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It is our pleasure to present to you the first sustainability report published by Abu Dhabi Islamic Bank (ADIB). The report reflects the work we have done to enhance all aspects of our sustainability performance and governance, whether it is social, environmental, operational or financial. This report has been prepared in accordance with the GRI Standards: Core option. We have also referred to other guidelines, including the GRI G4 Financial Services Sector Disclosures and the United Nations Global Compact (UNGC) principles, which regulate sustainable business practices globally.

(102-48),(102-49),(102-50),(102-51),(102-52),(102-53),(102-56) (102-45), (102-46), (102-54)

#### SCOPE

In this Report we review ADIB's sustainability performance for the calendar year 2017 within the UAE only. It does not include impacts from overseas operations, subsidiaries, partners, other sister companies or third-party suppliers. However, for the Financial Performance and Economic Impact figures, the reporting scope does include ADIB Group's global partners and we communicate this accordingly for clarity. All monetary values in this Report are expressed in Arab Emirates Dirhams (AED), unless otherwise stated.

#### ASSURANCE

We have opted not to use external assurance for this report. We have followed an internal assurance process in which all internal stakeholders involved revised and approved content related to their department. That said, the financial statements in this report have been independently audited by Ernst & Young. Our financial statements and annual reports can be found on our website on adib.com.

#### **▶** CONTACT POINT

If you would like to receive more information on our sustainability practices, or if you would like to give feedback, please contact:

CSR Council CSR@adib.ae

### **KEY HIGHLIGHTS**



1 million customers



82 branches and 722 ATMs



A brand value worth USD 699 million



2,039 employees



40% Emiratisation Rate



AED 123.3 billion in Total Assets



AED 2,300 million in Net Profit



AED 5,632 million in Total Revenues



30 industry awards received



A 2017 NPS score of 79, the highest among peers



**LEED Gold Certified Headquarters** 



60,475 KG of paper recycled

### CHAIRMAN'S STATEMENT (102-14), (102-15)

### H.E. JAWAAN AWAIDHA SUHAIL AL KHAILI

Dear Stakeholders,

On behalf of the Board of Directors, I am delighted to present ADIB's first sustainability report. It marks our commitment to responsible business practices, protecting the broader financial system and the communities in which we live and work.

As a leading Islamic financial institution, we have always placed social and environmental concerns at the heart of everything we do. Banks need to be a force for good in the economies and communities we serve, surpassing the expectations of society, our customers, regulators and investors.

Throughout the years, we have succeeded by helping our customers make the right financial decisions and achieve their aspirations. We have achieved sustainable profits for our shareholders, valued our highly committed employees, respected the natural environment and invested in communities. ADIB is one of 11 financial institutions in the UAE to have signed the "Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance." Our participation in this declaration is testimony to our commitment to align the bank's activities with the UAE Vision 2021, the UAE Government's commitment to the Paris Climate Agreement, the United Nations' Sustainable Development Goals (UNSDGs) and the UAE Green Agenda 2015-2030.

During 2017, we have identified five specific goals within the UNSDGs that we contribute to through our daily work and community empowerment programmes, and outlined our impact within each of them. We followed the same process by aligning with key elements within the UAE vision 2021.

Our notable achievements during the year included multiple programmes and initiatives carried out by our CSR council and our volunteers, all in line with the UAE Year of Giving. We witnessed further successes in our economic sustainability and closed the year with solid





H.E. Jawaan Awaidha Suhail Al Khaili

results. Our group net revenues increased by 4.6% to AED 5.6 billion and net profit increased by 17.7% to AED 2.3 billion. Contributing factors were our strategic focus on engaging all of our stakeholders, focusing on our customers and building a strong workforce.

Our award-winning Strategic Emiratisation Programme demonstrates our commitment towards the UAE's economy and empowering local talent. Through the Programme, we develop UAE nationals by offering jobs, training and learning opportunities to help them excel and carve a career in the banking sector. We continue to have one of the highest Emiratisation to expatriate ratios in our industry, with Emiratis representing 40% of our workforce.

Our initiatives during 2017 have been widely recognised. Over the course of the year, we received more than 30 awards, accolades and recognitions. We were declared Best Islamic Bank in the UAE by organisations including The Middle East Banking Awards, EMEA Finance and Banker FT to name a few.

The many achievements outlined in this report are a justifiable source of pride for our bank and employees. But I am even more encouraged by the fact that we are striving together to improve on these successes in the years ahead.

I would like to thank ADIB's employees, management, Board of Directors and all stakeholders for collaborating to make 2017 another successful year for ADIB on all fronts. We look forward to 2018 with more determination to deliver shared value for all concerned.

We look forward to our customers, investors, employees and other stakeholders joining us on our ongoing journey to building a more sustainable bank that truly embodies Islamic ethical principles

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# VICE CHAIRMAN AND ACTING CHIEF EXECUTIVE OFFICER'S STATEMENT (102-14), (102-15)

#### KHAMIS MOHAMED BUHAROON



Dear Stakeholders,

We have long appreciated that our sustainability performance directly impacts our one million customers. Robust sustainability practices in all respects – financial, operational, social and environmental – enable us to deliver the best experience and highest standards of care to all our stakeholders.

ADIB's research and proactive initiatives to solicit customer feedback have made it clear – customers seek a bank that acts as a long-term partner and provides ethical financial services. ADIB is proudly responding to these demands by operating transparently and responsibly. We have always strived to ensure our services are readily accessible and have stood steadfast by our customers through both the prosperous and financially challenging times.

In this report, we outline the measures we are taking as a responsible financial institution. It covers topics from the way we engage with our employees and address their concerns, to our impact on the environment, our contribution to the economy and customer satisfaction across all our businesses.

It provides an update on our key strategic initiatives and continued commitment to delivering innovative products and services to our customers. Over the past three years, ADIB has been heavily investing across multiple channels and technologies. Our Digital Transformation Strategy aims to weave banking in the daily lives of customers. As a result, we now have amongst the UAE's largest number of online banking and mobile banking customers. We have also been applying advanced analytics to improve our customer service.

We would not be able to continue innovating and creating value for our customers and stakeholders if it wasn't for our employees. We celebrate a dynamic and diverse workforce representing 51 countries. We enable and empower our people through career growth opportunities, open communication channels and distinguished training

programmes. Through our Banking Academy in partnership with renowned educational institutions, we offer a suite of highly customised and accredited programmes through in-person and e-learning platforms to match the different learning needs of all our employees.

Our Community Empowerment Framework ensures that we utilise our expertise and resources to create long-term partnerships within our local communities. Through the Financial Education pillar, we are able to advocate financial education for young people. We see this as the best way to help them develop sound financial practices and contribute to the future stability of the economy as a whole. Through our programmes, we work with members of our local community to deliver practical advice on how to budget, save money and avoid the debt cycle. This year, we partnered with the StartUp Academy from Arabian Business on a series of events to educate small and medium-sized enterprises (SMEs) on how they can manage their money, get finance and benefit from the latest FinTech developments.

The operational, financial and social aspects are crucial to forming a holistic, committed sustainability programme. But it would not be complete if we didn't operate in an environmentally-friendly manner. This is why we have designed and built our new headquarters as per LEED (Leadership in Energy and Environmental Design) Gold Certification standards, developed by the US Green Business Council (USGBC). Our new offices save energy and water, generate less waste and support health. We calculate our carbon footprint across the three scopes of the Greenhouse Gases (GHG) Protocol to monitor our impact and set reduction targets.

Throughout 2017 and moving forward, we continue to explore new avenues to create sustainable prosperity for all our stakeholders. We invite you to join us on this journey by reflecting on this report, and reaching out to us for any feedback or ideas.



### **BANK OVERVIEW**

(102-1), (102-2), (102-3), (102-4), (102-5), (102-6), (102-7), (102-10), (102-53)



#### ► ABOUT ADIB

A leading bank in the region, ADIB has more than AED 123 billion in assets. Our 1 milliom customers benefit from the UAE's third largest distribution network, with more than 80 branches and over 720 ATMs.

Our clients enjoy world-class online, mobile and phone banking services, and seamless digital access to their accounts 24/7. We provide retail, corporate, business, private banking and wealth management solutions. Established in 1997, the Bank's shares are currently traded on the Abu Dhabi Securities Exchange (ADX).

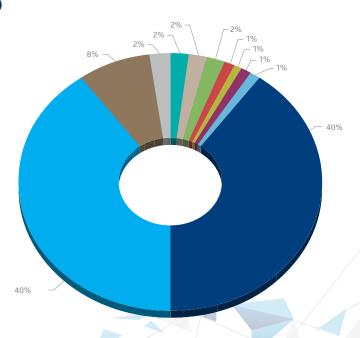
Within the UAE, ADIB has more than 2,200 employees. We remain one of the leading banks in the recruitment, development and promotion of local talent within all the markets we operate. We are proud that ADIB retains one of the highest Emiratisation ratios. More than 40% of the workforce are UAE Nationals.

Our brand valuation of USD 699 million, the top banking brand in the UAE, further reinforces our market position.

ADIB has a presence in six strategic markets: Egypt, where it has 70 branches, the Kingdom of Saudi Arabia, the United Kingdom, Qatar, Sudan and Iraq.

ADIB OWNERSHIP STRUCTURE

- Emirates International Investment Co. LLC
- Abu Dhabi Investment Council
- H.H Sheikh Khaled Bin Zayed Bin Sultan Al-Nahyyan
- ▶ H.H Sheikh Hammed Bin Zayed Bin Sultan Al-Nahyyan
- Jawaan Awaidha Suhail Al Khaili
- Abu Dhabi Retirement Pensions and Benefits Funds
- ▶ The Estate of H.H Sheikh Nasser Bin Zayed Al-Nahyyan
- ▶ Sheikh Suroor Bin Muhammed Bin Khalifa Al-Nahyyan
- Emirated Development Bank
- ▶ Sheikh Ahmed Bin Muhammed Bin Sultan Bin Suroor Al Daheri
- Other (including over 46,548 UAE Nationals)



### **AWARDS & RECOGNITION**

Global Islamic Business Award by Dubai Economic Department	Project Financing Deal of the Year 2017 Bonds, Loans & Sukuk Middle East Awards			
Best Islamic Bank in the UAE by Middle East Banking Awards	Best Islamic Bank in Egypt by Global Finance Magazine			
Best Islamic Bank in UAE by EMEA Finance	Best Islamic Digital Bank by Global Finance Magazine			
Best Islamic Bank in the UAE by Banker Financial Times	Beat Islamic Bank in Egypt by Islamic Bank and Finance Magazine			
IFSB Award for Best Islamic SME Bank in Egypt	IFSB Award for best Islamic Retail Bank in Egypt			
Innovator of the Year by Global Finance Magazine	Best Islamic Private Bank by Islamic Finance news Awards			
Excellence in Digital Banking Award by Lafferty Global Awards	Best Private Bank in the Middle East for Islamic Finance by Private Banker International Magazine			
GITEX Award for Mobile Trading App by Dubai Financial Market	Best Private Bank in the UAE by Banker FT			
Best Overall Bank in Customer Experience by Ethos Consultancy	EIBFS Human Resources Development Award			
Best Overall Call Center in the UAE by Ethos Consultancy	Best Emiratisation Initiative by Naseeba			
Property Consultancy of the Year 2017 by African & Arabian Property Awards	Best in Talent Management by MENA HR Excellence Awards			
Real Estate Agency of the Year 2017 by African & Arabian Property Awards	Best Home Finance in the Middle East by Asian Banker			
Syndicated Deal of the Year 2017 for The FINCO Ijarah Syndication by Islamic Finance news Awards	Best Sport CSR Initiative of the Year 2017 by SPIA			
UAE Deal of the Year 2017 for The FINCO Ijarah Syndication by Islamic Finance news Awards	Best Youth Development Program by SPIA			
Local Currency Deal of the Year 2017 Bonds, Loans & Sukuk Middle East Awards	Excellence in CSR Initiatives for Islamic Banks by Regional Network Consultancy			

### MEMBERSHIPS & ASSOCIATIONS (102-12), (102-13)

In order to keep abreast with cutting-edge developments within our industry, we have found it invaluable to develop and retain relationships with leading industry organisations both regional and international. We list some of these below:























### FINANCIAL PERFORMANCE (102-7), (103-1), (103-2), (103-3), (201-1)

Below is an overview of our financial performance for the calendar year January to December 2017. For a detailed review of our economic impact and financial performance, please refer to our annual report, which can be found on our website (adib.com).

TOTAL ASSETS (BILLION)	123.3
EQUITY (BILLION)	16.6
TOTAL CUSTOMER DEPOSITS (BILLION)	1000.0
CUSTOMER FINANCING TO DEPOSIT RATIO	76.5%
NET PROFIT (MILLION)	2,300
NET PROFIT FOR 2017 INCREASED BY 17.7% TO AED 2,300 MILLION	
TOTAL REVENUES (MILLION)	5,632
TOTAL REVENUES FOR 2017 INCREASED BY 4.6% TO AED 5,632 MILLION	

#### ► ADIB GROUP

Summary Income Statement	2017 AED mn	2016 AED mn	2015 AED mn	2014 AED mn	2013 AED mn
Net Revenue from Funding	3,769.6	3,921.0	3,771.3	3,505.0	3,066.4
Fees, Commissions and Foreign Exhcange Income	1,300.6	979.6	965.0	798.7	616.4
Investments and Other Revenues	562.1	484.9	398.1	279.3	248.5
TOTAL REVENUES	5,632.3	5,385.5	5,134.4	4,583.0	3,931.6
Operating Profit (margin)	3,123.1	2,937.6	2,760.3	2,512.0	2,231.8
Credit Provisions and Impairment Charge	790.4	970.0	820.0	757.8	780.4
NET PROFIT AFTER ZAKAT & TAX	2,300.1	1,953.6	1,934.0	1,750.7	1,450.2
Summary Balance Sheet					
Total Assets in AED (Billion)	123.3	122.3	118.4	111.9	103.2
Customer Financing in AED (Billion)	76.5	78.2	78.4	73.0	61.7
Customer Deposits in AED (Billion)	100.0	98.8	94.9	84.8	75.5
Financial Ratios					
Customer Financing to Deposit Ratio	76.53%	79.15%	82.59%	86.12%	81.76%
Risk Asset Ratio - Total (CAR, %) - Basel II	16.71%	15.25%	15.14%	14.36%	16.86%
Cost Efficiency Ratio	44.55%	45.45%	46.24%	45.27%	43.26%

### ► CREDIT RATINGS

Credit Ratings	Long term	Short term	Outlook
MOODY'S INVESTORS SERVICE	A2	P1	Stable
FITCH RATINGS	A+	F1	Stable
RAM RATINGS	AAA	P1	Stable





### LISTENING TO OUR STAKEHOLDERS

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

It is our responsibility to create value for all our stakeholders at every opportunity. We make it an absolute priority to engage our stakeholders within our business processes in a systematic and frequent manner. Doing this enables us to reflect on our practices and introduce improvements wherever possible.

We identify our stakeholders as individuals or organisations that can impact, or be impacted by our work.

We engage with different types of stakeholders using various methods. This is illustrated in the table below which lists ADIB's different stakeholder groups, and explains the engagement methods, their frequency, and the feedback we received from them throughout 2017.

#### STAKEHOLDER GROUP

### ENGAGEMENT METHOD & FREQUENCY

### REFLECTIONS & FEEDBACK FOR 2017



**INVESTORS** 

- Quarterly financial resultsQuarterly investors meeting
- ▶ Annual analysts and investors meeting
- Annual report
- ▶ Press releases
- ▶ The Annual General Meeting
- ► The dedicated "Investor Relations" section on our website
- ➤ To focus on non-performing assets
- Strategy implementation
- Cost and expenses
- ▶ Capital positioning
- ▶ Compliance with Basel III
- Succession planning and leadership
- Digital transformation
- ▶ Financial results
- Dividends distribution



- ▶ Quarterly financial results
- Board meetings
- ▶ Board committee meetings
- Offsite board strategy meeting
- Annual report
- Press releases
- ▶ The Annual General Meeting
- Dividends distribution

- Strategy implementation
- Cost and expenses
- ▶ Capital positioning
- ▶ Compliance with Basel III
- ▶ Succession planning and leadership
- Digital transformation
- ▶ Financial results



- Annual engagement survey "Soutak"
- Monthly engagement polls targeted at 10% of employees
- ▶ Periodic team meetings as needed
- ► Employees' performance assessments
- ▶ Internal communication programmes
- Working culture
- Training and development
- ▶ Talent attraction and development
- Compensation
- Engagement strategy



- Daily face-to-face interactions when customers visit our branches
- ▶ Call centers, emails
- Press releases
- C : 1 !:
- Social mediaBrand activations
- ► Account relationship management
- Customer satisfaction surveys
- ▶ E-banking and digital services
- Privacy & security
- ▶ Products, services and rates
- Customer experience
- Responsiveness through all customer touch points



#### STAKEHOLDER GROUP

### ENGAGEMENT METHOD & FREQUENCY

### REFLECTIONS & FEEDBACK FOR 2017



#### SUPPLIERS

- ▶ Pre-tendering meetings
- Quarterly town hall meetings for approved vendors
- ▶ Project-based satisfaction surveys
- Debriefing reports after each tendering stage
- Tailored communication plan for critical suppliers
- Clarifications on the tendering process and lifecycle
- ► The automation process of our relationship with suppliers
- ▶ The new ERP system
- Terms and conditions
- Cost negotiations



#### MEDIA

- Press releases
- Networking and engagement events
- ▶ Press conferences and roundtables
- Opeds and articles
- Interviews with executives
- ► Financial performance
- ▶ Digital transformation
- Strategy
- Products and services releases



#### **ENVIRONMENTALISTS**

- Compliance with the US Green Business Council to acquire the Leadership in Energy and Environmental Design (LEED) certificate
- Press releases
- Project partnerships to benefit the local community
- Developing green buildings
- Monitoring our carbon footprint
- Paper recycling
- Waste management



### THE GOVERNMENT AND REGULATORS

- Central Bank: quarterly meetings with the CEO
- ► Periodic meetings with the UAE Banks Federation
- Periodic meetings with the Securities and Commodities Authority
- ▶ Financial performance
- ▶ Governance and compliance
- ▶ Socioeconomic impact



- Partnerships with nonprofit organisations and civil society groups
- Roll out of social investment programmes and initiatives
- Cultural and social events
- Sponsorships and donations
- ▶ Financial inclusion
- Support in sports activities
- ▶ Empowerment of youth
- ▶ Celebration of local culture

### MATERIALITY ANALYSIS (102-47)

Following the GRI's definition of materiality for sustainability reporting, and in order to define the report's content, we identified a list of topics that would substantially influence the assessments and decisions of stakeholders. These topics are assessed based on the Bank's ability to create a positive impact from the application of those topics to our business operations.

We worked with Sustainable Square, an independent sustainability and social impact advisory firm. The process to determining materiality included the following:

#### ► RESEARCH

Sustainable Square began by conducting a review of all ADIB's previous strategies, plans, sustainability-related practices and activities. It then reviewed the most recent publications released by the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) and the GRI Financial Services Sector Supplement (FSSS). It also assessed the latest Dubai Declaration of Financial Institutions of the United Arab Emirates on Sustainable Finance, signed by 11 UAE-based banks. In addition, it reviewed peer practices and sustainability reports it had published.

### ► STAKEHOLDER ENGAGEMENT

Sustainable Square then conducted face-to-face meetings with most of the internal stakeholders, plus some telephone interviews with ones who were unable to meet in person. These internal stakeholders were mostly department heads, top management and employees. As for external stakeholders, ADIB group opted to engage them through secondary data due to time limitations. Hence, the agency examined results and feedback from previous engagements across different channels.

#### ► RESULTS - THE MATERIALITY MATRIX

After completion of the research phase, and then engaging stakeholders, Sustainable Square identified a total of 49 topics as potential material. It rated each topic on a scale from 1 to 5, 5 being the most important and 1 being the least so. Out of all the rated topics, 33 received a rating between 4 and 5 and were therefore deemed as highly relevant material. These issues correspond to 15 GRI topics, which comprise the content of the report. We show the 2017 ADIB Materiality Matrix below:





### **IMPACT BOUNDARIES**

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

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL TOPIC	IMPACT BOUNDARIES	PAGE NO.
Financial Performance	Economic Performance	Investors, Government	13
Shareholder Value Growth	Economic Performance	Investors	13
Governance & Compliance	General Disclosures (Governance)	Board of Directors, Government	28
Fair & Transparent Supplier Selection	Procurement Practices	Suppliers	46
Anti-Bribery & Corruption Policies	Anti-Corruption	Board of Directors, Government	28
Occupational Health & Safety	Occupational Health & Safety	Employees	58
Customer Experience	General Disclosures (Organisational Profile - Products and Services)	Customers	36
E-Banking	General Disclosures (Organisational Profile - Products and Services)	Customers	36
Innovative Financial Services	General Disclosures (Organisational Profile - Products and Services)	Customers	36
Privacy & Security	Customer Privacy	Customers	36
Customer Relationship Management	General Disclosures (Organisational Profile - Products and Services)	Customers	36
Staff Knowledge	Training and Education	Customers	54
Wealth Management	General Disclosures (Organisational Profile - Products and Services)	Customers	36
Financial Literacy (for the local community)	Local Communities	Local Communities	62
Emiratisation	Local Communities, Employment	Employees, Local Communities	49

MATERIAL TOPIC	CORRESPONDING GRI STANDARDS MATERIAL TOPIC	IMPACT BOUNDARIES	PAGE NO.
Employee Performance Recognition	Labour/Management Relations, Training and Education		
Employee Empowerment	Labour/Management Relations, Training and Education  Employees		48
Knowledge Sharing Among Employees	Labour/Management Relations, Training and Education	Employees	48
Career Development	Labour/Management Relations, Training and Education  Employees		48
Green Buildings	Materials, Energy, Water, Environmental Compliance	Environmentalists	68
Reputational Management	General Disclosures (Governance)	Board of Directors	28
Shareholder Engagement	General Disclosures (Stakeholder Engagement)	Investors	16
Media Engagement	General Disclosures (Stakeholder Engagement)	Media	16
Investing in Local Suppliers	Procurement Practices Suppliers		46
Responsible Financing	Ethics & Integrity, Environmental Compliance	Customers	36
Competitive Salaries & Benefits	Employment	Employees	55
Talent Attraction	Employment	Employees	48
Diversity & Inclusion in the Workforce	Diversity & Equal Opportunity	Employees	48
Risk Management	nagement General Disclosures (Governance) Board of Direct		28
Youth Empowerment (for the local community)	Local Communities, Employment, Training & Development	Local Communities	49

### SUSTAINABILITY FRAMEWORK

Over time, we as a bank have become acutely aware of the critical significance of instilling and embedding sustainability through every aspect of our operations. This is whether it be environmental, social, operational or financial. To this effect, we have developed a Sustainability Framework that holds the creation of shared value between ADIB and all our stakeholders at its core. As shown below, the Framework illustrates our key stakeholders and the guiding references we abide by. These include Islamic Values, the UAE Vision 2021, ADIB's Vision and Mission, and the United Nations Sustainable Development Goals.



### ► THE DUBAI DECLARATION ON SUSTAINABLE FINANCE

As mentioned in our Chairman's Statement, ADIB is one of just 11 financial institutions in the country to have signed the "Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance." Our participation in this declaration reinforces our commitment to align the Bank's activities with the UAE Vision 2021, the UAE Government's commitment to the Paris Climate Agreement, United Nations Convention for the Rights of Persons with Disabilities, the United Nations' Sustainable Development Goals and the UAE Green Agenda 2015-2030.

## ► ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDGS)

We recognise the UNSDGs as global development goals that aim to improve our world. We reviewed the goals and identified certain ones that we contribute to through our daily operations as follows:









































#### **OUR IMPACT**

### 3 GOOD HEALTH AND WELL-BEING



- We insure a safe and healthy environment to all our stakeholders. Our health and safety policies and procedures are in line with best-in-class national and international standards
- We contribute to the prosperity and wellbeing of our employees, and ensure competitive benefits
- Our financial solutions and services contribute greatly to the wellbeing of our customers

### 4 QUALITY EDUCATION



- ▶ ADIB grants university college scholarships annually to students to encourage them to obtain quality education
- We offer internships for students to gain firsthand experience and learning opportunities in the banking industry, thus enriching their educational experience

### 5 GENDER FOLIALITY



- ▶ Women represent 33% of our workforce, and we are constantly working to increase this percentage
- Our Tamkeen Programme is designed to encourage more women to progress to senior leadership roles within the Bank by further developing the skills needed for senior management level

### 8 DECENT WORK AND ECONOMIC GROWTH



- Our annual growth and financial performance contributes to the overall economy of the UAE
- Our human resources team ensures decent working conditions for all employees and contractors

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- We monitor our consumption of water, electricity, fuel and ensure we have controls in place to monitor and manage usage
- We take efforts to ensure we decrease our use of environmentally harmful material
- We encourage our stakeholders to make environmentally-friendly choices such as using e-statements instead of paper statements

## ALIGNMENT WITH THE UAE VISION 2021



We have always made it our mandate to ensure the Bank's practices and growth initiatives align themselves with the UAE's own vision – a nation that has grown by aspiring to be a world leader in sustainability, business best practice, knowledge and entrepreneurship. We outline how we align with this vision in more detail below.

#### **VISION ELEMENT**

### UNITED IN PROSPERITY Sustainable Environment and Infrastructure



#### **OUR IMPACT**

- We abide by local regulations when constructing new facilities. Our new headquarters received the LEED Gold certification
- We monitor our consumption of water, electricity and fuel, and ensure we have controls in place to manage our usage
- We take measures to ensure we decrease our usage of environmentally harmful material
- ➤ We encourage our stakeholders to make environmentally-friendly choices such as using e-statements instead of paper statements





- ▶ We empower entrepreneurs and SMEs by providing them with the knowledge and skills, to grow and contribute to the UAE's non-oil Gross Domestic Product (GDP)
- We contribute to research and development in the UAE by investing in technological and digital transformations that will empower our clients and positively impact our economic growth.
- ▶ We have one of the highest percentages of Emiratisation in the market. UAE nationals represent 40% of our employees.
- ▶ Being in the banking sector, we directly contribute to non-oil GDP growth





- ▶ We are led by Islamic and cultural values. We support local community programmes and initiatives that instill our identity and promote our principles.
- We support faith-based activities by making monetary and in-kind contributions, including building mosques.



### **GOVERNANCE**

(102-18), (102-19), (102-20), (102-22), (102-23), (102-24), (102-25), (102-26), (102-27), (102-28), (102-29)

### THE BOARD OF DIRECTORS

The Board of Directors of ADIB (the "Board") is responsible for supervising the management of the Group's business affairs. These include Abu Dhabi Islamic Bank PJSC, and its Subsidiaries and Controlled Affiliates. The Board provides leadership in developing and implementing the Group's Vision and Mission. It is ultimately responsible for the Group's success and delivering sustainable shareholder value within a framework of prudent and effective controls.

The Board carries out the responsibilities and duties set out below, either directly or through its committees.

These currently comprise the Audit Committee, Nomination Committee, Remuneration Committee, Strategy Committee, Risk & Investment Approval Committee and Governance & Risk Policy Committee.

The Board derives its authority to act from the Group's Memorandum and Articles of Association and other laws governing companies and Banks in UAE and Emirate of Abu Dhabi. Its responsibilities include:

- ► Supervising the management of ADIB's business affairs
- ▶ Providing leadership in the development and implementation of the Group's vision and mission, both within the UAE and as the Group expands abroad
- ► Establishing and overseeing ADIB's risk management framework, approving the Bank's overall risk appetite and ensuring that business is conducted within this framework

### ► INDEPENDENCE FROM MANAGEMENT

The roles of the Chairman and the Group Chief Executive Officer are distinct and separate, with a clear division of responsibilities. In the absence of the Group Chief Executive Officer, currently the Vice Chairman of the Board is performing his role as Acting Chief Executive Officer.

The Chairman leads the Board and ensures the effective engagement and contribution of all directors. The Acting Chief Executive Officer has responsibility for all ADIB Group businesses, including its strategy, policy and operational management. He acts in accordance with the authority delegated by the Board.

The Board establishes the rules relating to administrative, financial and employee matters, sets out the requirements for carrying out Board business and meetings, and mandates the roles and responsibilities of the Board members.

### SELECTION AND QUALIFICATION OF BOARD MEMBERS

The Group Nomination Committee is responsible for identifying, evaluating and selecting candidates for the Board. In doing so, it seeks to identify the skills that the members of the Board and Board Committees need to discharge their responsibilities effectively. As part of its evaluation, the Committee takes into account the Group's risk profile, business operations and business strategy.

#### ELECTION OF DIRECTORS

In compliance with the Bank's Articles of Association, the shareholders elected the Board members at the Annual General Meeting held on 21 April 2016, for a three-year term.

### ► INFORMATION, INDUCTION AND ONGOING DEVELOPMENT

The Directors receive accurate, timely and clear information on all relevant matters and have access to the advice and services of the Head of Legal & Corporate Secretary, responsible for ensuring that Board procedures are followed and applicable rules and regulations complied with.

A formal induction process exists for new Directors joining the Board. It includes visits to ADIB's major business areas, meetings with other directors and key senior management members. It is important to us that we provide every resource to enable Board members and other directors need to do their job with peak effectiveness. In this respect, the Bank provides them with any professional development they need to assist them in carrying out their duties.

### ▶ DIRECTORS' AND BOARD ASSESSMENTS

Every year, the Chairman of the Board conducts a formal assessment of each director. We complement this with a structured self-evaluation process for Board and committee members. The combination of these assessments has proved to be highly successful in optimising Board performance and decision-making – reflected in our brand valuation of USD 699 million, the top banking brand in the UAE as stated earlier. During 2017, ADIB undertook a refresh of the Board self-assessment process through an independent consultant.

### ► BOARD COMPOSITION

NAME	TITLE	STATUS	APPOINTMENT DATE	OTHER ENGAGEMENTS
Mr. Jawaan Awaidha Suhail Al Khaili	Chairman	Non-Executive	28/02/2008 Re-appointed 21/04/2016	
Mr. Khamis Buharoon	Vice Chairman	Executive	26/08/2007 Re-appointed 21/04/2016	AGTHIA: Board Member ABU DHABI NATIONAL TAKAFUL COMPANY: Chairman
Mr. Juma Khamis Al Khaili	Board Member	Independent	16/04/2004 Re-appointed 21/04/2016	ABU DHABI INVESTMENT AUTHORITY: Executive Director
Mr. Ragheed Najeeb Shanti	Board Member	Non-Executive	26/04/2007 Re-appointed 21/04/2016	NATIONAL INTEGRATED INDUSTRIES COMPLEX: Chairman BERBER CEMENT: Board Member BANIYAS INVESTMENT & DEVELOPMENT: Board Member
Dr. Sami Ali Al Amri	Board Member	Independent	10/03/2009 Re-appointed 21/04/2016	QUANTUM CONSULTANCY: Chairman
Mr. Abdulla bin Aqueeda Al Muhairi	Board Member	Independent	21/04/2010 Re-appointed 21/04/2016	ZAKAT FUND: Secretary General  ZAYED FOUNDATION: Chairman of the Senior Advisory Committee/Member of the Board of Trustees  SAUDI FINANCE COMPANY: Member/Chairman of Nomination & Remuneration Committee  DEPARTMENT OF MUNICIPAL AFFAIRS: Chairman of the Audit Committee
Mr. Khalifa Matar Al Mheiri	Board Member	Independent	21/04/2016	ABU DHABI INVESTMENT AUTHORITY: Employee OOREDOO: Board Member



#### ▶ GROUP STRATEGY COMMITTEE

The Group Strategy Committee guides ADIB's Executive Management in the execution of the Group's strategic objectives and business strategy, conducts periodic reviews in the achievement thereof and directs corrective actions wherever required. This Committee also acts as a conduit between the Board and senior management on business issues. The Group Strategy Committee held five meetings during 2017.

#### **▶** GROUP AUDIT COMMITTEE

The Group Audit Committee assists the Board in an auditing and financial reporting capacity. The Group's internal audit, compliance and governance functions report to the Committee. The Group Audit Committee held five meetings during 2017.

### ► GROUP GOVERNANCE AND RISK POLICY COMMITTEE

The Group Governance and Risk Policy Committee is responsible for evaluating economic, environmental and social risks. More specifically, its responsibilities include:

- Reviewing the Group's risk profile at enterprise level and making recommendations on risk tolerance levels, in line with the applicable regulatory standards, rating consideration and business strategy
- Reviewing the Group's corporate governance and risk management frameworks. Making recommendations to the Board in alignment with Basel Committee on Banking Supervision requirements and in compliance with all local regulatory requirements

The Committee gets regular updates and reports from the Group Risk Management function and the Enterprise Risk Committee (ERC). The ERC ensures that the Bank's enterprise risk management framework, related policies, systems and practices are fully aligned with the Board-approved strategy and risk appetite. The ERC also ensures that risk governance of the bank is sufficiently robust to meet the needs of the business. The Group Governance and Risk Policy Committee held five meetings during 2017.

### ► GROUP RISK AND INVESTMENT APPROVAL COMMITTEE

The Group Risk and Investment Approval Committee considers and approves ADIB's risk exposures, high value transactions and major items of capital expenditure. This Committee is also responsible for monitoring credit portfolio quality and provisions. The Group Risk and Investment Approval Committee held 33 meetings during 2017.

### GROUP REMUNERATION COMMITTEE

The Group Remuneration Committee assists the Board from a manpower planning and renumeration perspective:

- ► The Committee reviews the selection criteria and number of executive and employee positions required by ADIB. It approves ADIB's overall manpower strategy current and required based on reports submitted by the Chief Executive Officer, and in discussion with an independent and recognised consulting firm
- Annually it reviews ADIB's remuneration, benefits, incentives and salaries policy. This includes bank and non-bank subsidiaries and affiliates, as submitted by the Chief Executive Officer, and in discussion with an independent and recognised consulting firm

The Group Remuneration Committee held four meetings during 2017.

#### ▶ GROUP NOMINATION COMMITTEE

The Group Nomination Committee assists the Board by.

- ▶ Identifying and nominating candidates for Board appointments, for Board approval
- Recommending director succession plans
- Providing input on the renewal of non-executive directors' terms of office
- Assisting with Board committee memberships in consultation with the Board's Chairman and the Chairpersons of such committees
- Guiding on matters relating to the continuation in office of any director at any time

- Making recommendations on appointments and re-appointments to the boards of major subsidiaries and controlled affiliated companies
- Ensuring the objectivity of the independent directors and any qualified subject matter expert appointed to a Board Sub Committee
- Regularly reviewing the structure, size and composition (including skills, knowledge and experience) required of the Board and making recommendations to the Board with regard to any changes

The Group Nomination Committee held two meetings during 2017.

### **COMPLIANCE** (102-16), (102-17), (102-33)

#### FATWA AND SHARI'A SUPERVISORY BOARD

The members of the Fatwa & Shari'a Supervisory Board were appointed in the General Assembly Meeting held on 02 April 2017 in compliance with the Bank's Article of Association.

This Board, whose members are not members of the ADIB Board, has a term of one year. All members are required to form a quorum, whether by principal or by proxy. It has the following mandate:

- It issues Fatwas pertaining to the ADIB Group's activities at the request of the executive management or Board. It also supervises and controls the validity of ADIB's activities to ensure that they comply with principles and rulings of the Islamic Shari'a, and provides its recommendations
- It has the right to submit written objections to the Board of Directors with respect to any of ADIB's activities which it considers do not comply with any of the principles and rulings of the Islamic Shari'a. It also reviews all forms of contracts and agreements relating to any of ADIB's business and products to ensure their compliance with Islamic principles
- ▶ It has the right to review, at any time, ADIB's books, records and documents, and request any information it may deem necessary. In the event of its inability to discharge its duties, it will report this formally to the Board of Directors

The members of the Fatwa & Shari'a Supervisory Board held four meetings during 2017



#### ► RISK MANAGEMENT FRAMEWORK

At ADIB, we have identified five key types of risk:



ADIB has an established and comprehensive risk management framework, owned by the Group Chief Risk Officer who reports to the Board's Group Governance and Risk Policy Committee. He is also a member of the Enterprise Risk Committee and responsible for the management of all risks as shown above.

The Board sets the tone from the top by means of an articulated risk culture, principles and appetite. The Risk management and Internal control infrastructure is reviewed on an ongoing basis at both management and Board levels. Additional details of ADIB's approach to risk management are given in note 42 to the Financial Statements.

#### **▶ INTERNAL CONTROL**

The Board is responsible for ensuring that ADIB management maintains a system of internal control that provides effective and efficient operations, internal financial controls and compliance with laws and regulations. The Board also ensures that internal controls assess, manage and mitigate risk.

The internal control system is designed to manage, but not eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against the risk of material misstatement, fraud or losses. Through our training and management standards and procedures, ADIB has developed a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### ADIB's system of internal control includes:

- An organisational structure with clearly defined authority limits and reporting mechanisms to senior levels of management and the Board
- A risk management function with responsibility for ensuring that risks are identified, assessed and managed throughout the Bank's operations
- A set of policies and guidelines relating to credit risk management, asset and liability management, compliance, operational risk management and business continuity planning
- An annual budgeting and monthly financial reporting system for all Group business units, which enables progress against plans to be monitored, trends to be evaluated and variances to be acted upon
- An internal audit function to evaluate the adequacy and effectiveness of governance, risk and control systems, and to review the management's compliance with policies and procedures
- A Group level Control and Compliance Committee that provides oversight on the operational risk and compliance to regulations, laws, policies and procedures, while ensuring the implementation of a strong internal control framework within ADIB Group. The Committee also ensures that the Group internal control framework is robust and supports effective and efficient management of compliance, anti-money laundering and operational risk. It escalates all material issues to the Enterprise Risk Management Committee, the Steering Committee, and the Audit Committee

Both the Board and Audit Committee regularly review the effectiveness of the ADIB internal control system. Both parties receive regular reports on significant risks facing the business and how they are being controlled. During 2017, the Board received a number of reports from Internal Audit and the Group Audit Committee, and has received confirmation that management has taken, or is taking, the necessary action to remedy any failings or weaknesses identified in these reports. In addition, external auditors present to the Group Audit Committee a series of reports that include details of any significant internal control matters which they identified. The system of internal controls of the Group is also subject to regulatory oversight by the UAE Central Bank.

#### **▶ EXTERNAL AUDITORS**

The Group Audit Committee undertakes an annual evaluation to assess the independence and objectivity of the external auditors and the effectiveness of the external audit process. It is responsible for making recommendations to the Board on the appointment, reappointment, remuneration and removal of external auditors. The Group Audit Committee also carries out a review of all non-audit services provided by the external auditors, in line with ADIB's policy to ensure external auditor independence.

The shareholders approved the appointment of Ernst & Young as the external auditors of ADIB for 2017 at the General Assembly Meeting held on 02 April 2017.





### CUSTOMER EXPERIENCE

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

ADIB is committed to creating long-term client relationships, while delivering outstanding customer experience across all touch points. As we have shown earlier in this report, our dedicated efforts have enabled us to receive many awards for our exceptional performance by renowned national and global institutions.

Receiving such accolades is always a great source of pride for the Bank and a source of further aspiration as we move forward. We thank both our customers and our employees for helping us make it happen.

As a way of continuously improving our services, we constantly identify different channels and methods to engage our customers and gather their feedback. On this basis, we are able to create definitive and measurable improvement action plans.

ADIB was named the UAE's 'Best Overall Bank' in terms of customer experience in Ethos Consultancy's 2017 Bank Benchmark Index Awards, which measures products and services against benchmarks developed through mystery shopping exercises and expert analysis. ADIB topped scores for customer experience in technology, mobile services and staff service levels. The bank also took the award for 'Best Overall Call Centre in the UAE.'

### ► RESPONSIBLE BANKING

ADIB's 1 million customers are of the utmost importance to the Bank, and consistently offering the highest standards of care and service is ADIB's primary focus. ADIB's research and efforts to solicit customer feedback have made it clear that customers seek a bank that acts as a long-term partner and provides ethical financial services. ADIB meets these demands by striving to serve its customers in a responsible manner, ensuring its services are readily accessible and supporting clients through difficult periods.

#### ▶ RESPONSIBLE FINANCING

As the cost of living rises, more households are tempted to draw financing from a variety of sources, and in some cases struggle to meet their financial obligations. ADIB is committed to helping people who face financial difficulties, and has developed a number of products and solutions designed to help control repayment demands and restore families financial health.

### ► AL KHAIR DEBT SETTLEMENT PROGRAMME

Al Khair is a consolidation programme that allows customers to consolidate multiple financing sources, from bank finance to cards, into a single bundle. Under the programme ADIB works closely with clients to establish a manageable budget and repayment plan that steadily reduces total obligations, with no hidden fees or charges loss. This allows customers to bring their financial obligations under control with a minimum strain on their households, and renew their focus on the important task of building savings for the future.

#### ▶ REHAB UNIT

ADIB has created a specialised unit to provide assistance to customers facing challenging financial situations. The unit works with these customers to develop customised debt management plans and offers them guidance on reducing debt and managing their financial obligations. ADIB also provides insights and tips on how to optimise monthly financing payments and other advice on money management.



# ► POSTPONEMENT OF INSTALLMENTS

ADIB was the first bank in the UAE to start with postponement of finance installments. It has become an annual tradition where every year in Ramadan, the Bank offers payment flexibility on financing, which comes as part of the Bank's efforts to identify and address customers' personal finance requirements.

#### ► A POSITIVE ECONOMIC ROLE

The Bank's focus on customers extends to its commercial banking operations. The Bank believes it has a responsibility to support the growth aspirations of local firms, and to contribute to the development of the national economy. In 2017 ADIB assisted multiple major corporate ventures including GEMS MENASA (Limited) US\$ 1.25 Billion, DAE US\$ 75 Million Aircraft Financing , NMC US\$ 100 Million Structured Facility –Etihad Airways US\$ 300 Million Structured Facility , Tabreed AED 1.513 Billion Club Term Facility, FINCO US\$ 3 Billion Syndicated Project Finance.



## **CUSTOMER ENGAGEMENT**

We use the Net Promoter Score (NPS) to better understand our customers and improve their overall experience.

At various customer touch points, we ask our customers whether they would recommend ADIB to their friends and families. Detractors are those who would not recommend us. Passives are those who are neutral. Promoters are those who would recommend us.

ADIB had the highest NPS score among our industry peers during 2017, as shown below:

8	8			8					(3)	(2)
0	1	2	3	4	5	6	7	8	9	10
			ETRACT	ORS			PAS	SIVES	PROM	OTERS
Detractors			3							
Passives					•	15				
Pro	Promoters				82					
Net	Net Promoter Score (NPS)					79				

#### ► SATISFACTION WITH DIGITAL BANKING

According to a survey conducted by RFI Group in 2017, our customers showed that they are generally satisfied with their digital banking experience.

DIGITAL BANKING FEATURE	SATISFACTION RATE (%)
Security	81%
How easy it is to navigate	82%
Ability to request support	81%
How easy it is to transfer money/pay bills	82%
Availability of budgeting tools	80%
Ability to see a single view of all accounts/products	83%
The login process	80%
Speed of conducting banking tasks	84%
Its ease of use	86%
Its reliability	85%
The registration process	80%
Account information is up-to-date	80%
Ability to access information you need	82%
Its general look and feel	84%
The range of the tasks it enables you to perform	78%

#### ► ENGAGEMENT THROUGH SOCIAL MEDIA

ADIB is at the forefront of utilising social and digital channels to connect with our customers. We develop stronger relationships by listening to customer needs and engaging with them. Delivering a superior customer experience is central to our business strategy. Regular engagement through social media platforms enables us to have a meaningful dialogue with our customers. An active engagement mechanism through social media meets ADIB customer preferences for a digitally savvy and flexible bank. It also acts as a way of continuously enhancing the Bank's own digital strategy.

We are proud to note that ADIB was one of the first Islamic banks in the region to adopt social media channels as a means to engage and communicate with our customers. The Bank currently has a significant presence on LinkedIn, Twitter, Facebook, Instagram and Snapchat.

#### **2017 FOLLOWERS**



**101,189** followers



**629K** followers



34.2K followers



**40K** followers





Welcome back Steve My Available Funds AED 384,245.23







Current Account 54274363

AED 241,856.37



STEVE HOWARD Debit Card - ---- - 431

AED 241,856.37



STEVE HOWARD Spice Mastercard \*\*\*\* \*\*\* \* 265

AED 4,432.16



JULIE HOWARD Spice Mastercard \*\* \*\*\* • 265

AED 4,432









## DIGITAL TRANSFORMATION

ADIB's digital transformation has emerged through a well-planned strategy over the past three years. We have invested heavily across multiple channels and technologies to weave banking in the daily life of our customers. As a result, we now have one of the UAE's largest number of online and mobile banking customers. Below are some of our digital transformation highlights:

#### ► ADIB express

A first-of-its-kind class of digitally-enabled branches that provide customers with access to a wide range of digital services while benefiting from the genuine personalised service of onsite relationship managers. This seamless integrated approach enables relationship managers to focus on providing a more meaningful banking service to customers, with the bank's digital technology automating time-consuming administrative processes.

Customers can book ADIB Express appointments online in advance of their branch visit to minimise waiting times. They can receive approval of personal finance, and

instantly open new bank accounts, with cheque books and debit cards immediately printed and delivered on the spot. Upon leaving the Bank, both the customer's account and card are fully activated for use.

The branches are also designed with the latest digital technology such as interactive screens, Emirates ID scanners and media walls to provide customers with a truly immersive experience. The process for new customers setting up an account is now significantly quicker and can be done within 30 minutes and paper free, due to high-tech scanners which can capture all necessary customer details, including their signature.





#### ▶ THE ADIB MOBILE APP

Our mobile app empowers customers to take care of their personal finances on the go. Its innovative features and state-of-the-art design stands out to offer our customers easy, quick and secure features. App users are able to make local and international payments, check account and card statements, pay utility bills, and apply for car, home and personal financing. It manages two million transactions monthly and is available in English and Arabic through both Android and the Apple Store.

#### ► ADIB DIGITAL STUDIO

ADIB has partnered with IBM to launch the innovative Digital Studio. This brings together software developers, IT specialists and banking experts to innovate new services and products. The Studio is the first of its kind in the region. IBM works side-by-side with ADIB to create personalised and engaging digital experiences.

#### ► IBM MobileFirst TRUSTED ADVISOR APP

In another partnership with IBM, this app allows ADIB financial advisors to easily and securely access and manage client portfolios from their iPads. The app empowers advisors to address client needs, from testing recommendations against sophisticated modeling tools through to completing secure transactions.

Powered by deep analytics, the Trusted Advisor App provides predictive information that enables advisors

to gain quick insights for devising client scenarios and conducting more interactive client planning sessions. Using their iPads, advisors can share graphic-rich data with clients for more engaging and personalised presentations.

## ► ADIB MOBILE APP FOR SMES AND CORPORATES

The app allows SME and corporate customers to check their account and card balances, view their transaction history, initiate wire transfers, approve cash and trade transactions, pay utility bills and manage their finances remotely without the need to go to a branch. Clients are also able to approve and make individual payments or select multiple transactions for simultaneous processing.

#### ► COMMUNITY-BASED DIGITAL BANK

ADIB launched the region's first digital community for personal finance, where people can exchange information and advice with peers and experts.

The Moneysmart community is open to anyone, and is designed to be highly interactive. It will carry articles, blogs, tips and comments from users, who can receive cashable reward points for their input. Independent experts will be on hand to provide their knowledge and objective advice. ADIB launched the community in partnership with Germany's Fidor Bank, which has launched similar thriving communities in Europe.

## **PRIVACY & SECURITY**

Cyber security has become an increasingly significant concern over recent years, and one that we continue to take significant measures to secure our customers against. In 2017 in particular we rolled out a major three-year Information Security Transformation programme. It comprises 35 initiatives developed based on the Bank's own cyber security priorities and in compliance with internal and external regulatory bodies.

During the first year, the focus is on nineteen initiatives that aim to:

- Develop and rollout an Information Security
   Strategy in alignment with ADIB's business strategy
- ► Enhance both customer and staff security awareness in preventing and handling potential security breaches and frauds
- Implement sophisticated technology and process controls to prevent and manage current and emerging cyber attacks and fraud

An integral part of the programme has been to invest in a holistic approach including:

#### **▶** PEOPLE

Building capability in information security across the Bank's employees and our customer base, so we can be resilient to cyber attacks and security breaches

#### **▶** PROCESS

Developing and enhancing business, operational and technical processes to withstand and manage cyberattacks and security breaches

#### ▶ TECHNOLOGY

Designing and deploying technical controls that can enhance the capability to protect, detect, respond and recover from cyber attacks

We have established our Group Information Security Department (GISD) as a centralised, focused and independent information security function. Its main objectives are to protect ADIB customers from any security breaches, protect the Bank's assets and maintain client trust and confidence.

The department focuses on three key goals we refer to as CIA (Confidentiality, Integrity & Availability)

#### CONFIDENTIALITY

Protecting the customer and bank information from unauthorised access and view.

#### **INTEGRITY**

Protecting the customer and bank information from unauthorised modification/alteration.

#### **AVAILABILITY**

Ensuring the availability of information and systems for the authorised parties.

#### **▶** HIMAYA

HIMAYA is the information security and fraud prevention brand developed by ADIB and the centerpiece of the Information Security awareness and training programme.

The HIMAYA acronym stands for:

HARMONISE security governance across the ADIB Group

INSTILL a positive information security culture through awareness and communication

MAINTAIN a robust and talented information security team

ADOPT a proactive approach to identifying and addressing evolving threats and risks

YIELD a resilient security infrastructure to protect critical information assets

ADVANCE incident detection and response capabilities

We have incorporated various training/awareness initiatives and tools under the HIMAYA brand within a dedicated online platform.

#### CYBER SECURITY TRAINING & AWARENESS

A major objective of information security is to increase both customer and employee security awareness. In 2017, we launched a fully-integrated awareness programme, involving a number of roadshows, campaigns and special training workshops.

## ► INFORMATION SECURITY CAMPAIGNS

We partnered with Abu Dhabi Police, AQDAR and E-safe to promote awareness about information security. The events included panel discussions and debates aimed at raising employee awareness on how to protect ADIB, themselves and their families against cyber-attacks. The speakers from these entities presented real-life examples and advised on how to deal with such scenarios. They highlighted efforts that the UAE government is making to keep its residents safe.

#### ▶ CYBER SECURITY ON SOCIAL MEDIA

We are proactive on social media to educate our customers on information security. Our regular campaigns on Facebook, Instagram and Twitter share information security tips through engaging quizzes, competitions and rewards.

In one specific Information Security and Fraud Prevention campaign, we asked customers to refer their friends for a chance to win an iPhone 8. It generated more than 4,000 interactions daily across five days.

#### ▶ GOVERNANCE AND CONTROL

In every respect, ADIB ensures compliance with all regulatory parties. PCI-DSS is a standard for both Master and Visa card security, applying strict requirements and information security measures. We also ensure full compliance with SWIFT security measures.

Below is the list of information security organisations and regulatory bodies ADIB complies with:

- ▶ UAE Central Bank Regulations
- ► The UAE National Electronic Security Authority (NESA) Information Assurance Standard
- ► The Payment Card Industry Data Security Standard (PCI-DSS) (Acquirer & Issuer)
- Society of Worldwide Interbank Financial Telecommunications (SWIFT)





Being a sustainable Islamic bank, our responsible procurement practices are echoed across our value chain. Our end-toend processes are laid out clearly and communicated to potential suppliers who would like to partner with ADIB.

We continuously revise and improve our procurement processes through supplier selection, onboarding, delivery of products and/or service and payment. All practices are explained in the Standard Operating Procedures for Vendor Registration and Commercial Database Management.

# SUPPLIER ASSESSMENT AND ONBOARDING (103-1), (103-2), (103-3), (412-1)

Our documentation includes terms and conditions that clearly identify ADIB's position when it comes to respecting local and international laws and regulations. We expect all our suppliers to adhere fully to human rights and labour rights as per the UAE law. Our contracts include a condition that gives ADIB the right to conduct audits through external third parties.

For suppliers that we consider 'critical', we pre-identify engagement frequency and methods in a full-fledged engagement plan. For suppliers not considered highly 'critical', engagement methods and frequency vary and are identified case-by-case.

In 2017, as part of the Bank's Digital Transformation strategy, we made further investments to fully automate our registration and onboarding process. We launched our SAP Ariba Advanced Procurement Modules to further enhance the experience of our suppliers, and better capture data and streamline processes.

## SUPPLIER ENGAGEMENT

We engage all our suppliers in different ways and times throughout our relationship. We hold 'Town Hall Meetings' where we invite suppliers to discuss certain topics and encourage them to give us feedback. This feedback is captured in a systematic manner to feed into periodic reports and gap analysis documents.

We send satisfaction surveys to specific suppliers, asking them to give their opinion on the progress of the project, and their overall relationship with ADIB. The survey has open-ended questions that encourage suppliers to share feedback openly. If issues do arise, we follow up with the concerned supplier(s) to dig deep into the challenge areas.



## **OUR PEOPLE**

03-1), (103-2), (103-3)



ADIB is committed to creating an organisational environment which encourages staff to realise their full potential and maximise their contribution in achieving the Bank's objectives. Our leaders strive to promote a positive organisational culture and develop management policies to encourage and support all our people.

Our top-level strategy focuses on creating market leadership in the UAE, create a financial services and strengthen our international presence. It is cascaded and aligned to business and support group strategies to achieve current objectives and take the organisation to the next level in the future.

The Human Resources (HR) department works closely with various businesses to evaluate capacity and identify any lack in resources that could endanger the business in achieving its plan. The HR department ensures that vacancies are filled in a timely manner, whether through

internal recruiting or external, and that the staff recruited have the necessary competencies to support business requirement, succession planning and prevent any negative impact to the business. Leaders at all levels take personal responsibility for, and are actively engaged in, promoting and articulating the Bank's vision, mission, policy, strategy and values through channels used by the internal communication department.

So we can adopt an open and transparent approach, the ADIB leadership team believes in a consultative management style. ADIB management takes employee ideas and views, and informs them about any changes that are likely to take place. They allow employees to get involved in the decision-making process through meetings or brainstorming sessions, and encourage the teams to take responsibility of their own decisions.

## EMPLOYEE ENGAGEMENT

#### ► THE EMPLOYEE HANDBOOK

The ADIB Employee Handbook provides a summary of key human resources policies and procedures, as well as general employment practices and regulations. It makes new employees aware of their overall rights and obligations, the Bank's Code of Ethics and Code of Disciplinary Action.

ADIB believes in a two-way communication approach, where management shares its vision and also staff share their own feedback. Along with newsletters and CEO communications, employees engage in open discussions with top management, hold both departmental and cross-functional meetings, organise staff lunches and organise awards events.

#### ▶ SOUTAK

Along with our annual survey called "Soutak", we also poll 10% of our employees on monthly basis through 10 questions which focus on specific long-term engagement. Questions might include whether the employee would recommend ADIB as an employer, or sees him/herself having a long-term career with the Bank. Soutak has been running for two years, and the monthly survey for the past three. It feeds into a scorecard that goes directly to the CEO on a monthly basis.



102-8), (405-1

ADIB is committed to creating an environment which encourages staff to realise their full potential and maximise their contribution towards achieving company objectives. Our leaders strive to promote a positive organisational culture and develop management policies to encourage and support all our people.

The Bank's HR team works closely with various departments to evaluate capacity and identify any lack

in resources that will hinder the business in achieving its plan. HR supports ADIB's leadership team by attracting, developing and retaining both UAE national and expatriate talent in line with the needs of the business.

We show our employee gender, age and nationality breakdown below. The figures also show our staff turnover rate:

2016

2017

#### ► FULL-TIME EMPLOYEES - Broken Down by Gender (102-8)





	2016	2017
NUMBER OF FULL-TIME EMPLOYEES	2,149	2,039
FEMALES	758	676
FEMALES	35%	33%
MALES	1,391	1,363
	65%	67%
MALES	, , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , ,

#### ▶ NEWLY HIRED EMPLOYEES ANNUALLY - Broken Down by Gender (401-1)





	2010	2017
NEW HIRES	181	198
FEMALES	66	71
FEMALES	36%	36%
MALES	115	127
MALES	64%	64%

#### ► FULL-TIME EMPLOYEES - Broken Down by Age (401-1)



	2016	2017
10.24 VEADC	258	168
18-24 YEARS	12%	8%
2F 24 VEAD C	693	618
25-34 YEARS	32% 822	30%
2F 44 VEADS	822	849
35-44 YEARS	38%	42%
45-54 YEARS	300	328
45-54 TEAKS	14%	16%
FF. VFADC	76	76
55+ YEARS	4%	4%

### ▶ NEWLY HIRED EMPLOYEES ANNUALLY – Broken Down by Age



	2016	2017
10.24 VEADS	20	20
18-24 YEARS	11%	10%
25-34 YEARS	82	91
25-34 TEARS	45%	46%
35-44 YEARS	63	70
55-44 TEAKS	63 35%	35%
AE EA VEADS	15	16
45-54 YEARS	8%	8%
EE, VEADS	1	1
55+ YEARS	1%	1%

### ▶ FULL-TIME EMPLOYEES - Broken Down by Years of Service



	2016	2017
0 - 4 YEARS	1,251	1148
U - 4 TEARS	58%	56%
5 - 9 YEARS	524	452
5-9 YEARS		22%
10 - 14 YEARS	302	338
IU - 14 YEARS	14%	17%
1F . VEADC	72	101
15 + YEARS	3%	5%

### ► FULL-TIME EMPLOYEES - Emiratis and Expatriates



	2016	2017
EMIRATI EMPLOYEES	891	778
EMIKATI EMPLOTEES	41%	38%
EXPATRIATE EMPLOYEES	1,258	1,261
EXPAIRIALE EMPLOTEES	59%	62%



#### ► FULL-TIME EMPLOYEES - Broken Down by Nationality



	2016	2017
NUMBER OF NATIONALITIES	49	51
UAE	41%	38%
JORDAN	12%	12%
INDIA	10%	11%
PAKISTAN	8%	9%
EGYPT	6%	6%
OTHER	23%	24%

#### ► TURNOVER RATE OF ALL EMPLOYEES - Broken Down by Gender (401-1)

2016 2017 Employees **Employees Employees Employees** % who Stayed who Stayed who Left who Left 79% 34% 21% 255 758 66% 142 676 84% 89% 226 16% 1,391 156 11% 1,363 481 22% 2,149 75% 298 32 2,039 84%

FEMALE

MALE

ALL EMPLOYEES

	<b>TURNOVER</b>	RATE OF ALL	<b>EMPLOYEES - Bro</b>	ken Down l	by Age (401-1)
--	-----------------	-------------	------------------------	------------	----------------



	2016	2017
18 - 24 YEARS	50%	40%
25 - 34 YEARS	27%	18%
35 - 44 YEARS	15%	10%
45-54 YEARS	5%	6%
55+ YEARS	37%	25%

#### ► TOP MANAGEMENT - Broken Down by Gender





	2016	2017
FEMALES	13	14
FEMALES	7%	8%
MALEC	169	166
MALES	93%	92%

# THE ADIB STRATEGIC EMIRATISATION PROGRAMME (401-2)

As a UAE-based bank, we aspire to empower Emirati nationals by offering jobs, training and development opportunities to help them excel and carve a career in the banking sector. As a result of our continuous initiatives in this regard, we continue to have one of the highest Emiratisation to expatriate ratios among our peers.

We have also been awarded the Human Resources Development Award by the Emirates Institute for Banking and Financial Studies (EIBFS) for four consecutive years. In addition, we received the Best Nationalisation Initiative and Excellence in Talent Management Award from the MENA HR Awards. We were recognised for our commitment to recruit, develop and promote local talent, which has reached to 868 employees, at the time of the award, working across different areas and levels of the organisation.



#### **▶** OUR EMIRATISATION STRATEGY

VISION: To be the regional financing services employer of choice for UAE Nationals by attracting, recruiting and retaining the best talents and by offering world-class training and development programmes.

STRATEGIC OBJECTIVES: The leadership team has agreed as part of the ADIB 2020 vision on a clear set of objectives when it comes to national talent. This includes:

- Having the highest Emiratisation rate within peers
- Becoming a learning organisation
- Creating the best work environment for UAE Nationals

BUDGET ALLOCATION: Programmes for recruiting, training and developing UAE Nationals receive assigned budgets during the annual strategic planning and budgeting exercise, which is tracked on a monthly basis through the Monthly Business Letter.

THE CENTRAL BANK POINTS SCHEME: ADIB conforms to the Central Bank regulatory requirements to meet its Emiratisation goals. In 2017, we exceeded the

required targets.

#### **DEDICATED EMIRATISATION**

**DEPARTMENT:** The department includes four team members who report directly to the Head of HR. The department is focused on attracting UAE Nationals and fresh graduates, developing UAE Nationals towards more middle and senior management and ensuring continuous support.

SCORECARDS: ADIB's Strategic Emiratisation programme is the responsibility of the Head of HR under the direct supervision of the CEO. The Bank's Emiratisation goals are also cascaded and aligned to the CEO's direct reports in the annual performance scorecards, which are reviewed on a bi-annual basis.

ENROLLMENT INTO ADIB LEADERSHIP PROGRAMMES (ALP): Tatweer, MA, and Tamkeen



We have developed a series of tools to hire UAE Nationals, including:

- Referrals by existing employees
- Headhunters and placement agencies
- Partnerships with The Ministry of Human Resources and Emiratisation (Tanmia), The Emirates Institute for Banking and Financial (EIBFS) Studies, The Abu Dhabi Tawteen Council and The Ibshir Initiative
- Participation in all career fairs and university open days in the UAE, UK and the US in coordination with UAE embassies
- Signing memorandums of understanding with key educational institutions in the UAE in order to sponsor students and participate in developing academic programmes

#### **▶** EMIRATISATION PROGRAMMES

We invest heavily in building the skills and capabilities of UAE National employees with a suite of world-class training programmes, in partnership with prestigious educational institutions.

ADIB SCHOLARSHIP PROGRAMME: Aimed at supporting students with educational scholarships. Students are required to attend work placements with ADIB and full-time employment upon graduation. On average, ten students receive scholarships annually.

INTERNSHIPS: Every year, we offer around 70 internships to students from local UAE universities. These internships vary in their length, depending on the department needs and the availability of the student.

#### ADIB LEADERSHIP PROGRAMMES (ALP):

Aimed at young UAE National talent and local graduates with various programmes to train, encourage, and develop towards becoming future banking professionals. The table below provides more details on each programme:

Programme Name	Number of UAE Nationals Enrolled
management associate programme (ma)	76
PIONEER PROGRAMME	93
SARAF PROGRAMME	15
DIRASATI PROGRAMME	37
TATWEER PROGRAMME	50
SPONSORSHIP PROGRAMME	102

#### ADIB ASSOCIATE PROGRAMMES: These

banking and leadership programmes are focused on developing key skills of fresh graduates with the application of Shari'a principles and specific structured training programmes based on the area of specialisation. The training focuses on providing basic accounting, financial management, customer relationship management, product knowledge and selling techniques, as well as compliance, governance, fraud, risk awareness and business ethics.

TAMKEEN: Designed to encourage more women to progress to senior leadership roles within the Bank, by further developing the skills needed for senior management levels. The programme is open to all ADIB's UAE National female employees. Each participant receives a comprehensive leadership training programme and is paired with an executive coach for

its duration.

QIYADAT: An 18-month programme aimed at high potential UAE National leaders. Qiyadat offers case studies and world class learning opportunities in partnership with Abu Dhabi University. In 2017, the programme enabled 15 participants to prepare for taking on senior leadership roles.

#### THE GRADUATE TRAINEE PROGRAMME:

Designed to lay a robust foundation for the young UAE Nationals who constitute the primary source of leadership talent for the organisation.

## LEARNING & DEVELOPMENT

(103-1), (103-2), (103-3), (404-1), (404-2), (404-3)

At ADIB, we are committed to creating a learning organisation that promotes and supports individual development. We recognise that the knowledge and skills of our employees are key if we are to deliver a high value service to our customers and continue to grow as a business. At the same time, we want ADIB to be a great place to work where employees have job satisfaction, can grow with the Bank and make a long-term commitment to stay with the Group. To meet these objectives, our HR department provides various internal and external courses, and learning and development programmes.

#### ▶ AVERAGE ANNUAL TRAINING DAYS FOR EMPLOYEES - Broken Down by Gender

	2016	2017
ALL EMPLOYEES	6	6
FEMALE	6	6
MALE	6	6



#### ▶ THE ADIB BANKING ACADEMY

Partnering with established educational institutions nationally and globally, The ADIB Academy offers a suite of highly customised and accredited programmes. These are a mix of in-person and e-learning to match the different learning needs of all our employees. In addition, eleven faculty members who are full-time employees at ADIB contribute to train and facilitate workshops in fields related to their specialisation. The material offered is accredited by the Chartered Management Institute (CMI) and International Leadership Management (ILM).

The Academy mainly provides three types of training courses: Mandatory Training, Required Modules and Leadership & Supervisory Training.

#### **► MANDATORY TRAINING:**

Orientation
Anti-Money Laundering
Islamic Banking 1
Compliance 1

# REQUIRED MODULES (FOR SPECIFIC POSITIONS):

Compliance 2
Fraud & Risk Awareness

ADIB Branch Management Foundation
Sales Manager Guide to Success
Solutions Selling
Relationship Selling
Project Management Programme (PMP)
Basic Legal
ADIB Credit (1, 2 & 3)
Global Transaction Solutions

Treasury Cross-Selling Solutions
Real Estate Valuation
Retail Banking Orientation
Retail Banking 1
Retail Credit
Shape 2 - Corporate Session
Shape 2 - Retail Session
Islamic Financial Qualification
Microsoft Excel (Intermediate & Advanced)

#### LEADERSHIP & SUPERVISORY TRAINING

ADIB Leadership (1, 2 & 3)
ADIB Coach (1, 2, 3 & 4)
Emotional Intelligence
Supervisory Skills
Breakthrough Customer Experience
Time Management
First AID

## ► SUPPORTING CONTINUOUS EDUCATION

All employees with good standing are encouraged to pursue certifications related to the Banking industry. These include the Certified Management Accountant (CMA) and the Chartered Financial Analyst (CFA). ADIB provides this opportunity for 50 employees on average every year.

#### ► HIRING FROM WITHIN

We invest in developing the talent of our employees and preparing them to take on more senior roles. On average, we fill 30% of job openings through hiring from within our existing talent.

# **REWARDS & RECOGNITION**

#### **▶** GRADING SYSTEM

All positions within ADIB are given a grade. This is allocated to a particular role by a process of evaluation that assesses and ranks roles according to content, degree of autonomy and several other features. The employee grade is initially stated in the employment contract and any changes will ordinarily be notified to the employee in writing.



#### PERFORMANCE APPRAISALS

Performance appraisal is an ongoing process, with two formal meetings conducted on mid-year and annual basis. The appraisal discussion is a two-way communication exercise. It is designed to ensure that both the employee and the Bank's needs are being met, and will be met in the following year. The appraisal discussion reviews the previous year's achievements, and sets a Personal Development Plan for the coming year for each employee.

#### ▶ EMPLOYEE BENEFITS

While renumeration is just one aspect of being a preferred employer, ADIB has always understood the importance of providing additional benefits and actively sought to find ways to look after our employees. At the same time, our employees perform better when their mind is at rest that they are well-treated by the Bank. We outlined some of the benefits our employees receive below:



Flexible Working Hours: Employees can choose their suitable timing to accommodate a work-life balance for themselves and their families.



Employee Financing: All employees are able to request employee financing with certain facilitations.



Annual Umrah Programme: We cover all expenses associated with sending 25 employees annually to perform Umrah.



Educational Support: For UAE National employees, if an employee is a high school graduate, and has spent two years minimum at the Bank with satisfactory performance, the bank can cover college education as long as the Grade Point Average is above 3.00 out of 4.00.



Scholarship Allowance: All employees with children attending colleges, either in the UAE or abroad, are eligible for receiving one basic salary annually to support the education of their children.

#### ► REVISION OF JOB PROFILES

On a bi-annual basis, the HR department reviews all existing job profiles and related compensation and benefits to ensure that the job profiles are continuously enriched and current with the market best practice and compensation and benefit packages. This exercise is conducted by benchmarking with global best practice. We are delighted that aligning job roles with industry-leading compensation and benefit packages has established ADIB as a 'Key Pay Master' and 'Preferred Employer of Choice'.



#### End of Service Compensation: We

compensate our employees beyond what is excepted from the Labour Law. The Labour Law requires that organisations pay employees a basic salary for 21 days for the first three years, and for one month for over three years. At ADIB, we exceed that by paying a basic salary of one month for the first three years, and for a month and a half for over three years.



#### Internship for Employees' Children:

Through the ADIB Banking Academy, Academic Graduate Programmes include the children of ADIB employees, who if selected will be appointed a twelve-month fixed-term training contract. This is provided as an employee benefit, focusing on the development of talented children who have graduated recently and are preparing for a career in banking, government or any other industry, but need bridging skills to prepare them for a successful career.



Employee Financing: ADIB offers employees financing at special rates for certain services.

#### Other Benefits:

- Medical Insurance
- ► Life Insurance

#### **▶ LEAVE**



#### ANNUAL LEAVE

Employees are entitled to an annual leave on fully-paid basis: Grades 7 to 15: 22 business days Grades 16 and above: 25 business days



#### **SICK LEAVE**

Sick leave availability per year is as follows:

- ▶ First fifteen (15) calendar days with full pay
- Next thirty (30) calendar days with half pay
- ▶ Thereafter, unpaid leave up to a maximum period of thirty (30) calendar days



#### COMPASSIONATE LEAVE

This leave will be granted in cases involving a death of immediate family, whether inside or outside UAE, as follows:

FOR PARENTS, SPOUSE, CHILDREN AND SIBLINGS:

- ▶ Up to maximum of three calendar days paid leave if the incident takes place inside the UAE
- ▶ Up to maximum of five calendar days paid leave if the incident takes place outside the UAE

In the case of a spouse death, additional unpaid leave may be considered on case-by-case



#### MATERNITY LEAVE

Female employees who have completed one year of service with ADIB are entitled to maternity leave with full pay for a period of 45 calendar days. Employees who have not completed a full year are entitled to the same amount of days with half pay

After returning to work, female employees are eligible for a one-hour daily break for 18 months



#### PATERNITY LEAVE

Male employees are entitled to paid paternity leave for three calendar days to be taken within one month of the birth of the child. But in case the incident takes place outside the UAE, the total number of days becomes five.



#### HAJJ LEAVE

All Muslim employees are entitled to Hajj leave with full pay once during their total service with ADIB. In order to be eligible, employees should have completed at least one year of service at ADIB.



#### **ESCORT LEAVE**

ADIB considers up to thirty calendar days paid escort leave in cases where employees have to escort members of their immediate family for overseas treatment.

#### ▶ PARENTAL LEAVE - Broken Down by Gender (401-3)

	201	16	20	17
	FEMALE	MALE	FEMALE	MALE
Employees entitled to parental leave	334	1,238	307	1,219
Employees who took parental leave	33	86	16	14
Employees who came back to work after parental leave	33	85	16	14
Employees who came back to work after parental leave and were still employed 12 months after that leave	26	77	16	14
Retention Rate	79%	90%	100%	100%

# HEALTH, SAFETY & WELLBEING

(103-1), (103-2), (103-3), (403-2)

Everyone who works at ADIB and in the wider community has a right to work in a positive and harmonious environment. It is at the top of our agenda to maintain an atmosphere in which all workers are encouraged to apply their diverse talents and where noone feels intimidated or threatened or unsafe.

Our Health and Safety Policy defines the general principles relating to the mandatory controls and actions that business functions must implement. These are in addition to any relevant and local legislation.

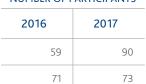
We have developed a pamphlet aimed at continuously improving our high Health & Safety levels. We all have a responsibility and role to play in providing a safe

environment by making the right decisions, doing the right thing and taking appropriate actions which protect our colleagues and others. The pamphlet details issues related to:

- Ergonomics
- Lifting and carrying
- Travelling and driving
- Lone working
- Emergency procedures and responses

As shown in the table below, our health and safety training activities, already significant in 2016, were stepped up further in 2017:

NUMBER OF P	NUMBER OF PARTICIPANTS					
2016	2017					
59	90					
71	73					





#### ► ACCIDENT REGISTER

FIRE WARDEN TRAINING

FIRST AID TRAINING

Our Health and Safety team monitors and reports on all incidents, accidents, injuries or fatalities that take place in our offices or branches, or while commuting to and from our premises.

During 2017, three minor incidents took place including a cleaning staff injuring her finger, and two customers slipping. We followed up closely with all three incidents and took corrective measures. We are happy to note that none of the people involved had serious or long-term pain due to the incidents.

While we are proud to maintain such an excellent health and safety record, we are never complacent. On the contrary, we remain even more vigilant as the Group continues to grow.

#### ▶ ADIB CLUB

ADIB Club is a team of selected Group employees from different departments and various backgrounds. Each is dedicated to fostering the ADIB culture of work-life balance.

ADIB Club initiates and implements a wide range of social and sports activities designed to encourage new and existing employees to be involved and connected under the common objective of having fun. With quarterly events such as sports tournaments, family days, excursions and more, employees have an array of opportunities to connect with each other outside the office. This makes their work experience with the Bank a more enjoyable one.

Under the umbrella of the Bank's Vendor Promotion Committee, ADIB Club is also engaged in securing offers and promotions dedicated to all ADIB Group employees from various retailers, hotels and outlets in the UAE.

#### ► THE EMPLOYEES' CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

The ADIB Employees Code of Ethics and Standards of Professional Conduct (Code) aims to establish an ethical, moral and professional work culture and environment across the organisation.

We encourage every employee to contribute to the development of a positive work culture by demonstrating professional, ethical and moral conduct compliant with the best international practice standards of Islamic financial institutions.

#### GRIEVANCES MANAGEMENT

At ADIB, we make sure in every case to handle all grievances with due care and resolve them appropriately. With this in mind, we have an established employee grievance committee to hear employee complaints on work related issues and to offer an unbiased response based on facts after hearing all the relevant information.

Employees should first raise the issue with their line manager or HR. If the issue remains unresolved, employees can then apply in writing to the Grievance Committee Coordinator. The Coordinator reviews the complaint and attempts to resolve the issue. If the issue is still not resolved, the Coordinator will then hand the complaint to the Grievance Committee. The Committee will meet with all concerned parties. They will then submit their opinion in writing to the concerned Division Head, and involved parties and the Head of HR. The Head of HR will then make the final decision.

The Grievance Committee also reviews issues that concern employees and which cannot be resolved through the normal process.

#### WHISTLEBLOWING

(103-1), (103-2), (103-3), (205-1),(205-2)

Our firm commitment to international best business practice means conducting all Group business with honesty and integrity. We comply with all applicable national laws against corporate wrongdoing, corruption and offences in every jurisdiction the Group operates.

We have a dedicated hotline number and email. All calls received on the hotline number are confidential, and recorded and monitored the investigation purposes.

#### ► ANTI-HARASSMENT

We make it explicit in our Employee Handbook that all employees must act in a respectful and professional manner with their colleagues. They should avoid all forms of harassment, immorality, licentiousness (verbal, or non-verbal), slander, innuendo, or indecent acts and jokes. Crucially, it is a firm Group policy that employees avoid favouritism, discrimination, the use of immoral words or acting in any way that demeans or humiliates their colleagues.





# INVESTING IN OUR LOCAL COMMUNITY (103-1), (103-2), (103-3), (413-1)

As a leading Islamic bank, we are committed to our ethics, accountability and social consciousness. We work closely with our local communities to address issues in which we play an active role. By utilising our resources, expertise and time, we are able to create strong bonds with our communities that translate into long-term social impact programmes.

We have remained a consistent contributor to government initiatives, including the UAE's Year of Giving which was declared by the UAE President His Highness Sheikh Khalifa bin Zayed Al Nahyan. The Year of Giving promoted the ethos of giving back to the community, cultivating a volunteering spirit and national loyalty. We have also developed sustainable initiatives aimed at creating socio-economic value for all our stakeholders.

# ADIB'S COMMUNITY EMPOWERMENT FRAMEWORK

#### **▶** GUIDING REFERENCES

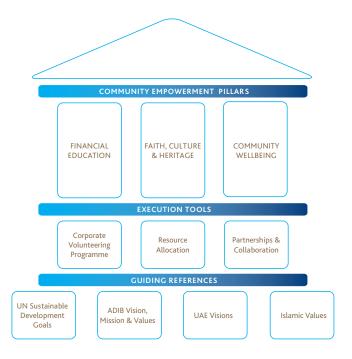
The principles and values through which we identify the focus areas, initiatives or programmes to invest in and support. As an Islamic bank, we are guided by our Islamic values, mission and vision. As a leading UAE organisation, we identify areas in the UAE vision that we align with. On a global level, we refer to the United Nations Sustainable Development Goals (UN SDGs) to ensure we play an active role in contributing to the developmental of global priorities.

#### **▶ EXECUTION TOOLS**

These are tools that enable us to support our programmes and initiatives and ultimately activate our Community Empowerment Pillars.

#### ▶ COMMUNITY EMPOWERMENT PILLARS

These are the focus areas in which we empower our local communities. They are are in line with our community needs and through which we can create positive impact through our financial and in-kind support.



### COMMUNITY WELLBEING

Our Islamic principles are rooted in giving back to the community, both on institutional and individual levels. We see our role in responsible citizenship being translated through the value we create for our communities.

We actively seek long-term and meaningful partnerships with the UAE's many charitable, governmental and non-governmental organisations. Through financial and in-kind support, we actively support the agendas of our partners that empower local communities. During 2017, we continued to initiate several community empowerment programmes:

#### ▶ Blood Donation Drives



Through a total of 20 blood donation campaigns we held during 2017, 1,323 registered blood donors gave 412 litres of blood.

#### Sukuk Al Khair in Partnership with the Red Crescent

ADIB has a well-established partnership with the UAE Red Crescent Authority, and contributes regularly to its campaigns and scholarship programmes. The Bank was a key driver in the Sukuk Al Khair campaign - a first-of-its-kind financial initiative, which enables people to donate profits earned from Sukuk Al Khair bonds to various humanitarian programmes. Bonds include:

- Educational Bond
- Medical Bond
- ▶ Haj Bond
- Domestic Aid Bond
- Mosque Bond
- Water Bond

#### ▶ Road Safety

ADIB has always been deeply aware of the importance of traffic and road safety, and we are engaged in maintaining the UAE's leading position in smart traffic management. In 2017, the Bank

supported the government and the Emirates Traffic Safety Society by participating in the International Conference on Traffic Safety (ICOTS).



#### Sports

As the official bank of the Arabian Gulf League (AGL), ADIB shares the passion of many of the UAE's young people for football, and in 2017 staged the 7th season of the national grassroots football programme, the ADIB Future Champions League. The programme was awarded by the sports industry awards (SPIA) as the best CSR project. It aims to get more children nationwide playing competitive football and promote a healthy and active lifestyle. This year, the league saw the participation of more than 2,808 players from 177 schools and 56 club/ academy teams. Since its launch, the league has expanded nationwide. It now offers thousands of children every year the opportunity to join in a truly competitive tournament at professional-class venues.

#### ▶ Health

We have a memorandum of understanding with the UAE Red Crescent Authority to support its scholarship programme, designed for students from families unable to afford tuition fees or in need of special training or rehabilitation.

# FAITH, CULTURE AND HERITAGE

#### ▶ The Zakat Exhibition



In line with our long tradition of raising awareness of Islamic arts and heritage, particularly during the Holy Month of Ramadan, ADIB organised an exhibition on the importance of Zakat in Islam at the Emirates Palace Hotel in Abu Dhabi. The exhibition attracted a large number of visitors, providing information on the importance of Zakat in Islam. It portrayed videos, iconic images and verses from the Holy Quran – allowing visitors to learn more about Islamic culture and tradition and the true meaning of giving.

#### ▶ UAE National Day Celebrations



ADIB has a regular presence at important national and recreational events, both as a participant and a sponsor. In 2017, we joined celebrations of the UAE's 46th National Day by decorating its headquarters, organising live performances of traditional art, and setting up a heritage village for staff and their family members to explore.

#### Building a Mosque

ADIB has donated a new mosque in Abu Dhabi. named Abu Dhabi Islamic Bank Mosque. It opened its doors to worshippers ahead of the Holy Month of Ramadan in 2017. Located next to Al Bateen Airport, it was inaugurated with a ceremony led by the Chairman of General Authority of Islamic Affairs, HE. Dr. Mohammed Mater Al Kaabi, and executives from the Bank. The contemporary-designed mosque has a capacity to host 641 worshippers, with a dedicated section for women that can take up to 158 female worshippers. The mosque also includes residences for the Imam and the Moazen.

#### Mass Weddings



The Bank has regularly sponsored mass weddings within the UAE. In 2017, our partnership with the Marriage Fund provided support worth AED 2 million to over 200 new families. The aim is to relieve some of the social and financial issues facing UAE National newlyweds, and to promote positive social and environmental change by creating a platform to reduce the food wastage associated with wedding events.

64

## FINANCIAL EDUCATION

ADIB is a strong advocate of financial education for young people – for their own future, to develop sound financial practices and contribute to the future stability of the economy as a whole. In 2017, the Bank built on its successful record of university financial education roadshows. We organised roadshows with students participating and benefiting from the practical advice on how to budget, save money and avoid the debt cycle.

#### Moneysmart community

In 2017, ADIB launched Moneysmart, the region's first digital community for personal finance, where people can exchange information and advice with peers and experts. The Moneysmart community carries articles, blogs, tips and insights from users and independent experts to provide knowledge and objective advice. We launched the initiative in response to growing demand, especially from the 17-35 age group, for a new, dialogue-based approach to personal finance.

#### ▶ Partnering with the StartUp Academy



In 2017, ADIB partnered with StartUp Academy from Arabian Business on a series of events to educate small and medium-sized enterprises (SMEs) on how they can manage their money, obtain finance and benefit from the latest FinTech developments. This initiative stems from ADIB's commitment to fostering the development of the UAE's SME sector.



#### ► Children's Financial Education

We regularly reach out to engage children and their parents with our mascot 'Darhoom,' who motivates them to adopt responsible spending and saving habits. ADIB also promotes the 'Banoun' Children's Account - a Shari'a-compliant account that encourages parents to save for their children with a host of unique features and privileges.

#### Survey

In 2017, ADIB conducted wide-ranging research on saving and spending habits among adults in the UAE, and developed the Smartmoney tracker, the UAE's first barometer of personal financial health. The aim is to help ADIB deliver relevant advice directly to our customers and the wider public through the www. moneysmart.ae website.



#### ► Corporate Volunteering Programme

As mentioned, ADIB employees play a very active role in the community, especially during the Holy Month of Ramadan. In 2017, our volunteers participated in distributing Iftar food boxes to major mosques, orphanages and taxi companies across the UAE. They paid visits to elderly homes and organisations that support people with disabilities (People of Determination).

In 2017 alone, ADIB staff distributed 20,000 Iftar boxes that contained meals carefully designed to be healthy, nutritious and provide a well-balanced diet.





GREEN BUILDINGS
ENERGY CONSUMPTION
GREENHOUSE GAS (GHG) EMISSIONS
WATER CONSUMPTION
WASTE MANAGEMENT

# OUR ENVIRONMENTAL RESPONSIBILITY (307-1)

In 2016, ADIB was one of 11 financial institutions in the UAE to have signed the "Dubai Declaration of Financial Institutions in the United Arab Emirates on Sustainable Finance." Our participation in this declaration is a testimony to our commitment to align the bank's activities with the UAE Vision 2021, the UAE Government's commitment to the Paris Climate Agreement, the United Nations' Sustainable Development Goals and the UAE Green Agenda 2015-2030.

## **GREEN BUILDINGS**

As part of the Bank's efforts to decrease our environmental footprint, we have designed our new headquarters according to the Gold Certification standards of the Leadership in Energy and Environmental Design, developed by the U.S Green Business Council (USGBC). LEED buildings save energy, water, resources, generate less waste and support human health.



## **ENERGY CONSUMPTION**

(103-1), (103-2), (103-3), (302-1), (302-3), (303-4)

#### **▶ ELECTRICITY**

ADIB purchases electricity from the local authority's grid and receives monthly bills. Most of the electricity we use is for lighting. We have installed LED and energy saving lighting in our headquarters and plan to do so for other offices and branches.

The consumption below represents 9 branches only. Over 2018, we plan to expand the consumption measurement for all our branches.

		2017
77	Electricity Consumption (KWH)	2,575,157
10	Average Electricity Consumption per Employee (KWH)	1,263

#### **▶** FUEL CONSUMPTION

ADIB owns and rents a number of cars to facilitate business trips for our employees. Busses and group commute solutions are also offered to employees, to promote environmentally-friendly commuting options.

The figure below shows the fuel consumption for cars owned by ADIB Bank and MPM Properties, a company in the ADIB Group. From 2018, we are measuring fuel consumption for each entity separately:

	2017
Fuel consumption by vehicles owned or leased by the Bank (Petrol, Litres)	85,284

# GREENHOUSE GAS (GHG) EMISSIONS (103-1), (103-2), (103-3), (305-1), (305-2), (305-3), (305-4)

We monitor our carbon footprint through our GHG emissions. This enables us to evaluate our current practices, and identify areas in which we could decrease our negative environmental impact.

We are monitoring GHG emissions on an annual basis and set reduction plans through our facility management team.

		2017
	Scope 1: Direct Emissions Fuel consumption by vehicles owned or leased (tCO2e)	198
4	Scope 2: Indirect Emissions Electricity consumption (tCO2e)	1,656
<b>W</b>	Scope 3: Other Indirect Emissions Air travel (tCO2e)	234
CO <sub>2</sub>	Total Emissions (tCO2e)	2,088
10	Average Emissions Per Employee (tCO2e)	1.02

2017

## WATER CONSUMPTION

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

The UAE has one of the world's highest per capita water consumption rates. More of a reason that the Bank should carefully manage our own. We make a big point of encouraging our employees to be mindful of their water consumption. Through a regular maintenance programme the Bank also ensures we don't waste any water from broken or old faucets.

We monitor our bills on a monthly basis and note if the trends in consumption change. Should there be any changes of concern, we swiftly identify the reasons and act upon them.

The consumption measured represents 9 branches only. For next year, we plan to expand the consumption measurement for all our branches.

		2017
ي	Utility Water Consumption (Litres)	1,331,644
	Drinking Water Consumption (Litres)	1,792,895
6	Total Water Consumption (Litres)	3,124,539
	Average Water Consumption Per Employee (Litres)	1,532

## **WASTE MANAGEMENT**

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

#### **▶** PAPER

Due to the nature of our industry, the highest type of waste we generate is paper. In this regard, we have an established partnership with Averda, a company that manages paper waste through economic, secure and environmentally-friendly methods.

One of our initiatives to decrease paper consumption is to continuously encourage our customers to use electronic statements. This is now the default option for all customers.

		2017
<u>₹</u> 5	Paper Waste Weight of Paper Recycled (KG)	60,475







GRI Standard	Disclosure	Page number(s)	Cl	Omission Chapter			UNGC	
GRI Standard		or URL references	Спарсеі	Part Omitted	Reason	Explanation	Principles	
		GRI	101: FOUNDATION	2016				
GENERAL DISCLOSURES								
			Organisatio	nal Profile				
	102-1 Name of the organization							
	102-2 Activities, brands, products, and services							
	102-3 Location of headquarters	11						
	102-4 Location of operations		Bank Overview					
	102-5 Ownership and legal form	11,14						
	102-6 Markets served						No Coosific	
2016	102-7 Scale of the organization						No Specific COP Requirements	
OSURES	102-8 Information on employees and other workers	51	Our People					
GRI 102: GENERAL DISCLOSURES 2016	102-9 Supply chain	47	Responsible Procurement					
GENERA	102-10 Significant changes to the organization and its supply chain	11	Bank Overview					
GRI 102:	102-11 Precautionary Principle or approach	34	Governance, Compliance & Risk					
	102-12 External initiatives	13	Bank Overview					
	102-13 Membership of associations		Jan. Statistics					
		I	Strat	egy		T		
	102-14 Statement from senior decision-maker	6, 8	About this Report				Statement of Continuing	
	102-15 Key impacts, risks, and opportunities						Support	
			Ethics and	Integrity				
	102-16 Values, principles, standards, and norms of behavior	33	Governance,				No Specific COP	
	102-17 Mechanisms for advice and concerns about ethics	<u>.</u>	Compliance & Risk				Requirements	





GRI Standard	Page number(s) or URL references	numbar(a)		Omission			
		or URL	Chapter	Part Omitted	Reason	Explanation	UNGC Principles
			Gove	rnance			
	102-18 Governance structure	29, 30,					
	102-19 Delegating authority	31, 32	Governance, Compliance & Risk				
	102-20 Executive-level responsibility for economic, environmental, and social topics	29, 30, 31, 33					
	102-21 Consulting stakeholders on economic, environmental, and social topics	17, 18, 19, 20	Sustainability Management				
	102-22 Composition of the highest governance body and its committees	29, 30,					
	102-23 Chair of the highest governance body	31, 32					
	102-24 Nominating and selecting the highest governance body	29, 30, 31, 33					
	102-25 Conflicts of interest		31, 33				Principles 1-10
RES 2016	102-26 Role of highest governance body in setting purpose, values, and strategy						
SCLOSUI	102-27 Collective knowledge of highest governance body						
ERAL DIS	102-28 Evaluating the highest governance body's performance						
GRI 102: GENERAL DISCLOSURES 2016	102-29 Identifying and managing economic, environmental, and social impacts						
GRI	102-30 Effectiveness of risk management processes						
	102-31 Review of economic, environmental, and social topics	17, 18, 19, 20	Sustainability Management				
	102-33 Communicating critical concerns	32	Governance, Compliance & Risk				
			Stakeholder	Engagement			
	102-40 List of stakeholder groups	17, 18					
	102-41 Collective bargaining agreements	Collective bargaining is not permitted within the UAE	ng ed				
	102-42 Identifying and selecting stakeholders		Management				Principles 1-10
	102-43 Approach to stakeholder engagement	17, 18					-
	102-44 Key topics and concerns raised						





GRI Standard	51.1	Page number(s)		Omission			UNGC	
GRI Standard	Disclosure	or URL references		Part Omitted	Reason	Explanation	Principles	
			Reporting	Practice				
	102-45 Entities included in the consolidated financial statements	4	About this Report					
	102-46 Defining report content and topic Boundaries	4	About this Report					
16	102-47 List of material topics	19	Sustainability management					
GRI 102: GENERAL DISCLOSURES 2016	102-48 Restatements of information							
TOSI	102-49 Changes in reporting							
L DISC	102-50 Reporting period						No Specific	
NERA	102-51 Date of most recent report	4	About this Report				COP Requirements	
)2: GE	102-52 Reporting cycle		·					
GRI 16	102-53 Contact point for questions regarding the report	-						
	102-54 Claims of reporting in accordance with the GRI Standards							
	102-55 GRI content index	72	GRI Standards Content Index					
	102-56 External assurance	6	About this Report					
			MATERIAL TOPICS					
		GRI 200	ECONOMIC STANDA	RD SERIES				
			Economic Performand	ce				
103: SEMENT CH 2016	103-1 Explanation of the material topic and its boundary							
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components							
MAR	103-3 Evaluation of the management approach	14	14 Bank Overview				No Specific COP Requirements	
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed							
			Economic Performand	ce				
NT 016	103-1 Explanation of the material topic and its boundary							
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	47	Responsible Procurement		A		Principles 1 - 10	
	103-3 Evaluation of the management approach	-			-	1		





GRI Standard	Disclosure	Page number(s) or URL references	Chapter		UNGC			
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Anti-Corruption Anti-Corruption								
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	60	Our People				Principles 1 - 10	
	103-2 The management approach and its components							
	103-3 Evaluation of the management approach							
GRI 205: ANTI- ORRUPTION 2016	205-1 Operations assessed for risks related to corruption	_						
GRI AN ORRUI	205-2 Communication and training about anti-corruption policies and procedures							
		GRI 300 ENV	IRONMENTAL STAN	DARDS SERIES				
			Energy					
: ENT 2016	103-1 Explanation of the material topic and its boundary		Our Environmental Responsibility					
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components							
MAI	103-3 Evaluation of the management approach	- 70					Principles	
:: 016	302-1 Energy consumption within the organization						7,8,9	
GRI 302: ENERGY 2016	302-3 Energy intensity							
	302-4 Reduction of energy consumption							
			Water					
II 103: «GEMENT ACH 2016	103-1 Explanation of the material topic and its boundary		Our Environmental Responsibility					
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	71					Principles 7,8,9	
MA	103-3 Evaluation of the management approach							
			Emissions					
3: 1ENT 12016	103-1 Explanation of the material topic and its boundary							
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components							
МА	103-3 Evaluation of the management approach	_						
SNOI	305-1 Direct (Scope 1) GHG emissions	70	Our Environmental Responsibility				Principles 7,8,9	
: EMISSI 2016	305-2 Energy indirect (Scope 2) GHG emissions	_						
GRI 305: EMISSIONS 2016	305-3 Other indirect (Scope 3) GHG emissions							
5	305-4 GHG emissions intensity							





GRI Standard	Disclosure	Page number(s) or URL references	Chapter		UNGC		
				Part Omitted	Reason	Explanation	Principles
	'		Effluents and Waste				
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary						
	103-2 The management approach and its components						
	103-3 Evaluation of the management approach	71	Our Environmental Responsibility				Principles 7,8,9
GRI 306: EFFLUENTS AND WASTE 2016	306-2 Waste by type and disposal method						
		Er	vironmental Complia	nce			
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	103-3 Evaluation of the management approach	69	Our Environmental Responsibility				Principles 7,8,9
		Suppli	er Environmental Asse	essment			
		GRI 400	) SOCIAL STANDARD	S SERIES			
			Employment				
EMENT 016	103-1 Explanation of the material topic and its boundary	49	Our People				Principle 6
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components						
GRI 103: APPF	103-3 Evaluation of the management approach	-					
<b>ΛENT</b>	401-1 New employee hires and employee turnover	50, 51, 52					
GRI 401: EMPLOYMENT 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part- time employees	53, 54, 55					
GRI	401-3 Parental leave	58					
		Lab	or/Management Rela	tions			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	49	Our People				
	103-2 The management approach and its components						Principle 6
	103-3 Evaluation of the management approach					1	





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GRI Standard	Disclosure	or URL references	Chapter	Part Omitted	Reason	Explanation	Principles	
Occupational Health and Safety								
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	59	Our People				Principle 6	
	103-2 The management approach and its components							
MAN	103-3 Evaluation of the management approach							
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities							
			Training and Educatio	n		1		
ENT 2016	103-1 Explanation of the material topic and its boundary							
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components		Our People				Principle 6	
MAN	103-3 Evaluation of the management approach							
D 16	404-1 Average hours of training per year per employee	55, 56						
GRI 404: TRAINING AND EDUCATION 2016	404-2 Programs for upgrading employee skills and transition assistance programs							
TRA	404-3 Percentage of employees receiving regular performance and career development reviews							
		Dive	rsity and Equal Oppor	tunity				
ENT 2016	103-1 Explanation of the material topic and its boundary		Our People				Principle 6	
GRI 103: NAGEMENT ROACH 2016	103-2 The management approach and its components							
MAI	103-3 Evaluation of the management approach	50, 51, 52						
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees							
Child Labor								
3: 1ENT 12016	103-1 Explanation of the material topic and its boundary							
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	None of our suppliers are at risk of child labor						
	103-3 Evaluation of the management approach						Principle 5	
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor					Not applicable		





GRI Standard	Disclosure	Page number(s) or URL	Chapter		_		
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		references		Part Omitted	Reason	Explanation	
	I	Н	uman Rights Assessm	ient			I
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary	47	Responsible Procurement				
	103-2 The management approach and its components						Principle 2
	103-3 Evaluation of the management approach						
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-1 Operations that have been subject to human rights reviews or impact assessments						
	1	1	Local Communities			'	
ENT 2016	103-1 Explanation of the material topic and its boundary						
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components	63, 64, 65	Investing In Our Local Community				
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GRI 413: LOCAL COMMUNITIES 2016	412-1 Operations that have been subject to human rights reviews or impact assessments						
	1	Su	ipplier Social Assessm	nent		-	
NT 016	103-1 Explanation of the material topic and its boundary		Responsible Procurement				
GRI 103: NAGEMENT ROACH 2016	103-2 The management approach and its components						
MAR	103-3 Evaluation of the management approach	47					Principle 1
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria						
		1	Marketing and Labelli	ng			
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its boundary		Customer Experience				
	103-2 The management approach and its components	37, 38			4		No Specific COP Requirements
	103-3 Evaluation of the management approach				-		





GRI Standard	Disclosure	Page number(s)	Chapter		UNGC				
	Disclosure	or URL references	Спарсеі	Part Omitted Reas		on	Explanation	Principles	
	Marketing and Labelling								
GRI 417: MARKETING AND LABELLING 2016	417-2 Incidents of non- compliance concerning product and service information and labelling	This information is handled by the legal	Our People		Confidentiality		information ndled by the department s considered dential. The	No Specific COP	
GRI 417: MARKETING AND LABELLING 2016	417-3 Incidents of non- compliance concerning marketing communications	department and is considered confidential.		Cons	traints	revisi consi	is currently ng it and dering reporting is disclosure for year	Requirements	
			Customer Privacy						
ENT 2016	103-1 Explanation of the material topic and its boundary	44, 45	Customer Experience						
GRI 103: MANAGEMENT APPROACH 2016	103-2 The management approach and its components								
MAI	103-3 Evaluation of the management approach								
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	This information is handled by the legal department and is considered confidential.			dentiality raints is hand legal dand is		information ndled by the department s considered dential.	Principle 1	

