asian Banker while being highly commended as the 'Best Private Bank', both in the Middle East and UAE, by PWM and The Banker.

Retail Banking

The Retail Banking business enjoyed healthy revenues in 2013 growing by 13% during the year. The liabilities book experienced strong growth of 18% driven by CASA and supported by the launch of a number of innovative customer campaigns, as well as a continued focus in the area of payroll acquisition. On the back of further improvement in credit quality, the assets portfolio grew at 23% in 2013, with growth driven by auto loans and credit cards. Revival of the real estate sector contributed to a doubling of new mortgage bookings.

In 2013, the business focused on strengthening its customer franchise and building platforms for growth. An exclusive tie-up was signed with Porsche Financial Services to provide fast-track auto finance solutions for customers in the UAE. Co-branded credit and pre-paid cards were launched with the leading football club Manchester United.



Emirates NBD holds its 6th Annual General Meeting

To drive productivity, a pioneering performance-driven incentive programme, launched for the distribution network resulted in significant increase in productivity of all frontline sales staff. A comprehensive Customer Service Excellence Programme was also launched to enhance customer satisfaction, aid faster complaint resolution and shorten turnaround times, which resulted in improved customer net promoter scores by ten points.

During the year, Emirates NBD continued with its focus on the development of new products and launched an enhanced mortgage offering, the Chinese Yuan account, Visa Signature Debit Card, Islamic Liabilities and Goal Recurring Deposits. The 'Golden Ticket' promotion, 'Travel to the Seven Wonders' liabilities campaign, Cards' 'PIN2WIN' and 'Win Your Remittance Back' campaigns helped to further build customer franchise. The Bank led the digital innovation space in the UAE with the launch of the first Interactive Teller Machine (ITM) in the region, allowing customers to interact with a live teller through a screen. In addition, the Bank launched the country's first native Tablet Banking application as well as a mobile application for the Bon Appetit dining discounts; both banking applications were well received by customers and Emirates NBD was awarded the 'eBanking 2013 Excellence Award' at the 18th Middle East e-Government and e-Services Excellence Awards for its mobile banking application.

Priority Banking

In 2013, a series of initiatives were launched to renew Priority Banking's commitment to customer service and the creation of more innovative products and experiences. The liabilities book increased by 15% during the year while the segment also booked 49% more in asset volume across mortgages, personal and auto loans.

To help customers invest wisely, an integrated retail wealth platform was launched; the platform included a certification programme for Relationship Managers, a team of wealth advisors and the proprietary 'Wealth Optimizer' tool, which uses a scientific and transparent investment process to assist customers in making investment choices that are aligned with their financial goals and risk profile. This solution based approach helped the segment to achieve strong numbers on the wealth management front, with a growth of 37% in Assets Under Management (AUM).



Emirates NBD enhances presence in Asia Pacific with the inauguration of a Representative Office in Jakarta, Indonesia

Priority Banking also brought unique experiences to its elite clients through a series of classical concerts under the umbrella of Emirates NBD Classics. Priority customers were also the first in the UAE market to receive the new Visa Signature debit cards which incorporated the flagship 'Privileges and More' lifestyle programme along with a range of other benefits. An 85-member strong Relationship Manager team supported by a team of specialists, service officers and a lean management structure, ensured a robust growth in segment profitability during 2013.

Business Banking

2013 was another excellent year for the Business Banking segment. With a relationship management team of 120 professionals, the segment achieved 22% growth in the deposit book along with a 40% increase in the asset book. The segment continued to consolidate its position as the market leader with over 20% share of the SME market through an enhanced suite of products and services.

Additionally, tie-ups with key organisations including Dubai SME 100, the Mohammed Bin Rashid Establishment and the Khalifa Fund allowed the Bank to play a wider role in the SME community. A significant initiative was the launch of the RISE social media platform for the SME community in UAE. A unique platform for SMEs to share stories, experiences, ideas, thoughts as well as products and services, this internet-based platform already has 30,000 visitors.



NASDAQ Dubai welcomes USD 750 million and USD 1 billion Emirates NBD bond to its market

Business Banking has been recognised with numerous awards during the year, including the 'SME Bank of the Year' at the Arabian Business StartUp Awards, 'Best SME Internet Banking Service' at the Banker Middle East Product Awards and the Bronze award at the Effie MENA awards for RISE.

Consumer Finance

In its fifth year of operations, the Bank's consumer finance arm, Emirates Money, crossed AED 2 billion in portfolio, and delivered revenue growth of 35% over 2012. With a customer base of 15,000 and a wide range of products, Emirates Money is today a well-recognised brand in the country and has one of the highest returns on capital among peers.

Wealth Management

2013 was a particularly strong year for Wealth Management at Emirates NBD. The combined platform as well as each individual unit, encompassing Private Banking, Asset Management and Brokerage, has seen a significant growth in revenues while leveraging cost synergies across the organisation, leading to a robust year-on-year increase in net profit.

Led by the Chief Investment Officer, the investment team has further enhanced their comprehensive range of solutions and built a centre of excellence to serve the investment needs of its direct clients as well as the clients of other units and subsidiaries within the Emirates NBD Group.

Private Banking delivered strong year-on-year growth in revenues and AUM from its core GCC markets and the NRI and NRP segment. The major focus during 2013 remained on acquiring new clients and further enhancing its system landscape while ensuring robust controls and risk management. The division won the 'Best Private Bank in UAE' award by Euromoney for 2013.



Emirates NBD Vice Chairman, Board Members, Group CEO and Senior Executives at a cake cutting ceremony to launch the branch-focused 50th anniversary celebrations

Emirates NBD Asset Management

Asset Management had a strong year in 2013 with profits of AED 62.5 million on an income of AED 91.7 million helped by a strong growth in AUM to AED 7.7 billion. The Group's equity products also witnessed significant inflows and the fixed income and global teams saw the introduction of several segregated accounts to their portfolio.

The Group also launched its first Luxembourg SICAV in 2013, with the funds book in Jersey reaching USD 1 billion under management. Additionally, the Real Estate fund returned to normalised trading and has generated a positive return every quarter for the last two years.

Two new sub-funds, the Emerging Market Corporate Bond Absolute Return Fund and the Quarterly Global Income Fund, were launched to meet investors' increasing requirement for income.

The Group's assets grew on both the public funds and segregated accounts platform, with the AUM on equity funds passing AED 1 billion and the majority of funds ending the year with positive absolute returns.

The unit's distribution base continued to be one of the strongest in the region as business opportunities developed with a number of key internal and external distributors. In 2014, the Group plans to extend its suite of products to make all core funds available under a UCITS umbrella. This will widen the distribution base further, creating opportunities for the Bank to attract capital from Europe and Asia.



UAE National Branch Managers at Emirates NBD celebrate the Bank's 50th anniversary

Emirates NBD Asset Management's efforts were recognised throughout the year, with the team being named 'UAE Asset Manager of the Year' at the MENA Fund Manager Awards, 'Best Regional Fund Manager' at the Banker Middle East Industry Awards, and 'UAE Asset Manager of the Year' for the second year in succession at the 2013 Global Investor/ISF Middle East awards.

Emirates NBD Securities

The financial year ending December 2013 was one of Emirates NBD Securities' most successful years in recent history. Profitability increased markedly, helped by a rise in market share to 5.37% from 5.07% in 2012.

In addition to the strong performance of local financial markets and increased trading volumes, a number of new and unique products have significantly helped to boost the performance of Emirates NBD Securities. These products include the first of its kind 'THARAA' loyalty programme and the unique Islamic Finance scheme 'Murabaha', which reflected an additional value for investors operating through Emirates NBD Securities. Furthermore, the continuous focus on upgrading and improving online and IT platforms related to trading have also positioned Emirates NBD Securities amongst the most advanced in the industry, which has resulted in the company receiving the 'Financial Trading System Excellence' award at the GCC Banking and Financial Markets Conference.

On the staff level, brokers at Emirates NBD Securities have achieved the CISI certification required by the Securities and Commodities Authority (SCA). In addition, the company has recruited a number of front office professionals to deal with the sharp increase in trades, queries and the new accounts that were opened during 2013.

With the financial markets finishing 2013 very strongly, there is increasing interest for domestic and international investors to invest in the UAE financial markets. Furthermore, 2014 is anticipated to be a continuation of the strong performance observed over the past 12 months, with a new set of products and service upgrades planned at Emirates NBD Securities.



The 2013 Ramadan Football Tournament organised by the Emirates NBD Social and Sports Club under the patronage of H.H. Sheikh Ahmed Bin Saeed Al Maktoum

Wholesale Banking

Wholesale Banking continued its strong operational performance in 2013, delivering a 6.9% growth in operating income resulting in AED 4,574 million compared with AED 4,317 million in 2012.

Net interest income increased by 6.4% to AED 3,324 million compared with AED 3,123 million in 2012, as a result of increased underwriting and a 5% year-on-year growth in assets. Management's focus on non-funded products and services produced an 5% growth in fee and commission income to AED 1,250 million compared with AED 1,194 million for 2012, supported by increased trade finance, foreign exchange, syndicated lending and debt capital markets activity.

Loans and deposits for 2013 grew by 7% and 8% respectively, reflecting the management's continued emphasis on growing quality assets while proactively managing the cost of funding.

Corporate Banking

During 2013, Wholesale Banking continued with its transformation strategy, with the objective of becoming the leading Wholesale Banking business in the Middle East. Results from these projects are already being seen in a number of areas ranging from completion of the segmentation of the Wholesale Banking account base, deeper cross-selling, significantly enhancing the online smartBUSINESS platform to key account planning for key clients, and process improvements in our credit and operations areas, which aim to enhance the client's experience.



Emirates NBD holds regular meetings and conference calls with the media, investors and analysts to announce its financial results

The Corporate Banking segments continued to deliver a robust financial performance in 2013, despite on-going challenges with market competition and margin pressures. Performance is expected to improve with the newly established Centre of Excellence, which focuses on business in key economic sectors and geographic locations.

Wholesale Banking's Islamic window, Al Watani Al Islami (AWAI), continued its strong performance in 2013. The unit launched a number of new initiatives including Investment Murabaha facilities, auto finance, new liability products, online mobile banking and portfolio automation. It also leveraged the existing conventional account base of Wholesale Banking by cross-selling Islamic structured products.

The International and Institutional Banking (IIB) division continued its focus on growth and bilateral relationship building, while tapping into new potential markets and built funding relationships with Indian, Turkish, Bangladesh and Sri Lankan banks. Similar facilities were actively marketed by European banks and the unit provided these banks with an avenue to book short term, trade backed assets at competitive pricing. The unit witnessed significant growth in both its funded and non-funded assets, with its current focus being on growing the corporate book in the Group's international locations, namely Egypt, the Kingdom of Saudi Arabia, United Kingdom and Singapore.

The Transaction Banking Services unit also delivered a strong performance in 2013, which resulted in significant growth in the balance sheet as well the operating income. The Cash Management Services (CMS) unit continued its active focus on cross-selling with the launch of new products and services including a mobile application, state of the art liquidity management system and image cheque clearing. The Trade Finance unit also signed Escrow agreements with key clients, including Emaar PJSC, and grew its Letters of Credit discounting business in Asia and the MENA region. The unit also increased its business in the oil and petrol sector to support the Group's business in the Middle East.



Emirates NBD signs agreement to open accounts for Owners Associations in the DIFC

Investment Banking

The Investment Banking unit, Emirates NBD Capital Ltd (EmCap), continued its strong performance in 2013 and executed several notable transactions which included acting as mandated lead arranger, advisor and bookrunner for syndicated loans with total deal value of USD 19.6 billion for clients including Saudi Oger Limited, SBER Bank, Turk Telecom, Dubai Duty Free, DEWA, Emirates Airline, Government of Dubai, Investment Corporation of Dubai and key clients in GCC, Russia, Turkey, Sri Lanka, Azerbaijan and India. This enabled the unit to achieve its top ranking position on the international Islamic and Syndicated Loan league tables.

Islamic Banking (IB)

In 2013, IB witnessed a total income, net of customers' share of profit, increase of 25% to AED 1,484 million in comparison to AED 1,187 million in the previous year. Customer accounts increased by 12% to AED 30 billion during the year and the financing receivables grew by 3% to AED 24 billion. As at 31 December 2013, the branch and ATM/ CDM network of IB, including the rebranded Dubai Bank distribution channels, totaled 50 and 180 respectively.

Emirates Islamic (EI)

The Islamic franchise successfully leveraged its expanded platform in further customer acquisition. The bank continued to be among the fastest growing in the UAE, further attesting to the success of the turn-around story which started in 2012. EI has leveraged its growing topline profitability to enhance and solidify the strength of the bank by increasing its provision coverage.



Emirates NBD signs contract with RTA to run a Staff Shuttle Bus Service

The bank has continued its focus on strengthening the core franchise through expanding its Retail, SME, and Corporate offerings. The rebranding of 'Emirates Islamic Bank' to 'Emirates Islamic' came to mark the next stage in the bank's customer-centric transformation. The new logo includes three horizontal lines that represent the three focus segments of the bank (Retail, SME, and Corporate) and a vertical line that represents the customer being the single focus. The new branding, including the choice of colours and logo, came as the result of in-depth market research and was received with great success across the industry.

The bank was recognised as the 'Best Domestic Retail Bank' at the CPI Financial Islamic Banking and Finance Awards 2013, and the 'Best Islamic Corporate Bank' at the Banker Middle East Industry Awards 2013.

Global Markets & Treasury (GMT)

Global Markets and Treasury (GMT) reported a total income of AED 461 million for the year ended 2013, compared with AED 528 million in 2012. Total income at AED 130 million in Q4 2013 showed a marginal improvement compared to AED 115 million in Q3 2013 and a significant improvement from a loss of AED 19 million in Q4 2012.

Net interest income improved as Treasury benefited from an increased hedging income. The Bank took advantage of a rise in Interest rate swap rates to hedge some positions. This was offset by lower non-funded income mainly from trading desks due to the market volatility caused by the US Federal Reserve's decision to defer the tapering of quantitative easing.

During the year, the Sales Desk continued to show modest revenue growth on demand for Foreign Exchange, interest rate hedging products and regional bonds.

The Bank's funding profile was improved through various initiatives. In a landmark deal, Emirates NBD improved the capital structure of the Bank by issuing USD 1 billion Tier I perpetual non call 6 notes. The Bank also raised USD 980 million of Tier 2 debt, over USD 1 billion of senior debt and USD 800 million through a three year club deal. AED 7.8 billion of UAE Ministry of Finance funds were also repaid during the year.

The Group Research Unit, located within GMT, expanded its coverage from GCC to MENA economies and capped an excellent year by being ranked amongst the top foreign-exchange forecasters globally by Bloomberg.



Emirates NBD renews partnership with Mohammed Bin Rashid Housing Establishment (MRHE) for the third year running to provide home financing for UAE nationals

International

Emirates NBD successfully concluded the acquisition of the BNP Paribas banking operation in Egypt, helping to conclude a great year for the Group's International operations.

The Egypt operation, which performed exceptionally well in 2013 despite the turmoil and disruptions to trade and commerce as a result of the political developments in Egypt, closed the year with total deposits of AED 9 billion and contributed AED 356 million to total income and AED 113 million to net profit.

The transaction, which was concluded at a book value multiple of 1.4 times, is the lowest multiple ever recorded for the sale of a bank in Egypt and gives Emirates NBD a retail presence through 70 branches.

The Bank's Kingdom of Saudi Arabia (KSA) branch continued to perform well and in keeping with the growth in its economy. During the year, all business lines achieved good growth despite the upheaval of migrating to the Group's core operating system in the first quarter of 2013. The successful migration of the operating system will add to Emirates NBD's products and distribution capabilities in the Bank's operations in KSA.



NASDAQ Tower in New York – Emirates NBD Securities wins January, February and March Broker of the Month Award

The United Kingdom branch in London focused on business development across its three main business lines, namely Wholesale, Private Banking and Treasury. Notable additions for the branch in 2013 included the launch of a Certificate of Deposit programme that helped to support the branch's funding requirements and the new product offering of GBP clearing for the Group's large Financial Institutions customer base.

The Group's Singapore branch grew its book significantly and is benefitting from the Representative Office in Beijing, which completed its first full year of operations. In October 2013, the Bank opened a Representative Office in Indonesia, allowing the Group to have an international presence that covers ten countries.

With its core markets being UAE, Saudi Arabia, Qatar and now Egypt, Emirates NBD is well placed for its network to capture the trade flows and synergies that its strong regional footprint offers. The Group now has a franchise presence in these four countries, which together represent over 65% of the Gulf and MENA GDP.

Information Technology and Operations (ITO)

During 2013, the Group's technology services and service availability were significantly improved with the consolidation and upgrade of the Bank's technology. Group IT introduced several strategic projects to improve customer experience, engagement and acquisition across multiple channels. In 2013, Group IT launched the CRM sales and marketing platform to improve cross-sell, and built capabilities on social media to connect more with the customers. Emirates NBD also launched the first Interactive Teller Machine in the region. At present, Emirates NBD has the leading mobile banking application in the region and has introduced many new features to its internet banking platform, resulting in increased volume of transactions through its virtual channels.



Emirates NBD staff celebrate 50th anniversary on Mount Kilimanjaro to support 'Amani', a children's charity in Tanzania

Group IT also supported its subsidiary, Emirate Islamic, to have a seamless transition during the launch of its new brand across various channels. A cloud based incentive management platform in collaboration with Oracle was launched, a first in the region. Group IT also supported the business in the launch of new products and initiatives, including the co-branded Manchester United card and the Visa Signature debit and credit cards.

The Corporate Banking internet platform was further enriched with the introduction of a liquidity management solution, which enabled corporate customers to have features such as an account aggregation and cash concentration. Moreover, a programme to migrate Egypt into the Emirates NBD Group applications was launched and is progressing smoothly.

Group IT continued with its Lean transformation initiative and significantly improved its productivity and project deliverables by introducing specialised centres of excellence across its software engineering, application support, testing and business requirements.

Procurement led the Dubai Chamber of Commerce Corporate Social Responsibility initiative and developed a questionnaire which will be used by all government offices for all third party suppliers. The use of a single ATM vendor contract, a Bancassurance deal and a reduction in annual maintenance contracts through various measures, culminated in Group Procurement's continued ease on expenditure for 2013. The Group's Procurement unit also continued its efforts and contribution towards the Green initiative by saving energy in some of the Group's buildings.

Tanfeeth

During 2013, Tanfeeth delivered very positive results in its second year of operations. With a focus on achieving high levels of customer service and operational efficiency, Tanfeeth grew significantly and strengthened both its organisational culture and employee engagement efforts.



Emirates NBD wins 'eBanking 2013 Excellence Award' for best mobile banking application at the 18th Middle East e-Government and e-Services Excellence Awards

Tanfeeth achieved or exceeded all its targets for Emirates NBD, across revenue, operating income, customer satisfaction, audit and compliance. Additionally, Tanfeeth delivered a 10 percent volume increase in 2013 and secured three new clients across GCC sectors and countries. The organisation's headcount subsequently grew to 2,263 by year-end.

During such growth, Tanfeeth further entrenched its lean organisational culture, which is based on transparency and openness. Through a strong focus on employee engagement, it also delivered an eight point increase in employee satisfaction. To help achieve this, a broad range of people-focused initiatives were introduced, including the region's first privately operated Underwriters Certification Programme and the second stage of Excellerate, a global leadership development programme.

Emirates NBD Properties

Emirates NBD Properties, a fully owned subsidiary of the Emirates NBD Group, was formed in 2004 with the aim of providing end to end property solutions while supporting the Bank with the buying and selling of properties acquired as special assets, property and lease management services and the management of construction and development projects for the Group.

In 2013, Emirates NBD Properties achieved exceptionally strong growth in sales and revenue, with a profit of AED 233.31 million, up 403% from 2012 profit of AED 46.38 million. During the year, the Company fully settled its first intercompany loan of AED 1,056 million and further paid AED 102 million to finalise the second loan of AED 2,233 million.

Emirates NBD Properties successfully negotiated the purchase of property worth AED 2.2 billion from Union Properties, with the majority of its portfolio including residential, commercial and retail properties that are located in Motor City, Index Tower and Limestone House. The Company also signed sales deals collectively worth AED 165.6 million, with reputed clients.

The current market situation looks favourable for the real estate Company due to a spurt in economic conditions after the UAE's successful bid to host the Expo 2020 event in Dubai. The expected growth in the construction, hotel, leasing and real estate sectors will undoubtedly serve to further boost the Company's performance in 2014.

Group Human Resources

During 2013, Group Human Resources supported Emirates NBD's leadership teams to enhance employee engagement levels, improve the productivity of employees and attract, develop and retain National talent in their businesses, through various focused initiatives.

An employee centric communication campaign was launched in the organisation to ensure that employees were fully informed about the direction, performance and new developments of the Bank as well as the policies and practices that directly impact them.

A branded recognition programme titled GEM (Going the Extra Mile) and long service awards (Milestone Awards) were also launched during the year to publicly appreciate employees for their special contributions. All these initiatives have positively improved employee engagement levels that went up considerably during 2013.

Investment in building skills and capabilities of teams and employees continued in 2013 through a suite of world class leadership and professional development programmes.

The Group's Nationalisation initiatives for the year focused on recruiting quality National talent from schools and colleges and developing them to build careers within the Bank. During 2013, more than 200 Nationals were inducted in to the Bank and will be deployed in various banking and support roles after they successfully complete the development programmes and pass the relevant assessments.

As part of its endeavor to accomplish the unit's vision, in 2014, Group Human Resources will continue its role as a service provider while striving to be a strategic partner to the businesses and an employer of choice to the Bank's workforce.

Emirates NBD Group Risk Management has been instrumental in identifying all significant risks and risk drivers, measuring and managing such risks against the backdrop of the changing macro-economic conditions and assessing and influencing the Group's forward-looking strategy.

Risk Governance

Emirates NBD's Board Committees (Board Risk Committee - BRC, Board Credit and Investment Committee - BCIC), and certain management committees (MCIC, 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 by the risk strategy across the Emirates NBD Group. The CRO reports on the overall risk landscape to the BRC on a quarterly basis.

Credit Risk Management

Credit Risk - Corporate Banking

2013 continued to be a challenging year and a test of the Bank's credit risk management strategy and policies. The Bank continued its vigilance of high risk sectors and remedial measures were in place to maintain portfolio quality. Fresh lending was selective and lending opportunities were pursued by the Group where the risk was acceptable and adequately priced.

Credit exposures remained diversified across economic sectors and were maintained within the regulatory and self-imposed ceilings. In addition to the regulatory ceilings, where mandated, credit ceilings have been imposed by the Bank for all other economic sectors and are monitored against shareholder funds and total lending assets. Stricter criteria issued by the Central Bank of the UAE for classification of loans and determining the provision were enforced to recognise substandard, doubtful and bad loss exposures. Accounts that qualified for downgrades under the new guidelines were re-assessed to ensure that the provisioning levels were aligned with the regulatory requirements. Credit policies and procedures are continuously reviewed and updated regularly to align with the Bank's overall risk strategy.

Credit Risk - Retail Banking

Group Retail Credit proactively monitored portfolios and devised strategies considering the external environment, focusing its areas of growth on selected geographies and segments. Portfolio management measures on existing customers of the Bank continued and resulted in the regular credit line reviews and regularisation of multiple Champion Challenger strategies, which were launched previously. The Bank's risk strategy is aimed to support portfolio growth within the acceptable risk appetite thresholds.



Emirates NBD donates AED 2 million to the 'Dress One Million Children' campaign

The Bank made reasonable strides in building balance sheet growth in retail assets. New products launched throughout the year consolidated the Bank's position and helped in growing retail assets. The Bank made important strides in the recovery of non-performing advances; Credit losses in retail assets are within risk appetite and allow sufficient loss absorption capacities in products to expand. Financial performance of retail assets was robust and all products generated healthy returns. The Bank will continue to grow its Retail Asset portfolios in 2014, but will focus on effective utilisation of its capital resources and improved revenue.

Internal Rating Systems Development

The Bank continued to develop internal rating models. Data driven risk assessment and decision models were extensively used across wholesale and all stages of retail customer credit lifecycle, namely acquisition, portfolio management, collections and recoveries. Specialised recovery scorecards were developed and implemented during the course of the year to improve management of the recovery pool. New recovery strategies were designed to optimise the use of resources. All internal models and scorecards are monitored as required.

Portfolio Impairment Provisions (PIP)

The Group continued to maintain significant portfolio impairment reserves in line with international accounting standards and the UAE Central Bank guidelines. The Bank remained comfortably above the target coverage ratio (1.5% of credit risk weighted assets) set by the UAE Central Bank in respect of general reserves. Portfolio impairment reserves helped improve the Group's coverage ratios during the course of 2013.

Capital and Risk Strategy

In 2013, the Bank continued the integration of systems and methods in the operational processes. The Basel Committee continued to provide guidance and the Bank continues its active involvement and collaboration with the local regulator and the industry association. It also supported the education of regional Supervisors on Basel III, for example as part of the Arab Monetary Fund hosted BSI / FSI trainings. The Group Capital and Portfolio Risk team continued to advance its

frameworks for Economic Capital measurement and integrated stress testing framework, which covers capital, funding and financial performance. These frameworks are key analytical tools for planning and management. As part of the continuous progress, the technical platforms for Economic Capital, planning and stress testing have been advanced for better operational performance and integration.

Liquidity and Market Risk

The Group continues to successfully manage liquidity through active asset-liability management, diversification of funding sources, maintenance of liquidity buffers in its Asset Liability Management (ALM) portfolio and maintaining effective and open communication with key stakeholders such as customers, capital markets and regulators. Group ALCO governs liquidity levels through a series of strategic and tactical initiatives with a focus on yield optimisation. The Liquidity and ALM Risk and Financial Units provide timely support and advice to ALCO. The Bank's effective market risk governance structure, robust management and measurement methodologies and trading systems, together with detailed analysis of exposures to both traded and non-traded market risk, ensured that market risk remained within the approved limits and risk appetite as set by BCIC.

Operational Risk

Group Operational Risk continues to work closely with all of the Bank's business lines and subsidiaries to raise awareness of operational risk. Key risks across business units were identified and discussed for mitigation at the Group's Operational Risk and Compliance Committee (ORCC) with representatives from all business lines, major support units, and subsidiaries. A process is in place for the collection and reporting of operational risk. The practice of running a 'Control-Risk Self-Assessment' (CRSA) prior to the launch of any new or amended initiative and the Operational Risk assessment workshops (ORCA) form a cornerstone of the Bank to embed a risk self-evaluation culture across the organisation.

Business Continuity Management

Emirates NBD has a robust business continuity management framework in place that allows quick reaction to any disruptive events and continuity of the Bank's operations. Business continuity plans are reviewed and tested at least annually across the Group, ensuring seamless service to the Group's customers and partners during operational disruptions. The Bank has established a new and modern work area recovery site providing all required facilities to business and operational units in case the regular office units are not accessible. Group Operational Risk regularly conducts awareness programmes for all staff of Emirates NBD.

Risk Governance – Emirates Islamic (EI)

There continues to be enhancements in EI's Risk Management framework due to restructuring and alignment of various functions during 2013.

Some of the major improvements in 2013 included the following:

- a. Enhanced coordination and alignment of activities with Group Risk division under new Risk Heads at Emirates NBD and EI.
- b. Full review of the Risk Framework and functions, in order to enhance risk activities, such as Policies, Underwriting, Risk Controls, Collections and Credit Administration.
- c. Support the business growth with improved risk identification through a robust Credit Analysis and Control Risk Self-Assessment process.
- d. Implementation of SME, Corporate and Retail underwriting standards.
- e. Consolidation of the Market Risk function.

Risk Governance – Emirates Money

The Emirates Money portfolio has evidenced a year of strong credit performance during 2013. Robust portfolio monitoring procedures are in place and periodic reviews are conducted to identify risks and opportunities to devise new strategies. Some of the initiatives during 2013 included product criteria changes which contributed to an increase in the contribution from the secured portfolio. Risk based pricing enabled Emirates Money to maintain segment level profitability for all products. Given the strong emphasis on underwriting standards, credit losses continue to be lower than expected, reinforcing the strategy adopted by management to selectively expand the target market within an approved risk appetite. Emirates Money follows a prudent income and loss recognition policy.

The Board and its Committees

Emirates NBD's Board of Directors meets at least six times a year and is comprised of nine prominent members of the local business community, all leaders in their industries.

Ms. Lubna Qassim is the Group Company Secretary for the Board and the Committees set out below.

The Board's mandate covers a formal agenda consisting of overall strategy and management, corporate structure, financial reporting and controls, internal controls, approval of the Annual Report, approval of dividends and risk management. There are independent non-executive directors on the Emirates NBD Board. The Group defines 'independent' as having no perceived or real conflicts of interest with any shareholder group or business partner.

The following are Emirates NBD's Board of Directors:

H.H. Sheikh Ahmed Bin Saeed Al Maktoum	Chairman
Hesham Abdulla Al Qassim	Vice Chairman
H.E. Khalid Juma Al Majid	Director
Hussain Hassan Mirza Al Sayegh	Director
Buti Obaid Buti Al Mulla	Director
Shoaib Mir Hashem Khoory	Director
Mohamed Hamad Obaid Al Shehi	Director
Mohamed Hadi Ahmad Al Hussaini	Director
Ali Humaid Ali Al Owais	Director

Refer to page 6 - 7 for the Board of Directors.

Governance

Board Evaluation Activities

As a means of being continuously aligned with international best practices in corporate governance, Emirates NBD introduced the Board Evaluation Initiative in 2010 and this process was also implemented in 2013. Performance evaluation helps identify where the Board adds value to the organisation by helping to bring performance improvements at an organisational and Board level while positively portraying that the Group's Board Members are committed to acting in the best interests of the Bank.

Governance and Compliance Software System

At the end of 2012, Emirates NBD implemented a global corporate entity management and subsidiary governance software system to be in line with international best practices in corporate governance and compliance. The system provides Emirates NBD with a uniquely complete, jurisdiction-contextualised software environment that facilitates and streamlines many of the tasks and controls that are required to achieve the highest levels of corporate governance, compliance, secretarial and document automation for management functions.

Board Committees

There are five Board Committees that meet regularly to govern the Group's activities on behalf of its stakeholders:

Board Executive Committee:

Hesham Abdulla Al Qassim	Chairman
Shoaib Mir Hashem Khoory	Member
Mohamed Hamad Obaid Al Shehi	Member
Mohamed Hadi Ahmad Al Hussaini	Member
Ali Humaid Ali Al Owais	Member

This Committee acts for the Board on urgent matters arising between regular Board meetings in cases where it is not possible to convene a meeting of the Board, and have the powers of the Board in the management of the business and affairs of the Bank.

Board Audit Committee

Hussain Hassan Mirza Al Sayegh	Chairman
Shoaib Mir Hashem Khoory	Member
Mohamed Hamad Obaid Al Shehi	Member
Mohamed Hadi Ahmad Al Hussaini	Member

This Committee meets quarterly or more frequently when required, and has the responsibility for ensuring quality control in the Group's financial reporting and compliance process. The Board Audit Committee manages internal financial reporting control systems and the associated auditing process. It is also the Group's committee for monitoring compliance with the internal codes of conduct and financial accounting aspects of legal and regulatory compliance.

Board Credit and Investment Committee

Hesham Abdulla Al Qassim	Chairman
Shoaib Mir Hashem Khoory	Member
Mohamed Hadi Ahmad Al Hussaini	Member
Ali Humaid Ali Al Owais	Member

This Committee meets at the required frequency to review and approve the Group's credit exposures and investment portfolios. Furthermore, this Committee is also dedicated towards reviewing and approving policies and delegated lending authorities, in addition to providing guidance for and overseeing the quality and performance of the Group's portfolios.

Board Risk Committee

Hesham Abdulla Al Qassim	Chairman
Hussain Hassan Mirza Al Sayegh	Member
Buti Obaid Buti Al Mulla	Member
Ali Humaid Ali Al Owais	Member

This Committee has the responsibility for the corporate and risk governance framework of the Emirates NBD Group. This includes reviewing, approving and monitoring various Group Risk Management procedures, Group Risk appetite and the Overall Risk Profile. The Committee also has an oversight on Basel II and III related activities. The Committee convenes at quarterly intervals.

Board Nomination and Remuneration Committee

Buti Obaid Buti Al Mulla	Chairman
Mohamed Hadi Ahmad Al Hussaini	Member
Ali Humaid Ali Al Owais	Member
Mohamed Hamad Obaid Al Shehi	Member

This Committee reviews and guides the Management on strategic Human Resources (HR) decisions that are related to executive succession planning, nationalisation strategy, top management appointments, and remuneration policies. The Committee, which meets on a quarterly basis, ensures that the Group's HR Governance is practiced in a professional and ethical manner.

Management Executive Committee Team

This Management Executive Committee (EXCO) collectively monitors the performance of the Group and makes Group level decisions within authority limits delegated by the Board of Directors. Such decisions involve the day-to-day running of the Group, its strategic agenda and the implementation of any decisions by the Board. This senior management team meets twice a month.



Emirates NBD wins Best Bank in the UAE award 2013 by Euromoney

During 2013, Emirates NBD continued with its commitment towards integrating environmental and social developments in their business operations via its Corporate Social Responsibility (CSR) strategy which focused on children, education, and the environment. Improving the health and well-being of its internal and external stakeholders, Emirates NBD supported more than 60 initiatives with more than 50 partners including blood donation drives and ATM campaigns that promote social issues.

In line with its focus on children, Emirates NBD pilot tested the Ahdaaf project. The project aims at providing professional football coaching to underprivileged children through a local SME, Ahdaaf. The pilot provided coaching for 22 children from the National Charity School and was supported by Action Care. The programme is quite robust and will be expanded in 2014.

'Conversations', an auction that features art created by the students of Manzil, a school for children with special needs, had a successful second year in 2013, raising AED 200,000. The auction attracted a large crowd and is proving to be an excellent medium for connecting the larger community with a segment of it that requires attention.

In its support of the environment, Emirates NBD has strengthened its relations with the Emirates Diving Association, WWF-EWS and the Emirates Environmental Group to support causes which included the Clean Up Arabia campaign, which engages PADI certified divers in an underwater cleanup across the UAE.

Emirates NBD is also committed to supporting entrepreneurs. This commitment is showcased in being the principal sponsor for Momsouq. The website encourages and supports entrepreneur mothers by providing them with a platform for knowledge sharing as well as an opportunity to sell their services and wares.

In addition to Emirates NBD's CSR focus, the Bank remains the custodian of one of the largest collections of natural pearls in the world which is housed in the Pearl Museum located at the Group's Head Office. The Pearl Museum continues to receive many dignitaries, high profile delegations and students, who are given a tour of one of the most important aspects of the UAE's history, culture and heritage.



Shayne Nelson
Group CEO



Abdulla Qassem
Group Chief Operating Officer



Giel-Jan Van Der Tol
General Manager
Wholesale Banking



Manoj Chawla
General Manager Risk



Husam Al Sayed
General Manager Group
Human Resources



Surya Subramanian
Group Chief Financial Officer



Jamal Bin Ghalaita
CEO Emirates Islamic



Suvo Sarkar
General Manager Retail Banking
and Wealth Management



Kevin Flannery
General Manager International



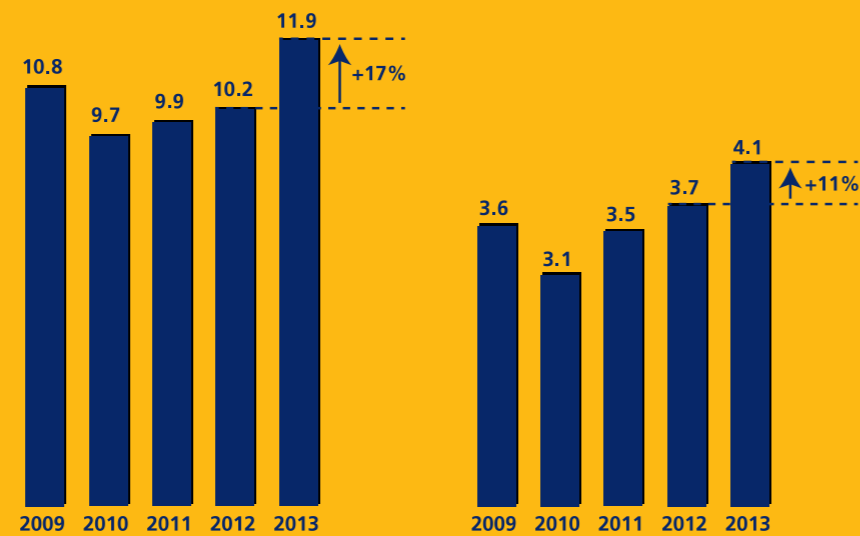
Abdulhakim Binherz
General Manager Legal
Affairs, Fraud Prevention
and Investigations



Aazar Khwaja
General Manager Global
Markets and Treasury

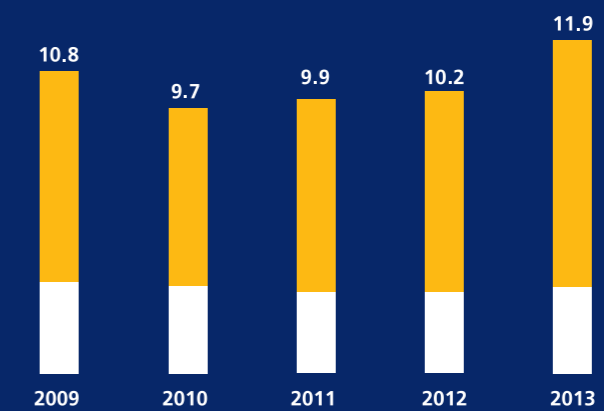
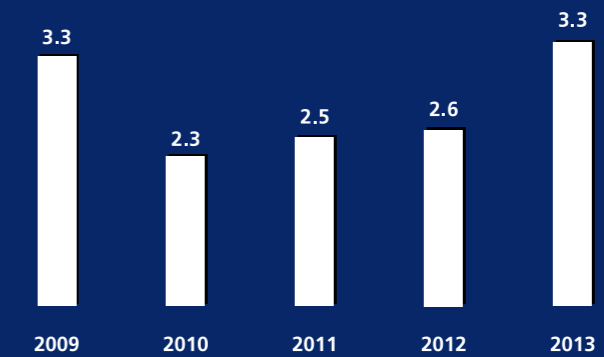
Growth in Recent Years

Revenue and Costs (AED Billion)



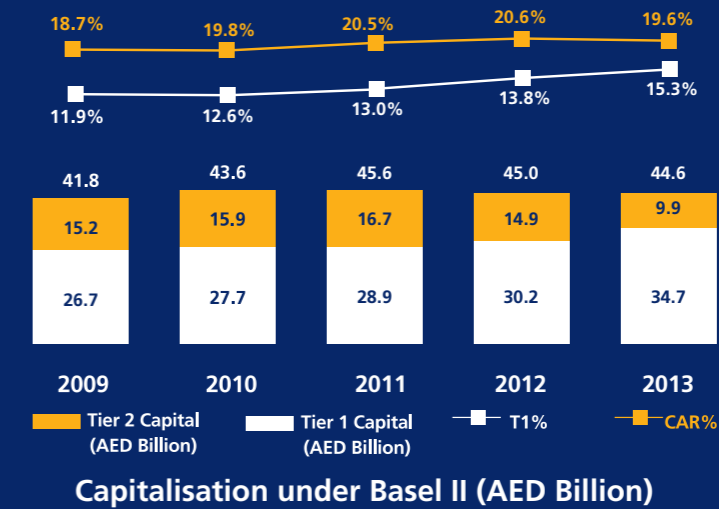
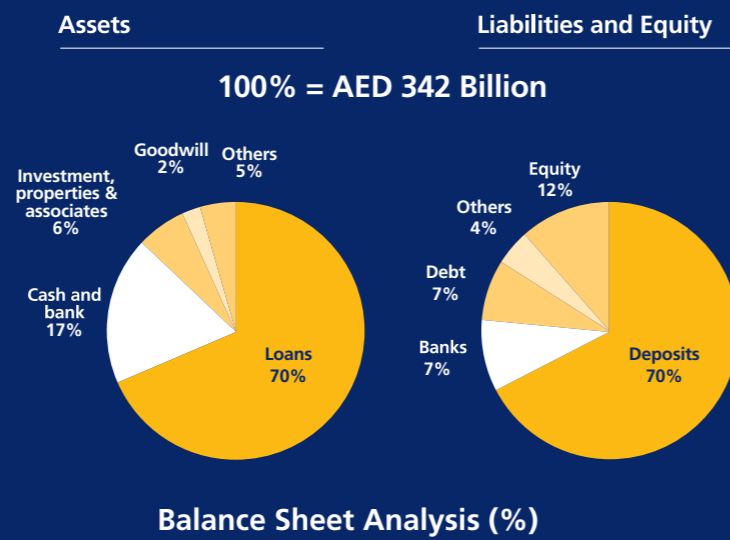
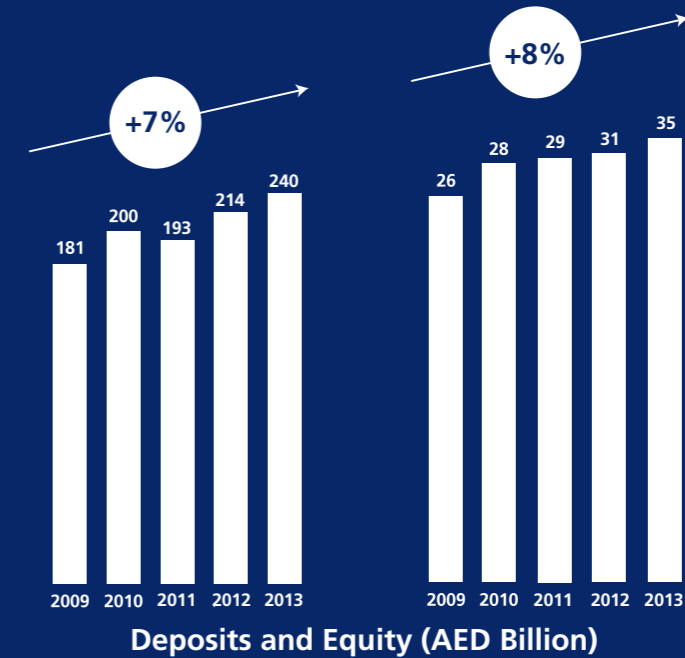
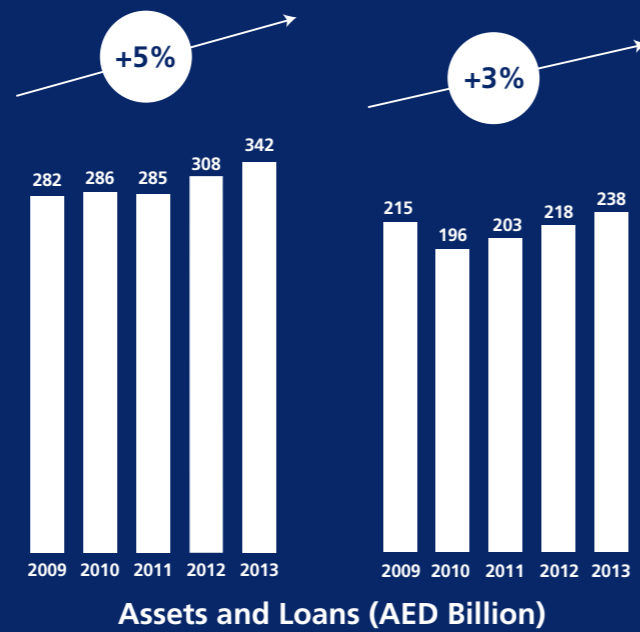
Return on Equity* (%)

Net Profits (AED Billion)



Operating Income (AED Billion)

Growth in Recent Years



EMIRATES NBD

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Reuters Dealing Code: EBIU
Internet: emiratesnbd.com

Wholesale Banking Units

Large Corporate & Global Banking:
Deira Head Office

Corporate Banking:
Burj Al Arab
Deira Head Office
Sharjah

Government:
Deira Head Office

Wholesale Banking Management:
Deira Head Office

Transactional Banking Services:
Deira Head Office

**Institutional & International
Banking:**
Deira Head Office

Al Watani Al Islami:
Deira Head Office

**Investment Banking (EmCap and
EFS):**
Deira Head Office
DIFC

Strategic Growth Segment:
Deira Head Office
Abu Dhabi

Retail Banking Branches

Abu Dhabi

Abu Dhabi Main Branch
Al Muhairy Centre
Al Muroor
Al Najdah
Al Wahda
Bawabat Al Sharq Mall
Dalma Mall
Electra Street
Khaladiya
Marina
Musaffah
Mushrif Mall
Tourist Club

Al Ain

Al Ain Main Branch
Al Ain Mall

Ajman

Ajman Main Branch

Dubai

Al Awir
Al Barsha
Al Faheedi
Al Ittihad
Al Karama
Al Maktoum
Al Mizhar
Al Muraqqabat
Al Nahda
Al Qiyadah
Al Qouz
Al Qusais
Al Ramoul
Al Ras
Al Satwa
Al Sondos Tower
Al Souk
Al Towar
Bank Street
Burj Al Arab
Burj Khalifa Residence
Convention Centre
Deira
Deira City Centre
Dragon Mart
Dubai Airline Centre
Dubai Airport T3
Dubai Courts
Dubai Festival City
Dubai Health Care City
Dubai International Airport
Dubai Mall
Dubai Marina
Dubai Marina Mall
Dubai Media City

Dubai Police Academy
Dubai Silicon Oasis
Emirates HQ
Emirates Towers
Galleria
Gold
Green Community
Group Head Office
Hamriya
Hatta
Ibn Battuta Mall
Jebel Ali
Jebel Ali Free Zone
Jumeirah Beach Road
Jumeirah Beach Walk
Jumeirah
Karama Shopping Complex
Mall of the Emirates
Mamzer
Mankhool
Mirdif City Centre
Mizher Mall
Muhaisnah
Nadd Al Shiba
Oud Metha
Ras Al Khor
Rashidiya
Sheikh Zayed Road
Tecom
Umm Suqueim
Union Square
Up Tower
Wafi City Mall
World Trade Centre

Fujairah

Fujairah Main Branch

Ras Al Khaimah

Ras Al Khaimah Corniche
Ras Al Khaimah Main Branch

Sharjah

Al Taawun
Samnan
Sharjah Airport
Sharjah City Center
Sharjah Industrial Area
Sharjah Main Branch
Matajer Al Quoz

Umm Al Quwain

Umm Al Quwain Main Branch

Priority Banking Locations

Abu Dhabi

Abu Dhabi Main Branch
Al Najdah
Khaladiya

Al Ain

Al Ain Main Branch

Ajman

Ajman Main Branch

Dubai

Al Barsha
Al Maktoum
Al Muraqabat
Al Qiyadah
Al Qusais
Al Souk
Bank Street
Burj Al Arab
Burj Khalifa Residence
Deira
Deira City Centre
Dubai Festival City
Emirates Airline HQ
Galleria
Green Community
Group Head Office
Ibn Battuta Mall
Jebel Ali Free Zone
Jumeirah Beach Road
Jumeirah Beach Walk
Jumeirah
Mankhool
Mizher Mall
Satwa
Sheikh Zayed Road
Tower
Umm Suqueim
Oud Metha

Fujairah

Fujairah Main Branch

Ras Al Khaimah

Ras Al Khaimah Corniche
Ras Al Khaimah Main Branch

Sharjah

Sharjah Industrial
Sharjah Main Branch

Pay Offices

Abu Dhabi Airport (1 booth)
Dubai Airport (13 booths)
ENOC Building (1 booth)
Port Rashid (2 booths)
Sahara Center (1 booth)

Business Banking Centres

Abu Dhabi Main Branch
Al Ittihad
Al Maktoum Road
Al Qouz
Al Ras
Al Satwa
Al Sondos Tower
Al Souk
Jebel Ali Free Zone
Sharjah Main Branch

Emirates Money

Abu Dhabi
Khalifa Street

Dubai

Deira
Hor Al Anz
Oud Metha
Al Mankhool

Private Banking Centers

Abu Dhabi
Al Neem Tower

Doha
QFC Tower

Dubai

Burj Al Arab
Dubai Festival City
Group Head Office

Jersey

ENBD Trust Company

London

London Branch

Riyadh

City Tower

Singapore

Singapore Land Tower

Emirates NBD Trust Company (Jersey) Limited

C/O Fairway Trust Limited
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Alistair Rothwell - Director

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Mohamed Al Hegelan - General Manager

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Dr Brian Shegar - General Manager

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Bambang A. Udaya - Chief Representative

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Jamal Bin Ghalaita - Chief Executive Officer

Branches in the UAE

Abu Dhabi

Abu Dhabi Corniche
Abu Dhabi Main Branch
Abu Dhabi Mall
Al Khalidiya
Khalifa City
Tourist Club

Al Ain

Al Ain
Al Mutaradh
Al Ain Souq

Ajman

Ajman

Dubai

Al Diyafa
Al Garhoud
Al Khaleej Center
Al Mamzar
Al Mina
Al Mizhar
Al Qouz
Al Riqqa
Al Twar
Bur Dubai
Business Village
Convention Centre
Dubai Festival City
Dubai Investment Park
Dubai Mall
Jebel Ali
Jumeirah Beach Residence
Land Department
Main Branch
Media City
Nad Al Hamar
Oud Metha
Sheikh Zayed Road

Umm Suqeim
Al Tawar Centre Branch
Hamriya Souq
Baniyas
Dubai Health Care City
Jebel Ali Jafza

Fujairah

Fujairah Main Branch

Ras Al Khaimah

Ras Al Khaimah Main Branch

Sharjah

Al Muwaileh
Corniche Branch
Halwaan
Khorfakan
Qasimiyah
Sharjah Court
Sharjah Crystal Plaza
Sharjah Main Branch

Umm Al Quwain

Umm Al Quwain Main Branch

Corporate Banking Units in the UAE

Abu Dhabi CBU
Dubai CBU
Dubai - Contracting/ Real Estate/ Government
Sharjah CBU

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Branches in Egypt

Down Town

Kasr El Nil
Nile City
Ghandy
Zamalek
Shobra
El Azhar
Zamalek Ahmed Heshmat
Manial
Abdel Khalek Tharwat
El Daher

Giza

Dokki
Thawra
Mohandeseen
Haram
Dokki Tahrir
6th of October City
Dandy Mall
Soudan

Heliopolis

Beirut
Nozha
Merghany
Sheraton
New Nozha
Nasr City
Ammar Ibn Yasser

East Cairo

Head Office branch
10th of Ramadan City
Suez
El Obour
German University in Egypt

Maadi

Maadi Victoria
Maadi Nasr
Maadi Corniche
Mokattam
Shaq El Thouaban

Sinai and Red Sea

Neama Bay
Hurgada Sheraton
Hurgada Dahar
Nabq

Alexandria East

Glym
Semouha
Miami
Loran
Roushdy

Alexandria West

Bab Shark
Borg El Arab
Mirage
Alex Sporting
Memnsheya

Delta and Canal

Mansoura
Port Said
Damietta
Ismailia
Mahala

Upper Egypt

Luxor
Assiut
Sohag
Aswan
Menia

Units

Cairo airport
Siemens Head Office
Modern University
Golf City Mall
Sun City Mall
Maadi City Center
Alex City Center
Cairo Festival City
Dandy Mall
Al Sherouq Sky Plaza
Al Orouba Mall

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