

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited consolidated financial statements of Emirates NBD Bank P.J.S.C. ("the Bank") and its subsidiaries (collectively known as "the Group") for the year ended 31 December 2022.

The Bank was incorporated in the United Arab Emirates (the UAE) on 16 July 2007, pursuant to the approval from the Central Bank of the UAE on 3 July 2007 to grant the Bank a banking license.

Basis of Preparation of Financial Statements

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and applicable requirements of the laws of the UAE.

Financial Commentary

The Group reported a consolidated profit (attributable to equity holders) of AED 13,003 million for the year 2022, which represents an increase of 40 percent over 2021 demonstrating the resilience of the Group's diversified business model and strong regional economic growth. The Group has continued to focus on:

- Maintaining strong capital, liquidity and funding positions;
- Delivering long term sustainable value for shareholders;
- Growing international operations;
- Maintaining a strong risk oversight whilst effectively managing cost of risk;
- Investing in people with a focus on developing and deploying National talent in key senior and executive positions;
- Investing in digital with a focus on innovation and analytics; and
- Expanding sustainability strategy

2022 was a record year for retail lending and customer transactions, with all business units delivering an outstanding performance, driving income 36% higher. The UAE economy grew strongly in 2022, helped by a recovery in tourism, population growth, a buoyant property market and a high oil price.

We continued financing the real economy and were rewarded with strong economic growth across a range of sectors. In 2022 the country's wise and visionary Leadership were able to wind down an extremely effective stimulus package, introduced at the start of the pandemic for commercial and retail customers. We are very proud to have provided interest and principal deferral relief to more than 130,000 customers in the UAE.

The strong results and solid balance sheet helped secure an upgrade from Moody's of the Group's short-term and long-term credit ratings.

International expansion continues with additional branches in the Kingdom of Saudi Arabia, India and Egypt and accelerated investment in our digital capabilities to support future growth. The Group continues to diversify with 39 percent of income now coming from international operations.

Inflation in many countries reached multi-decade highs and many Central Banks responded with a rapid increase in interest rates. The Group's strong results demonstrate financial resiliency and all five business units delivered an increase in profit before tax, illustrating that the Group's diversified business model continues to deliver. The Group's balance sheet strengthened with further improvements in deposit mix, credit quality, core capital and liquidity. Emirates NBD continues to support businesses and customers while investing in its digital platform and international network to drive future growth.

Group earnings per share was AED 1.98 (2021: AED 1.38) and the Group adjusted earnings per share (excluding the impact of hyperinflation) was AED 2.47 (2021: 1.38).

The Group achieved a return on average tangible equity of 17.1 percent (2021: 12.8 percent) and a return on average total assets of 1.8 percent (2021: 1.3 percent).

Equity and Note Holders' Funds

Total equity and note holders' funds as at the end of 2022 stands at AED 93,198 million (2021: AED 83,520 million).

Proposed Appropriations

The Directors also propose the following appropriations from retained earnings:

	AED million

Retained earnings as at 1 January 2022	53,088.2
Group profit for the year (attributable to equity holders)	13,002.6
Other comprehensive income / (loss) for the year	(3.8)

Retained earnings available for appropriation	66,087.0
(a) 2021 Cash dividend paid during 2022	(3,155.3)
(b) Interest on Tier 1 Capital Notes	(510.7)
(c) Directors' fees for 2022	(31.0)
(d) Zakat	(44.0)

Balance of retained earnings as at 31 December 2022	62,346.0

Board and Board Committee meetings during 2022

Emirates NBD Board of Directors

H.H. Sheikh Ahmad Bin Saeed Al Maktoum	Chairman
Mr. Hesham Abdulla Al Qassim	Vice Chairman
H.E. Mohamed Hadi Al Hussaini	Director
H.E. Huda Sayed Naim Al Hashimi	Director (appointed on 23.2.2022)
H.E. Khalid Juma Al Majid	Director (appointed on 23.2.2022)
Mr. Buti Obaid Al Mulla	Director
Mr. Salem Mohammed Obaidalla	Director
Mr. Ali Humaid Al Owais	Director
Mr. Jassim Mohammed Al Ali	Director (appointed on 23.2.2022)
Mr. Hussain Hassan Mirza Al Sayegh	Director (resigned on 23.2.2022)
Mr. Shoaib Mir Hashim Khoory	Director (resigned on 23.2.2022)
Mr. Mohamed Hamad Obaid Khamis Al Shehi	Director (resigned on 23.2.2022)

Total Number of Meetings: 6

Emirates NBD Board Executive Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
HE. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member
Mr. Sohaib Mir Hashim Khoory	Member (resigned on 23.2.2022)

Total Number of Meetings: 13

Emirates NBD Board Audit Committee

Mr. Jassim Mohammed Al Ali	Chairman of the Committee (appointed on 23.2.2022)
Mr. Hesham Abdulla Al Qassim	Member (appointed on 23.2.2022)
Mr. Salem Mohammed Obaidalla	Member
Mr. Sohaib Mir Hashim Khoory	Member (resigned on 23.2.2022)
Mr. Mohamed Hamad Obaid Khamis Al Shehi	Member (resigned on 23.2.2022)
Mr. Hussain Hassan Mirza Al Sayegh	Member (resigned on 23.2.2022)

Total Number of Meetings: 5

Emirates NBD Board Nomination, Remuneration and Environmental, Social and Governance Committee

Mr. Buti Obaid Buti Al Mulla	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member (appointed on 23.2.2022)
Mr. Ali Humaid Al Owais	Member
Mr. Mohamed Hamad Obaid Khamis Al Shehi	Member (resigned on 23.2.2022)

Total Number of Meetings: 4

Emirates NBD Board Risk Committee

Mr. Ali Humaid Al Owais	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Salem Mohammed Obaidalla	Member
Mr. Hussain Hassan Mirza Al Sayegh	Member (resigned on 23.2.2022)
Mr. Buti Obaid Al Mulla	Member (resigned on 23.2.2022)

Total Number of Meetings: 4

Emirates NBD Board Credit and Investment Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
HE. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member
Mr. Sohaib Mir Hashim Khoory	Member (resigned on 23.2.2022)

Total Number of Meetings: 48

Board Profit Equalization Committee (New Committee)


Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
Mr. Buti Obaid Buti Al Mulla	Member
Dr. Salim Al Ali (ISSC representative)	Member (appointed on 27.07.2022)

Total Number of Meetings: 1

Auditors:

Deloitte and Touche (M.E.) were appointed as auditors of the Emirates NBD Group for the 2022 financial year at the Annual General Meeting held on 23 February 2022.

On behalf of the Board



Chairman

Dubai, UAE

25 January 2023