Sustainability Management

1. Listening to our Stakeholders
2. Materiality Analysis
3. Sustainable Banking Framework

Listening to our Stakeholders

Key to any successful sustainability approach is to closely involve those who are impacted. We therefore define our stakeholders as institutions, groups or individuals who are influenced by our activities, products and services, and who in turn affect our ability to achieve our goals.

To identify these stakeholders, we follow an internal mapping process. We identify all stakeholders, updating the map as our business expands and grows. This process also defines the level of impact we have on each stakeholder, and vice versa. The map contains nine stakeholder groups that we commit to engage with, by continuously communicating our operations and their impact to them.
Our stakeholders are groups or individuals that are influenced by our activities, products and services, and who in turn affect our ability to achieve our goals. This an internal mapping process that identifies the level of influence of respective stakeholder groups on the Bank and the Bank’s influence on those stakeholder groups. We have identified nine main stakeholder groups with which we regularly engage through various methods – while seeking to incorporate their feedback into our strategic thinking and day-to-day work.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Engagement Methods &amp; Frequency</th>
<th>Stakeholders Feedback</th>
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| Employees    | > The Bank’s Intranet  
> Face-to-face meetings, team meetings, e-learning courses, training programmes, team projects, group workshops, social events, rewards and recognitions. (These engagements are as frequent as needed)  
> Bi-annual Employee Engagement Surveys (Souwi)  
> Bi-annual performance appraisal meetings | On average, 90% of our employees answered the survey and gave feedback on its three pillars: Say, Stay, Strive. Employees raised topics related to ensuring their retention and growth at the Bank. Topics included compensation, training, growth and development |
| Board of Directors | > Board of Directors Meetings - six times a year  
> Regular Executive Committee Meetings  
> Internal departmental meetings  
> Emails, calls, instant messaging software | Overall direction of strategy, supervision, corporate structure, financial reporting, internal controls, risk management policies. Feedback also focuses on approval of the Annual Report, corporate dividends and main sustainability focus areas |
| Investors    | > Annual General Meeting (AGM)  
> Investors Relations Team and website section  
> Press conferences and releases, periodic reports, presentations | Development of financial performance, shareholder value growth, business ethics, governance, compliance, risk management, business continuity, aligning sustainability and commercial benefits |
| Customers    | > Voice of Customer’ satisfaction surveys  
> Social Media channels  
> Call centre, emails, phone calls  
> Advertisements and promotions  
> Account relationship management | Improvement in customer experience, innovative financial services, responsiveness, e-banking, relationship management, privacy and security, competitive rates and products |
| Suppliers    | > Tenders and RFPs, Independent Sustainability Study (2015) | Mobilisation and delivery, fair selection of suppliers, compliance, vendor assessment based on ethical practices, reputational assessment, pricing, investment in local suppliers |
| Local Community | > Partnerships with community organisations  
> Case studies and field research  
> Sponsorships and donations  
> Cultural and social events | Engagement with local communities seeking further Bank investment in social inclusion, education on financial literacy, empowerment of women, investment in education, entrepreneurship, youth development and employment |
| Government   | > Compliance with UAE Central Bank directives  
> Compliance with Dubai Financial Services Authority directives  
> Compliance with UAE Banks Federation directives  
> Compliance with semi-government bodies  
> Meetings as needed | Development of the Bank’s mission and creation of positive socio-economic impact. Investment in anti-corruption and anti-fraud governance systems, plus alignment with national and global standards |
| Environment  | > Partnerships with environmental organisations, both locally and globally  
> Meetings, press releases, emails | Monitoring of energy consumption, reporting on the Bank’s carbon footprint and embedding of Sustainable Finance practices – including green lending and green bonds. Establishment of green buildings, monitoring and control of water consumption |
| Media        | > Quarterly & annual financial results  
> Press conferences/releases & roundtables  
> Awards and recognition ceremonies  
> Radio/TV interviews  
> Daily market commentary  
> Weekly & monthly newsletters  
> Social media  
> Print | Explain and clarify financial performance, innovation plans, and socio-economic impact through product releases, briefings and other special events |
Materiality analysis aims to highlight the most relevant sustainability issues, pinpointing how they affect our organisation and how we are able to create significant impact while addressing them.

In 2016, we conducted a thorough materiality analysis process, following GRI Standards. (For details and an explanation of the process used, please see our 2015-2016 Sustainability Report pages 26–27.)

Because we are including Tanfeeth in this Report, we have conducted the same materiality exercise in 2017 to account for the views of Tanfeeth’s management. Since Tanfeeth and Emirates NBD Bank share the same stakeholders, we have chosen to rely on the stakeholders ratings from last year. The result of engaging Tanfeeth’s management has matched the result with that of Emirates NBD, reinforcing the same material topics that were highlighted in the original material analysis.

In 2016's process, we compiled 60 potential material sustainability topics related to financial institutions. We then asked all main stakeholder groups to rate the importance of each topic on a scale from 1 to 5. The same list of topics was then rated by the Bank's key management and decision makers - those who have the highest impact on implementing the Bank's policies and strategies. They all rated the topics on the Bank's ability to create positive impact from applying each one to our business operations.

From the average rating of all 60 topics, we identified 29 material issues with an average rating of 3.75 or higher (on a scale from 1 to 5). These 29 issues represent the material issues with an average rating of 3.75 or higher (on a scale from 1 to 5). These 29 issues represent the content of the report, and also correspond to the 16 GRI Material topics.

The table below lists all GRI Standards Material Topics, sets out the impact boundaries, and provides references to pages where the topics are addressed:
### Sustainable Banking Framework (102-12), (102-15)

The Sustainable Framework elements are designed to capitalise on our assets and expand our areas of focus in order to meet our responsibilities in creating socio-economic shared value.

### Understanding the Framework

#### Key Drivers

The overall direction of our Sustainability Framework is set by four strategic drivers:

- United Nations Sustainable Development Goals (SDGs)
- UAE Vision 2021
- Dubai Declaration on Sustainable Finance (to which we are a signatory)
- Our own vision and values

We believe these drivers enable us to capitalise on our assets and expand our focus in creating improved socio-economic shared value.
Enablers
These are five areas in which we have heavily invested since our inception, enabling them to grow into reliable assets that provide a foundation for us to then create impact.

> By establishing sound governance systems and business ethics, we have been able to grow and maintain a culture of transparency and integrity
> Our human assets include our employees, suppliers and partners, as well as the set of skills, expertise and deep relationships we have built up over the years
> Our brand is our biggest non-financial asset and is currently valued at USD 3.53 billion
> Our operations include all the systems, standard procedures, processes and best practices that we have streamlined. They also include the wealth of customer data and big data we have accumulated
> Our products and services continuously expand and adapt, reinforcing our commitment to the communities we serve

Focus Areas
These are the six areas we see as significant for achieving sustainability, and for creating long-term socio-economic impact throughout the communities in which we operate. They are integral to our growth and success, and feed into our vision and values.

> Shareholder value growth: We have a responsibility to ensure the prosperity of all our shareholders, and accordingly to create financial and non-financial value
> Customer experience: This is a critical area for our continuous innovation – in terms of the customer journey, products, services, technology and processes we provide
> Responsible finance: In 2017, we became a signatory of the United Nations Environment Programme Finance Initiative (UNEP FI) and the Dubai Declaration on Sustainable Finance. We are committed to introducing new processes and guidelines that ensure the practice of responsible and ethical lending
> Technology and innovation: We are among regional leaders in this field, utilising technology and innovation to create solutions that make our customers’ lives easier, grow shareholder value and create shared benefits with all our stakeholders
> Social investment: Our strategy addresses the work we do internally, and for the communities we serve. This includes, but is not limited to, supporting people with disabilities, promoting financial literacy, health and wellness, as well as women’s empowerment and the environment community development
> Environmental responsibility: Our strategy here addresses our carbon footprint, water usage, energy consumption, waste management practices and other environmental responsibilities. Our social investment strategy addresses all the work that we do internally and for the communities within which we serve.

Impact
So we can continue to be a sustainable and responsible business, we need to measure value and impact beyond financial outcomes. We do this by reporting on the socio-economic shared value of all our stakeholders.
Alignment with International and National Guidelines and Visions

The UAE Vision 2021

The pillars of the UN SDG Goal

These aim to make our world more prosperous, inclusive, sustainable and resilient.

In September 2016, the member states of the United Nations adopted 17 new Sustainable Development Goals (SDGs).

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<tr>
<th>UN SDG Goal</th>
<th>How We Align</th>
<th>2017 Highlights</th>
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<tbody>
<tr>
<td></td>
<td>Through promoting a healthy culture in our operations. We support life-work balance, health awareness, periodic health check-ups, granting adequate leave and encouraging sports and active lifestyles</td>
<td>Participating in the Dubai Fitness Challenge, encouraging our employees to be physically active for 30 minutes daily for 30 days</td>
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<td>Through our commitment to supporting local educational institutions, plus our Financial Literacy programmes</td>
<td>Employees attending a Train the Trainer workshop to prepare them to become Financial Literacy coaches, in order to coach their peers on personal financial management</td>
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<td>By being among the top employers of Emiratis</td>
<td>Net profit of AED 8.35 billion, up 15% y-o-y</td>
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<td>Through our commitment to environmental responsibility</td>
<td>Switching from using foam cups to paper cups – part of that has decreased use of environmentally harmful material by 2.7 tonnes</td>
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<td>Through our online banking systems, website and mobile application</td>
<td>Through our #moneywise platform.</td>
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<td>Through our #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
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<td>Through our #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
<td>Placing 36 PwDs in full-time jobs, with 28 employees with disabilities working at Emirates NBD and Tanfeeth</td>
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<td>By promoting the importance of playing an active role in society. We invest in local communities through financial and in-kind support, and create programmes that support social inclusion</td>
<td>Ras Al Khaimah all-women call centre</td>
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<td>By promoting the importance of playing an active role in society. We invest in local communities through financial and in-kind support, and create programmes that support social inclusion</td>
<td>Transforming 28 branches to be Disability Friendly</td>
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<td>Through #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
<td>Investing AED 1 billion in digital transformation over the next three years</td>
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<td>Through #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
<td>We are among the top employers of Emiratis</td>
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<td>Through #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
<td>We were named ‘Most Innovative Financial Services Organisation of the Year’ by BAI Global Innovation Award in 2017</td>
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<td>Through #TogetherLimitless, our flagship platform advocating the rights of People with Disabilities (PwD)</td>
<td>Aligning with &quot;My Community...A City for Everyone&quot; vision</td>
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