



# INSPIRED BY A GLORIOUS PAST ASPIRING FOR A REMARKABLE FUTURE



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عام الخمسين

YEAR OF THE FIFTIETH

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UAE

EMIRATES NBD BANK PJSC  
CORPORATE GOVERNANCE REPORT

FOR THE YEAR 2021

# VISION

“TO BE THE MOST INNOVATIVE BANK FOR OUR CUSTOMERS, PEOPLE AND COMMUNITIES”

# PURPOSE

CREATE OPPORTUNITIES TO PROSPER

# VALUES

- COLLABORATION
- OWNERSHIP
- DRIVE
- ENTERPRISING



**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 Maktoum Bin Mohammed  
Bin Rashid Al Maktoum**  
Deputy Prime Minister and Minister of Finance  
of the United Arab Emirates and  
Deputy Ruler of Dubai

# EMIRATES NBD BOARD OF DIRECTORS



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



**Hesham Abdulla Al Qassim**  
Vice Chairman and  
Managing Director



**Buti Obaid Buti Al Mulla**  
Director



**H.E. Mohamed Hadi Ahmed Al Hussaini**  
Director



**Hussain Hassan Mirza Al Sayegh**  
Director



**Shoib Mir Hashem Khoory**  
Director



**Mohamed Hamad Obaid Al Shehi**  
Director



**Ali Humaid Ali Al Owais**  
Director



**Salem Mohammed Obaidalla**  
Director

**1. The procedures taken to complete the corporate governance system during 2021**

The corporate governance framework of Emirates NBD (“Bank” or “ENBD”) and, together with its subsidiaries (“Group”) is in accordance with the applicable laws and regulations prescribed by the Securities & Commodities Authority of the UAE (“SCA”) including the Chairman of SCA’s Board of Directors’ Decision No. (3/Chairman) of 2020 concerning approval of joint stock companies’ governance guide (“SCA Corporate Governance Rules”). ENBD continuously ensures compliance with all the governing laws as well as the applicable regulations and directives issued by SCA and the Central Bank of UAE.

ENBD’s corporate governance structures, principles, policies and practices provide a comprehensive framework to enhance accountability to shareholders and other stakeholders. The corporate governance framework enables ENBD’s Board of Directors (“Board” or “BOD”) and senior management (“Management”) to discharge their statutory and other duties to maintain strong governance and to ensure risks are managed prudently in accordance with a robust risk management framework, while pursuing its business objectives. The Board proactively adopts governance policies and practices designed to align the interests of the Board and Management with those of shareholders and other stakeholders and to promote the highest standards of ethical behaviour and risk management at every level of the Group.

The internal control system is designed to follow this multi-tiered approach and is implemented at various governance levels throughout the Group. The internal control system relies on accountability, delegation and collaboration within the various departments and business functions, encouraging the Group-wide alignment of objectives, resources and the mechanisms deployed. It is based on the clear identification of best practice governance standards and responsibilities; appropriate policies and procedures are implemented to serve each department and business unit across the Group.

The Board is committed to achieving best practice in corporate governance, business integrity and professionalism. The Corporate Governance Framework is aligned with the Group’s strategic objectives and commensurate with its risk profile and systemic importance. The Board ensures that the Bank’s senior management maintains a system of internal control in accordance with its obligations set out in the Articles of Association and Applicable Law.

The Board delegates authority and oversight of key areas of responsibility to Board Committees including the Board Audit Committee, Board Risk Committee, Board Nomination & Remuneration Committee, the Board Executive Committee and the Board Credit & Investment Committee. Each of these Committees report to the Board with their recommendations with respect to matters presented to, and discussed by, the Committees in accordance with the relevant Committee’s Terms of Reference.

ENBD has strengthened its governance practices and continued to do so in 2021 during which ENBD’s Board, amongst other things, proactively and continuously monitored the measures taken by the Management to ensure minimal disruptions and impact on the business of ENBD due to COVID-19 thereby ensuring that people and businesses remained connected and operational. An efficient remote working policy was introduced incorporating the Bank’s advanced technology enabling employees to offer a seamless, secure and uninterrupted services to customers. Board and Committee meetings were also held remotely thereby ensuring continuous effective participation by the Board and Committee members in decision making amidst COVID-19 restrictions.

The Group has a structured risk governance process in place to identify, measure, manage, control and report to assist in risk-based decision-making and oversight across all operations of the Group. The Board plays a critical role in overseeing a group-wide approach to risk management and conducts its oversight through Board Level Committees. This role is further required to be performed by Management Level Committees and respective business and risk control units. The risk governance model within the Group is based on a three line of defence model with business units acting as the first line of defence, risk management, finance and compliance function acting as a second line and internal audit function acting as a third line of defence.

**2. A statement of share ownership in ENBD and transactions of the members of the Board during 2021**

Each quarter the Bank reports to Central Bank of UAE on the Board’s ownership of ENBD shares.

**3. Board of Directors Composition**

**A Statement of the current Board of Directors composition**

| S/N | Name                                   | Category             | Qualifications   | Date of Appointment | Experience and External Appointments   |
|-----|--|----------------------|--|---------------------|--|
| 1   | H.H. Sheikh Ahmed Bin Saeed Al Maktoum | Independent Chairman | Bachelor’s Degree in Political Science, University of Denver, Colorado, U.S.A. | 25 June 2011        | <ul style="list-style-type: none"> <li>- Chairman and Chief Executive Officer - Emirates Airlines Group</li> <li>- Chairman - Dubai World Corporation</li> <li>- President - Dubai Civil Aviation Authority</li> <li>- Chairman - The Supreme Fiscal Committee</li> <li>- Chairman - The Supreme Council of Energy</li> <li>- Director - Investment Corporation of Dubai</li> <li>- Chairman - The British University in Dubai</li> <li>- Chairman - Noor Investment Group L.L.C.</li> <li>- Chairman - Noor Takaful P.J.S.C.</li> </ul> |

| S/N | Name                               | Category  | Qualifications  | Date of Appointment | Experience and External Appointments   |
|-----|------------------------------------|---|---|---------------------|--|
| 2   | Mr. Hesham Abdulla Al Qassim       | Independent Vice Chairman and Managing Director | - Master's in International Business<br>- Degree in Banking & Finance | 25 June 2011        | - Vice Chairman & CEO of Dubai Real Estate Corporation/Wasl Asset Management Group<br>- Chairman - Emirates Islamic Bank P.J.S.C.<br>- Chairman - DenizBank<br>- Chairman - Emirates NBD Egypt SAE.<br>- Board Member - Emirates Telecommunication Group Company P.J.S.C. (Etisalat)<br>- Chairman - Emirates Institute for Banking and Financial Studies (EIBFS)<br>- Chairman -Dubai Sports Corporation<br>- Chairman - Dubai Autism Centre<br>- Board Member - International Humanitarian City<br>- Board Member - Dubai International Financial Centre (DIFC) Authority<br>- Board Member - DIFC Investments L.L.C.<br>- Board Member - The National Human Resources Development Committee of the Banking and Financial Sector<br>- Board Member, Itissalat Al-Maghrib (IAM) Maroc Telecom |
| 3   | Mr. Hussain Hassan Mirza Al Sayegh | Independent Member                              | B.A. in Business Administration from University of Jordan, Jordan     | 18 July 2007        | - Director - National Bank of Fujairah P.J.S.C.<br>- Director - Al Maktoum Foundation<br>- Chairman - Jotun UAE Ltd<br>- Chairman - Jotun Powder Coatings UAE LLC<br>- Deputy Chairman- Al Nasr Leisureland<br>- Director - Marsh Insko L.L.C.<br>- Chairman - Union Cement Company RAK  |

| S/N | Name                             | Category           | Qualifications   | Date of Appointment | Experience and External Appointments  |
|-----|----------------------------------|--------------------|--|---------------------|---|
| 4   | Mr. Buti Obaid Buti Al Mulla     | Independent Member | Diploma in Business Administration   | 18 July 2007        | - Chairman – Dubai Insurance Company P.J.S.C.<br>- Vice Chairman - Emirates Islamic Bank P.J.S.C.<br>- Director – Dubai Refreshment Co. P.J.S.C.<br>- Director – Emaar Properties P.J.S.C.<br>- Chairman, Mohammed & Obaid Almulla L.L.C.   |
| 5   | Mr. Salem Mohamed Obaidalla      | Independent Member | Business Administration Degree from Wentworth Institute of Technology in Boston, United States | 20 February 2019    | Senior Vice President - Emirates Airlines Group   |
| 6   | Mr. Shoaib Mir Hashem Khoory     | Independent Member | B.A. in Accounting and Business Administration   | 25 June 2011        | - Director - Emirates Islamic Bank P.J.S.C.<br>- Director - MAHY Khoory<br>- Director - Dubai Real Estate Corporation/ Wasl Asset Management Group<br>- Director - Jebel Ali Cement<br>- Director - Mir Hashem Khoory L.L.C.<br>- Chairman - Kent College L.L.C. FZ<br>- Chairman - Meydan MHK Education L.L.C. FZ<br>- Chairman - Middle East Natural Gas L.L.C.<br>- Director - Dry Port Duhok (DPD) Kurdistan, Iraq  |
| 7   | Mr. Mohamed Hamad Obaid Al Shehi | Independent Member | Executive Master of Business Administration in Managing E-Business                             | 25 June 2011        | - Deputy Director General - Department of Finance - Government of Dubai<br>- Director - Emirates Integrated Telecommunications P.J.S.C.<br>- Director - Emirates Islamic Bank P.J.S.C.<br>- Director - Emirates NBD Capital Ltd.<br>- Director - Emirates NBD Asset Management Limited<br>- Chairman – Emirates NBD Capital P.S.C.<br>- Chairman – NAS Neuron Health Services L.L.C.<br>- Secretary – Supreme Fiscal Committee<br>- Board Member – Dubai Real Estate Corporation<br>- Board Member – Independent Health Information Technology Services L.L.C. (inHealth) |

| S/N | Name                                | Category           | Qualifications  | Date of Appointment | Experience and External Appointments  |
|-----|-------------------------------------|--------------------|---|---------------------|---|
| 8   | H.E. Mohamed Hadi Ahmed Al Hussaini | Independent Member | <ul style="list-style-type: none"> <li>- Master's in International Business from Webster University in Geneva, Switzerland</li> <li>- Bachelor's Degree in International Business from Franklin College in Lugano, Switzerland</li> </ul> | 25 June 2011        | <ul style="list-style-type: none"> <li>- Minister of State for Financial Affairs</li> <li>- Chairman - The General Pension and Social Security Authority</li> <li>- Vice Chairman - Federal Tax Authority</li> <li>- Director - Emirates Islamic P.J.S.C.</li> <li>- Board member - Emirates Investment Authority</li> <li>- Chairman - Etihad Credit Bureau</li> <li>- Director - Investment Corporation of Dubai</li> <li>- Director - Dubai Real Estate Corporation/ Wasl Asset Management Group</li> <li>- Acting Chairman - Emirates Real Estates Corporation</li> </ul> |
| 9   | Mr. Ali Humaid Ali Al Owais         | Independent Member | Bachelor's in Business Applied Science (Business E-Commerce)  | 27 March 2013       | <ul style="list-style-type: none"> <li>- Chairman - United Food Company P.J.S.C.</li> <li>- Vice Chairman - Dubai Refreshment Co. P.J.S.C.</li> <li>- Director - Emirates Islamic Bank P.J.S.C.</li> <li>- Director - Dar Al Takaful P.J.S.C.</li> <li>- Chairman - Al Owais Group</li> <li>- Chairman - United Can Company L.L.C.</li> <li>- Chairman - Moderna Group L.L.C.</li> <li>- Vice Chairman - Modern Bakery L.L.C.</li> <li>- Director - Oman Refreshment Company</li> </ul>   |

**A statement of reasons why no women were nominated for the membership of the BOD**

The members of the Board were elected for a period of three years from 2019 and three women candidates were nominated for the membership of the Board but they were not elected by ENBD's shareholders during the General Assembly meeting held on 10 March 2019. ENBD believes in women's capabilities, skills and expertise and will continue to support and provide equal opportunities to women.

**A statement on Directors' remuneration**

The total remuneration paid to the members of the Board of Directors for 2020 was AED 31 million and total remuneration proposed for 2021, which shall be presented in the annual General Assembly for approval, is AED 31 million.

**A statement of the attendance fees paid to the members of the Board**

The Committee members are paid an allowance of AED 20,000 for each meeting they attended in 2021. Committee attendance details are as follows:

| S/N | Name                                | Number of Committees Meetings |                      |   |                           |                                     |
|-----|-------------------------------------|-------------------------------|----------------------|---|---------------------------|-------------------------------------|
|     |                                     | Board Audit Committee         | Board Risk Committee | Board Nomination & Remuneration Committee | Board Executive Committee | Board Credit & Investment Committee |
| 1   | Mr. Hesham Abdulla Al Qassim        | n/a                           | 4                    | 1   | 20                        | 48                                  |
| 2   | Mr. Hussain Hassan Mirza Al Sayegh  | 5                             | 4                    | n/a                                       | n/a                       | n/a                                 |
| 3   | Mr. Shoaib Mir Hashem Khoory        | 5                             | n/a                  | n/a                                       | 20                        | 48                                  |
| 4   | H.E. Mohamed Hadi Ahmed Al Hussaini | 4                             | n/a                  | 3   | 20                        | 48                                  |
| 5   | Mr. Mohamed Hamad Obaid Al Shehi    | 5                             | n/a                  | 4   | 20                        | n/a                                 |
| 6   | Mr. Salem Mohammed Obaidalla        | 5                             | 4                    | n/a                                       | n/a                       | 48                                  |
| 7   | Mr. Buti Obaid Buti Al Mulla        | n/a                           | 4                    | 4   | n/a                       | n/a                                 |
| 8   | Mr. Ali Humaid Ali Al Owais         | n/a                           | 4                    | 3   | 20                        | 47                                  |

The number and dates of BOD meetings held during the year 2021 as well as the attendance frequency by all the members in person or by proxy

| S/N | Date             | Number of attendees | Number of attendances by proxy | Names of absent members |
|-----|------------------|---------------------|--------------------------------|-------------------------|
| 1   | 26 January 2021  | 9                   | Nil                            | Nil                     |
| 2   | 19 April 2021    | 9                   | Nil                            | Nil                     |
| 3   | 27 July 2021     | 9                   | Nil                            | Nil                     |
| 4   | 19 October 2021  | 9                   | Nil                            | Nil                     |
| 5   | 24 November 2021 | 8                   | Nil                            | Mr. Ali Humaid Al Owais |
| 6   | 15 December 2021 | 9                   | Nil                            | Nil                     |

- There were no Board of Directors' Resolutions passed by circulation during the year 2021

4. A statement of the details of transactions made with the related parties (stakeholders) during 2021

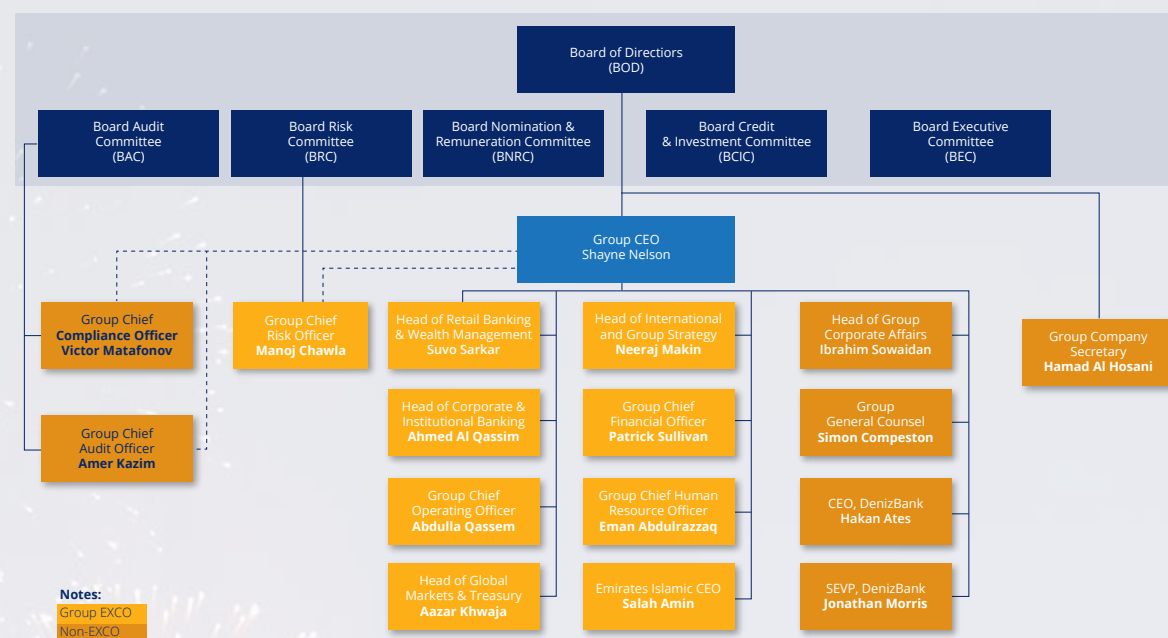
| S/N | Clarifying the nature of relationship | Type of transaction and balances | Value (AED 000s) - 2021 | Value (AED 000s) - 2020 |
|-----|---------------------------------------|----------------------------------|-------------------------|-------------------------|
| 1   | Majority shareholder of the parent    | Loans and receivables            | 148,117,393             | 157,723,504             |
| 2   | Majority shareholder of the parent    | Customer and Islamic deposits    | 5,367,019               | 4,423,770               |
| 3   | Shareholder                           | Loans and receivables            | 1,273,898               | 1,487,463               |
| 4   | Shareholder                           | Investment                       | 6,481,084               | 6,474,854               |
| 5   | Shareholder                           | Customer and Islamic deposits    | 1,967,593               | 1,797,459               |
| 6   | Associate                             | Commitments                      | -                       | 78,877                  |
| 7   | Associate                             | Payments made                    | 99                      | 14,754                  |
| 8   | Associate                             | Customer and Islamic deposits    | -                       | 90,675                  |
| 9   | Funds managed by ENBD                 | Fees received                    | 18,034                  | 13,812                  |
| 10  | Other related parties                 | Payments made                    | 17,967                  | 20,871                  |
| 11  | Directors                             | Directors sitting fee            | 16,808                  | 16,836                  |
| 12  | Directors                             | Loans and receivables            | 872,993                 | 850,367                 |

Note: As at 31 December 2021, deposits from and loans to government related entities amount to 5% (2020: 6%) and 6% (2020: 5%) respectively, of the total deposits and loans of the Group. These entities are independently run business entities and all financial dealings with the Group are on normal commercial terms.

Related party transactions are carried out on normal commercial terms.

**5. Management organization structure**

The management structure of the Group as at 31 December 2021 as follows:



The following table lists their joining dates and position they hold:

| S/N | Position  | Date of joining |
|-----|---|-----------------|
| 1   | Group Chief Executive Officer                           | 03-NOV-2013     |
| 2   | Group Chief Financial Officer                           | 01-JAN-2020     |
| 3   | Group Chief Risk Officer                                | 01-AUG-2013     |
| 4   | Group Chief Operating Officer                           | 24-MAY-1988     |
| 5   | Group Head of Retail Banking and Wealth Management      | 18-JUN-2012     |
| 6   | Group Chief Human Resource Officer                      | 12-JAN-2020     |
| 7   | Group Head of Global Markets and Treasury               | 10-SEP-2012     |
| 8   | Group Head of Corporate & Institutional Banking         | 18-OCT-2015     |
| 9   | Group Head of International and Strategy                | 02-SEP-2008     |
| 10  | Chief Executive Officer, DenizBank                      | 31-JUL-2019     |
| 11  | Chief Executive Officer, Emirates Islamic Bank P.J.S.C. | 02-JAN-1989     |
| 12  | Senior Executive Vice President, DenizBank              | 23-MAR-2014     |

**- Management’s remuneration**

The total salaries and benefits paid in 2021 and any other benefits, in respect of 2021 service, payable in the future for the members of ENBD’s senior management amounted to AED 50.7 million.

**6. External Auditor**

**a. The external auditor**

Deloitte & Touche (M.E.) (“Deloitte”) is a professional services firm with more than 345,374 employees.

Deloitte in the United Arab Emirates has five practice offices in Dubai, Abu Dhabi, Fujairah, Ras Al Khaimah, and Sharjah with 40 Partners, Directors and Principals and over 1,000 audit professionals.

**b. A statement of the fees for the audit provided by the external auditor**

|  |  |
|--|--|
| Name of Auditing Firm and Name of Audit Partner                                | Deloitte & Touche (M.E.)<br>Mr. Akbar Ahmad        |
| Number of years served as an external auditor for the Company                  | Three years ended 31 December 2019, 2020, and 2021 |
| Number of years served as an Audit Partner for the Company                     | Three years ended 31 December 2020, 2019, and 2021 |
| Total fees for auditing ENBD consolidated finance statements for 2021 (in AED) | AED 1.9m   |

There are no other special services provided.

**c. There are no qualified opinions made by the ENBD’s external auditor in the interim and annual financial statements for the year 2021.**



**7. Board Audit Committee (BAC)**

Mr. Hussain Hassan Mirza Al Sayegh acts as a chairman of BAC and acknowledges his responsibility for the Committee's performance.

The names of members of the BAC, a statement of its functions and the duties assigned thereto:

| Name                                 | Position |
|--------------------------------------|----------|
| Mr. Hussain Hassan Mirza Al Sayegh   | Chairman |
| H.E. Mohamed Hadi Ahmed Al Hussaini* | Member   |
| Mr. Shoaib Mir Hashem Khoory         | Member   |
| Mr. Mohamed Hamad Obaid Al Shehi     | Member   |
| Mr. Salem Mohammed Obaidalla         | Member   |

\*Ceased to be BAC member in September 2021

The BAC provides oversight over:

- Appointment of the external auditors and integrity of the financial statements
- Internal financial and audit controls
- Internal audit planning and reporting.
- Process for monitoring compliance with laws / regulations
- Sharia Audit and Compliance

During the year 2021 five meetings were held by the BAC to discuss issues related to the financial statements and any other issues, the details of which are as follows:

| S/N | Date             | Matters  | Members apologized from attendance |
|-----|------------------|--|------------------------------------|
| 1   | 26 January 2021  | Review of Group Financial Results for the year ended 2020, external auditors' report, audit compliance and governance related matters. | None                               |
| 2   | 17 February 2021 | Review Financial Audit Authority (FAA) report  | None                               |
| 3   | 19 April 2021    | Review of Group Financial Results for Q1 2021, external auditors' report, audit compliance and governance related matters.             | None                               |
| 4   | 27 July 2021     | Review of Group Financial Results for Q2 2021, external auditors' report, audit compliance and governance related matters.             | None                               |
| 5   | 19 October 2021  | Review of Group Financial Results for Q3 2021, external auditors' report, audit compliance and governance related matters.             | None                               |

**8. Board Nomination and Remuneration Committee (BNRC)**

Mr. Buti Obaid Buti Al Mulla acts as a chairman of BNRC and acknowledges his responsibility for the Committee's performance.

The names of members of the BNRC, a statement of its functions and the duties assigned thereto:

| Name                                 | Position |
|--------------------------------------|----------|
| Mr. Buti Obaid Buti Al Mulla         | Chairman |
| H.E. Mohamed Hadi Ahmed Al Hussaini* | Member   |
| Mr. Ali Humaid Ali Al Owais          | Member   |
| Mr. Mohamed Hamad Obaid Al Shehi     | Member   |
| Mr. Hesham Abdulla Al Qassim**       | Member   |

\*ceased to be BNRC member in September 2021

\*\*elected as BNRC member with effect from September 2021

The BNRC is assigned to perform the following:

- Review and approve changes to the human resource policy.
- To focus on HR strategic issues such as:
  - Succession Planning
  - Nationalization Level Management
  - Reward (including Bonus Plan)
  - Workforce Planning
  - EXCO Compensation
  - HR Governance
- Ensure proper funding levels of the staff gratuity / pension scheme.
- Provide oversight to the HR policies, including its variable pay policies, to ensure an appropriate balance between risk and financial results.

During the year 2021 four meetings were held by the BNRC, the details of which are as follows:

| S/N | Date              | Matters   | Members apologized from attendance |
|-----|-------------------|---|------------------------------------|
| 1   | 17 February 2021  | Review Workforce, Key Positions & Variable pay summary                                    | None                               |
| 2   | 28 April 2021     | Review Workforce, Leave Policy, Future of Learning, Key Positions & Staff related matters | None                               |
| 3   | 22 September 2021 | Review Workforce, Key Positions, the Group and Staff related matters                      | None                               |
| 4   | 24 November 2021  | Review Workforce, Succession Plan, Key Positions & Staff related matters                  | None                               |

### 9. Insiders' Trading Follow-Up and Supervision Committee

Corporate and Institutional Banking Compliance maintain and monitor the "Insider" register and have developed procedures around this activity.

### 10. Board Executive Committee (BEC)

Mr. Hesham Abdulla Al Qassim acts as the chairman of BEC and acknowledges his responsibility for the Committee's performance.

The names of the members of BEC, a statement of its functions and the duties assigned thereto:

| Name                                | Position |
|-------------------------------------|----------|
| Mr. Hesham Abdulla Al Qassim        | Chairman |
| H.E. Mohamed Hadi Ahmed Al Hussaini | Member   |
| Mr. Shoaib Mir Hashem Khoory        | Member   |
| Mr. Ali Humaid Ali Al Owais         | Member   |
| Mr. Mohammad Hamad Obaid Al Shehi   | Member   |

The BEC shall have, and may exercise, all the powers of the Board in the management of the business and affairs of the Bank between meetings of the Board, except:

- As limited by the powers accorded to the Board of Directors in the Bank's Memorandum & Articles of Association, as amended,
- Federal Law No. 14 of 2018 (as amended), Federal Law No. 32 of 2021 on Commercial Companies and circulars/instructions, or such other applicable laws or regulations,
- With respect to matters that are specifically reserved for another committee of the Board, and
- Previous decisions adopted and approved through a legally constituted meeting of the Board.

During the year 2021 twenty meetings were held by the BEC, there were no absentees.

### 11. Board Risk Committee (BRC)

Mr. Hesham Abdulla Al Qassim acts as the chairman of BRC and acknowledges his responsibility for the Committee's performance.

The names of the members of BRC, a statement of its functions and the duties assigned thereto:

| Name                               | Position |
|------------------------------------|----------|
| Mr. Hesham Abdulla Al Qassim       | Chairman |
| Mr. Ali Humaid Ali Al Owais        | Member   |
| Mr. Hussain Hassan Mirza Al Sayegh | Member   |
| Mr. Buti Obaid Buti Al Mulla       | Member   |
| Mr. Salem Mohammed Obaidalla       | Member   |

The BRC is assigned to perform the following:

- Review & approve the Group Risk Appetite Statement including limits for all relevant risk types.
- Ensure overall compliance with the Group's approved risk strategy & risk appetite and also keep the Board advised of the same.
- Ensure delegated authorities are aligned to the Group Risk Management Framework. Approve key Group risk policies, risk measurement systems and risk controls.
- Review and approve the Group's risk profile with respect to approved risk appetite framework, concentration risk thresholds, operational risk events, fraud events and regulatory capital requirements.
- Advise the Board on strategic and material transactions including mergers and acquisitions on risk aspects and implications for the risk appetite and tolerance

During the year 2021 four meetings were held by the BRC, there were no absentees.

### 12. Board Credit and Investment Committee (BCIC)

Mr. Hesham Abdulla Al Qassim, the Chairman of BCIC acknowledges his responsibility for the Committee's performance.

The names of the members of BCIC, a statement of its functions and the duties assigned thereto:

| Name                                | Position |
|-------------------------------------|----------|
| Mr. Hesham Abdulla Al Qassim        | Chairman |
| Mr. Ali Humaid Ali Al Owais         | Member   |
| Mr. Shoaib Mir Hashem Khoory        | Member   |
| H.E. Mohamed Hadi Ahmed Al Hussaini | Member   |
| Mr. Salem Mohammed Obaidalla        | Member   |

The BCIC supports the Board, to overview and manage the credit and investment portfolio of the Group. BCIC is responsible for the following functions consistent with the Credit risk strategy and long term objectives of the Group:

- Review and monitor the effectiveness of credit and investment risk strategy, periodically review risk appetite of the Group and provide guidance to the management with regard to business strategies and Credit and Investment Policies.
- Review, approve and note Credit and Investment Policies.
- Delegate lending authority to the Management Credit Committee, Management Investment Committee, Group Chief Executive Officer, Group Chief Compliance Officer and Group Chief Risk Officer, including authority to sub-delegate to the Management.
- Review the portfolio composition, portfolio quality, performance and compliance.
- Review any other matters deemed necessary by BCIC or referred by the Management and provide guidance / approval

During the year 2021, 48 meetings held by the BCIC, there were no absentees except for Mr. Ali Humaid Ali Al Owais, who apologised from attendance on the BCIC meeting held on 24 November 2021.

### 13. Internal control system

#### a. The BOD's acknowledgement of its responsibility for the Internal control system in the Group and its review of the functioning mechanism of internal control and ensuring its effectiveness

The Board has overall responsibility for ensuring effectiveness of the internal control system of the Group. The Board is responsible for setting a clear framework to ensure an effective internal control system exists. This allows effective and efficient operations, accurate financial reporting, and compliance with laws and regulations. Internal Control is broadly defined as a process designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations: Addresses the Group's basic business objectives, including adherence to performance standards and the safeguarding of resources.
- Reliability of financial reports: Ensures that reliable financial statements and other financial information are presented to the shareholders, Board and Management.
- Compliance with applicable laws and regulations: Oversight over Regulatory Compliance with applicable laws and regulations in order to avoid any damage to reputation or violations.

Group Internal Audit department ("INA") is an independent appraisal function established by the Board to examine and evaluate the activities of the Group. It is responsible to provide independent, objective assurance to the Board and senior management of the Group designed to add value and improve the Group's operations.

INA issues reports to Bank's executive management on all audits and provides a quarterly report to the BAC.

#### b. The name, qualifications, and date of appointment of the Head of Internal Audit Department

Amer Kazim, Group Chief Audit Officer, appointed in November 2019 with Certified Public Accountant qualification.

#### c. The name, qualifications, and date of appointment of the Compliance Officer

Victor Matafonov, Group Chief Compliance Officer, appointed on 22 June 2014 with Bachelor's of Commerce, Major in Accounting and Economics, Sub major in Law qualification.

#### d. The number of reports issued by the INA to the ENBD's BOD

At the end of each quarter, INA submits and presents a detailed "Quarterly Audit Report" to the BAC and an update summarizing the detailed quarterly report is submitted by the BAC Chairman to the Board.

During 2021, INA provided 47 reports to the BAC that included 4 quarterly Internal Audit reports (summarizing the findings in 105 audits completed in 2021) and 43 special papers/reports/updates.

The Quarterly Audit Report provides a summary of audit activity completed during the quarter (including new audit findings) and follow up of previously reported matters that require BAC attention.

INA's Quarterly Audit Report is considered at meetings of the BAC which meets at least four times per annum.

The Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Audit Officer and Group Chief Compliance Officer are permanent attendees of the BAC.

**14. A statement of the cash and in-kind contributions made during the year 2021 toward the local community development and environmental conservation**

| Social Investment Area                                    | The Group         |
|---|-------------------|
|   | (AED)             |
| Health & Wellness   | 22,976,434        |
| Humanitarian  | 2,285,660         |
| Islamic Contributions                                     | 7,026,220         |
| Women's Empowerment, Environment & Education              | 1,683,470         |
| Community Development & Year of UAE                       | 20,177,000        |
| Advocacy for People with Disabilities: #TogetherLimitless | 6,451,522         |
| Financial Literacy: #moneywise platform                   | 115,000           |
| Total UAE   | 60,715,306        |
| International   | 3,927,633         |
| <b>Total Overall</b>                                      | <b>64,642,939</b> |

**15. General Information**

**a. A statement of ENBD's share price in the Market in the end of each month during the year 2021**

| S/N | Month Name | Month_High | Month_Low | Month_Close |
|-----|------------|------------|-----------|-------------|
| 1   | Jan 2021   | 12.05      | 10.35     | 11.60       |
| 2   | Feb 2021   | 11.85      | 10.95     | 11.15       |
| 3   | Mar 2021   | 11.80      | 10.75     | 11.50       |
| 4   | Apr 2021   | 12.60      | 11.20     | 12.45       |
| 5   | May 2021   | 13.95      | 12.10     | 13.80       |
| 6   | Jun 2021   | 14.00      | 13.25     | 13.25       |
| 7   | Jul 2021   | 13.55      | 13.05     | 13.40       |
| 8   | Aug 2021   | 13.95      | 13.20     | 13.85       |
| 9   | Sep 2021   | 14.35      | 13.65     | 14.20       |
| 10  | Oct 2021   | 14.25      | 12.85     | 13.75       |
| 11  | Nov 2021   | 14.25      | 12.75     | 13.20       |
| 12  | Dec 2021   | 14.15      | 13.05     | 13.55       |

**b. A statement of the comparative performance of ENBD's shares with the market index during the year 2021**

| S/N | Month_Year | EMIRATES NBD | DFMGI   | BANKING |
|-----|------------|--------------|---------|---------|
| 1   | Jan 2021   | 11.60        | 2654.06 | 2485.76 |
| 2   | Feb 2021   | 11.15        | 2551.54 | 2402.45 |
| 3   | Mar 2021   | 11.50        | 2550.23 | 2386.86 |
| 4   | Apr 2021   | 12.45        | 2605.38 | 2452.05 |
| 5   | May 2021   | 13.80        | 2797.52 | 2651.75 |
| 6   | Jun 2021   | 13.25        | 2810.56 | 2621.18 |
| 7   | Jul 2021   | 13.40        | 2765.71 | 2628.51 |
| 8   | Aug 2021   | 13.85        | 2902.97 | 2732.87 |
| 9   | Sep 2021   | 14.20        | 2845.49 | 2745.79 |
| 10  | Oct 2021   | 13.75        | 2864.21 | 2749.14 |
| 11  | Nov 2021   | 13.20        | 3072.91 | 2765.10 |
| 12  | Dec 2021   | 13.55        | 3195.91 | 2861.21 |

**c. A statement of shareholding distribution as at 31 December 2021**

| S/N | Shareholder category | Percentage of the shares held |           |            |         |
|-----|----------------------|-------------------------------|-----------|------------|---------|
|     |                      | Individual                    | Companies | Government | Total   |
| 1   | Local                | 11.3205                       | 20.5422   | 56.1588    | 88.0215 |
| 2   | GCC                  | 1.2476                        | 0.8245    | Nil        | 2.0721  |
| 3   | Arab                 | 0.0565                        | 0.0014    | Nil        | .0579   |
| 4   | Foreign              | 0.6958                        | 7.8132    | 1.3395     | 9.8485  |
| 5   | Total                | 13.3204                       | 29.1813   | 57.4983    | 100     |

**d. A statement of the shareholders who hold 5% or more of the ENBD's shares as at 31 December 2021**

| S/N | Name                            | Number of shares held | Percentage of the shares held |
|-----|---------------------------------|-----------------------|-------------------------------|
| 1   | Investment Corporation of Dubai | 3,521,999,640         | 55.7579                       |
| 2   | Capital Assets LLC              | 336,614,121           | 5.329                         |

**e. A statement of shareholders distribution by the size of equity as at 31 December 2021**

| S/N | Shares owned                        | Number of shareholders | Number of shares held | Percentage of the shares held |
|-----|-------------------------------------|------------------------|-----------------------|-------------------------------|
| 1   | Less than 50,000                    | 1,064                  | 12,417,736            | 0.1966                        |
| 2   | From 50,000 to less than 500,000    | 622                    | 118,618,051           | 1.8779                        |
| 3   | From 500,000 to less than 5,000,000 | 345                    | 557,892,907           | 8.8322                        |
| 4   | More than 5,000,000                 | 71                     | 5,627,669,559         | 89.0934                       |

**f. Details of the Investor Relations department**

- Mr. Patrick Clerkin, Head of Investor Relations
- Contact information for the Investor Relations Officer:  
Email: IR@EmiratesNBD.com / Patricke@emiratesnbd.com  
Phone: +971 4 609 3007  
Mobile: +971 50 921 1570  
The webpage link <https://www.emiratesnbd.com/en/investor-relations/>

**g. A statement of the special resolutions presented to the General Assembly held in 2021 and the procedures taken with respect thereto**

1. Amend the Company's Memorandum & Articles of Association to comply with Federal Decree-Law No. 26/2020 which amended CCL No. 2 of 2015.
2. (a) Undertake any updates of the following Existing Programmes pursuant to which the Bank issues securities from time to time:
  - i. the Emirates NBD Bank P.J.S.C and Emirates NBD Global Funding Limited U.S.\$12,500,000,000 euro medium term note programme (the "EMTN Programme");
  - ii. the Emirates NBD Global Funding Limited U.S.\$1,000,000,000 structured note programme (the "Structured Note Programme"); and/or
  - iii. the Emirates NBD Bank P.J.S.C AUD 4,000,000,000 debt issuance programme ("AUD Programme"), and together with the EMTN Programme and the Structured Note Programme, the "Existing Programmes");
- (b) establish any debt funding programme, up to a maximum amount of U.S.\$ 10,000,000,000, in addition to the Existing Programmes (the "New Programmes" and, together with the Existing Programmes, the "Programmes") and undertake any subsequent update of the New Programmes;
- (c) issue debt instruments, up to an amount of U.S.\$10,000,000,000 or its equivalent in other currencies, under any of the Programmes from time to time; with the terms of any such issuance decided by the relevant committee to which the Board of Directors has delegated such decisions and such issuance to be settled no later than one year commencing from the date on which this resolution is approved in accordance with the provisions of Article 230 of the Companies Law.

(d) issue debt on a standalone basis, up to a maximum amount of U.S.\$ 10,000,000,000 or its equivalent in other currencies, (including, without limitation, through the issuance of conventional notes/bonds, structured notes/bonds, covered notes/bonds, trust certificates or other similar debt instruments (including for regulatory capital purposes up to an amount of U.S.\$1,000,000,000 for the purposes of strengthening the Group's capital adequacy ratio (the capital instruments shall include the terms and conditions required by the UAE Central Bank, including, in relation to additional tier 1 capital instruments, the following features: subordination; coupon non-payment events; and non-viability and write-down provisions) or, as the case may be, through collateralised arrangements whether in loan or note/bond format, as the same may be listed and/or admitted to trading on a stock exchange or any other trading platform and/or unlisted) ("Debt Funding") with the terms of any such issuance decided by the relevant committee to which the Board of Directors has delegated such decisions and such issuance to be settled no later than one year commencing from the date of the resolution in accordance with the provisions of Article 230 of the Companies Law;

(e) in respect of:

- i. instruments issued or to be issued under any of the Programmes; and/or
- ii. debt issued or to be issued under Debt Funding,

undertake any liability management exercise with respect thereto (including, without limitation, by way of consent solicitation, exchange offer, tender offer, buyback or any combination thereof);

(f) prepare and enter into such finance agreements and related documents as may be necessary (including, without limitation, any offering documents, relevant programme agreements, subscription agreements, dealer manager agreements, guarantees, hedging arrangements and all related and ancillary documents) in respect of the foregoing;

(g) establish one or more special purpose vehicles incorporated in suitable jurisdictions anywhere in the world, with the specific purpose of acting as the issuers of any debt instruments issued under any of the Programmes or, as the case may be, any debt issued by way of Debt Funding; and

(h) enter into any document(s) and to take such further steps as may be necessary in connection with the Actions.

**h. Mr Hamad Al Hosani was appointed as the Group Company Secretary on 22 June 2017**

**i. A statement of the significant events and important disclosures that took place in the Group during the year 2021**

|                  |  |
|------------------|--|
| 21 April 2021    | NGI - ENBD sells 32,285,120 shares in NGI (21.53% of the shares of NGI), reducing stake to 15.19%.         |
| 14 July 2021     | NGI - ENBD fully divests NGI stake through sale of 22,778,049 shares in NGI (15.19% of the shares of NGI). |
| 23 December 2021 | Dubai Bank - ENBD transfers controlling interest in Dubai Bank to Eradah Capital.                          |

**j. A statement of the Emiratisation percentage in ENBD**

| 2019  | 2020  | 2021  |
|-------|-------|-------|
| 27.8% | 31.8% | 34.1% |

**k. A statement of the innovative projects and initiatives implemented by the ENBD during the year 2021**

|             |   |
|-------------|---|
| Completed   | <ol style="list-style-type: none"> <li>1. Replacement of financial analysis tool with a more advanced tool to support credit decisions.</li> <li>2. API Banking for Payment and Statement reporting</li> <li>3. Virtual Account Solution for Collections</li> <li>4. SWIFT for Corporates: Implemented "SWIFT for Corporates" solution that empowers ENBD's Corporate clients (with BIC/SWIFT ID) to standardize and streamline financial communication and settle transactions with various banks across the globe on a single and secure platform.</li> </ol> |
| In-progress | <ol style="list-style-type: none"> <li>1. Financial Institution (FI) Credit Origination workflow – FI Loan Origination System with objective to convert multiple tasks to STP and improve TAT.</li> <li>2. Integration with UAEPASS for business ONLINE sign-on</li> <li>3. Card-less cash withdrawal using ENBD ATMs for Corporate Clients</li> </ol>  |
| Initiated   | <ol style="list-style-type: none"> <li>1. Advanced Analytics, a Group wide project.</li> <li>2. Initiation of replacement of Corporate Loan Origination with a solution that would allow ENBD to improve the process to enable straight through processing.</li> </ol>  |

