Building on Today's Success

Annual Report 2024

بنك الإمارات دبي الوطني
Emirates NBD

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

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

H.H. Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum
Deputy Prime Minister and Minister of Defence of the United Arab Emirates and Crown Prince of Dubai

H.H. Sheikh Maktoum Bin Mohammed Bin Rashid Al Maktoum
Deputy Ruler of Dubai, Deputy Prime Minister and Minister of Finance of the United Arab Emirates

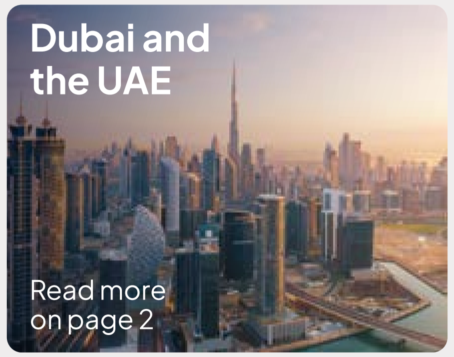
The UAE's remarkable growth reflects the ambition and resilience of its leadership, businesses, people – collectively creating a unique environment where opportunities are endless and dreams are realised.

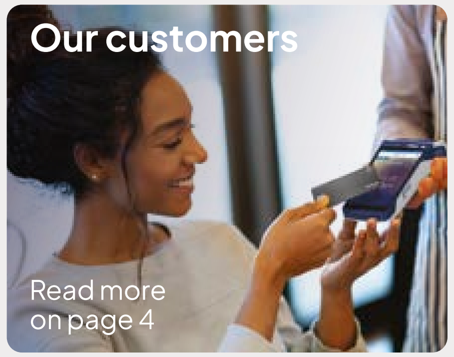
At Emirates NBD Bank (P.J.S.C.) ('Emirates NBD') and its subsidiaries (together the 'Emirates NBD Group' or the 'Group'), we are at the heart of this amazing journey, inspired by our customers and key stakeholders to power progress and build on today's success to create an even brighter future together.

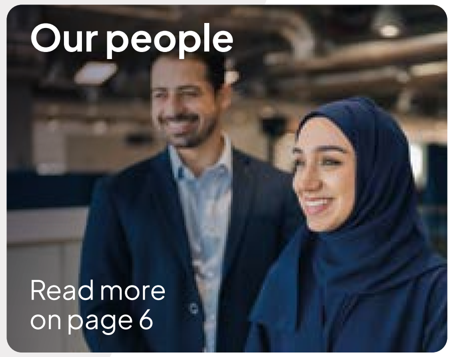
We have operations in the UAE, Türkiye, the Kingdom of Saudi Arabia, Egypt, India, Singapore, the United Kingdom, Austria, Germany, Russia, and Bahrain and representative offices in China and Indonesia. The Group employs more than 30,000 people, representing more than 90 nationalities, making it one of the largest and most culturally diversified employers in the UAE.

Emirates NBD is listed on the Dubai Financial Market.

Building on today's success for…







For more information visit
emiratesnbd.com

This integrated report covers our Strategic and Operational overview, ESG Summary, Corporate Governance Report, Shariah Report, Directors' Report and Financial Statements as at 31 December 2024.

The report is the culmination of rigorous monitoring and evaluation of our activities across the entirety of our operations, business units, and sustainability efforts.

Contents

Performance

Net Profit (USD)
6.3 bn
+6.9%
2023: 5.9 bn

Profit Before Tax (AED)
27.1 bn
+14.7%
2023: 23.7 bn

Net Profit (AED)
23.0 bn
+6.9%
2023: 21.5 bn

Income (AED)
44.1 bn
+2.6%
2023: 43.0 bn

Total Assets (AED)
997 bn
+15.5%
2023: 863 bn

Market Cap (AED)
135 bn
+23.9%
2023: 109 bn

Capital Ratio (%)
17.1%
-0.5%
2023: 17.6%

Dividend per Share (fils)
100

Building on the Success of **Dubai and the UAE**

Together, the Group and the nation rise, shaping a future of shared prosperity.

Dubai and the UAE stand as global icons of ambition and progress, powered by visionary leadership and a resilient economy that continues to flourish. Their boundless growth is built on strategic policies, dynamic reforms, and an unwavering commitment to innovation and excellence.

At the Group, we proudly build on this extraordinary foundation, leveraging the nation's momentum to drive sustainable economic progress. With every milestone Dubai achieves, we find new opportunities to grow and contribute, ensuring our success is inseparably tied to the continued rise of the UAE as a global powerhouse.

Together, we strive for more to create a future of endless potential.

Our customers are the driving force behind our innovation and success, inspiring us to push boundaries and shape the future of banking. Their ambition fuels our determination to deliver cutting-edge solutions that empower progress and turn aspirations into achievements.

At the Group, we build on the success of our customers by creating transformative digital experiences and forging strategic partnerships that unlock new possibilities. Guided by their evolving needs, we remain committed to providing the tools and support they require to thrive, ensuring their journey to success is one we proudly share.

Building on the Success of **Our Customers**

Building on the Success of **Our People**

Together, we work as one to create the future of banking.

Our people power our potential and progress – they are the heart of everything we have and can aspire to achieve. Their dedication, creativity, and resilience form the foundation of every achievement, driving progress and shaping the future.

At the Group, we invest in and nurture our workforce through initiatives that empower their growth, from world-class training programmes to fostering diversity and inclusion. By supporting our employees' ambitions and fostering an environment of collaboration and innovation, as we accelerate towards our shared vision.

Building on Today's Success

The story of Dubai and the UAE in 2024 is one of relentless ambition and boundless opportunity. Dubai and the UAE have cemented their position among the leading global hubs for innovation, talent, and investment. As we reflect on this year's remarkable achievements, it is clear that Dubai is so much more than a place to do business – it is a city where people and ideas come together to thrive, where possibilities defy imagination, and where the future is being shaped every day.

Another Exceptional Year for Dubai and the UAE

The continued growth and diversification of the Dubai economy is a testament to the power of its visionary leadership and the focused determination of all its people and enterprises. Dubai's GDP grew by 3.2% in 2024 to reach AED 443 billion, driven by the expansion of key sectors, including transport, hospitality, logistics, and financial services.

Dubai's real estate market is built on the optimism and confidence investors have in the city's future. Record levels of transactions have pushed capital values higher. These foundations for growth are the policies and reforms that make Dubai a welcoming home for individuals and businesses. Visa reforms, regulatory enhancements, and a welcoming business infrastructure have established the Emirate as a sanctuary for entrepreneurs, family offices, hedge funds , and global institutions, further strengthening Dubai's standing as a magnet for global capital.

Innovation and entrepreneurship remain at the heart of our success. Dubai's flourishing startup ecosystem, particularly in technology, continues to attract innovators and investors from around the world. The Emirate has become a hub for cutting-edge developments in AI, fintech and other advanced technologies, offering a fertile ground for ideas to grow and flourish, where ambitions become reality, thanks to the strong support system and visionary policies.

Population growth continues to bring fresh energy and talent to our city, reinforcing its vibrancy and reputation for unsurpassed quality of life amongst the world's expat community, while a highly skilled workforce, active capital markets, and a wave of IPOs showcase the growing maturity and dynamism of Dubai as a global financial hub.

Emirates NBD Leading the Way

A key catalyst in this remarkable growth story is Emirates NBD, which continues to perform and transform, as the Emirate's largest bank and the most profitable financial institution in the region. As the Dubai Economic Agenda, D33, aims to double the size of Dubai's economy by 2033 and position the city among the top three global cities, Emirates NBD is actively driving progress through strategic initiatives that prioritise innovation, financial inclusion, and sustainable growth, solidifying its standing as a critical enabler in Dubai's vision.

Emirates NBD collaborates closely with its many customers – from the largest institutions and enterprises to individual SMEs and retail customers – to power progress in the Emirate and empower customer success. Through countless partnerships, such as a strategic collaboration with the Dubai International Financial Centre, Emirates NBD is helping to shape the future of finance and empower talent and entrepreneurship. By enabling cutting-edge innovation and supporting key sectors, Emirates NBD is directly contributing to Dubai's growth ambitions, as a cornerstone of Dubai's economic transformation.

Reflecting this strength, Emirates NBD delivered record-breaking profitability in 2024, achieving AED 23 billion in net profit, driven by strong regional growth and buoyant consumer confidence. The Group's solid balance sheet enabled a 12.7% increase in lending, with over AED 150 billion in new loans provided across the region, further reinforcing its position as a key driver of economic development. Earnings per share saw a significant rise of 7.2% to 3.56 fils, reflecting the Group's robust financial performance and operational excellence.

Sustainability for Today and the Future

This landmark financial performance has been achieved in harmony with Emirates NBD's longstanding commitment to responsibility and sustainability. In 2024, Emirates NBD was recognised by Sustainalytics as the leading bank in the region for Environmental, Social, and Governance ('ESG'), ranking fifth globally among 311 diversified banks, and achieving excellent ratings from CDP and S&P. Emirates NBD's leadership in sustainability fully aligns with the UAE government's national sustainability drive, as it continues to integrate ESG principles into every facet of the business.

This year, Emirates NBD expanded its sustainable finance offerings with innovative solutions, such as Sustainable Fixed Deposits and an ESG-linked working-capital facility in Saudi Arabia, designed to support eco-friendly projects and sustainable financing in key markets. It also introduced the region's first globally recognised Sustainability-Linked Loan Bond Framework, fully aligned with the latest International Capital Market Association ('ICMA') guidelines, and successfully issued an inaugural Sustainability-Linked Loan Bond ('SLLB'). Emirates Islamic issued its first Sustainability Sukuk in 2024, further underlying the Group's commitment to ESG.

Looking forward, Emirates NBD will continue to lead with purpose and responsibility. Its ESG Forward Journey outlines a comprehensive roadmap to enhance sustainable finance governance, achieve net zero emissions for key sectors, and reduce Scope 1 & 2 Greenhouse Gas ('GHG') emissions by 30% from the 2023 baseline by 2030. We have also committed to provide USD 30 billion in sustainable finance, and achieve 25% female representation in senior leadership by 2027.

In closing, I extend my deepest gratitude to H.H. Sheikh Mohamed Bin Zayed Al Nahyan, President of the UAE and Ruler of Abu Dhabi, and H.H. Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, for their visionary leadership and inspiring ambition. I also wish to thank the Board of Directors, the Senior Management team, and every employee for their steadfast commitment to Emirates NBD's achievements this year and their ongoing dedication to its continued success in the future.

H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman

"With over AED 150 billion in new loans provided across the region, the Group further reinforced its position as a key driver of economic development."

Momentum Fuelled by Shared Success

Emirates NBD Group achieved record-breaking financial performance in 2024, a testament to the strength of our strategy and diligence of our execution, supported by favourable conditions across the UAE and our international network.

Our unwavering commitment to delivering exceptional customer experiences, leading digital innovation, and maintaining the highest standards of regulatory compliance has positioned us as a market leader and a trusted partner for our clients.

"Emirates NBD's robust regional foundations and strategic emphasis on resilience and innovation position us to seize emerging opportunities while effectively navigating challenges."

Delivering on our Strategy

We are guided by the six pillars of our corporate strategy, which continuously evolve to seize opportunities in a dynamic market landscape. We maintained focus during the year to strengthen our core business and build competitive niches across our international network, developing our market share in key regions, while exploring both organic and inorganic avenues for growth. Our ability to adapt with agility to changing market conditions, combined with our dedication to innovation, position us to drive core business expansion and foster further international diversification.

Reflecting our responsibility as a leading financial institution, sustainability remains a cornerstone of our future-focused strategy. We are committed to providing solutions that align with the global transition to a net zero emissions economy. At the same time, we are fortifying the resilience and security of our technology infrastructure, ensuring that we remain at the forefront of digital transformation in the banking sector. Our investment in talent development, particularly in nurturing the next generation of Emirati leadership, further demonstrates our focus on building a dynamic, performance-driven organisation. These efforts ensure that we are prepared to address future challenges and positioned to capture emerging opportunities that will drive sustainable growth.

Progress Across our Group

All our business units made a significant contribution to 2024's record-breaking results. Retail Banking and Wealth Management achieved unprecedented success, including record lending levels and a one-third market share of UAE credit card spend. Our enhanced Digital Wealth platform drove Group Assets Under Management beyond USD 40 billion, reflecting expanded offerings such as fractional bonds, sukuks, equities, and mutual funds. This underscores our strategic focus on ultra-high-net-worth individuals and wealth creation, supported by significant wealth inflows into the UAE and a broader, innovative product portfolio to match customer appetite.

Corporate and Institutional Banking demonstrated its strength with AED 88 billion in new loans and robust growth in trade flows, leveraging the Group's regional presence to capture opportunities across key markets. Meanwhile, Emirates Islamic delivered a record net profit of AED 2.8 billion, supported by exceptional customer financing growth of 31%, further cementing its position as an innovative leader in the UAE's Islamic banking sector.

Global Markets and Treasury delivered more innovate products, with the introduction of Fractional bonds and sukuk, an expanded commodity suite and a state-of-the-art FX solution. Our investment banking division flourished, closing over 100 deals and playing a key role in the region's leading IPOs, solidifying its leadership position as a trusted partner in capital markets and advisory services.

Extending our International Footprint

Our international expansion story is one of growth, diversification, and resilience. As the largest financial institution in Dubai and the most profitable in the Gulf Cooperation Council ('GCC'), we leveraged our unique proposition to expand our footprint across the Middle East, North Africa and Türkiye ('MENAT') region and beyond. Our extensive branch network now comprises almost 900 branches across 13 countries – this impressive growth is a testament to our ability to capitalise on opportunities in key regional markets and our commitment to meet the evolving needs of customers globally. With a presence spanning strategic markets with high potential for future growth – from Türkiye and Egypt to India and Singapore – we continuously identify opportunities to expand and deepen our presence, enhancing customer experience across borders. This approach reflects our commitment to driving regional growth while solidifying our position as a multinational financial powerhouse, ready to extend and deepen our reach in an increasingly interconnected world.

Positioned to Capture Further Opportunities

Emirates NBD's robust regional foundations and strategic emphasis on resilience and innovation position us to seize emerging opportunities while effectively navigating challenges, such as a lower interest rate environment. Our unwavering commitment to the development of Dubai, the UAE and the broader region ensures that we continue to deliver sustainable value, inspire stakeholder confidence, and lead with excellence and adaptability.

In conclusion, I extend my gratitude to our Chairman, H.H. Sheikh Ahmed Bin Saeed Al Maktoum, the Board of Directors, the Senior Management team, and the dedicated Emirates NBD staff for their invaluable contributions to our success. I would also like to thank our customers and shareholders for their steadfast trust and support. We look forward to honouring that trust by driving further progress and creating long-term value in the years to come.

Hesham Abdulla Al Qassim
Vice Chairman and Managing Director

Powering Sustainable Growth Together

2024 has been a stellar year for Emirates NBD, marked by remarkable progress and performance that underscores our ability to deliver value for our customers and shareholders.

Through strategic investments in technology and people, we have elevated the customer experience while achieving outstanding financial results that provide a robust foundation for the future.

"Emirates NBD is rapidly evolving into a data-first, digital-focused banking powerhouse, leveraging cutting-edge technologies to enhance services."

Delivering Customer-centric Innovation

Our commitment to customer-focused services and products continues to propel business growth. Investments in straight-through processing have significantly enhanced service quality, ensuring a seamless journey for our customers. This focus is reflected in our digital wealth offering, which expanded to include mutual funds, fractional bonds, sukuks, and global and local equities, driving a five-fold increase in digital wealth volumes. Today, our Group's Assets Under Management exceed USD 40 billion, showcasing the ongoing success of our wealth management strategy.

Emirates NBD Capital, our investment bank, reinforced its leadership in the capital markets, pricing over 100 debt capital market transactions in 2024 and played a key role in the region's leading IPOs. We are recognised as a leader in International Sukuk and regional Bonds and Sukuk league tables.

Our flagship ENBD X and E// SuperApps achieved a market-leading digital adoption rate of 91%, setting new benchmarks in customer engagement. Also showcasing our continued commitment to innovation, we launched the Aani instant payment platform by the Central Bank of the UAE ('CBUAE'), available on ENBD X and E//. This simple and fast tool for domestic money transfers, using mobile numbers, exemplifies our commitment to bringing cutting-edge, simplified solutions to our customers.

Reinforcing our Digital Leadership

Emirates NBD is rapidly evolving into a data-first, digital-focused banking powerhouse, leveraging cutting-edge technologies to enhance services and monetise over 20 million daily data points. Our partnership with Microsoft has enabled the integration of generative AI across business operations, delivering tangible results in efficiency, security, and customer experience.

We are deploying AI and machine learning to analyse customer behaviour and identify foreign exchange and trade opportunities, predict client needs with greater precision, and streamline SME client onboarding through GenAI-powered document extraction. This significantly reduces manual intervention, accelerates onboarding, and enhances the overall client experience. Additionally, big-data analytics allows us to mine large transaction datasets, unlocking new growth opportunities in merchant acquiring.

Our retail banking transformation has been equally impactful. ENBD X and E// now serves over one million UAE retail customers, offering more than 150 services, including over 100 straight-through processing options. The app also integrates a robust digital wealth platform, enabling customers to invest in over 11,000 global and local equities, ETFs across 21 stock exchanges, and over 230 mutual funds managed by leading asset managers.

Instant account, credit card, personal loan, and fixed deposit journeys on tablet banking have significantly reduced back-office processing, improving turnaround times.

Infrastructure upgrades have further reinforced our leadership in digital banking. The migration to a best-in-class Sitecore CMS has enhanced website performance and security, while optimised ATM and CDM journeys have accelerated transaction speeds by up to 2.6x. Additionally, the revamped WhatsApp banking application now supports 15 high-use journeys, ensuring seamless and efficient interactions for our customers.

Prioritising our People
We made significant strides in fostering a culture of engagement and empowerment this year. Our commitment to Diversity and Inclusion was reflected in initiatives such as signing the UAE Gender Balance Pledge, launching the Career Comeback Programme for women re-entering the workforce and implementing unconscious bias training across the organisation.

Supporting the UAE's talent agenda remained a key priority, with Emiratisation driving our strategy to attract, develop, and retain UAE Nationals. Programmes such as Ruwad and Bedaya, university sponsorships, and internships helped nurture a strong pipeline of Emirati talent, while targeted hiring for senior roles and succession planning ensured long-term organisational growth. Collaboration with leading UAE universities further reinforced these efforts.

Our learning and development initiatives focused on equipping employees with the skills needed for the future. Flagship programmes like the School of Data Sciences and Qada provided valuable opportunities for upskilling and career advancement. Partnerships with institutions such as Oxford University and INSEAD gave our top talent access to world-class education and advanced qualifications, ensuring we continue to build a high-performing organisation.

Celebrating a Resounding Performance
The excellent financial performance of the year is therefore a direct outcome of our strategic focus and investment in customer-focused innovation and exceptional talent at every level, engaged and empowered to succeed. And our achievements have earned widespread recognition and numerous prestigious awards, underscoring the strength of our Group and reach of our brand.

Across all our business units, subsidiaries and geographies, we have much to be proud about this year. We have succeeded in solidifying Emirates NBD's position as a leading bank in the region, with record-high profit driven by strong loan growth, healthy margins and higher fee and commission income. Prudent financial management and a strengthened balance sheet have reinforced the Group's financial resilience, with improved credit quality and strong capital ratios supporting sustainable growth across Dubai, the UAE, and our broader international footprint.

Finally, I would like to take this opportunity to extend my heartfelt gratitude to our Chairman, H.H. Sheikh Ahmed Bin Saeed Al Maktoum, our Vice Chairman and Managing Director, Hesham Abdulla Al Qassim, the Board of Directors, the Senior Management team, and the talented and dedicated staff of Emirates NBD for their invaluable contributions to another remarkable year. As we look ahead to 2025, we do so with optimism and confidence in our ability to continue inspiring and leading the market with excellence.

Shayne Nelson
Group Chief Executive Officer

> "The excellent financial performance of the year is therefore a direct outcome of our strategic focus and investment in customer-focused innovation and exceptional talent at every level, engaged and empowered to succeed."

Investment Case

Emirates NBD is committed to delivering long-term growth and creating value for its shareholders and stakeholders through innovation, operational excellence, and strategic expansion. By consistently enhancing its financial performance and capitalising on opportunities in key markets, the Group is building a solid foundation for sustainable success and reinforcing its leadership in the banking sector.

Leading Financial Institution in Growing Emerging Markets

- Leading Bank in the UAE and one of the leading foreign banks in the Kingdom of Saudi Arabia, both attractive markets with strong growth momentum and future potential
- Presence in other emerging markets with strong growth potential, including Egypt, Türkiye and India

Solid Sovereign Shareholder Base

- 41% owned by the Government of Dubai

Leader in Digital Banking

- Leading digital banking app in the region
- IT infrastructure 100% cloud native
- 98% of transactions via straight-through processing, driving cost efficiencies
- Investing in fintechs and disruptive technologies with strategic relevance

Strong Retail, Corporate, Islamic and Investment Banking Franchise in the UAE

- One-third market share of credit card spend
- Integrated digital wealth platform, providing a one-stop customer solution
- Landmark deals for large multinational customers
- Leading investment bank for regional IPOs and ESG funding solutions
- Improving credit profile with strong coverage ratios

Regional Banking Champion with Growing International Footprint

- Almost 900 branches with a presence in 13 countries
- Over 9 million active customers
- Expanding regional network is attracting new-to-bank customers and driving growth
- Well positioned to capture trade and customer flows across our network of countries
- Well-diversified revenue streams and asset portfolio

Socially Responsible Towards our Customers, Communities and Employees

- Ambitious environmental and social commitments
- Supporting customers on their transformation with innovative ESG solutions
- Upskilling employees and building a dynamic, high-performing workforce to support our strategic ambition

Profitability Driven, Stable, Low-cost Funding Base and Solid Balance Sheet

- Stable, diversified, low-cost Corporate and Retail Current Account Savings Account ('CASA') franchise
- Strong capital base – capital ratios well above regulatory requirements, liquidity and healthy credit quality ratios

Strategic report

Harnessing Success to Shape the Future

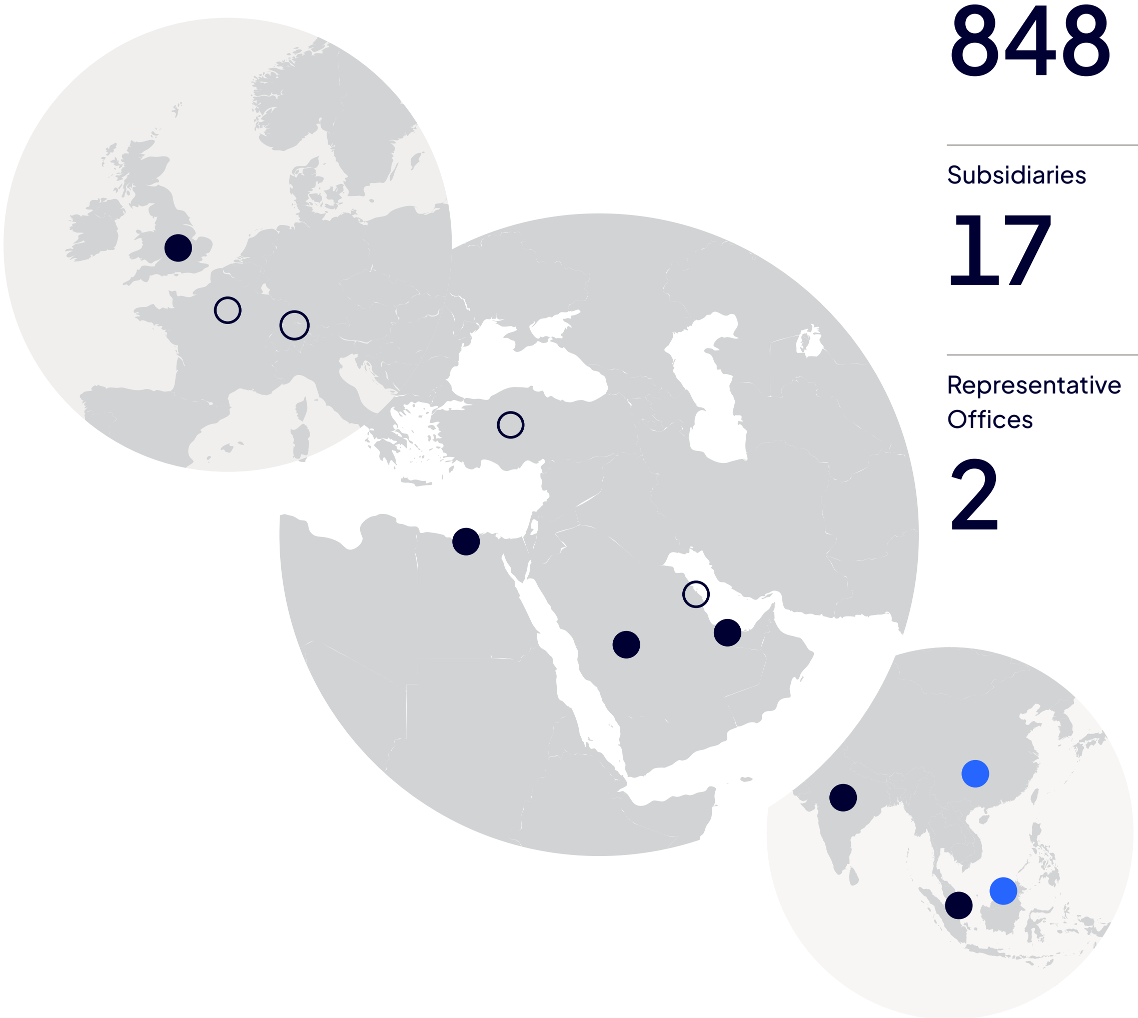
Emirates NBD is among the largest and the most profitable banks in the GCC, recognised as a regional leader in digital banking with comprehensive offering and a growing international footprint.

Emirates NBD Group provides a comprehensive range of banking products and services to individuals, businesses, governments, and institutions, helping them achieve their financial goals. Our offerings include retail banking, corporate and institutional banking, Islamic banking, investment banking, private banking, asset management, global markets and treasury, and brokerage services.

Our wholly-owned subsidiaries include Emirates Islamic, which delivers innovative Islamic banking solutions through its digital channels and network of 40 branches across the UAE, and DenizBank, a leading player in the Turkish banking sector with a broad and expanding network of 644 branches.

Our Group operates across the UAE, Türkiye, the Kingdom of Saudi Arabia, Egypt, India, Singapore, the United Kingdom, Austria, Germany, Russia and Bahrain, with representative offices in China and Indonesia.

International Presence



Emirates NBD
1. UAE (111)
2. Egypt (67)
3. KSA (21)
4. India (3)
5. London (1)
6. Singapore (1)

DenizBank
7. Türkiye (629)
8. Austria (11)
9. Germany (3)
10. Bahrain (1)

Emirates NBD Representative Offices
11. Jakarta
12. Beijing

Branches
848

Subsidiaries
17

Representative Offices
2

Awards and Recognitions

- Euromoney Awards of Excellence 2024
- Euromoney Global Private Banking Awards 2024
- The Banker
- The Banker Global Private Banking Awards 2024
- Euromoney Market Leaders
- Global Finance

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Business Segments

Corporate and Institutional Banking

We make banking better, with precision, innovation, and a focus on business growth for our clients across public sector, private sector, multinationals and financial institutions.

Offerings
- Lending & Financing
- Investment Banking
- Global Markets and Treasury
- Transaction Banking
- Payments and Digital Banking
- Islamic Banking
- Brokerage and Margin Lending

Retail Banking and Wealth Management

We empower your financial journey with unmatched personalised banking expertise and tailored wealth management for individuals, High Net Worth Individuals and businesses.

Offerings
- Current and Savings Account
- Fixed Deposits
- Cards
- Loans and Advances
- FX
- Wealth and Insurance
- Trade Finance
- Islamic Banking

Global Markets and Treasury

We provide our clients with market insight, execution services, structured products, and financing solutions across credit, rates, and foreign exchange products.

Offerings
- FX
- Interest Rates
- Commodities
- Funding/Investment
- Fixed Income and Credit
- Islamic Products
- Structured Products

DenizBank

We provide a comprehensive range of financial products and services to our corporate and retail customers.

Offerings
- Wholesale (inc. SME and Agri) and Retail (inc. Private and Digital) Banking
  - Loans, Credit Cards, Savings Accounts, Deposit Accounts, Specialised Products for Agri Business and SMEs, Payments, Online Banking
- Treasury, Investment, Asset Management, Leasing, Factoring and Insurance
  - FX and Commodities, Trading, other Investment Products, Operational and Financial Leasing, Factoring and Bancassurance Products

Who We Are

Organisational Structure

Emirates NBD Bank (P.J.S.C.)

- DenizBank
- Emirates Islamic
- Emirates NBD Egypt
- Other Branches and Subsidiaries

How We Create Value

Capital
Money obtained from shareholders and retained profit.

The Emirates NBD difference: Healthy capital ratios, well above regulatory requirements.

CET-1, 2024
vs 14.9%, 2023
14.7%

Debt
Funding received from lenders and deposits from customers.

The Emirates NBD difference: Healthy liquidity ratio, well above regulatory requirement.

Net Interest Margin, 2024
vs 4.0%, 2023
3.6%

Risk Management
Identifying, evaluating, and building a strong asset base, while following robust risk management practices.

The Emirates NBD difference: Comprehensive product suite to meet customer needs.

Total Assets, 2024
vs AED 863 bn, 2023
AED 997 bn

Income
Revenue generated by interest income and non-interest income including fee income.

The Emirates NBD difference: Strong balance sheet and offerings to generate sustainable income.

Total Revenue, 2024
vs AED 43 bn, 2023
AED 44.1 bn

Net Profit before Tax
Earnings after accounting for all expenses including provisions and hyperinflation.

The Emirates NBD difference: Continue to drive income, while managing costs and risk.

Net Profit before Tax, 2024
vs AED 23.7 bn, 2023
AED 27.1 bn

Return on Tangible Equity
Measure of our profitability in relation to equity.

The Emirates NBD difference: One of the market-leading return profiles.

ROTE 2024
vs 21.2%, 2023
19.5%

Stakeholder Value Created in 2024

Customers
We place our customers at the core of our strategy, delivering outstanding service and experience driven by our key principles of 'customer focus' and 'service excellence'.

Total Active Customers
9+ mn

Investors
We strive to delivering robust returns and long-term wealth creation for our investors.

Dividend Proposed
100 fils per share

Employees
We foster a supportive and inclusive corporate culture with a diverse, engaged, and effective workforce.

Suppliers & Partners
We engage in fair supplier selection and partnerships.

Government
We are strategically aligned with the government's vision and strategic objectives to create long-term socio-economic impact.

Community
We engage in meaningful partnerships with community organisations to empower and create value for our local communities.

Driven by Strategic Focus and Strong Execution

Emirates NBD Group delivered record-breaking financial performance in 2024, driven by a clear strategic focus and exceptional execution, supported by generally favourable conditions across the UAE and our international footprint.

With a firm commitment to enhancing customer experience, leading in digital innovation, and maintaining the highest regulatory compliance standards, we are well positioned to continue to seize opportunities across our network and further expand our market presence, as we seek to create lasting and sustainable value for our shareholders and all our stakeholders.

Our Strategic Pillars

- Deliver an Excellent Customer Experience
- Drive Core Business
- Focus on Future Potential
- Drive International Diversification
- Build Market-Leading Infrastructure
- Develop a Dynamic Organisation

Objective | **2024 Performance and 2025 Outlook**

Deliver an Excellent Customer Experience

Meeting the ever-evolving needs of our millions of clients remains at the centre of our strategic focus, in line with our dedication to continually enhancing customer experience and delivering service excellence.

We continue to enhance our systems so we can better act on our customers' feedback, which is reflected in our overall Net Promoter Score ('NPS') of 47, which reached an all-time high in 2024. We also achieved a 15% reduction in complaints, which can be attributed to new design layouts across branches leading to a 30% reduction in waiting time as well as numerous improvements made in our contact centre.

Our market-leading ENBD X app secured a rating of 4.7 on 5.0 on both the Apple App Store and Google Play Store, with a digital adoption rate of 91%. It also garnered a customer satisfaction score of 9.4 on 10, a new record for the app. On WhatsApp Banking, we crossed 1 million subscribers across Emirates NBD Group entities, while our Straight-Through Processes ('STP') journey accelerated during the year.

We continued to enhance our user friendly and seamless digital experience, launching the new businessONLINE mobile app for on-the-go payments and cash management of our corporate and SME clients. We also launched 4X, allowing for greater efficiencies and faster turnaround times related to FX deals for clients. Moreover, we introduced fractional bonds and sukuk investments on the ENBD X app, enhancing our Wealth customers product suite even further.

Key focus areas for 2025 include enhancing our digital Wealth proposition and product suite, alongside consolidating our mobile banking leadership and further improving STP service rates, while proactively identifying issues across digital channels before impact on customers to reduce the frequency of incidents. In addition, we are looking to embed into our client ecosystems through innovative solutions, strong client coverage and comprehensive propositions, offer robust digital banking platforms with intuitive UX/UI, real-time tracking and analytics, and expand adoption of digital platforms for payments, account management, and reporting for seamless client operations.

Drive Core Business

Growing our core business remains a central tenet of our strategic focus, as we seek to reinforce our position as one of the leading franchises in the UAE market.

We delivered a historic performance in 2024, as our strong customer deposit base continued to be a key advantage, complemented by enhanced loan disbursal processes. As the leading credit card franchise in the UAE, we maintain a commanding one-third market share of card spend.

Business Banking achieved exceptional growth, with a two-fold increase in new account acquisitions and a six-fold expansion of its loan portfolio since 2022. Meanwhile, Private Banking successfully relaunched its brand and value proposition, with a strategic focus on expanding its presence, driving greater client acquisitions, and increasing product penetration.

In delivering record revenues in 2024, we achieved better returns and ensured sustainable income with exponential growth in loan volumes while lowering our cost of risk due to higher recoveries and improved credit quality lending. We improved our liability mix on growth in CASA, aided by the increase in real estate transactions and technological developments, supported by continued API infrastructure growth. Additionally, our share of international revenues rose significantly on continued capitalisation of network opportunities.

In 2025, we will focus on selling our Wholesale Banking proposition and aligning offerings with our clients' growth and expansion plans, as well as growing our custody and securities business. We plan to keep the growth momentum of Business Banking and expand the Private Banking geographic footprint and presence across network markets, as we seek to build on a great year by maintaining momentum in our home and international markets.

Objective

Focus on Future Potential

2024 Performance and 2025 Outlook

We aim to capture opportunities for growth and diversification across our network. Recognising the increasing importance and strong growth potential of Wealth Management, we expanded the digital Wealth platform launched on ENBD X. By adding many new products and useful features, it has delivered exponential growth and customer uptake. We also extended the platform to Emirates Islamic, making it the first Islamic bank in the region to offer a range of investment products via mobile banking.

Furthermore, we introduced Real Estate and Project Finance as Group-wide products, and Aviation Desk as a Group-wide specialised segment, to optimise our customer value proposition through differentiated banking solutions. Emirates NBD PAY was also launched and approved as an authorised merchant acquirer. At Liv, we launched Liv X, a new powerful app hosted on the Group-wide X platform, providing customers a more intuitive and new-age experience.

Emirates NBD Group continues to embed ESG principles across all aspects of our business. In 2024, we strengthened our position as a regional leader in sustainable finance, aligning with global best practices and advancing impactful initiatives to support a low-carbon, inclusive economy. During the year, our focus remained on driving ESG integration across our products, services, and operations, while ensuring compliance with evolving regulatory standards, including Sustainable Fixed Deposits and sustainability-linked loans. We also launched the region's first globally recognised sustainability-linked Loan Financing Bond Framework, followed by the successful issuance of SLLB, which is fully aligned with the latest ICMA guidelines.

We became the first bank in the MENA region to achieve the highest ESG ratings globally in 2024, ranking fifth among diversified banks according to Sustainalytics, and secured top rankings including joined highest ranked bank for CDP, and highest rated bank in the region for ESG according to S&P. We are on a journey of continuous improvement with regard to ESG ratings and this will continue to be a priority moving forward.

In 2025, we will maintain focus on extending and expanding our Wealth proposition, aiming for further penetration of existing and new client segments, improving customer engagement, service, and the client onboarding process. We will continue to work on enhancing our product proposition and expanding our Wealth reach with Emirates Islamic and Shariah opportunities. We also aim to create real-time payments and settlement infrastructure, supporting instant domestic and cross-border transactions and expanding sectoral diversification.

The Emirates NBD Innovation Fund, which was established in early 2023 as the Group's Strategic CVC, had a landmark year in 2024, making seven new investments, taking out total live portfolio to nine companies. The organisation recognises the rapidly changing technological landscape and the impact it has on our industry and we are committed to finding and supporting the next generation of companies that will shape the future of finance, in the process future proofing the organisation. Refer Page 52 for more details.

Objective

Drive International Diversification

2024 Performance and 2025 Outlook

We remain focused on international growth and diversification to drive value for our business and stakeholders. Our international franchise delivered a robust financial performance in 2024, with international total assets growing by 17% overall. Our network of international branches in strategic markets remains one of our core competitive differentiators, offering enhanced connectivity to clients from the MENAT region and beyond. This is reflected in the robust YoY growth of our international portfolio across key performance metrics in our primary international markets of Türkiye, Saudi Arabia, Egypt, the UK, Singapore, and India.

Our performance in Saudi Arabia has continued to impress, with our customer base, revenues, and balances witnessing a significant acceleration. This has been powered by the opening six additional branches, taking the total number of branches to 21 across 10 major cities in our 20th anniversary year in the Kingdom. Emirates NBD Capital in Saudi Arabia achieved its best-ever performance, both in closed deal value and transaction count across 19 transactions in Saudi Arabia with AED 5.4 billion contributed to its asset base. We continue to have ambitious plans in Saudi Arabia and aim to further expand our branch presence in 2025. A new head office in Riyadh is under implementation to support the Group's future growth strategy and enable capacity for a larger workforce. We are also making our customer experience more sophisticated by enhancing product propositions and digital channels in 2025.

Egypt remains one of Emirates NBD's most prominent markets outside the UAE, with a local presence of 67 branches. Emirates NBD will focus on delivering growth in Egypt by bringing innovative solutions and products to further serve the local Egyptian banking needs.

In 2025, we will continue to focus on leveraging our presence in Türkiye, London, Singapore, and India to capture global trade and capital volumes flows throughout the Group network. In addition, we will further develop the sophistication of our Wealth Management platform and offer our clients access to a broader suite of Wealth products.

Emirates NBD's China and Indonesia representative offices will continue to support the Group and network through referrals and managing our relationships with financial and non-banking financial institutions. We will also continue to assess potential avenues for growth into 2025, by continuing our evaluation of strategic markets and targets for both organic and inorganic expansion.

Objective

Build Market-Leading Infrastructure

2024 Performance and 2025 Outlook

Building a world-class banking and digital infrastructure remains critical to our daily operations and future ambitions. In 2024, we made significant strides in our digital transformation journey, continuing to leverage best-in-class technologies to enhance reliability, resiliency, and the overall customer experience. We upgraded our international application landscape to support the Group's ambitions for growth, creating robust and scalable systems that are needed to support our expansion journey.

Among the key milestones was the development and migration to a Tier 3 Data Centre, which houses infrastructure equipment that hosts and runs our channels and platform. This facility offers 99.9% availability and is designed with various measures to offer uninterrupted service. We also continued to make the banking experience more accessible in digital spaces, driving improvements in overall customer experience and increased efficiency. We have made significant progress towards our goal to become a digital-first bank, and our customers have been increasingly adopting our digital services for a faster and frictionless experience, while we are also developing advanced payment systems and digital ecosystems to better serve our clients.

Looking to 2025, we are leveraging this momentum to continue and deliver impactful digital experiences. This includes our new state-of-the-art contact centre, which is set to redefine customer engagement by offering seamless, omni-channel interactions that are efficient, personalised, and meaningful. In payments, we are expanding our advanced ATM infrastructure internationally, and introducing our own merchant acquiring platform to achieve greater efficiency and control while unlocking new opportunities.

For our Business Banking and Corporate clients, we will build in-house channels to meet their unique needs and support their growth ambitions, as well as enabling a multitude of new capabilities by building ecosystems with partners to expand capabilities, collaborating with fintechs, technology providers, and cloud service firms to leverage cutting-edge tools and innovations. At the same time, we will accelerate the adoption of public cloud technologies across our operating entities to ensure our IT infrastructure stays highly scalable, resilient, and high performing.

Objective

Develop a Dynamic Organisation

2024 Performance and 2025 Outlook

We continue to prioritise efficiency and innovation to accelerate growth and realise our vision of becoming the "Bank of the Future". We are accelerating towards our long-term goals as a future-focused bank by building a high-capacity organisation, fostering a culture of innovation, and establishing the Group as an employer of choice through future-ready human resources practices.

Our commitment to upskilling and reskilling to ensure that all employees are equipped for the future of work remains a key priority. In 2024, we expanded our School of Data Sciences, offering enhanced technical and leadership program me s. We also launched a cutting-edge platform offering curated and dynamic content, providing employees with robust and accessible learning pathways to drive their growth and expertise.

Emiratisation continued to be a strategic imperative during 2024. We implemented a multi-faceted strategy, which included exclusive development programmes delivered in collaboration with international universities such as Oxford, INSEAD, and HULT, with over 1,140 UAE Nationals building skills and expertise this year alone. We continued to attract UAE National talent for critical senior roles, offering accelerated career development opportunities and benefits. We also nurtured new talent through our flagship Ruwad UAE National graduate programme for cultivating the next generation of UAE National leaders. Extensive collaboration with leading UAE universities and targeted internship programmes also ensured a strong and talented pipeline of new Emiratis entering Emirates NBD throughout the year.

Our commitment to Diversity and Inclusion was underscored by significant initiatives, including launching the Career Comeback Programme for professional women returning to work after raising their families. We introduced an Employee Assistance Programme to provide mental health support and resources, alongside a new mental health policy for Group employees as part of our wellness focus. We also hosted Thrive Expo, a three-day event promoting employee wellbeing and career growth.

As we continue to evolve, we remain focused on building a high-capacity organisation and creating a "Workplace of the Future" that empowers our employees to excel.

Global Economic Overview: Growth, Resilience and Strategic Shifts in 2024

The global economy displayed resilience in 2024, with advanced economies expanding steadily and emerging markets showing varied growth. The UAE, alongside Emirates NBD's other key international markets, focused on diversification, investment, and stabilising policies, underscoring collective efforts to sustain progress amid global challenges.

Global Economic Overview: Resilience in Advanced Economies

The global economy showed steady progress in 2024, as inflation eased across many regions, prompting key central banks to lower interest rates. Advanced economies, led by a resilient U.S. economy that defied expectations of a significant slowdown, expanded at a moderate pace.

Emerging markets drove most of the year's growth, though performance varied. India's economy sustained strong growth, fuelled by reforms and robust investment. In contrast, China faced challenges in achieving target growth rates due to subdued consumption and investment linked to a lingering property market debt crisis.

The slowdown in global inflation provided central banks in major markets – including the U.S., the Eurozone, China, and the UK – with room to cut interest rates. Nonetheless, vigilance remains essential as the risk of inflation re-emerging could impact global growth. Additionally, the long-term trajectory for interest rates appears to have shifted higher.

Key International Markets: Growth and Stabilisation

Saudi Arabia's economy achieved robust growth in 2024, with the non-oil sector expected to expand by 4%. Consumer spending has been a major driver, sustaining a growth rate of over 7%, supported by low inflation. Government investments in infrastructure, hospitality, and manufacturing are anchoring this growth and setting the stage for long-term economic stability.

The country's diversification efforts continue to yield results, with new sectors contributing significantly to non-oil growth, earning Saudi Arabia a credit rating upgrade from Moody's to 'Aa3'. These efforts are complemented by its role in managing the oil market through OPEC+ collaboration, while investments in non-hydrocarbon sectors and alternative revenue sources reduce the economy's exposure to oil price fluctuations. Additionally, green and sustainable finance is emerging as a key funding tool, with banks, corporates, and the sovereign increasingly turning to green bonds and sustainability-linked loans.

Türkiye's economy has stabilised, thanks to central bank policies that have reduced inflation and turned real interest rates positive. These measures have attracted investment inflows and bolstered the Turkish Lira, while strong tourist arrivals provide additional support. Growth is expected to hold steady at around 3% through 2024–25, reflecting the broader stabilisation efforts.

Egypt's economic outlook has improved significantly in 2024, aided by strategic engagement with international partners and multilateral institutions to secure external financing. Bilateral investments, including USD 35 billion from the UAE and USD 5 billion from Saudi Arabia, have driven renewed investor confidence, with foreign holdings of local debt nearly tripling in the first half of the year. A steady decline in inflation and sound central bank policies have stabilised the Egyptian Pound, prompting Fitch to upgrade Egypt's credit rating to 'B' in recognition of its improved financial position.

The UAE: Sustained Economy Growth and Diversification

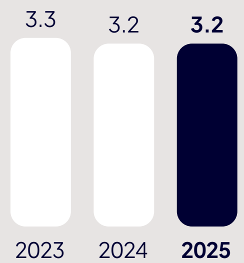
The UAE achieved another strong year of economic activity in 2024, with the non-oil economy projected to grow by 5%. Dubai's economy expanded by 3.2% in the first half of the year, maintaining a steady growth rate of over 3% for six consecutive quarters. Meanwhile, Abu Dhabi recorded robust economic activity, with its economy growing by 5.7% YoY in the first half of 2024.

Key sectors driving growth across the UAE include transport and storage, which have shown significant expansion in both Dubai and Abu Dhabi. Hospitality and financial services have also recorded strong levels of activity, contributing to the overall economic momentum. Inflation has remained stable at an average of 3.3% in Dubai, slightly higher than in 2023, with housing emerging as the primary driver. Record levels of property transactions have pushed capital values higher, influencing the inflation rate.

The UAE has continued to bolster its global economic ties by signing new comprehensive economic partnership agreements with various countries. These agreements now encompass nearly 40% of the country's total exports by value, enhancing trade flows and reinforcing the UAE's position as a key player in international commerce.

Global Economy
GDP Growth (%)

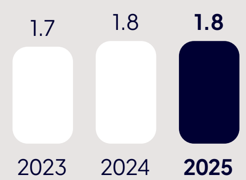
3.2%



Source: IMF World Economic Outlook, October 2024

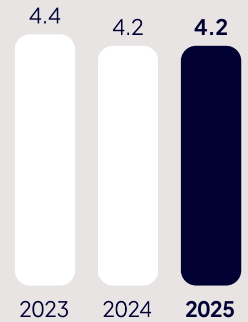
Advanced Economies
GDP Growth (%)

1.8%

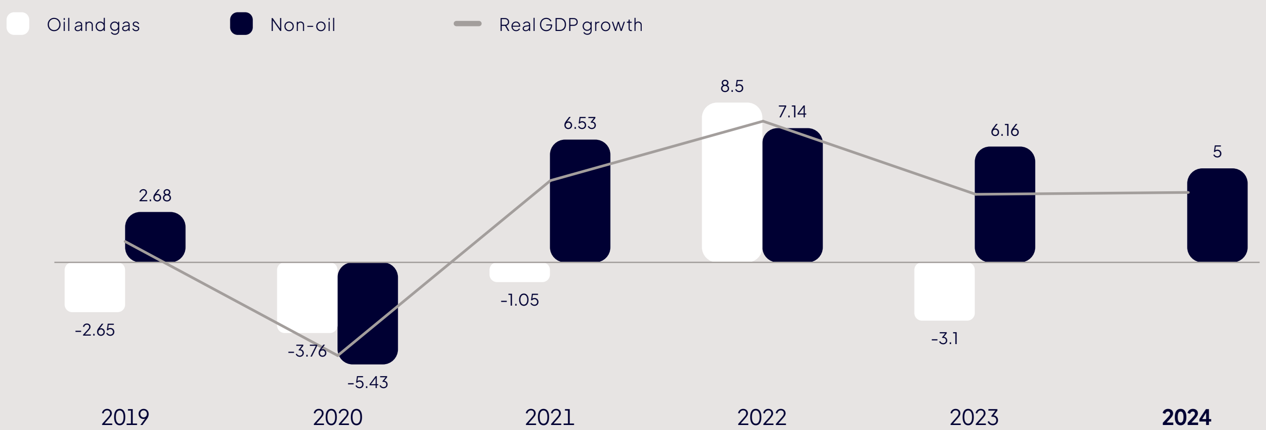


Emerging Market & Developing Economies
GDP Growth (%)

4.2%



UAE: Non-oil Sectors Drive Growth in 2024



Source: Haver Analytics, Emirates NDB Research

A Landmark Year of Strong Growth and Record Profit

Emirates NBD delivered another outstanding performance in 2024, surpassing many of the outstanding results achieved in the preceding year. The Group delivered its highest-ever profit with record loan growth. Supported by strong economic growth, buoyant consumer confidence, and continued infrastructure investment in Dubai and the UAE, we have reinforced our position as one of the region's most profitable, well-capitalised and visionary banks.

Impressive regional growth, increased transaction volumes, and a low-cost funding base helped Emirates NBD deliver total income of AED 44.1 billion. In addition to an outstanding contribution from our domestic franchise, our growing international operations contributed a healthy 31% to total income.

Higher income and substantial impaired loan recoveries more than compensated for disciplined cost investment and the introduction of corporation tax in the UAE to deliver the Group's largest-ever net profit of AED 23 billion in 2024.

These outstanding results translate to 7.2% growth in earnings per share to reach a record AED 3.56.

Stellar Overall Performance

The Group's deposits base grew by over AED 80 billion, 14% increase over the previous 12 months, including AED 45 billion on CASA. This facilitated a AED 48 billion increase in lending as the loan book grew by 10.0%. Underscoring the Group's ability to help drive regional economic growth, Emirates NBD lent over AED 150 billion of new loans across all sectors.

> "Impressive regional growth, increased transaction volumes, and a low-cost funding base helped Emirates NBD deliver total income of AED 44.1 billion."

Income Statement

(AED billion)	2024	2023	% Change
Net interest income	**32.4**	30.1	7.7%
Non-funded income	**11.7**	12.9	(9.3%)
Total income	**44.1**	**43.0**	**2.6%**
Operating expenses	**(13.8)**	(11.7)	(17.6%)
Operating profit before impairment	**30.4**	**31.3**	**(3.0%)**
Impairment allowances	**(0.1)**	(3.4)	96.9%
Profit before tax & others	**30.3**	**27.9**	**8.6%**
Hyperinflation adjustment	**(3.1)**	(4.2)	25.8%
Profit before tax	**27.1**	**23.7**	**14.7%**
Tax	**(4.1)**	(2.1)	(93.7%)
Profit	**23.0**	**21.5**	**6.9%**

Note: Rounding differences may appear throughout the document.

Income (AED)
44.1 bn
(+2.6% YoY)

Profit before Tax (AED)
27.1 bn
(+14.7% YoY)

Net Profit (AED)
23.0 bn
(+6.9% YoY)

Cost: Income Ratio
31.2
(2023: 27.2%)

NIMs
3.6%

Impairment Charge (AED)
0.1 bn

Expenses (AED)
13.8 bn
(+17.6% YoY)

NPL Ratio
3.3%
2023: 4.6%

CET-1 Ratio
14.7%

Emirates NBD's presence in the Kingdom of Saudi Arabia increased to 21 branches, helping deliver an increase of 58% in loans to AED 28.2 billion. Emirates Islamic also had an incredible year, growing Islamic financing by 31% during 2024.

Closing the year with an increase of 15.5% asset growth to AED 996.6 billion, our capital, liquidity, and credit quality echo our stability, sustainable growth, and profitability. Reflecting the buoyant regional economy, the non-performing loans (NPL) ratio improved to 3.3% – the healthiest level for 15 years.

Recognising our outstanding performance and rock-solid balance sheet, Fitch upgraded our Viability Rating and Moody's improved the Outlook to Positive from Stable this year.

At the end of 2024, the Group's Common Equity Tier 1 capital ratio, after allowing for proposed dividend, stood at a very healthy 14.7%, significantly above the regulatory minimum capital requirement.

Responsible Sustainability

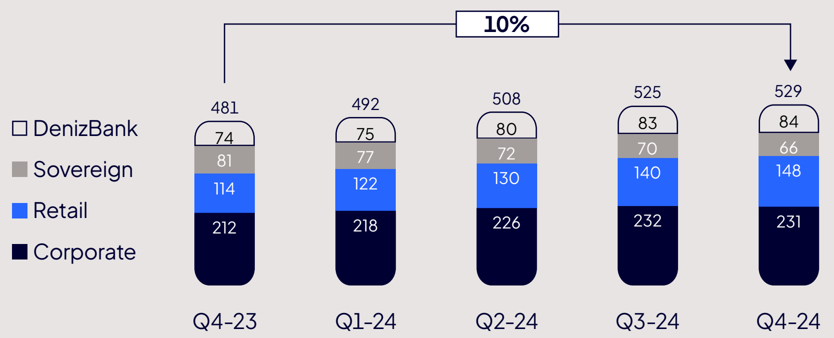
We reinforced our leading environmental credentials when we become the first bank in the world to issue a SLLB aligned to the new ICMA and Loan Market Association ('LMA') guidelines. Emirates Islamic also issued its inaugural Sustainability Sukuk in 2024.

In recognition of our green initiatives, we were named the leading GCC bank for ESG, and rated fifth out of 311 diversified banks globally by Sustainalytics, a leading provider of ESG research, ratings and data.

Furthermore, in launching sustainable fixed deposits supporting eco-friendly projects and an ESG-linked working capital facility, we continue to champion environmentally sound financing across the region.

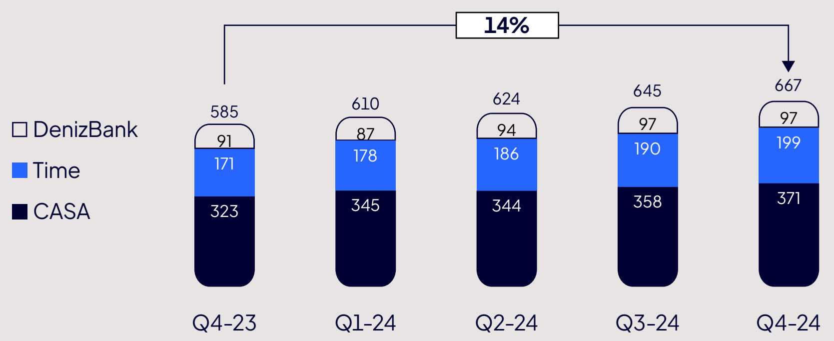
Gross Loans by Type

(AED billion)



Deposits by Type

(AED billion)



Balance Sheet

(AED billion)

	As of 30-Dec-24	As of 31-Dec-23	% Change
Total Assets	**997**	863	16%
Gross Loans	**529**	481	10%
Deposits	**667**	585	14%
Key Metrics			
NPL Ratio	**3.3%**	4.6%	(1.3)%
Impaired Loan Coverage Ratio	**156%**	163%	(7)%
Liquidity Coverage Ratio	**197%**	210%	(8)%
Capital Adequacy Ratio	**17.1%**	17.6%	(0.7)%
Tier 1 Ratio	**16.0%**	16.5%	(0.7)%
Common Equity Tier 1 Ratio	**14.7%**	14.9%	(0.4)%

Our subsidiaries and Operating Units

Emirates Islamic, recognised in 2024 as the "Most Innovative Islamic Bank in the UAE" at the Euromoney Islamic Finance Awards, delivered its highest-ever net profit of AED 2.8 billion with outstanding customer financing growth of 28.3%.

Our Turkish subsidiary, DenizBank, contributed a substantial AED 1.2 billion of Group profit, as it played an important role in providing growth capital to essential sectors such as Agriculture and SMEs in Türkiye.

In a year of unprecedented success, our divisional results were also exceptional. Retail Banking and Wealth Management achieved an excellent AED 10 billion in 2024, a 25% increase in profit before tax. Assets under management across the Group have more than doubled in the last two years and now exceed AED 40 billion. Retail lending increased to a record AED 148 billion in 2024, growing by 30% compared to 2023, driven by population growth and a broadened product offering.

Digital wealth banking is playing a greater role than ever before with volumes up fivefold in 2024, having expanded to include mutual funds, in addition to fractional bonds, sukuks and global and local equities. In addition, the ENBD X and EI+ personal banking apps continue to be the main engines for retail transactions, providing over 195+ services, the highest in the market accessed by 88% of the customers.

Corporate and Institutional Banking achieved an excellent 38% increase in profit to AED 10 billion in 2024, on higher income and healthy recoveries. Emirates NBD Capital successfully priced more than 100 capital market transactions in 2024, maintaining a top three leadership position in International Sukuk and top five in Central and Eastern Europe, Middle East, and Africa USD Bonds and Sukuk league tables.

Global Markets and Treasury generated AED 2.7 billion in net income, with net interest income strong at AED 2.8 billion, despite an increase in the cost of wholesale funding. Sales delivered strong results, driven by new offerings, an expanded commodity product suite, and innovative structured solutions for clients.

Innovation in Action

Our commitment to technology-driven digital banking solutions has never been greater, accounting for a significant proportion of our capital expenditure, including implementing generative artificial intelligence 'Gen AI' across business units and support functions, in partnership with Microsoft.

Gen AI has helped grow SME FX and trade opportunities by identifying and predicting the need for FX and trade products. In an era of increasingly sophisticated fraud, we have also enhanced our anti money-laundering operations with machine-learning alert solutions, screening transactions for suspicious activity.

A Solid Foundation for Future Progress

In 2024, we set even higher benchmarks. Our ambition to expand, both in terms of geography and diversification, is clearly successful as the Group is one of the most profitable and influential financial institutions in the region.

We have once again come together as a single unit with an unwavering commitment to build our brand, benefit and empower our customers. We are delighted to develop the next generation of business leaders within Emirates NBD as we identify and nurture talent across all parts of the Group.

In closing, I would like to thank our Chairman, H.H. Sheikh Ahmed Bin Saeed Al Maktoum, the Board of Directors and the Senior Management team, the Emirates NBD staff for their unrelenting efforts, and our customers for their loyalty and trust. We have once again reaped the rewards of our collective efforts and look forward to another year of ambitions and possibilities.

Patrick Sullivan
Group Chief Financial Officer

Divisional Performance

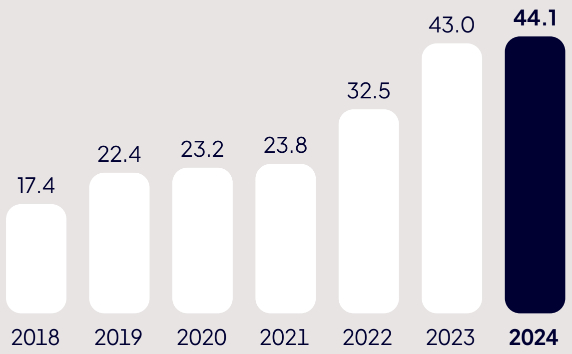
Operating Segment	Metrics (in AED)	2024	2023	% Change
Retail Banking and Wealth Management	Income (mn)	**17,767**	16,211	10
	Expense (mn)	**5,306**	4,319	23
	PBT (mn)	**10,021**	8,026	25
	Loans (bn)	**148**	114	30
	Deposits (bn)	**327**	293	12
Corporate and Institutional Banking	Income (mn)	**8,153**	7,705	6
	Expense (mn)	**859**	754	14
	PBT (mn)	**9,971**	7,200	38
	Loans (bn)	**231**	212	9
	Deposits (bn)	**243**	201	21
Global Markets and Treasury	Income (mn)	**2,731**	3,738	-27
	Expense (mn)	**244**	217	12
	PBT (mn)	**2,444**	3,472	-30
DenizBank	Income (mn)	**11,040**	11,283	-2
	Expense (mn)	**4,478**	3,663	22
	PBT (mn)	**2,933**	3,421	-14
	Loans (bn)	**84**	74	13
	Deposits (bn)	**97**	91	7

Revenues and Costs

Revenues (AED billion)

44.1 bn

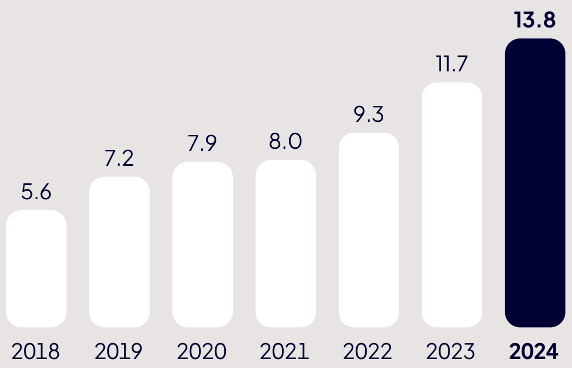
2023: 43.0 bn



Costs (AED billion)

13.8 bn

2023: 11.7 bn

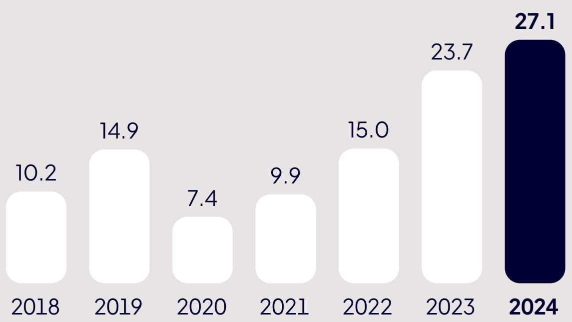


Profit

Profit before Tax (AED billion)

27.1 bn

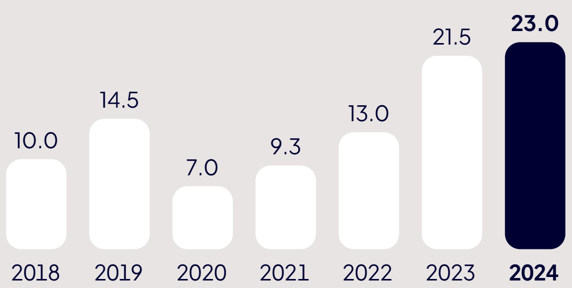
2023: 23.7 bn



Net Profit (AED billion)

23.0 bn

2023: 21.5 bn

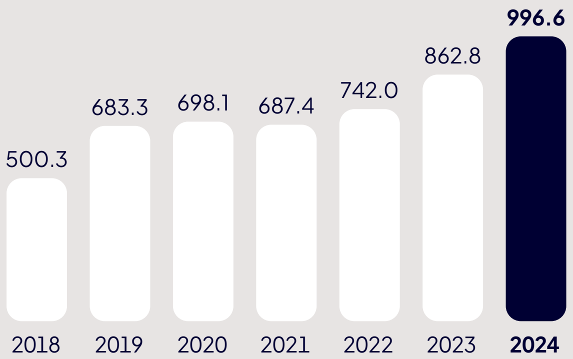


Assets and Loans

Assets (AED billion)

996.6 bn

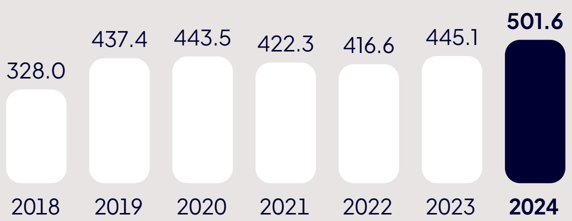
2023: 862.8 bn



Loans and Receivables Net (AED billion)

501.6 bn

2023: 445.1 bn

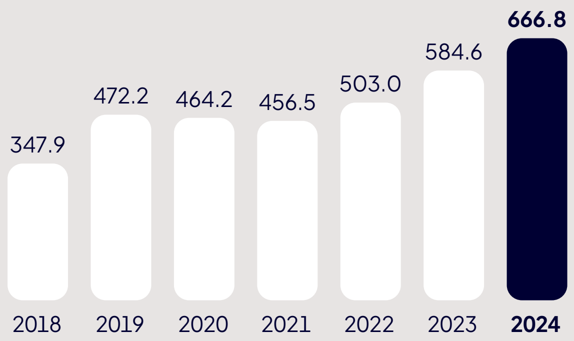


Customer Accounts and Equity

Customer Accounts (AED billion)

666.8 bn

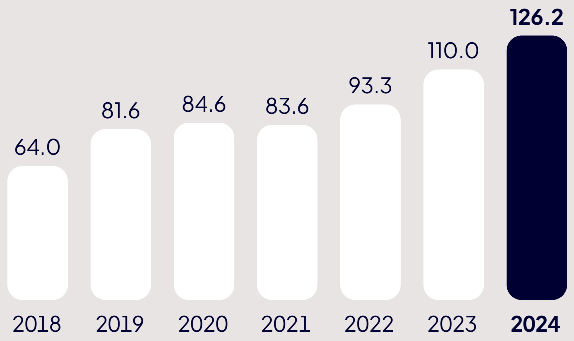
2023: 584.6 bn



Total Equity (AED billion)

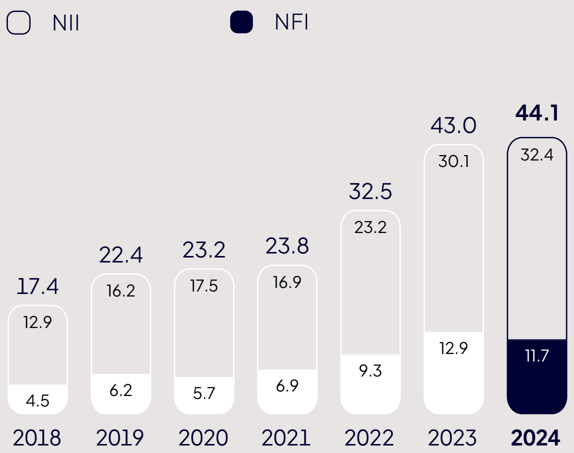
126.2 bn

2023: 110.0 bn



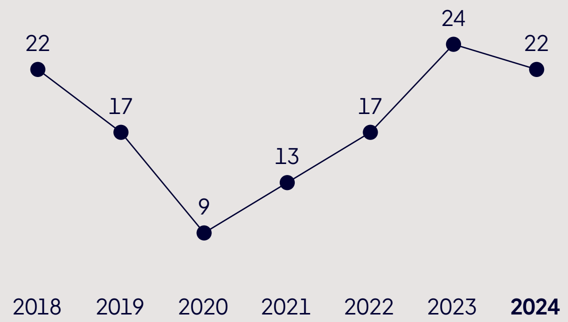
Sources of Operating Income

(AED billion)



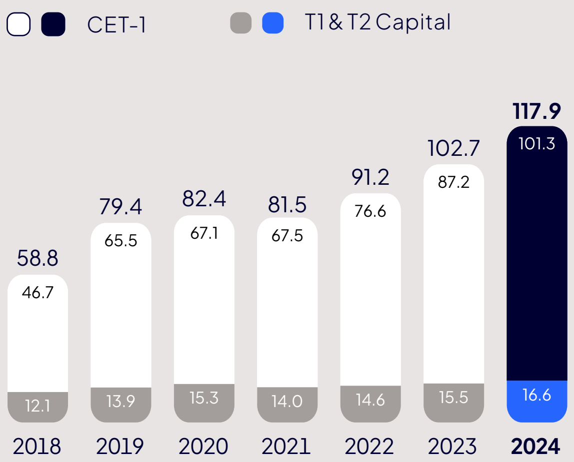
Return on Tangible Equity

%

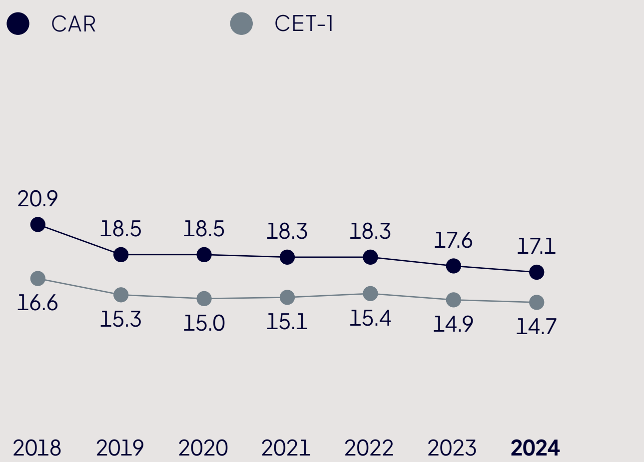


Capitalisation

(AED billion)



%



Corporate and Institutional Banking

Ahmed Al Qassim
Group Head of Wholesale Banking

Corporate and Institutional Banking ('C&IB') delivered strongest set of results for the year 2024 with a record net profit of AED 10 billion for the first time; backed by higher revenues of AED 8.2 billion and higher net credit recoveries.

The year was pivotal for C&IB bolstering its market leadership in both lending and deposits. C&IB's ability to understand, anticipate and react to market conditions, combined with continued digital investment and product innovation led to optimum use of resources and accelerated growth in revenues.

Income (AED)
8.2 bn
(+6% YoY)

Net Profit Before Tax (AED)
10 bn
(+38% YoY)

Customer Advances (AED)
231 bn
(+9% YoY)

Customer Deposits (AED)
243 bn
(+21% YoY)

Strategic Priorities

- Strengthen local market presence by generating high quality returns with improved funding quality mix.
- Grow balance sheet whilst improving profitability through cross-sell income and competitive pricing with disciplined risk management.
- Enhance offering of cutting-edge digital solutions and improve client experience.
- Leverage cross-border network opportunities across multiple geographies to diversify revenue streams and increase international market share.
- Deliver sustainable growth for clients by leveraging Emirates NBD's network with ESG linked product offerings across our footprint markets.

Segment Overview
C&IB is the trusted partner for businesses, blending global expertise with regional insights to deliver tailored financial solutions. C&IB serves a diverse client base, including the public sector, large corporations, multinational companies, and financial institutions, offering solutions that meet their unique challenges and growth ambitions. C&IB's comprehensive offerings include financing, investment banking, transaction banking, global markets and treasury services, supported by cutting edge technology and research insights. The business unit is committed to innovation, digitizing the corporate banking experience through co-created and integrated solutions.

2024 Progress
- Introduced new specialised coverage verticals to drive C&IB's strategy in relevant sectors.
- Continued focus on growing escrow business with growth in real estate transactions.
- The cost of risk improved with strong recoveries and enhanced lending credit quality.
- Provided digital solutions, accelerating digital transformation, for better client experiences across multiple sectors and regional markets.
- Reinforced Merchant Acquiring program to deliver cutting-edge solutions while also venturing into payment and blockchain initiatives.
- Increased international revenues with enhanced product offerings and capitalisation of network opportunities.
- Delivered sustainability-linked financing solutions, ESG-linked trade finance transactions and trading opportunities in carbon credit markets.
- The Investment Banking team arranged ESG issuances (conventional and Islamic) with key deals for strategic clients.

2024 Performance
- C&IB achieved an excellent 38% increase in its profit before tax, with net profit at AED 10 billion mark for the first time primarily on higher income and increased recoveries.
- Growth in lending activity by 9% with gross new corporate lending of AED 88 billion; despite limited growth opportunities and higher repayments.
- Improved liability-mix and growth in CASA due to increase in Real Estate transactions; further supported by API infrastructure developments.
- Increased cross-sell non-funded income (NFI) revenue across all products, mainly TRY Sales FX and Derivatives; higher fee income on increased lending and higher debt capital markets activities.
- Growth in international revenues on continued capitalisation of network opportunities.
- Lower cost of risk due to strong recoveries and improved credit quality lending.

Retail Banking and Wealth Management

Marwan Hadi
Group Head of Retail Banking and Wealth Management

Retail Banking and Wealth Management ('RBWM') delivered a record-breaking performance in 2024, driven by substantial growth in customer lending, deposits, and assets under management, supported by a strong low-cost funding base. Increased transaction volumes across foreign exchange, wealth management, and cards, coupled with enhanced cross-selling, significantly contributed to income growth, while notable progress was achieved across key priority areas.

Income (AED)
17.8 bn
(+10% YoY)

Net Profit Before Tax (AED)
10 bn
(+25% YoY)

Customer Advances (AED)
148 bn
(+30% YoY)

Customer Deposits (AED)
327 bn
(+12% YoY)

Strategic Priorities

- Ensuring clients stay at the heart of our operations while maintaining a strong focus on delivering a seamless customer experience.
- Driving core business across key client segments and product offerings.
- Focusing on future potential and strengthening our market share.
- Driving international diversification in key markets.
- Making banking even more accessible in digital spaces and continuing to increase efficiency.
- Driving progress in ESG priority areas.

Segment Overview

RBWM is the cornerstone of Emirates NBD's performance, delivering a comprehensive suite of financial products and services to a diverse clientele. With an extensive network nearing 200 branches and exceeding 1,300 teller machines, RBWM ensures accessibility and personalised service for its customers.

Its commitment to innovation is evident through its digital platforms, facilitating seamless banking experiences, including mobile banking applications and online wealth management tools. This strategic blend of physical presence and digital solutions has solidified RBWM's position as a leader in the region's retail banking sector.

2024 Progress

- Enhanced customer service through several initiatives including new layouts across branches leading to a 30% reduction in waiting time, numerous improvements at our Contact Centre such as IVR process optimisation and significant improvements in the time taken to answer calls. Our NPS in December 2024 reached 48 with a 25% reduction in complaints per 1,000 customers.
- Delivered core business growth evidenced by the following:
  - Maintained leadership as the UAE's largest deposit franchise and top credit card franchise, holding a one-third market share of card spend which grew 18% YoY.
  - Business Banking revenue accelerated nearly 80% since 2022, supported by a doubling of client acquisition and improved operational efficiencies including reduced account opening times, from four days to one.
  - Private Banking's remarkable growth, with fee income increasing by over 50%, advances by 51%, and deposits by 23%, driven by an enhanced client service model and the relaunch of its brand and value proposition.
  - Emirates Islamic's 23% growth in assets and a 16% growth in liabilities with the active customer base increasing by 13%.
- Strengthened our presence in Abu Dhabi, adding four new branches, 122 teller machines, and expanded our sales force. We launched two product propositions, including a partnership with Miral Group and a co-branded card with Etihad. We also secured a strong strategic positioning through airport branding for two years.

  Wealth Management saw assets under management grow by 58% YoY, with digital assets under management increasing fourfold, supported by the introduction of fractional bonds and sukuk, UK hedge funds, and an investment advisory service in Saudi Arabia.
- International franchise delivered robust financial results, with revenues growing 28% YoY. Saudi Arabia stood out, driven by branch network expansion, the launch of Employee Banking and Retail Liabilities Acquisition ('RLA') teams, and a revitalised wealth proposition. Other markets, including Egypt, the UK, and Singapore, also demonstrated robust performance.
- Delivered significant progress on goal to become a digital-first bank, and customers increasingly adopted digital services for a faster and frictionless experience. With over 1.6 million customers and an adoption rate of 91%, ENBD X achieved an app store rating of 4.7. ENBD X offers 195+ services, the highest in the market accessed by 88% of the customers. In 2024, every customer logged into ENBD X around 200 times on average. In 2024, 40% of new current accounts in UAE were opened via mobile app. We registered over 1 million clients on WhatsApp, offering more than 30 services through the channel.
- Milestones in sustainability included the launch of the first Emirates NBD Sustainable Fixed Deposit attracting USD 100 million, a 50% growth in EV loans, and the launch of our new financial wellbeing website.

2024 Performance

RBWM had an excellent 2024 with highest-ever revenue and net profit, strongest-ever acquisition of loans and a substantial growth in balance sheet.

- AED 67 billion of new loan origination; increase of 46% YoY. Advances increased by a record AED 34 billion in 2024, having grown by 30% from December 2023.
- Deposit growth of AED 34 billion in 2024 with a healthy CASA to Deposits ratio of 74%.
- One-third market share of UAE credit card spend as card spend grew 18% YoY.
- Income grew 10% YoY as RBWM delivered its highest-ever net funded and non-funded income.
- Delivered record Net Profit exceeding AED 10 billion on the back of strong income growth, healthy cost income ratio and moderate levels of delinquencies.

Global Markets and Treasury

Ammar Al Haj
Group Treasurer and
Head of Global Markets

In 2024, Global Markets and Treasury ('GM&T') achieved exceptional results, driven by strong performance across products and customer segments. The introduction of new offerings, effective balance sheet management, and increased customer activity, combined with ongoing digital transformation efforts, contributed to generating AED 2.7 billion in net income.

Income (AED)	Net Profit before Tax (AED)
2.7 bn	2.4 bn

Segment Overview
GM&T activities comprise of managing the Group's portfolio of investments, funds management, Islamic products (including Emirates Islamic) and interbank treasury operations including Treasury Sales and Structuring, Trading, and Global Funding.

GM&T plays a pivotal role as a primary dealer in the UAE Dirham sovereign market. Emirates NBD further demonstrated its commitment to ESG by issuing the world's first sustainability-linked loan under the new ICMA/LMA guidelines.

Strategic Priorities

- Enhance product offering.
- Deliver innovative structured solutions tailored to meet unique customer demands.
- Accelerate digitisation to elevate client experience.
- Promote sustainable finance through green and social issuances, deposits, and lending.
- Strategic balance sheet management.
- Continue to be a leading regional market maker.

2024 Progress
- Upgraded foreign exchange infrastructure, which enabled more competitive rates while enhancing the foreign exchange risk management.
- Launched sustainable deposits and voluntary carbon credits trading.
- Issued a USD 500 million SLLB, the first one globally to align with the newly published ICMA and LMA SLLB guidelines.
- Introduced several new products for customers, including commodity and structured products.
- Continued to be a leading regional market maker and ensuring competitive pricing for clients.

2024 Performance
GM&T delivered a solid performance, generating AED 2.7 billion in net income.
- Net Interest Income continued to be strong at AED 2.8 billion, despite increase in cost of wholesale funding and term deposits.
- Treasury Sales delivered strong results, driven by expanded product offering and innovative structured solutions for clients.
- The credit and foreign exchange trading desks reported robust numbers amid macro volatility, with credit trading reporting a 73% increase in P&L compared to last year.
- The commodity desk started warehousing risk on the crude oil complex, thus enabling more competitive pricing to customers.

DenizBank

Hakan Ateş
Chief Executive Officer – DenizBank, Türkiye

DenizBank showcased its strength in 2024, effectively managing a complex economic landscape. DenizBank maintained its strong profitability, with a stable total income amounting to AED 11 billion and a net profit of AED 1.2 billion, even after accounting for a significant hyperinflation charge of AED 3.1 billion. As Türkiye's fifth-largest private bank, DenizBank achieved a solid foundation, with total consolidated assets reaching AED 165.3 billion, gross loans amounting to AED 83.9 billion, and deposits standing at AED 97.4 billion.

Income (AED)
11 bn
(-2% YoY)

Net Profit before Tax (AED)
2.9 bn
(-14% YoY)

Customer Loans & Advances (AED)
83.9 bn
(+13% YoY)

Customer Deposits (AED)
97.4 bn
(+7% YoY)

Strategic Priorities

- Enhance engagement levels among customers acquired through digital channels and drive maximum digital channel penetration across the entire product portfolio.
- Optimisation of branch network to focus on growth through alternative distribution channels.
- Enhance focus on wealth management business by offering full product suite.
- Loan growth through risk-based pricing and focus on recoveries. Enhance focus on agriculture sector in the long-term to increase market share.
- Continue to focus on sustainable financing and decarbonisation.
- Continue to address regulatory challenges.

Segment Overview

DenizBank was established in 1997 and has evolved into a comprehensive financial services group in Türkiye. It offers a wide range of financial products and services, including retail and corporate banking, investment banking, and asset management.

It has expanded its operations both domestically and internationally, with subsidiaries in Austria. DenizBank has also been recognised for its technological advancements, establishing the first Digital Banking Department in Türkiye, and being named the "Most Innovative Bank in the World" multiple times.

Hakan Ateş retired as Chief Executive Officer of DenizBank on 31 December 2024 after 27 years of leadership. He will continue serving as a DenizBank Board Member, providing high-level oversight to ensure it continues contributing significantly to Emirates NBD Group's long-term international growth ambitions.

Recep Bastug was appointed as new Chief Executive Officer of DenizBank, effective 1 January 2025.

2024 Progress

- Through agile balance sheet management and pricing strategy, successfully navigated regulatory challenges.
- Strong loan growth of 39% in TL mainly driven by agriculture loans, SME loans, consumer loans, and FX commercial loans.
- Launch of dynamic branch structure to produce one-stop solutions for all the needs of the agriculture sector. Transformation of 300 branches resulting in almost three-fold growth in agricultural loans, and higher non-funded income.
- Introduced full suite of wealth management products including deposits, mutual funds, over-the-counter, and listed investment instruments.
- Enhanced digital capability in mobile app and online banking that helped improve onboarding process and drive maximum digital channel penetration across the entire product portfolio. For supplier financing, introduced a new solution enabling customers to quickly convert their invoices into cash without waiting for their due dates, thus contributing to the sustainability of the trade cycle.
- Rolled out sustainability-linked syndicated loans and murabaha syndicated loans amounting to USD 2.3 billion in total. Launched the TRUK Accelerator, a start-up acceleration programme supporting sustainability-focused start-ups, opening up to the global market with NEOHUB and Oxford Global Consultancy Company Oxentia.

2024 Performance

- Total loans increased to AED 83.9 billion up 13%, primarily driven through growth in agricultural loans, SME loans, and consumer loans.
- Total deposits increased to AED 97.4 billion up 7%, achieved through an increase in the customer base by 2%, facilitated through a large network of 644 branches operating in 81 provinces across Türkiye.
- Total income remained strong at AED 11.0 billion primarily due to robust non-interest income, driven by significant growth in fees and commissions.
- Cost to income ratio was recorded as 40.5%.
- Total assets increased by AED 17.9 billion to reach AED 165.3 billion.
- RoA of 7.4% has been achieved despite the hyperinflation impact.

Emirates Islamic

Farid AlMulla
Chief Executive Officer – Emirates Islamic

Emirates Islamic ('EI'), the leading Islamic banking entity within the Emirates NBD Group, ranks as the third-largest Islamic bank in the UAE by assets and branch network. With a balance sheet totalling AED 111.1 billion, EI achieved its highest-ever net profit of AED 2.8 billion in 2024, driven by a 12.6% growth in total income, which reached AED 5.4 billion for the year.

Income (AED)
5.4 bn
(+12.6% YoY)

Net Profit Before Taxation (AED)
3.1 bn
(+45.6% YoY)

Customer Advances (AED)
70.5 bn
(+31.1% YoY)

Customer Deposits (AED)
76.8 bn
(+25.2% YoY)

Strategic Priorities

- Ensuring customers focus while maintaining a strong commitment on delivering a seamless client experience.
- Continue to drive balance sheet growth while managing risk and maintaining funding quality.
- Prioritise investments in digital coverage to deliver services and gain efficiencies.
- Create seamless onboarding journeys for various products, such as Murabaha, Ijara, cards, among others and to enhance customer satisfaction.
- Continue to focus on ESG initiatives to deliver on COP28 commitments as part of Emirates NBD Group.

Segment Overview

Emirates Islamic was established in 2004 to deliver the highest standards of Shariah-compliant banking, offering a broad range of products and services designed for individuals and small businesses as well as large corporations through its distribution network across the UAE. It is the third largest Islamic bank in the UAE by total assets and is a public listed Company.

Emirates Islamic's wholesale banking division provides a comprehensive range of Shariah compliant financial products and services to its customers in respect of working capital financing, trade finance, project financing, syndications, FI, cash management and treasury services. Emirates Islamic's retail banking division offers a comprehensive range of Shariah compliant banking products and services through its network of 40 branches located throughout the UAE.

2024 Progress

- Expanded market presence through robust customer acquisition across products (such as salary transfer) and expanded coverage by onboarding new mid-market relationships. Introduced fractional sukuk for investors. Customer base grew by 6.5% to +700,000, and asset base surpassed AED 100 billion for the first time. Also, successfully executed its first USD 500 million Islamic syndicated facility, the first of its kind for a UAE Shariah-compliant institution.
- Made significant strides in digital transformation, with over 440,000 customers onboarded to EI+ mobile banking app, which accounted for 15% of new account openings. Corporate and Business Banking customers increasingly adopted the Business Online platform for operational needs, reducing processing times, and delivering a seamless customer experience.
- Achieved its best-ever customer satisfaction metrics, with the NPS increasing from 37 to 43. EI's focus on improving customer experience included strengthening fraud management, and enhancing first-call resolution, ensuring an elevated service standard across all customer interactions.
- Advanced ESG goals by issuing over USD 3.5 billion in ESG-related financing and issuing its first USD 750 million Sustainability Sukuk.

2024 Performance

- Lending increased by a record AED 16.6 billion, up by 28.3%.
- Deposit growth of AED 15.5 billion with a healthy CASA to Deposits ratio of 70%.
- Income up 12.6% as EI delivered its highest-ever funded & non-funded income.
- Return on assets of 2.8%, well above the industry average.

International

Aazar Ali Khwaja
Group Head International

International operations achieved outstanding outcomes across major markets in 2024, posting strong growth across critical performance indicators. The portfolio delivered solid results across all markets, underlining its resilience and strategic strength. Revenues from our international portfolio rose by 15% in 2024 alone, marking a remarkable 48% growth over the past three years. Sustained business momentum also drove an 26% increase in assets during 2024.

Revenue (AED)	Total Asset (AED)
2.8 bn	**81 bn**
6% of Group's revenue (+15% YoY)	8% of Group's total asset (+26% YoY)

Segment Overview

International has been making inroads on growing its branch network whilst driving operational and business excellence, achieving significant milestones in the journey towards greater aspirations for the Group.

In line with its accelerated expansion strategy, Emirates NBD opened six new branches across Saudi Arabia, taking the total number of branches to 21, while the overall international network grew to 93 branches across Saudi Arabia, Egypt, the UK, Singapore, and India.

With an increasingly diverse workforce of more than 4,600 employees, International has been instrumental in expanding the Group's geographic and economic reach.

Strategic Priorities

International remains committed to its strategic vision of positioning Emirates NBD as the primary banking partner for both its domestic and multinational clients, and the bank of choice for affluent customers. It will continue to ensure that best practices and innovative offerings reach every corner of the network, delivering both business growth and service excellence. Specifically, the business is driven to further grow the cross-border network linked business and focus on developing market-leading cross-border solutions.

- Enhance engagement levels for international customers and maintaining a strong commitment on delivering a smooth customer experience.
- Remaining focused on investing in digital and IT systems and bringing innovative solutions and products for customers.
- Emirates NBD will continue its journey of expanding its footprint around the globe.
- With a view to offer geographical diversification to the Group's clients, Emirates NBD will continue to serve customers with linkages to the GCC and larger MENAT region.
- Focus on embedding environmentally and socially responsible practices into products and services, as well as internal operations.

2024 Progress

Driving Innovative Product Offerings and Digital Solutions

- Introduced signature banking and premium propositions for high-net-worth clients and a new MNC desk in Egypt, leading to an unprecedented growth in new-to-bank clients and strategic partnerships in Egypt.
- In Saudi Arabia, invested to further enhance digital channels and services, including mobile banking, and launched various Islamic offerings.
- In London, significantly increased both balance sheet and investment assets under management, driven by personalised services and the addition of structured products, a bespoke hedge fund solution, and securities trading through a dedicated trading platform.
- Singapore Private Banking transitioned to a larger wealth management proposition, extending offerings and infrastructure to accredited investors in other eligible client segments.

Growing Coverage and Market Share

- In Saudi Arabia, opened six new branches, taking the total number of branches to 21 across six cities.
- Strong credit card acquisitions in both Saudi Arabia and Egypt, with notable growth in Saudi credit card market share.
- In London, accelerated balance sheet growth in C&IB was driven by a number of cornerstones deal as a bookrunner. Healthy growth in off-balance sheet revenues included debt capital market issuances for select FTSE 100 companies, and FX and derivatives programmes for clients.
- Emirates NBD India facilitated numerous corporates, banks, and non-banking finance companies for cross-border trade business and debt raising.

Focusing on Network Business

- Organised successful cross-border business delegations between Saudi Arabia, Egypt, and DenizBank, resulting in onboarding of new clients and facilities.
- Singapore branch deepened Emirates NBD's network operations, growing the trade, working capital, and supply chain financing book. It also worked closely with Emirates NBD Capital to help Asian clients successfully raise capital – both conventional and Islamic – from Middle Eastern banks.

Embedding Sustainable Policy and Practices

- Integrated sustainable finance policies within Emirates NBD Egypt's credit and investment policies, in addition to the publishing of local subsidiary's first sustainability report.
- Six additional Emirates NBD branches in Saudi Arabia achieved Gold-level LEED-certification, along with the First Platinum LEED-certified branch located in King Abdullah Financial District; thereby reflecting the commitment to energy efficiency and eco-friendly building practices.

2024 Performance

Emirates NBD KSA capitalised on its expanded presence across Saudi Arabia, which was reflected in its excellent loan portfolio growth across both corporate and retail banking, driving record level of revenues.

- Revenue grew 36% over the previous year, along with an impressive 67% growth in loans, despite unprecedented rises in benchmark rates and the resultant increase in cost of funding.

Egypt: Amidst several macroeconomic challenges and heavy currency devaluation, Emirates NBD Egypt produced a remarkable performance, achieving its highest-ever revenue in AED terms, whilst growing revenue by an outstanding 3% and loans by a healthy 40% in local currency terms.

- The introduction of a flexible exchange rate regime and the high interest rate environment further led Emirates NBD Egypt to achieve unprecedented NIM levels and earn more trade and FX income.
- Emirates NBD Egypt also maintained a controlled level of cost and credit impairments reflecting the efficiency of its operations and prudent credit risk management.

Emirates NBD London continued its accelerated growth path, supported by the diversity of its revenue stream across both C&IB and private banking.

- Emirates NBD London achieved 2% growth in revenue and 28% growth in loans.

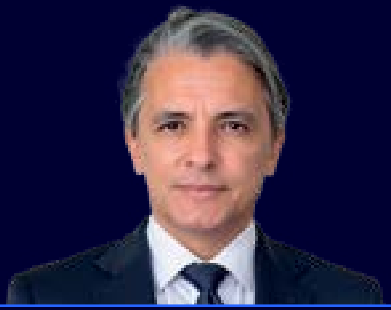
Emirates NBD Singapore delivered an excellent performance.

- Emirates NBD Singapore achieved a significant 26% growth in revenues largely driven by an outstanding growth in fee and commission income, while loans also grew by 34%, reaching record levels.

Emirates NBD India has delivered consistent balance sheet and revenue growth over the years.

- Emirates NBD India achieved 12% growth in revenue and 15% growth in loans.

Information Technology and Digital



Miguel Rio-Tinto
Group Chief Digital and Information Officer

In 2024, Group Information Technology ('Group IT') and Group Digital Office delivered significant milestones in advancing Emirates NBD's digital transformation and reinforcing its position as a regional leader in data-driven, digitally focused, and sustainable banking. By modernising the infrastructure and enhancing in-house engineering and digital capabilities, these units improved existing offerings and launched new, customer-centric digital products and services that supported business growth.

280+
Technology Initiatives

Doubled daily API calls at
67 bn

97%
Automated Testing

Climate Neutral Data Centres
in UAE

21%
Growth in system transactions daily

Employees engaged throughout CSAM
19,000+

30%
Improvement in-house engineering productivity

Employees showcased secure coding and cyber defender skills
2,350+

Strategic Priorities

- Transforming digital products and customer experiences by expanding digital capabilities, developing innovative solutions and re-engineering processes to deliver seamless and intuitive banking services.
- Driving innovation across borders by fostering strategic partnerships and co-creating with government entities, academic institutions, private organisations, and fintechs.
- Building modern and resilient infrastructure through continued investments in cloud adoption, operational scalability, and sustainable practices to enhance reliability and efficiency.
- Strengthening technology governance and cybersecurity capabilities to safeguard customer data and operational integrity.

Segment Overview

Group IT and the Group Digital Office are central to Emirates NBD's operations and digital transformation journey. Together, they provide the foundation for seamless banking services, secure operations, and innovative solutions that enhance customer experiences and support the bank's long-term goals and growth.

Group IT is the engineering powerhouse of Emirates NBD, responsible for developing the applications and products for customers and managing the platforms and infrastructure that underpin its operations and services. Group IT's primary objective is to modernise and digitise banking services, offering Emirates NBD's customers faster, simpler, reliable and secure solutions. The Group Digital Office reimagines customer experiences and re-engineering processes to design seamless and intuitive banking products and services. It fosters innovation through partnerships with government entities, academic institutions, private organisations, and fintechs.

2024 Progress

Transforming Digital Products and Customer Experiences

- Achieved 94% digital customer onboarding in retail banking, with 93% of services and 98% of transactions fully automated, enabling faster and more seamless customer interactions. Introduced over 45 digital services for Corporate and Business Banking, with 93% of requests now originating online.
- Enhanced the ENBD X mobile app with new digital wealth offerings and launched the new El+ and Liv X on the same scalable X platform for integrated and consistent banking experiences. Developed new products and services such as the AI-powered Smart Customer Acquisition to enhance onboarding for Business Banking, the region's first Real-Time Payment Tracker for transaction transparency, and the in-house 4X platform to optimise foreign exchange operations for relationship managers and traders.

Driving Innovation Across Borders

- Reinforced the Group's role as a launchpad for global-scale innovation in the financial sector and supported the UAE's fintech ecosystem through strategic initiatives such as the National Digital Talent Incubator (NDTI)® empowering Emirati entrepreneurs with cross-border global insights and collaboration opportunities with DenizBank's NEOHUB and innovation hubs in Türkiye and Egypt.
- Partnered with fintechs to address key business challenges with innovative solutions such as real-time credit decisions, crypto transaction monitoring tools, and sustainability tracking. Strengthened Emirates NBD's Digital Asset Lab with new council members, Chainalysis and Chainlink Labs, and expanded its collaboration with UAE's academia to nurture future-ready digital talent in the Future Leaders Outreach Program.

Building Modern and Resilient Infrastructure

- Launched a multi-year Ironclad Program with more than 85 initiatives covering broad and deep technological investments to make the Group the most reliable, resilient, and secure bank in the world. This programme included launching a fully carbon neutral, Tier III Data Centre in the UAE to ensure uninterrupted support for critical systems and migrating 85% of the bank's IT platforms and applications in the Kingdom of Saudi Arabia to the cloud, improving service delivery and operational agility across the region.
- Accelerated time-to-market for new products and services, improved core system processing time and increased in-house engineering productivity by 30% with adoption of advanced technologies and fully automated testing across all platforms.

Strengthening Cybersecurity

- Implemented advanced measures including real-time risk monitoring, automated compliance tracking, and stringent controls to mitigate risks from cloud environments and AI-driven tools.
- Educated over 19,000 employees in Cybersecurity Awareness Month on the latest cyber threats and prevention strategies through various activities such as secure developer competitions and online gaming tournaments, fostering a more robust and proactive security culture across the organisation.

Emirates NBD Global Services LLC

Maryam Bahlooq

Over the past few years, Emirates NBD Global Services LLC has significantly invested to automate and digitise its processes, such as Straight-Through Processes ('STP') and Robotics Process Automation to cater for the significant increase in volumes in both Emirates NBD and Emirates Islamic.

Throughout the year, Emirates NBD Global Services LLC remained dedicated to implementing a range of strategic initiatives designed to optimise business process and vastly improve product specific customer journeys in line with the overarching vision and mission of the Group.

Self service transactions
8.7 mn

Nationalities
59

Employees
5,192

Segment Overview

Emirates NBD Global Services LLC, a fully owned subsidiary of Emirates NBD, is the GCC's premier provider of large-scale business services. With a diverse workforce of over 5,000 employees representing 59 nationalities, Emirates NBD Global Services LLC leverages global expertise alongside Emirati talent. This multicultural environment fosters a vibrant and inclusive company culture, characterised by a young and dynamic professional spirit.

Emirates NBD Global Services LLC operates with a strong focus on achieving results through collaborative teamwork. The organisation is structured to prioritise client success, with dedicated leadership and support teams providing real-time assistance to both clients and operational units.

The organisation upholds high standards of conduct, guided by a robust cultural code that emphasises integrity and ethical decision making. This code serves as a guiding principle for all employees, ensuring that all processes and policies align with the Company's core values.

Strategic Priorities

- Enhance customer experiences through innovative service delivery and streamlined journeys, reinforcing our commitment to convenience and efficiency.
- Enhance customer service by reducing repeat calls and improving resolution efficiency.
- Collectively reinforce financial stability, mitigated risk, and strengthened strategic alignment, driving impactful results.
- Simplify cumbersome processes while identifying opportunities to improve the way performance management is measured and managed across Product Operations units.
- Serve customers with bespoke solutions and empower them with best-in-class banking services and offer customers an instant journey of for new accounts opening in assisted banking mode.
- Develop and implement robotic solutions to eliminate manual effort, achieve better automation, and efficiency.
- Streamline customer journeys and accelerate onboarding processes.
- Create a solution that enables us to optimise the account opening process and reduces the need for colleagues to fulfil mundane tasks.
- Optimise workforce management for enhanced productivity, efficiency, and customer experience.
- Develop a new way of working designed to promote transparency, quick response to problem solving and delivery in an agile manner across Voice and Operations units.

2024 Progress

- Achieved a surge in digital adoption, with over 8.7 million self-served transactions completed across digital channels (mobile, online, WhatsApp, website), and IVR. Active customers grew at a CAGR of 10% and 15% in Emirates NBD and Emirates Islamic, respectively, while overall customer demand at the contact centre decreased by 12% and 6% for Emirates NBD and Emirates Islamic due to increased use of digital self-services. Launched the First Contact Resolution ('FCR') initiative, integrating 74 fields from multiple applications into the CRM and implementing 10 STPs, streamlining workflows and enabling faster issue resolution.
- Enhanced value through financial remediation initiatives that automated processes, optimised workflows, and improved compliance. Expanded system availability to 24/7 for over 1,400 users, increasing productivity. Completed critical data migrations to ensure business continuity and accuracy while reducing errors and improving efficiency. These efforts collectively strengthened financial stability, mitigated risks, and aligned with strategic objectives.
- Continued leveraging the Lean TxT transformation methodology to simplify complex processes within Product Operations units. Engaged over 800 employees in the initiative, identifying and optimising more than 430 processes to enhance performance management and efficiency.
- Introduced tablet banking onboarding as a fast-track solution for all customers. The platform enables instant new account openings in an assisted banking mode, integrated with UAE Pass for immediate authentication and a paperless process.
- Implemented three key RPA projects: Mortgage Creation for Auto Products, Home Loan Valuation Initiation, and Staff Banking Data Entry Automation. Achieved significant savings, improved turnaround times, and enabled 24/7 BOT availability during peak month ends. Digitised the mortgage disbursement process, enhancing customer experience and streamlining payment fee collection via a payment link instead of branch visits or manual debit.
- Leveraged the next-generation digital banking platform using cloud-native technologies to streamline customer journeys and accelerate onboarding. Delivered bundled banking solutions (accounts, credit cards, and loans) within seven minutes through a scalable, secure AI/ML-driven architecture. Integrated real-time credit decisioning, pricing, fraud detection, and customer screening to elevate the banking experience.
- Launched an intelligent character recognition solution, combining robotic process automation with automated data extraction for the account maintenance journey. This innovation reduced manual tasks by directing extracted data into a workflow system, optimising account opening processes.
- Introduced 7EVEN, a transformative initiative across Voice and Operations, to promote transparency, rapid problem-solving, and agile delivery.
- Deployed a Workforce Management solution in Product Operations to enhance visibility into agent productivity and implement key functions such as work prioritisation, scheduling, forecasting, intelligent work allocation, and distribution. Automated work allocation in areas including credit cards, account opening, account maintenance, trade, customer care, and service centres. Plans are in place to expand delivery across Product Operations into 2025, further improving staff productivity, resource efficiency, and risk management.

Corporate Venture Fund

Neeraj Makin
Group Head - Strategy, Analytics and Venture Capital

The Emirates NBD Innovation Fund (the 'Fund') delivered a landmark performance in 2024, establishing itself as a driving force in fostering innovation and strategic growth. The Fund succeeded in extending its global reach, strengthening its position within critical ecosystems, and collaborating with market leaders across key regions. These efforts led to a doubling of new investments since the previous year, while also expanding its engagements and its scouting presence in new geographies.

Fund size (USD)	Total Investments
100 mn	10
Fund Deployed	**Live Investments**
34%	9
Company Engagements	**Exit**
71	1

Fund Overview

The Fund was established in early 2023 as the Group's Strategic CVC, with the vision of investing in potential fintech and tech companies that have strategic relevance to Emirates NBD Group across its geographic footprint. It is designed to support the Group's ambitions to be at the forefront of innovation, key industry trends, and best-in-class digital experiences. The Fund's portfolio companies sometimes also launch on the Group's own platforms and/or offered to customers, driving innovation from the outside-in.

The Group recognises the rapidly changing technological landscape and the impact it has on the industry. It remains committed to finding and supporting the next generation of companies that will shape the future of banking and finance.

Investment Thesis

The Fund's mandate is to invest in a wide range of stages, from early to growth, depending on the strategic fit for the Group. It actively scouts and invests in companies globally, highlighting the strength of Emirates NBD and its ambitions to work with the best solution providers globally. The Fund's investment period is evergreen. Therefore, while financial return on investment in the long term is important, in the short to medium term its strategic priority is to drive operational, technological, revenue or cost benefits to the Group through each investment.

2024 Progress

- Invested in seven new companies taking the total live investments to nine. Several of these investments are already live on Emirates NBD's platforms, while others are in development, demonstrating the Fund's dual focus on portfolio growth and delivering tangible value to the Group.
- Expanded global scouting to include five additional countries, forging partnerships with global leaders in banking, fintech, technology, incubation, acceleration, and investment funds, strengthening the Fund's reach and influence across new geographies.
- Diversified investments across geographies, stages, and industry verticals, while focusing on emerging technologies, accelerating the organisation's innovation adoption and driving understanding of new opportunities in cutting-edge spaces.

Group Compliance

Group Compliance plays a pivotal role in safeguarding Emirates NBD Group against compliance risks, which encompass regulatory sanctions, financial penalties, and reputational damage resulting from non-compliance with laws, regulations, policies, or best practices. The function works closely with the Group's Senior Management to design, implement, and support a robust compliance framework that mitigates risks across all jurisdictions where Emirates NBD operates.

> "The Group maintains a strong governance structure to address compliance matters comprehensively."

Emirates NBD operates under the primary regulation of the CBUAE, adhering to UAE laws while ensuring compliance with regulations in other jurisdictions. The Group also aligns its policies and procedures with international best practices, reflecting the standards expected by its correspondent banking partners.

The Group maintains a strong governance structure to address compliance matters comprehensively. Regulatory and compliance updates are regularly presented and reviewed in the Management and Board Committee meetings. Open and collaborative relationships with regulators and correspondent banks remain a cornerstone of the Group's compliance strategy, with regular engagements focused on key compliance metrics and initiatives.

Recent years have seen heightened regulatory focus on financial crime compliance, driven by the 2020 Financial Action Task Force Mutual Evaluation Report of the UAE and increased sanctions activity, particularly related to Russia by G7 countries. These developments have led to a surge in regulatory guidance, notices, and the establishment of Public-Private Partnerships at federal and emirate levels.

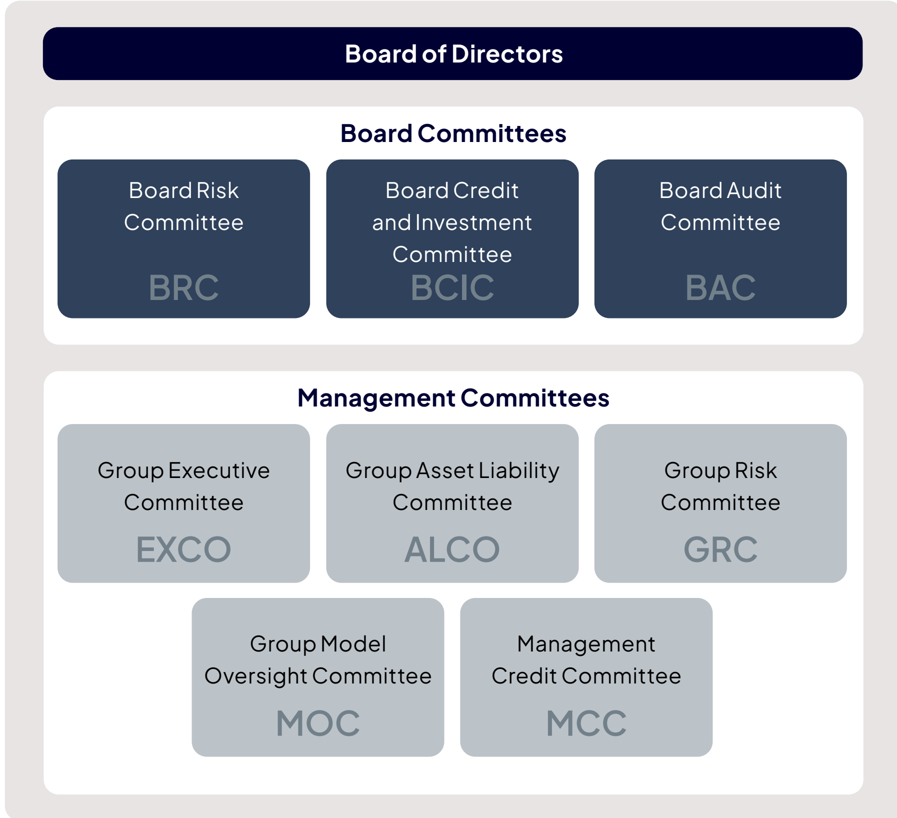
In response to this evolving regulatory landscape, Emirates NBD's Group Compliance function has continuously enhanced its compliance framework and infrastructure, implementing key improvements including:

- Updating policies across critical areas, including AML/CTF, Sanctions, Conflict of Interest, Regulatory Communication and the Compliance Charter.
- Upgrading compliance screening and monitoring systems for greater efficiency and effectiveness.
- Developing an AI-driven machine learning model in collaboration with the Advanced Analytics Centre of Excellence to risk-rate AML transaction monitoring alerts, prioritising high-risk cases and automating low-risk alert management.
- Enhancing mandatory Financial Crime and Sanctions Compliance training programmes, with tailored training for staff in high-risk segments.

These measures reflect Emirates NBD's unwavering commitment to maintaining the highest standards of compliance and risk management, ensuring the Group continues to meet evolving regulatory expectations while protecting its stakeholders and reputation.

Risk Management

Emirates NBD takes a proactive and holistic approach to identifying, assessing, and mitigating risks, ensuring seamless alignment between its strategy and business performance. With a robust risk governance structure and management frameworks embedded across all levels of the organisation, the Group fosters a culture that empowers every function and employee to play an active role in recognising and addressing risk factors.



Risk Management Framework
In achieving its strategic ambitions, Emirates NBD navigates a diverse spectrum of risks. The Group's risk management framework is anchored in a strong risk culture and values, and ensures an integrated approach to identifying, monitoring, managing, and mitigating key risks across the organisation.

By fostering robust governance, proactive assessment, and a clear understanding of risk appetite and tolerance, the framework enables Emirates NBD to manage financial and non-financial risks effectively, while maintaining regulatory compliance and aligning with its strategic objectives.

These frameworks are continuously refined to adapt to an evolving risk landscape, safeguarding the Group's resilience and the interests of all its stakeholders.

Risk Governance
To ensure comprehensive and effective risk governance, Emirates NBD's Board of Directors plays a critical role in overseeing a Group-wide approach to risk management. It is responsible for providing oversight mainly through the Board Risk Committee ('BRC'), which presides over the establishment and operations of the risk management framework. This role is further strengthened through the support of the Group Risk Committee ('GRC'), which is a management committee with representation from both the risk-taking and risk control units to emphasise shared risk management responsibilities.

A best practice three lines of defence model is applied by Emirates NBD as an integral component of its risk governance

1

First Line of Defence
Business units (Relationship and Product) originate risk and are responsible and accountable for ongoing management of such risks. This includes direct assessment, and control and mitigation of risks.

2

Second Line of Defence
Risk management, finance, and compliance functions complement the business lines' risk activities through their monitoring and reporting responsibilities. They are responsible for overseeing the Group's risk-taking activities and assessing risks and issues independently from the business line. These functions emphasise the crucial role of business line managers in identifying and documenting risk owners as part of the New Product and Process Approval ('NPPA') process ensuring a thorough and critical assessment of risks.

3

Third Line of Defence
An independent and effective internal audit function delivers impartial review and objective assurance on the quality and effectiveness of the Group's internal control system, as well as its first and second lines of defence.

Principal Risks

The Group's risk management framework identifies and defines the material risks encountered in its day-to-day operations, ensuring they are continuously assessed and updated to keep pace with an ever-evolving market landscape. Central to this framework is the Risk Appetite Statement ('RAS'), which outlines the levels and types of risk the Group is prepared to accept, underwrite, or be exposed to in pursuit of its business objectives.

Aligned with the Group's strategic priorities, the RAS is reviewed annually and serves as a proactive tool to monitor principal risk exposures through key risk metrics and predefined thresholds. These metrics provide a clear alignment between risk appetite and the strategies for business, clients, and products, fostering a balanced approach to growth and resilience.

The Enterprise and Regulatory Risk function oversees emerging risks and ensures seamless coordination amongst risk functions. This holistic approach enables the Group to achieve its strategic goals effectively while remaining firmly aligned with its defined risk appetite.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Credit Risk		
This is the risk of financial loss arising from a borrower's/counterparty's failure to meet their contractual obligations to the Group. This could arise in various business segments such as Corporate & Institutional Banking, Business Banking, Private Banking or Retail Banking.	There is a well-defined governance structure in place to manage credit risk, including credit concentration risk and country and transfer risk. The BRC, BCIC, GRC and MCC are the main Board and management committees with oversight of credit risk and are supported by the Group Risk Management and Group Credit Departments. Their governance is supplemented by forums, systems, policies, underwriting standards, procedures, and processes. These stipulate an end-to-end approach for the management of credit risk across the credit lifecycle, from loan origination to final settlement. The Group follows prudent lending policies with adjustments made based on portfolio performance and the external environment. There is a team dedicated to recovery from delinquent customers to ensure efficient collections and remedial measures, and to reduce the flow of new NPL to minimise their impact on the Group's performance.	The Group proactively monitors portfolios and implements strategies considering the external environment, focusing on sustainable growth across business segments. The Group's well-defined credit policy covers various aspects including the early alert process, monitoring processes, and sectoral appetites. Limit frameworks against name, sector and, geography (amongst others) ensure that exposures or potential exposures do not exceed the risk appetite or regulatory limits. The Group follows CBUAE regulations and International Financial Reporting Standards 9 requirements, ensuring compliance to classification and provisioning requirements.
Counterparty Credit Risk		
Counterparty credit risk ('CCR') is the risk that the counterparty to a transaction could default before the final settlement. The value of derivative transactions will change with fluctuations in factors such as interest rates, foreign exchange rates, equities, or commodities. The Group is exposed to CCR from its sales, trading, and balance sheet management activities.	CCR is managed though the Counterparty Credit Risk Policy. The BCIC and BRC are the Board committees with oversight of counterparty credit risk. The MCC, MOC, and GRC are the management committees responsible for the same and have oversight of policies, methodologies, and the limit framework.	CCR positions are monitored daily against approved limits. These limits are reviewed annually in accordance with applicable credit policies, processes, and approval delegation. Interim reviews are undertaken where necessitated by change in counterparty creditworthiness and/or business plans.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Market Risk		
This is the risk that arises from changes in market variables such as interest rate, foreign exchange rates, credit spreads, equity prices, commodity prices, their correlations and implied volatilities. The Group is exposed to market risk from its trading, client servicing, and balance sheet management activities.	The Group BRC, ALCO, MOC and GRC are the Board and senior management committees that support the Group in managing market risk. They establish the market risk management policy, methodology, and limit framework governing prudent market risk-taking backed by measurement and monitoring systems and internal controls. They are supported by the Group Market and Treasury Credit Risk unit which operationalises the market risk management framework to support business conduct while ensuring adequate risk control and oversight.	The market risk management strategy and market risk limits are established within the Group's risk appetite and business strategies (taking into account macroeconomic and market conditions). The treasury trading book market risk positions are monitored on a daily basis against approved and allocated market risk limits by independent support units.
Asset Liability Management Risk		
Asset Liability Risk Management ('ALM') is the strategic management of the Group's balance sheet structure and liquidity requirements covering liquidity sourcing, diversification, interest rate and structural foreign exchange management.	The Group ALCO is responsible for the management of the Group's balance sheet and liquidity risks. The GRC and BRC establish the ALM policy, methodology, and limit framework. It is supported by the ALM desk within the treasury unit for day-to-day management with independent oversight from Group Market & Treasury Credit Risk and Group Finance units.	ALM metrics covering liquidity, interest rate risk in the banking book and structural FX are reported to the Group ALCO on a monthly basis and BRC on a quarterly basis by Group Market & Treasury Credit Risk and Group Finance.
Capital Risk		
This is the risk of the Group's capital composition or level falling below levels sufficient to support its strategy or meet regulatory thresholds. Capital Adequacy (Reporting/Assessment) Process is a comprehensive activity undertaken by the Group on a periodic basis to estimate the capital requirements generated by its assets. This covers both regulatory capital reporting (Pillar I and III) as well as Internal Capital Adequacy Assessment Process ('ICAAP') and stress testing (Pillar II).	The Group maintains a capital management policy which establishes mechanisms and procedures to ensure that the appropriate level of capital is maintained. The BAC and BRC have oversight of the regulatory capital reporting process and are supported by Group Finance and Group Capital Analytics units.	The regulatory capital adequacy reporting process is done by the Group on a quarterly basis while ICAAP is conducted annually. These processes follow the guidelines set by the CBUAE or relevant supervisory body where the Group is benchmarked against the regulatory and RAS thresholds. In addition to RAS, the Group has implemented a Recovery Plan in line with CBUAE regulations and set up thresholds for capital indicators with monitoring on a quarterly basis.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Operational Risk		
This is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events.	The BRC is the Board committee with oversight of operational risk. GRC supports the BRC in the oversight of framework, policies, and methodology documents. Group Operational Risk maintains the overall operational risk management framework that includes management of fraud risk, cyber risk, outsourcing risk, and business continuity management. The unit works closely with the Group's business lines to raise awareness of operational risk. Key risks are identified and discussed at functional and operational risk meetings and the GRC. These form the cornerstone of the Group's operational risk management activity.	Group Operational Risk develops and implements the methods for the identification, assessment, measurement, and monitoring of operational risk throughout the Group and provides regular and comprehensive reporting on operational risks to senior management and the BRC.
Conduct Risk		
This is the risk that the Group, its staff, or third parties associated with the Group conduct business in an inappropriate or negligent manner that leads to negative customer outcomes or has an adverse effect on market stability/reputation, or fair competition.	The Conduct Risk Framework details the process for management of conduct risk at Emirates NBD. The framework is maintained by Group Conduct Risk with oversight from the GRC and BRC.	Regular updates are provided to the GRC and the BRC on conduct risk exposure to ensure that management is aware of the risks enabling informed decision making and prioritisation of actions. Additionally, risk appetite metrics have been defined for the monitoring of conduct risk.
Reputational Risk		
Reputational risk is the risk of damage to a Group's reputation as a result of any event, arising from negative publicity about its business practices, conduct, or financial condition.	The Reputational Risk Policy is designed to ensure all organisational units effectively identify, measure, manage, and monitor the reputational risks that arise from the ongoing operations. The governance of the Group's reputational risk management is integrated into the Group's broader risk management framework. The Board, and BRC, through delegated authority, have ultimate responsibility for the oversight of reputational risk.	Reputational risk can arise as a by-product of other interconnected risks, and therefore is considered when assessing other key risks of the Group, as defined within the broader risk management framework. Reputational risk exposure is assessed principally via the existing risk assessment methods of the Group and during the annual ICAAP assessment. Following identification and assessment, key risks are monitored and reported to the BRC.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Compliance Risk		
Compliance risk can be defined as the risk of regulatory sanctions, fines and losses associated with damage to the Emirates NBD Group's reputation as a result of its failure to comply with applicable laws, regulations, policies, or good practices.	Compliance is the responsibility of all staff and the Group's systems of internal controls are critical to prevent and detect the Group and the wider international financial system from being abused to support money laundering, terrorism, sanctioned targets, and crime. Key internal controls to support this include employee awareness, and vigilance and Compliance screening and monitoring systems. The GRC, BAC and BRC are the main management and Board committees with compliance risk oversight.	Group Compliance is responsible for assisting the Group's senior management in designing, implementing, and supporting a framework to ensure appropriate measures are in place to mitigate compliance risks in all of the jurisdictions the Group operates in. All relevant Compliance matters are discussed and reported at the GRC, BAC, and BRC.
Legal Risk		
This is the risk of imposition of penalties, damages, or fines, or regulatory or reputational loss or harm from the failure of the Group to meet its legal obligations, including regulatory or contractual arrangements, customer relationships, and/or products and/ or services, or failure of operational processes and controls.	The overall responsibility for legal risk is with the Board. An independent unit within the Group manages legal affairs. The unit reports directly to the Group CEO and works closely with the first and second lines of defence to monitor and mitigate legal risk across the Group. It manages legal risk around transactions, manages the Group's litigation activities, continuously reviews and upgrades legal aspects of the Group's policies, terms and conditions, and other documentation, and provides ongoing legal risk education/training for internal stakeholders about relevant legal developments and steps the Group and stakeholders are expected to take to help manage legal risks.	Group Legal records and maintains a comprehensive database of civil legal cases filed for and against the Group. The risk profiles of material cases against the Group are discussed with senior management and reported to the GRC and BRC.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Strategic Risk		
Strategic risk implies the risk of disruption to the defined Group strategic priorities, either through changes in core assumptions or changes in internal or external parameters driving the strategy.	Strategic risk is defined, managed, and monitored at a Group level. Various management committees monitor progress against specific strategic areas across the Group via periodic activities. These include the Group EXCO, Group ALCO, GRC, IT Steering Committee, and the Digital, Analytics and Fintech Committee.	Initiatives and priorities defined and agreed on as part of the Group-level Strategy, and those cascaded down to the segments/units/international subsidiaries are monitored on an ongoing basis, in order to timely identify any potential risks to the defined strategy and table any required adjustments to the various committees.
Shariah Risk		
This is the risk emanating from the non-compliance of the Islamic banking activities of the Group with the guidelines, resolutions, Shariah pronouncements and Shariah standards issued by the Higher Shariah Authority ('HSA') at the CBUAE and the Group's Internal Shariah Supervision Committee ('ISSC') and that can lead to reputational risk, regulatory risk, and financial losses.	The ISSC undertakes Shariah oversight and supervision of the operations, business, and the code of conduct of the Islamic window of the Group.	Shariah compliance monitoring in the Group is done across the three lines of defence. ISSC issues an annual report stating the extent of the Group's compliance with Shariah principles. The report is presented to General Assembly following the HSA approval.
Model Risk		
Model risk is the potential loss the Group may incur from making decisions based on inaccurate or erroneous model output due to the mistakes made in model development, implementation, or inappropriate usage of models. The potential loss could be in the form of financial loss, reputational risk events, or regulatory sanctions or fines.	A Group MOC is in place to support the Board in the oversight of model management. It oversees the implementation of the Group Model Governance and Management Framework, which establishes an operational framework to govern and manage all steps in the model lifecycle, including the development, validation, approval, implementation, monitoring, and use of models, in alignment with CBUAE Model Management Standards and Guidance.	Model risk control is also conducted at the Group level. It is supported by the Group-wide model inventory which records comprehensive information for models used by the Group. The Group Model Validation unit is one of the key model risk control functions leading the Group's model risk management. It is supported by the MOC to enforce strong and effective model validation, governance, and other controls.

Principal Risk	Risk Oversight	Risk Monitoring & Reporting
Environmental & Social Risk		
Environmental and Social Risks ('ESR') are the potential risks arising from a range of environmental factors, including climate change, deforestation, and biodiversity loss, as well as social concerns such as human rights violations, unfair labour practices resulting in reputational, financial, and regulatory consequences for being associated with activities that contribute to environmental harm and social injustice.	The Group has developed an ESR Framework which aims to foster decision making that aligns with its commitment to deliver responsible financial services. While the Board has the ultimate responsibility of implementing the framework, it has delegated the governance and oversight to the BRC. At an operational level, the GRC is responsible for ensuring that the framework is institutionalised. The Group Risk unit has permanent representation in the Sustainable Finance Framework Committee, ensuring alignment of customer profiles and related transactions to the ESR Policy, as well as evaluating and opining on referred transactions with potential ESG concerns or deviations (if any) from a risk perspective.	The Group's strategy on climate risk and ESR has been incorporated into the risk management framework and is guided by the three lines of defence approach. The Group has implemented tools to ensure that clients' exposures to these risks can be assessed. These assessments are conducted using a scoring model (ESR scorecard) and relationship managers engage with customers to seek action/transition to a greener economy, where required. ESR metrics are included in the Group RAS and are reported quarterly to senior management and the BRC. The Group recognises that ESR management is an evolving area, and its framework and assessment are frequently updated to reflect this. Ultimately, the goal is to collaborate with clients in advancing environmental and social enhancements, while steering clear of business dealings that fail to meet the standards set out in the framework. Emirates NBD has also expanded its emission tracking to include financed emissions, a Task Force on Climate-related Financial Disclosure ('TFCD') recommended measure that seeks to estimate and report the amount of absolute emissions associated with an investment.

Emerging Risks

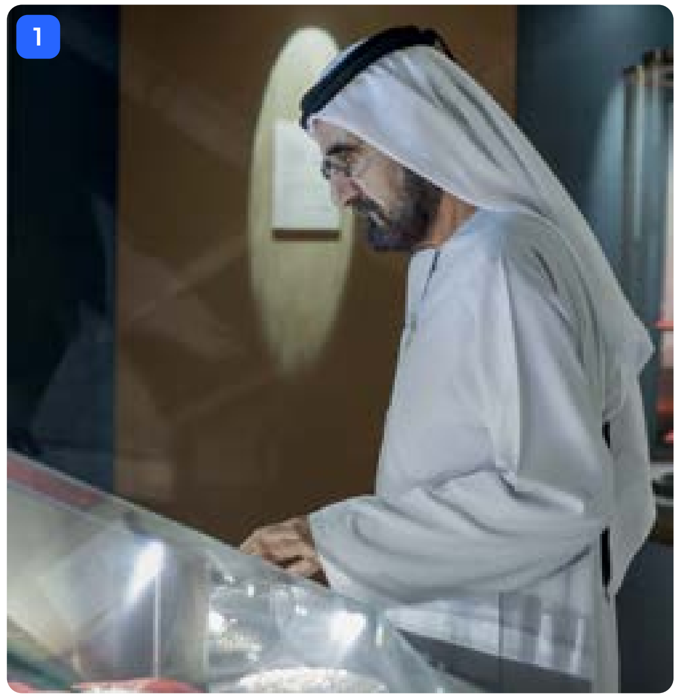
In addition to the principal risks, Emirates NBD also faces a diverse set of external risks which, if materialised, could impact the Group's ability to deliver its strategic plan. It has identified the below as key emerging risks* which could have an impact on the Group's earnings, capital adequacy, and/or ability to operate as usual. Mitigating actions based on its current knowledge and assumptions have also been identified and are being actively implemented as required.

* This summary is not an exhaustive list of all emerging risks.

Emerging Risk	Description and Likely Impact	Mitigating Strategies
Environmental and Social Risk ('ESR')	While Emirates NBD recognises ESR as a principal risk, it also considers it an emerging risk due to the evolving nature of the risk in terms of policy. ESR risks have potentially severe consequences to all, including financial institutions and financial markets. This risk arises from a range of environmental factors, including climate change, deforestation, and biodiversity loss, as well as social concerns such as human rights violations, labour practices, and community relations. As global attention intensifies around sustainability, the Group is increasingly exposed to reputational, financial, and regulatory consequences for being associated with activities that contribute to environmental harm and social injustice. ESR poses a challenge not only in terms of regulatory compliance but also in maintaining stakeholder trust and ensuring long-term sustainability. ESR can also manifest through other principal risks such as credit risk from clients operating in high-risk sectors, liquidity risk, operational disruptions, and reputational damage.	**Integration in the risk management framework:** ESR, and climate risk particularly, manifests within principal risks. The Group has developed an ESR Framework clarifying its stand on key sectors as well as a climate risk policy. It has integrated ESR and climate risk aspects in its risk management framework and has implemented tools to ensure that it can assess its clients' exposures to these risks. **Sustainable Finance:** The Group has embedded its ESR Policy and sector-specific guidance outlining its position on the financing towards sensitive sectors. It is growing its green investments portfolio, financing renewable energy projects, and has baselined its emissions, with the aim to gradually reduce its carbon footprint. Emirates NBD has expanded its emission tracking to include financed emissions, a TCFD-recommended measure that seeks to estimate the amount of absolute emissions associated with an investment. By identifying ESR as a critical area of focus, it is committed to mitigating potential risks while capitalising on opportunities for sustainable finance. **Disclosure and Reporting:** The Group has enhanced its ESG reporting to improve transparency in accordance with regulatory standards. Emirates NBD understands its pivotal role in supporting transition financing and decarbonisation strategies to achieve a low-carbon economy. Its proactive approach will help strengthen relationships with clients and communities committed to responsible practices and meet the evolving regulatory standards.

Emerging Risk	Description and Likely Impact	Mitigating Strategies
Geopolitical and macroeconomic risks	Global central banks have cut interest rates as inflation moves lower around the world. Economic activity has remained resilient in many economies which could limit how quickly interest rates are cut while domestic policies in major economies could also present upward risks to prices. Economic uncertainty could prompt market volatility across rates, currencies, and commodities, while geopolitical risks could pose a threat to global supply chains and investment appetite. However, regional geopolitics have not had a noticeable impact on the performance of the economies within Emirates NBD's footprint, though the Group remains attentive to the potential risks.	**Scenario Planning:** The Group uses stress testing and scenario analysis to model potential economic shocks to assess their impact on its capital position, and implements measures to prepare for unexpected outcomes. **Hedging and Diversification:** The Group diversifies its portfolios and maintains risk appetite metrics to monitor concentrations. It also manages currency exposures to mitigate risks from sudden market changes.
AI-enhanced malicious attacks	Availability of open-source AI platforms and multiple dark web AI tools lower the barrier to entry, enabling hackers to conduct large scale attacks with fewer technical skills. AI enhancement provides more sophisticated capabilities (e.g. automated code generation and target identification for phishing), enabling better intrusion and more damaging attacks. AI-enhanced malware can be very fast to adapt to security systems and adjust its tactics based on real-time analysis of the target's defence, bypassing human detection and security measures.	The Group follows a three lines of defence model for identification, assessment, measuring, and monitoring of all technology-related risks.

Highlights of our Key Events in 2024



1 H.H. Sheikh Mohammed bin Rashid visits Emirates NBD headquarters on the occasion of Emirates NBD's 60th anniversary celebrations

2 Emirates NBD holds its 17th General Assembly Meeting

3 Emirates NBD marks UAE Flag Day in Head Office

4 Nasdaq Dubai welcomes USD 750 million debut Sustainability Sukuk listing by Emirates Islamic

5 Emirates NBD achieves a top global position with the highest number of LEED-certified Platinum branches

6 Nasdaq Dubai welcomes a USD 500 million Sustainability-Linked Loan Financing Bond issued by Emirates NBD

7 Emirates NBD inaugurates a new branch and operations centre at Al Ain Square, supporting 109 Emirati employees and reaffirming our commitment to achieve 45% UAE Nationals workforce representation by 2026

8 Emirates NBD joins Dubai FinTech Summit as the Premium Banking Partner

9 Emirates NBD Group Marks UAE's 53rd Eid Al Etihad

10 Emirates NBD to strengthen Merchant Acquiring Solutions in partnership with Pine Labs

11 Emirates NBD welcomes Chainlink to Digital Asset Lab Council

12 Emirates NBD marks UAE Flag Day at the Meydan offices

13 Emirates NBD Digital Asset Lab launches Future Leaders Outreach Programme with early partners the University of Sharjah and Higher Colleges of Technology

14 Emirates NBD donates over 5,000 electronic devices to support educational needs of underprivileged

15 Emirates NBD's National Digital Talent Incubator ('NDTI') continues to grow the UAE Startup Ecosystem

16 Emirates NBD Business Banking launches a new invitation-only VIP Privilege Programme

17 Emirates NBD celebrates Cybersecurity Awareness Month

18 Emirates NBD and Nium join forces to transform global cross-border payments in the Middle East

19 Emirates NBD wins four prestigious titles at the Euromoney Awards for Excellence 2024

20 Liv Digital Bank and Ctrl Alt sign MoU to explore solutions related to tokenised real-world assets

21 Emirates NBD welcomes Chainalysis to Digital Asset Lab Council

22 Emirates NBD expands the highly successful Ruwad graduate programme internationally in collaboration with APIX Singapore

23 Emirates NBD supports Padel Tour 2024 as title sponsor for the third year

24 Emirates NBD, Marriott Bonvoy® and Mastercard unveil two new co-brand credit cards in the UAE

25 Emirates NBD signs an agreement with Ras Al Khaimah to offer developers secure real estate escrow solutions

26 Emirates NBD announces the grand prize winners of the Foreign Exchange and Trade customer promotion

27 Emirates NBD Facilitates Sidara's first sustainability-linked finance

28 Emirates NBD and DP World launch a new co-branded Mastercard corporate card in the UAE, advancing the Dubai Economic Agenda 2033

29 Ducab India signs the first bilateral partnership in the power sector with Emirates NBD India

30 Emirates NBD launches a Visa credit card for high-net-worth clientele offering premier lifestyle benefits

31 Emirates NBD operates the new fully carbon neutral Tier III Data Centre in UAE

32 Visa and Emirates NBD partner to sponsor the first emirati woman cyclist Safiya Al Sayegh for the Olympic Games Paris 2024

33 Emirates NBD announces a range of community initiatives to commemorate the Holy Month of Ramadan

34 Miral and Emirates NBD announce a momentous partnership

35 Student-led InnovAIte Hackathon, supported by Emirates NBD and DIFC Innovation Hub, garners huge success

36 Emirates NBD organises a community awareness event focusing on safe banking practices for labourers

Awards and Accolades

Best Bank and Best Regional Bank Awards – Emirates NBD

The Banker
- Bank of the Year in the UAE 2024
- Global Finance World's Best Banks
- Best Bank in the UAE

Forbes
- Ranked 6th in the Middle East's Top 100 Listed Companies

emeafinance Middle East Banking Awards 2023
- Best Local Bank in the UAE
- Best Foreign Bank in Saudi Arabia

ESG and Sustainability

Euromoney Market Leaders
- Ranked as a Market Leader in ESG

LEED
- Awarded the prestigious LEED certification which includes Platinum and Gold level ratings, the highest rating achievable internationally for its 14 branches across the UAE and Saudi Arabia

Islamic Finance News Awards
- Social Impact
- SRI
- ESG Deal of the Year

Retail Banking and Wealth Management

Euromoney Awards for Excellence 2024
- Middle East's Best Bank for Wealth Management
- Middle East's Best Bank for SMEs
- UAE's Best Bank for SMEs

Euromoney Global Private Banking Awards 2024
- Middle East's Best Regional Private Bank
- Middle East's Best for Ultra High-Net-Worth
- UAE's Best Domestic Private Bank
- UAE's Best for Ultra High-Net-Worth

The Banker Global Private Banking Awards 2024
- Best Private Bank in the UAE

Financial Times & PWM Wealth Tech Awards 2024
- Best Private Bank in the Middle East for Digital Portfolio Management

Corporate/Wholesale Banking

Euromoney Awards for Excellence 2024
- UAE's Best Bank for Corporates

Euromoney Market Leaders
- Ranked as a Market Leader in Corporate Banking
- Ranked as a Market Leader in Investment Banking

Euromoney's Trade Finance Survey
- Ranked 1st in the Best Service category in Africa

Global Finance
- Best Supply Chain Finance Provider in the Middle East 2024
- Best Trade Finance Provider in the UAE 2024

Bonds, Loans & Sukuk Middle East Awards 2024
- Emirates NBD and Emirates NBD Capital awarded top honours for Green Financing and Sukuk Leadership as the Financial Institutions Bond Deal of the Year, Sukuk House of the Year and High Yield Debt House of the Year

Islamic Finance News Awards
- Best Overall Deal of the Year
- Real Estate Deal of the Year
- Corporate Finance Deal of the Year
- Syndicated Finance Deal of the Year
- IFN Egypt Deal of the Year

emeafinance Middle East Banking Awards 2023
- Best Investment Bank in the Middle East
- Best Local Investment Bank in the UAE

Greenwich Coalition Awards 2024
- Ranked #1 amongst 50 Middle East Banks for Market Share
- Ranked #1 amongst 50 Middle East Banks for Banking Quality
- Ranked #1 amongst 50 Middle East Banks for Ease of Doing Business
- Ranked #1 amongst 50 Middle East Banks for Frequency of Contact
- Ranked #1 amongst 50 Middle East Banks for Proactive Provision of Advice

Euromoney Securities Houses Awards 2024
- Best for Fixed Income in the UAE

Euromoney Islamic Finance Awards 2024
- Most Innovative Islamic Deal – Türkiye

IT/Digital

Euromoney Market Leaders
- Ranked as a Market Leader in Digital Solutions

Euromoney Global Private Banking Awards 2024
- Middle East's Best for Digital Solutions
- UAE's Best for Digital Solutions

Middle East Banking AI & Analytics Summit Awards 2024
- Best Use Case of AI & Analytics in Security and Compliance
- Best Use Case of Data Analytics in an Islamic Bank

MEA Finance Industry Awards 2024
- Best Composable Banking Transformation

PMO Global Awards 2024
- Excellence Distinction on Project Governance

Finnovex Awards Middle East 2024
- Excellence in Mobile Banking – ENBD X

Emirates Islamic Awards

MEA Finance Industry Awards 2024
- Best Islamic Bank for SMEs
- Best Bond Issue of the Year

World Finance Islamic Finance Awards 2024
- Best Islamic Bank in the UAE
- Best SME Bank in the UAE
- Best Islamic Bank for ESG
- Best Innovation in Mobile Banking

Islamic Finance News Awards 2024
- Best Overall Islamic Bank
- Most Innovative Islamic Bank

Euromoney Islamic Finance Awards 2024
- Most Innovative Islamic Bank

International Finance Awards 2024
- Best Islamic Retail Bank
- Best Islamic SME Bank

The Digital Banker Global Islamic Finance Awards 2024
- Best Islamic Card – Switch Cashback Visa Credit Card

DenizBank Awards

MIXX Awards Türkiye 2024
- Golden MIXX Award – Long Video Advertisements

CX Awards 2024
- Social Responsibility Special Award
- Employee Experience Great Thought Award

Global Banking & Markets: CEE, CIS & Türkiye Awards 2024
- Best Treasury & Funding Team of the Year
- Two Awards in the 'Islamic Syndication of the Year' category
- Private Placement Deal of the Year

Emirates NBD Branches, Offices and Subsidiaries

Emirates NBD Headquarters

Emirates NBD
Group Head Office,
Baniyas Road, P.O. Box 777, Deira, Dubai
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ESG summary

Creating a Future-Proof Legacy: Balancing Prosperity and Sustainability

In the Group, we take immense pride in our role within the UAE's growth story, supporting the nation as it establishes itself as a leader in the global financial and banking sectors. Our commitment to the UAE's Green Agenda 2030 is underscored by our substantial advancements in ESG metrics, reflecting our leadership in sustainable finance and responsible investing.

Vijay Bains
Chief Sustainability Officer
and Group Head of ESG

A key highlight of our journey in 2024 was the remarkable improvement in our Sustainalytics ESG Risk Rating. Emirates NBD is the first bank in the MENA region to receive highest ESG ratings with a ranking of 5th amongst diversified banks in 2024 globally by Sustainalytics. This is a testament to the Group's unwavering commitment to achieving excellence in ESG practices. This achievement is complemented by other significant milestones, including:

- Being awarded the prestigious Dubai Chamber of Commerce ESG Label with a rating of 97.92%, recognising our exceptional ESG performance.
- Earning the "Gold" award and the highest score by Majra, the National CSR Fund, in acknowledgment of our impactful community service initiatives.
- Recognition as a key partner by the Ministry of Climate Change & Environment for our mangrove plantation efforts, which support the UAE National Carbon Sequestration Project.

> "In line with our dedication to sustainable finance, we established a Sustainable Finance Forum to enhance governance and ensure alignment with our Environmental & Social Risk Policy."

- In 2024, the Group demonstrated its leadership in sustainable finance with the issuance of a landmark USD 500 million SLLB, the first SLLB issued under the new ICMA and LMA framework, further integrating measurable sustainability outcomes into its financing activities.

These accolades reinforce our standing as a regional leader in ESG excellence and highlight our alignment with national and global sustainability objectives.

A significant milestone for 2024 is our preparation for the release of our first Emirates NBD Group 2024 IFRS S1 and S2 Report ('ISSB Report') in 2025. This report will include third-party assurance of our financed emissions, reflecting the Group's ongoing evolution in sustainability reporting. The ISSB report will build on our alignment with the Task Force on Climate-Related Financial Disclosures ('TCFD').

This year, we further strengthened our sustainability commitments by signing the United Nations Principles for Responsible Banking, aligning our banking strategies with the Paris Agreement and the United Nations Sustainable Development Goals ('UN SDGs'). Our participation as the first bank in the MENAT region to join the Partnership for Biodiversity Accounting Financials ('PBAF') underscores our dedication to safeguarding biodiversity by assessing and disclosing the impact and dependencies of loans and investments on natural ecosystems.

In line with our dedication to sustainable finance, we established a Sustainable Finance Forum ('SFF') to enhance governance and ensure alignment with the Environmental and Social Risk Policy Framework ('ESRP Framework'). This forum supports the Group in managing non-financial risks, enhancing transparency, and driving compliance across sustainable finance activities.

We continue to lead the way in sustainable finance, introducing innovative products and services. For example, we launched the UAE's first ESG-linked working capital loan in the private sector, and in August, we introduced the Emirates NBD Sustainable Fixed Deposit for retail customers. These initiatives demonstrate our ability to innovate while aligning with critical environmental and social goals. Transparency remains at the heart of our ESG journey. The Group ESG Report 2024 offers a comprehensive view of the positive impact we create for our customers, employees, society, and the environment.

As we continue to move forward, these achievements highlight our commitment to building a more sustainable future through responsible banking and innovation.

Vijay Bains
Chief Sustainability Officer
and Group Head of ESG

Driving Impact Through Responsible Banking

The Group ESG Report 2024 captures the Group's steadfast dedication to embedding sustainability across its operations. By aligning with both national and international standards, we demonstrate our commitment to creating meaningful ESG impacts. This milestone year coincides with the UAE's "2nd Year of Sustainability" and the shaping of a sustainable future beyond COP, further highlighting the Group's pivotal role in advancing a sustainable, low-carbon future for the nation.

We have advanced our customer-centric approach by embedding sustainability into our core services and decision-making processes. Our commitment to responsible banking is evident in how we continuously evolve our operations, from creating new digital offerings to enhancing access to impactful financing solutions. By leveraging digital transformation, we are shaping a more accessible and efficient banking landscape that reflects our values and strengthens customer relationships.

This year, Emirates NBD launched our first Sustainability-Linked Loan Financing Bond Framework making it the first bank globally to fully align with the ICMA and LMA guidelines released in June 2024. Emirates NBD and EmCap have successfully issued the first Sustainability Linked Loan Financing Bond in the region, having as support, the framework previously mentioned. The entities raised USD 500 million and the issuance was oversubscribed by almost 4x.

In its effort to contribute to global climate goals, the Group aims to reduce Scope 1 and Scope 2 emissions by 30% by 2030, with 2023 as the baseline. A robust governance framework integrates ESG performance into executive accountability, fostering leadership in climate resilience and biodiversity.

Aligning for the Future: Our ESG Strategy, Materiality Analysis and Stakeholder Engagement

Our ESG strategy extends beyond climate-related risks, focusing on creating products and services that benefit both people and the planet. The Group actively involves all stakeholders — employees, customers, investors, suppliers, authorities, and the wider community — in shaping its approach. Additionally, digitisation has become integral to reducing the Group's carbon footprint and enhancing operational efficiency to support long-term sustainability goals.

Materiality Analysis and Material Topics

The Group conducts an annual materiality analysis in line with the Global Reporting Initiative Universal Standards 2021, the Sustainability Accounting Standards Board, engaging internal and external stakeholders to identify key ESG topics. This process follows the principle of double materiality, assessing both the operational and societal impacts of these issues. Based on the feedback from this materiality analysis exercise, we were able to identify our top five material topics:

- **Sustainable Finance**
- **Data Privacy and Cybersecurity**
- **Corporate Governance and Ethics**
- **Climate-related Risks and Opportunities**
- **Diversity and Inclusion**

The results of our 2024 Materiality Analysis are mostly consistent with last year's analysis. These priorities reflect the Group's ambition to support sustainable growth while mitigating risks and seizing opportunities across ESG areas.

Stakeholder Engagement

Ongoing engagement with customers, regulators, employees, communities, and investors allows Emirates NBD to refine its ESG initiatives. Feedback mechanisms and collaborations ensure continuous improvement and responsiveness to evolving demands.

To enhance transparency, Emirates NBD has launched dedicated platforms for stakeholder dialogue, fostering open communication and collaborative problem solving.

> "The Group has implemented a comprehensive ESG governance framework to ensure sustainability principles are deeply embedded in its operations and culture."

Our Management Approach

The Group has implemented a comprehensive ESG governance framework to ensure sustainability principles are deeply embedded in its operations and culture. Oversight by key committees, including the Board of Directors, BRC, and the Board Nomination, Remuneration, and ESG Committee ('BNRESGC'), ensures alignment with strategic objectives. Additionally, senior leadership performance is tied to ESG goals, incentivising meaningful progress.

Additionally, by embedding anti-corruption measures and ethical business practices into its governance structure, the Group ensures a strong foundation of trust and accountability.

Risk Management

To address and mitigate ESG risks, Emirates NBD employs a three-line-of-defence model that enhances resilience and proactive management. The establishment of a SFF ensures compliance with global standards like ICMA's Green Bond Principles and mitigates the risk of greenwashing in financial operations.

The Group has also integrated climate-related risk assessments into its enterprise risk management framework, ensuring that sustainability considerations are factored into all decision-making processes. These efforts provide a strong foundation for managing emerging ESG challenges and opportunities.

Sustainable Finance

Following the success of the region's largest green bond issuance in 2023, which raised USD 750 million to fund impactful projects like renewable energy and green buildings, in 2024 the Group further elevated its commitment to sustainable finance by pioneering the world's first Sustainability-Linked Loan Financing Bond Framework aligned with the latest global standards set by the ICMA and LMA. This groundbreaking framework combines the strengths of use-of-proceeds instruments with sustainability-linked approaches, incorporating ambitious sustainability performance targets into financial terms. It received a positive assessment for its alignment with international standards and the ambition and relevance of its KPIs, as validated by ISS Corporate. By fostering accountability and incentivising borrowers to adopt progressive ESG practices, the framework exemplifies the Group's dedication to driving responsible investment and supporting the UAE's AED 1 trillion sustainable finance mobilisation target by 2030.

Emirates NBD's Sustainable Finance Framework includes stringent criteria for funding green and social projects, ensuring maximum impact and alignment with global standards. This proactive approach is driving transformative investments across various sectors.

Through these achievements, we continue to lead the region's transition to a low-carbon, sustainable economy, reinforcing its alignment with the Paris Agreement, the UN SDGs, and the UAE's national sustainability initiatives.

Case Study: Climate Fresk Sessions

The Group partnered with Climate Fresk, a globally recognised organisation, to enhance climate literacy through interactive workshops based on IPCC reports. These sessions simplify complex climate science, fostering a deeper understanding of climate issues and empowering participants to take informed actions.

In 2024, nine Climate Fresk sessions engaged over 200 employees across the Group, facilitated by nine certified internal trainers. This initiative is central to embedding climate awareness within the organisation, aligning with the Group's long-term goals of reducing carbon emissions and supporting the transition to a low-carbon economy. Looking ahead, the Group remains committed to expanding these workshops, reinforcing its role in fostering climate-conscious leadership.

Emirates NBD Capital ('EmCap')

EmCap solidified its position as a leader in sustainable finance in 2024, facilitating over USD 34.3 billion in sustainable financing across global sectors. By structuring innovative green, social, and SLLB, and Sukuk, the investment bank provided tailored solutions that align with clients' financial and ESG objectives, contributing to the UAE's broader sustainability goals and our sustainable finance target of AED 30 billion by 2030.

Recognised with multiple awards, including "Best Bank for Sustainable Bonds in the Middle East", and "Sukuk House of the Year", EmCap demonstrated its leadership in advancing capital market innovation. Its offerings, which include ESG structuring, transition planning, and rating advisory, help clients integrate sustainability into their strategic frameworks while supporting the transition to a low-carbon economy in line with the UAE's climate commitments.

Advancing Environmental Responsibility

We are committed to reducing water use and emissions by 5% annually through 2027, showcasing our leadership in environmental stewardship. Plans are underway to transition our vehicle fleet to electric and hybrid models. Additionally, Emirates NBD has achieved 35 LEED certifications across its branches in the United Arab Emirates, the Kingdom of Saudi Arabia, and India branches, demonstrating its dedication to energy-efficient infrastructure.

Emirates NBD is also implementing circular economy principles across its operations by prioritising waste reduction and resource optimisation. By embedding these practices, the Group is contributing to a more sustainable and resilient operational model.

Biodiversity and Sustainable Practices

Our participation in the PBAF underscores the Group's commitment to preserving ecosystems. Efforts like planting 60,000 mangroves at the Jebel Ali Wildlife Sanctuary highlight some of our impactful biodiversity restoration initiatives.

Complementing these efforts, the Green Champion Initiative showcases employee-led sustainability success stories, including reforestation projects using the Miyawaki method and organic farming, which collectively promote biodiversity and reduce carbon footprints. Additionally, the Eco Supporters Initiative invites employees to propose innovative ideas for emission reduction, resulting in over 40 actionable suggestions to enhance the Group's environmental impact. These initiatives reinforce the Group's leadership in biodiversity conservation and climate action.

The Group is also collaborating with environmental organisations to develop new initiatives aimed at protecting endangered species and promoting habitat restoration, further strengthening its role as a leader in biodiversity conservation.

Social Responsibility

Employee Engagement and Development

The Group's innovative programmes, such as Climate Fresk sessions, equip employees with the skills and knowledge to champion sustainability. Emirates NBD is actively promoting gender diversity, with a goal of 25% women in senior leadership roles by 2027. Internal initiatives like the "Eco Supporters" programme encourage staff participation in sustainability practices.

To further foster employee wellbeing, Emirates NBD has introduced mental health resources, flexible work arrangements, and career development programmes that prioritise holistic growth.

Community Initiatives

We are committed to making a meaningful difference in our communities by offering tailored financial products for People of Determination and underserved groups, promoting inclusion and accessibility. Our corporate social responsibility programmes, including volunteering and charitable activities, help us build strong connections with local communities.

Emirates NBD has also introduced financial literacy workshops and mentorship programs designed to empower small businesses owners and entrepreneurs, supporting their journey toward sustainable growth while fostering economic resilience.

Inclusive Banking

Celebrating diversity and accessibility is at the heart of what we do. Events like the Unity Run bring people together, while products like the Emirates NBD Sustainable Fixed Deposit enable our customers to align their financial choices with sustainable values.

We're continually expanding our suite of inclusive banking services, ensuring that all customers, regardless of their abilities or economic status, have access to innovative and responsible financial products that support their unique needs.

Conclusion

The Group ESG Report 2024 highlights the Group's position as a regional leader in sustainable banking. By integrating innovative finance, robust governance, and impactful community initiatives, Emirates NBD is paving the way for a more resilient, inclusive, and low-carbon future. By embedding sustainability into our operations and expanding inclusive banking services, we are not only meeting today's challenges but also inspiring meaningful change for generations to come.

The full report can be read on our website.

> "The Group's innovative programmes equip employees with the skills and knowledge to champion sustainability."

Corporate Governance

Governance at a Glance

In 2024, the Group continued its journey to strengthen its corporate governance, aligning with both international best practices and local regulatory requirements.

By fostering a culture rooted in responsibility, accountability, transparency, and fairness, the Group continues to safeguard its business interests and enable the effective execution of its business strategy.

Supported by a comprehensive risk management framework, this approach underpins the Group's ability to create enduring value for its shareholders and stakeholders.

Board Meeting Attendance

98%

Non-Executive Directors

100%

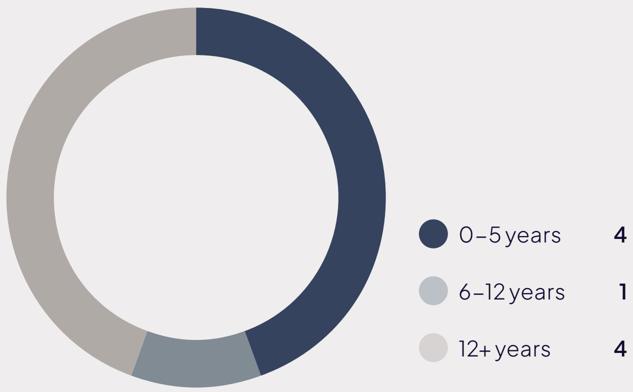
Board Independence

44%

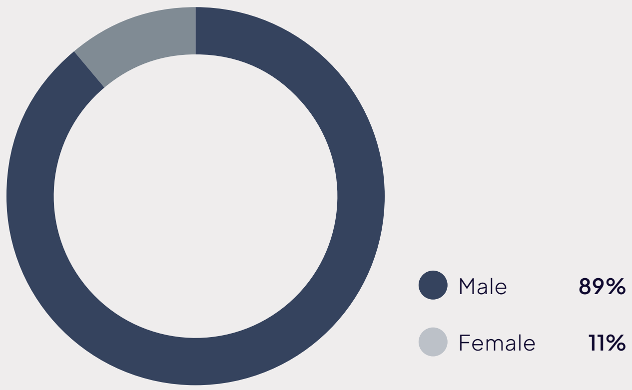
Number of Board and Committee Meetings

107

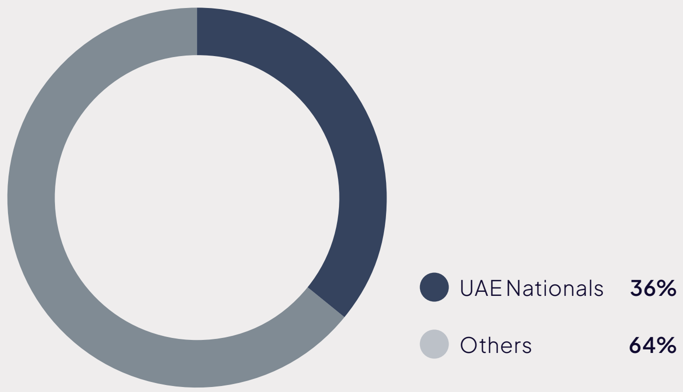
Board Tenure
(Number of Directors)



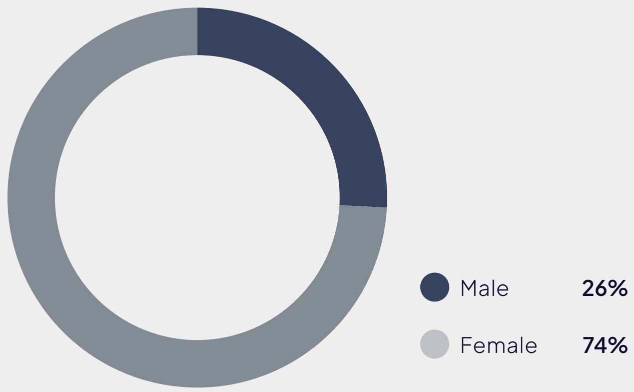
Gender Diversity at Board Level



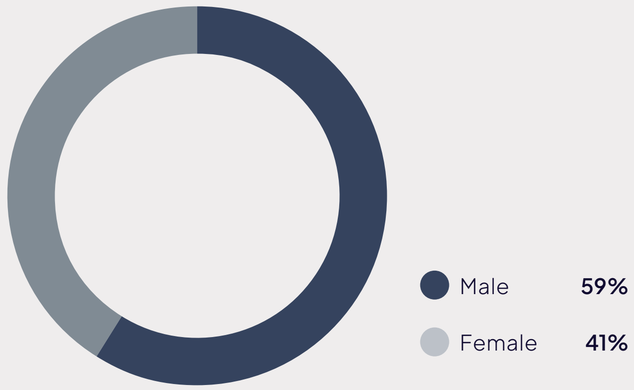
Emiratisation
(Percentage of UAE nationals)



Gender Diversity of UAE Nationals



Gender Diversity in Staff



Regulatory Compliance

All Group entities comply with the governance principles set out in the Emirates NBD Governance Framework and with relevant local regulatory requirements, including those issued by the following regulators:

- Central Bank of the UAE ('CBUAE')
- Securities and Commodities Authority ('SCA')
- Dubai Financial Market ('DFM')

Group Company Secretary:
Dr. Ahmed Alkhalfawi

Chairman's Statement

During 2024, the Group's corporate governance framework enabled the Emirates NBD Board of Directors and Senior Management to discharge their duties effectively and ensure that risks were managed prudently in accordance with a robust risk management framework, whilst delivering the Group's business strategy in an entrepreneurial and innovative way.

In order to effectively execute its mandate, the Board remained aware of regulatory updates introduced by the SCA and the CBUAE, including the revised Corporate Governance Code issued by SCA and the Credit Risk Management and Fitness and Propriety Regulations and Standards issued by CBUAE. The Board ensured that necessary actions were implemented across the Group to ensure full compliance with these requirements. Emirates NBD kept its policies under regular review – particularly in the areas of corporate governance, risk management, internal controls, compliance, internal audit, financial reporting, external audit, and outsourcing – to ensure that they continued to meet all relevant regulatory requirements.

During 2024, Emirates NBD made significant progress in strengthening governance across key areas, including risk management, compliance, sustainability, people and culture, consumer protection, and general governance. The Group established Board Oversight Principles to ensure consistent application of best corporate governance practices across all wholly owned Group entities in addition to enhancing risk frameworks, model governance, and fraud prevention capabilities. Updated governance procedures reinforced alignment with evolving regulatory standards and industry best practices, while compliance efforts saw further improvements in AML, KYC, and financial crime prevention through AI-driven models and enhanced training programmes.

The Group continued to prioritise people and culture, focusing on Emiratisation, diversity, and employee wellbeing through targeted initiatives such as the Mental Health Policy, the Speak Up Programme, and Future of Work. Consumer protection remained a key priority, with refreshed training, enhanced conduct frameworks, and proactive leadership engagement to ensure regulatory compliance and foster trust. Data privacy measures were bolstered with rigorous assessments, strengthened frameworks, and awareness campaigns. Advancements in cybersecurity governance included automation of risk monitoring, improved cloud infrastructure protection, and proactive integration of AI-driven tools.

In line with its commitments to ESG and sustainability, the Group formed a Sustainable Finance Forum and integrated ESG KPIs into Senior Management scorecards to strengthen sustainability governance and accountability. The Group's commitment to world-class ESG standards was recognised during the year, as Sustainalytics ranked Emirates NBD as the top ESG performer among GCC banks and fifth globally among 311 diversified banks. Emirates NBD also had the highest number of LEED Platinum and Gold certifications for its branches across the UAE, Saudi Arabia, and India, reflecting its focus on sustainable building practices.

The Board remains dedicated to continuous improvement through regular trainings and annual evaluations to ensure effectiveness and adherence to best practices. The first independent external evaluation confirmed that the Board, its Committees, and Directors operate with due care, skill, and diligence. The process highlighted effective governance, and a robust structure, reinforcing the Board's commitment to excellence.

Emirates NBD remains committed to regular engagement with key stakeholders, including shareholders, customers, employees, and regulators, to drive growth and ensure system-wide stability. By leveraging AI and machine learning, Emirates NBD delivers rapid insights into customer behaviour, enhances risk management, and expands its offerings through innovative digital platforms and partnerships. As a leading financial institution, Emirates NBD upholds exemplary compliance and risk management practices, working closely with the CBUAE to support structural changes that promote stability and benefit all stakeholders.

Building on an exceptional year of progress and performance, Emirates NBD will focus on further enhancing its governance practices in 2025. It will ensure that the nomination and election procedure which is due to be conducted in the upcoming General Assembly Meeting ('GAM') is conducted in line with the Directors' Fit and Proper Policy, SCA Corporate Governance Regulations and the Fitness and Propriety Regulations and Standards issued by CBUAE. This also includes reviewing the composition of the Board and its Committees to align with regulatory requirements and best practices, strengthening oversight and integration of local and international subsidiaries, and ensuring corporate governance policies remain current. The Group will prioritise training for Board Members and staff on emerging regulations and best practices while further embedding powers of attorney and delegation of authority processes into core business operations to drive efficiency and accountability.

I would like to express my gratitude to my fellow Board Members, our exceptional Senior Management team, and all our employees for their dedication, and commitment to achieving the Group's governance objectives throughout 2024. In the year ahead, Emirates NBD will strive to build on this strong foundation to drive further value creation for all its stakeholders.

H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman of Emirates NBD

> "Emirates NBD remains committed to regular engagement with key stakeholders, including shareholders, customers, employees, and regulators, to drive growth and ensure system-wide stability."

Key Governance Highlights in 2024

Corporate Governance

- Updated Board Committee Terms of Reference, including Board Credit and Investment Committee ('BCIC'), Board Profit Equalisation Committee ('BPEC') and Board Nomination, Remuneration and ESG Committee ('BNRESGC'), to ensure alignment with current regulations and best practices.
- Reviewed updates to the SCA Corporate Governance Regulations and CBUAE Fit and Proper Regulations and Standards.
- Established Group Board Oversight Principles to ensure best corporate governance practices are applied consistently across the Group.
- Conducted an independent External Evaluation of the Board, Board Committees and Board Members, in line with applicable Corporate Governance Regulations.
- Established Power of Attorney Policy for enhanced governance on delegation of authority.
- Improved Board and corporate governance procedures and processes.

Sustainability (ESG)

- Significant improvement in the ratings in 2024 given by the International ESG rating agencies due to improvements and enhancements made with respect to ESG initiatives and disclosures.
- Established the Sustainable Finance Forum to enhance governance and ensure alignment with the Environment and Social Risk Policy Framework ('ESRP framework') as well as supporting the Group in managing non-financial risks, enhancing transparency, and driving compliance across sustainable finance activities.
- Enhanced sustainability oversight by updating the BNRESGC's Terms of Reference with an objective to review sustainability strategy, disclosures, policies, procedures, and oversee the achievement of set ESG goals including sustainable finance targets.
- Included ESG KPIs in Senior Management scorecards to strengthen our commitment to drive sustainability initiatives across the Group and support measurable progress towards sustainability goals.
- Approved the Climate Risk Policy and Reputational Risk Policy to adapt to the evolving regulatory requirements and to enhance resilience and management of climate risks through sound risk management practices.

Risk Management

- Continuous review of risk frameworks and policies to ensure the Group remains protected, given the ever evolving risk landscape.
- Enhanced model governance approach in line with applicable regulations and industry best practice.
- Strengthened prevention and detection capability with new fraud analytics capacity and enhanced fraud prevention in processes, in particular online and mobile channels.

AML, KYC & Compliance

- Revised Group Compliance Policies including AML/CTF, sanctions, conflict of interest, regulatory communication, and the Compliance Charter.
- Continued to enhance the effectiveness and efficiency of Group Compliance screening and monitoring systems.
- Developed an AI machine learning model in partnership with the Advanced Analytics Centre of Excellence for risk rating AML transaction monitoring alerts.
- Continued to improve the Group's mandatory financial crime and sanctions compliance training programmes, including specialised training for staff operating in high-risk segments
- Extended the coverage of assurance processes to cover new regulatory requirements.

People and Culture

- Conducted an independent review of the compensation system in accordance with regulatory requirements.
- Ensured that diversity and inclusion continued to be key focus areas and considerations for employees and clients.
- Reinforced Emirates NBD's leading role in Emiratisation, launching new initiatives to attract and retain UAE National talent, both within Emirates NBD and for the benefit of the broader banking sector.
- Continued to promote Emiratisation and the empowerment of Emiratis by providing training and hands-on experience on critical functional and leadership skills.
- Continued to monitor the overall development of the Group's culture to promote a healthy environment and employee engagement conducive to organisational success through initiatives such as the Mental Health Policy, Speak Up Programme, Bring your Kids to Work Day, International Women's Day activities, workshops and coffee chat sessions, and international roll-out of Future of Work initiatives.

Consumer Protection

- Integrated Consumer Protection Regulations ('CPR') into the Conduct Risk Framework, new product and process approvals, and operational risk assessments to ensure compliance with consumer protection standards.
- Conducted comprehensive CPR refresher for all EXCO members, emphasising leadership's role in fostering a consumer-centric culture and alignment with CPR requirements to drive compliance and ethical practices across Emirates NBD.
- Reinforced Data Privacy & Protection and Code of Fair Treatment e-Learning for all employees, achieving high engagement and completion rates to strengthening commitment to regulatory compliance and consumer trust.
- All training materials with CPR updates successfully refreshed and launched for all employees.

Data Privacy

- Embedded privacy assessment in new projects and initiatives design process to proactively manage privacy risks.
- Conducted 600+ privacy assessments during the year, validating the Group's robust data controls.
- Established four new policies to strengthen the Group's privacy framework.
- Enhanced vendor due diligence framework to ensure third party compliance with data privacy requirements.
- Strengthened privacy awareness efforts through targeted training programmes and communications, fostering a culture of privacy awareness across the Group.
- Enhanced mandatory data protection training for all employees, and successfully delivered 35+ live, tailored privacy sessions to 2,000+ employees.

Cybersecurity Governance

- Reinforced commitment to cybersecurity governance through alignment with leading global standards, proactive risk management, and a robust culture of security awareness and resilience.
- Enhanced Governance, Risk and Compliance ('GRC') solution by introducing automation to streamline cybersecurity risk monitoring, regulatory compliance tracking, and management of controls.
- Implemented targeted security controls to protect cloud infrastructure and secure the integration of AI-driven tools.

Technology and Digitisation Governance

- Evolved technology delivery methodologies to align with best practices and latest standard operating processes.
- Increased automation in governance operations, simplified governance for smaller value investments, and improved forecasting model for staff capacity.
- Improved cost transparency by revamping recharge drivers for information security services.
- Enhanced dashboards for technology demand, portfolio health, staff capacity, and technology spend, providing smarter insights for decision making.
- Expanded cloud finance management with additional public cloud providers.
- Continued awareness campaign to promote IT governance capabilities.

Board of Directors

The Board of Directors bring a wealth of experience, expertise and shared commitment to excellence, driving the Group's continued success.

H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman, Non-Independent Non-Executive Director

Date of Appointment: 25 June 2011

Career and Experience
H.H. Sheikh Ahmed has been at the forefront of Dubai's remarkable economic development for nearly four decades, formulating economic, investment, and fiscal policies in support of the Emirate's overarching vision.

He is the President of the Dubai Civil Aviation Authority, Chairman of Dubai Airports and Chairman and Chief Executive of Emirates Airline, Dubai Holding and the Emirates Group. Outside of aviation, he holds several government positions and plays a pivotal role in leading the Emirate's finance and energy sectors.

He holds a Bachelor's degree in Political Science from the University of Denver, Colorado, USA, and has received many international honours including the fellowship of the British Royal Aeronautical Society.

Board Appointments to Other Public Joint Stock Companies
- None

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- President, Civil Aviation Authority
- Chairman, Dubai Airports
- Chairman, The Supreme Fiscal Committee
- Chairman, The Supreme Council of Energy
- Chairman & Chief Executive, Emirates Airline and Emirates Group
- Chairman & Chief Executive, Dubai Holding
- Director, Investment Corporation of Dubai

Mr. Hesham Abdulla Al Qassim
Vice Chairman and Managing Director,
Non-Independent Non-Executive Director

Date of Appointment: 25 June 2011

Career and Experience
Mr. Al Qassim has more than 20 years' experience in the banking industry, currently serving as Vice Chairman and Managing Director of Emirates NBD Bank (P.J.S.C.), and Chairman of Emirates Islamic Bank P.J.S.C., Emirates NBD Egypt and DenizBank A.Ş Türkiye.

He is the Chief Executive Officer of Wasl Asset Management Group, responsible for leading its transformation into a world-class asset management company. He is also the Vice Chairman of Dubai Real Estate Corporation.

His professional and vocational qualifications include a Bachelor's degree in Banking and Finance and a Master's degree in International Business Management and in Executive Leadership Development.

Board Appointments to Other Public Joint Stock Companies
- Chairman, Emirates Islamic Bank
- Director, Emirates Telecommunications Group Company (Etisalat)

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Chairman, Dubai Sports Corporation
- Vice Chairman, Dubai Real Estate Corporation
- Vice Chairman, Dubai Autism Centre
- Director, DIFC Investments LLC
- Director, Dubai International Financial Centre Authority
- Director, Itissalat Al-Maghrib (IAM) MAROC Telecom

H.E. Mohamed Hadi Ahmed Al Hussaini
Non-Independent Non-Executive Director

Date of Appointment: 25 June 2011

Career and Experience
H.E. Al Hussaini is the Minister of State for Financial Affairs, with a mandate for managing the strategic direction and financial policies to maintain the interests of the UAE at local and international levels. He brings over 25 years of professional experience across the banking, finance, insurance, real estate, telecommunications, retail and investment sectors.

He also serves in leadership roles supporting federal and local government in diversifying sovereign wealth and managing significant investment portfolios, both regionally and internationally, and has also led and overseen a number of mergers, acquisitions, and other financing transactions for the public and private sector.

He holds a Master's degree in International Business from Webster University in Geneva, Switzerland.

Board Appointments to Other Public Joint Stock Companies
- Director, Emirates Islamic Bank

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Chairman, Etihad Credit Bureau
- Acting Chairman, Emirates Real Estate Corporation
- Vice Chairman, Emirates Investment Authority
- Vice Chairman, Federal Tax Authority
- Director, Investment Corporation of Dubai
- Director, Dubai Real Estate Corporation

Mr. Buti Obaid Buti Al Mulla
Non-Independent Non-Executive Director

Date of Appointment: 18 July 2007

Career and Experience
Mr. Al Mulla has over 34 years of professional experience that spans the banking, finance, real estate, hospitality, and investment sectors.

He is Chairman of Mohamad and Obaid Al Mulla Group, a Dubai-based market leader in key strategic economic sectors, including hospitality, healthcare & pharmaceuticals, real estate, travel & tourism, and investments.

Due to his roles as the Chairman and Board Member of various companies, he has extensive experience and expertise in business development, strategic planning, human resources, remuneration, corporate governance, ESG and commercial and Islamic banking.

He holds a Diploma in Business Administration from Newberry College in Boston, USA.

Board Appointments to Other Public Joint Stock Companies
- Vice Chairman, Emirates Islamic Bank
- Director, Emaar Properties
- Director, Dubai Refreshment Company

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Chairman, Mohamad and Obaid Al Mulla Group
- Chairman, Dubai Insurance

Mr. Ali Humaid Ali Al Owais
Independent Non-Executive Director

Date of Appointment: 27 March 2013

Career and Experience
Mr. Al Owais is the Chairman and a Board member of various companies, instrumental in bringing about major changes through his entrepreneurial skills and business contacts. His experience spans the real estate, investment, food production and distribution sectors.

He is recognised for his profound understanding of the financial sector, corporate governance, and strategic planning, which stems from his extensive leadership experience as Chairman of Al Owais Group and his ability to integrate risk management, regulatory compliance, and ESG principles into sustainable business growth.

He holds a Bachelor's degree in Business E-Commerce from Higher Colleges of Technology, UAE.

Board Appointments to Other Public Joint Stock Companies
- Chairman, United Food Company
- Vice Chairman, Dubai Refreshment Company
- Director, Oman Refreshments
- Director, Emirates Islamic Bank

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Chairman, AlOwais Group
- Vice Chairman, Modern Bakery

Mr. Salem Mohammed Obaidalla
Non-Independent Non-Executive Director

Date of Appointment: 20 February 2019

Career and Experience
Mr. Obaidalla is Senior Vice President – Relationship Development and Local Affairs, Customer Affairs and Service Audit department for Emirates Airlines.

He has extensive professional experience in the Commercial Operations Department at Emirates Airline and contributed to the success of launching various destinations, such as Amsterdam, Prague, Madrid, Geneva, Copenhagen, St. Petersburg, Dublin, Barcelona, Mexico, and Lisbon. Prior to this role, he was Senior Vice President – Aeropolitical and International Affairs.

He has a proven track record in operational excellence, financial and credit oversight, and strategic planning.

He holds a Business Administration degree from Wentworth Institute of Technology in Boston, USA.

Board Appointments to Other Public Joint Stock Companies
- Director, Emirates Islamic Bank

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- None

H.E. Huda Sayed Naim AlHashimi
Independent Non-Executive Director

Date of Appointment: 23 February 2022

Career and Experience
H.E. AlHashimi is the Deputy Minister of Cabinet Affairs for Strategic Affairs. Part of this role involves leading the process of articulating the UAE Leadership's Vision, setting an ambitious long-term strategy for the implementation of "We The UAE 2031", and advising on all government strategies and transformative programmes prior to their approval at the Cabinet. She is a member of the Future of Technology Policy Council at the World Economic Forum.

She led the setup and leads the operations of the Mohammed Bin Rashid Centre for Government Innovation. She also leads the Government Accelerators Centre and the Zero Government Bureaucracy Program at the Prime Minister's Office and is responsible for governance and institutional restructuring.

She holds a BSC degree in Business Administration from the Higher Colleges of Technology, UAE. She is also an alumnus of London Business School, and a Policy Fellow at the Centre for Science and Policy at the University of Cambridge, UK.

She completed the Mohammed bin Rashid Center for Leadership Development Programme and received a Certificate from IMD for Board Governance.

Board Appointments to Other Public Joint Stock Companies
- Director, Emirates Islamic Bank

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Deputy Minister, Cabinet Affairs for Strategic Affairs Member, Ministry of Cabinet Affairs
- Director, Digital School
- Director, UAE Gender Balance Council
- Director, Dubai Women Establishment
- Director, Rashid and Latifa School
- Director, Hamdan Bin Mohammed Smart University

Mr. Jassim Mohammed Abdulrahim Al Ali
Independent Non-Executive Director

Date of Appointment: 23 February 2022

Career and Experience
Mr. Al Ali is Managing Director of Al Ali Property Investments, where he is responsible for overall strategy and corporate planning, including policy planning, budgeting, annual reports, resource allocation, and quality management.

He has extensive professional experience, particularly in directing and controlling company operations and providing strategic guidance across the company's divisions, including real estate, hospitality and maintenance.

He holds a Business Administration degree in Public Administration from the American University of Sharjah, UAE.

Board Appointments to Other Public Joint Stock Companies
- None

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Managing Director, Al Ali Property Investments
- Director, Jebel Ali Cement Factory
- Director, Emirates NBD Asset Management

H.E. Khalid Juma Al Majid
Independent Non-Executive Director

Date of Appointment: 23 February 2022

Career and Experience
H.E. Al Majid is the Vice Chairman of Juma Al Majid Group of Companies, one of the most recognised family conglomerates in the UAE with local, regional, and global reach. His role is all-encompassing and has evolved over the years from a hands-on level to a more strategic and directional involvement.

He served as the Vice Chairman of Central Bank of the UAE from 2010 until 2019 and was a Director of Emirates NBD from 2009 to 2017. Roles throughout his career have been strategic and included the responsibility to lead boards with stability and good governance.

He obtained a Bachelor's degree in Business Administration from The University of Arizona, USA, in 1989. He then participated in various further short courses and training, specifically in the fields of accounting and sales.

Board Appointments to Other Public Joint Stock Companies
- None

Board Appointments in other Key Regulatory, Governmental or Commercial Positions
- Director, Dubai Chamber of Commerce

Dr. Ahmed Alkhalfawi
Group Company Secretary

Date of Appointment: 23 October 2022

Career and Experience
Dr. Ahmed Mohammed Saeed Mohammed Alkhalfawi was appointed as the Group Company Secretary of Emirates NBD in October 2022. Dr. Alkhalfawi is a UAE National and has over 17 years of experience in legal, leadership, and management roles as well as corporate governance.

As Group Company Secretary, Dr. Alkhalfawi is responsible, amongst other things, for ensuring that the Emirates NBD Group complies with all relevant laws and regulations and has effective governance processes.

Dr. Alkhalfawi previously held senior legal roles in government and semi-government entities, including DP World, Jebel Ali Free Zone ('FZE') and Jebel Ali Authority, Dubai Islamic Bank and HSBC.

He holds a Master's degree in Private Law and PhD in Shariah and Judiciary Law from Islamic Science University of Malaysia.

Senior Management

Mr. Shayne Nelson
Group Chief Executive Officer
Year joined: 2013

Key Responsibilities
Mr. Nelson provides executive leadership across the Group. He is responsible for the development and implementation of the Group's strategy and objectives, as well as defining and overseeing the corporate culture. He is also responsible for keeping the Board updated on the status of strategic progress and translating the decisions made by the Board and its Committees into action across the Group.

Skills and Expertise
Mr. Nelson is a veteran banker with an extensive career across various functions and geographies. During his 11-year tenure, Emirates NBD's market capitalisation has increased from AED 16 billion to around AED 135 billion and assets have grown from AED 308 billion to AED 997 billion, including the successful execution of the acquisition of DenizBank in Türkiye.

Experience
Prior to joining Emirates NBD, Mr. Nelson was the CEO of Standard Chartered Private Bank in Singapore, Chairman of Standard Chartered Saadiq Advisory Board, and a Board member of Standard Chartered Bank (China) Ltd.

His other previous high-profile positions have included Regional CEO of Standard Chartered Bank Middle East and North Africa, Chairman of Standard Chartered (Pakistan) Limited, Chairman of the Banking Advisory Council to the Board of the Dubai International Financial Centre and Chief Executive Officer and Managing Director of Standard Chartered Bank, Malaysia Berhad.

Mr. Nelson is a Member of the Board of Directors of Emirates Islamic, Emirates NBD Capital Ltd., Emirates NBD Capital PSC, Emirates NBD Global Services (formerly known as Tanfeeth), DenizBank A.Ş. (Türkiye), Marsh Emirates Insurance Brokers, and a Member of the Advisory Board to the University of Wollongong in Dubai and the International Cooperation Council France UAE ('CCI France UAE').

Education and Qualifications
- Graduate member of the Australian Institute of Company Directors
- Associate Fellow of the Australian Institute of Managers
- Company Directors Course, Australian Institute of Company Directors

Mr. Patrick Sullivan
Group Chief Financial Officer
Year joined: 2020

Key Responsibilities
Mr. Sullivan is responsible for overseeing the financial health of the Group, ensuring a strong financial control environment and delivering in-depth financial information for making key management decisions. He leads a large team of finance and procurement professionals, covering financial reporting, business finance, financial planning, budgeting, forecasting, liquidity and capital management, accounts payable, and procurement. He is also responsible for communicating the Group's financial results and strategy to the investor market.

Skills and Expertise
Mr. Sullivan is a Chartered Accountant with over 30 years of experience in banking and finance in the UK, Hong Kong, China, New Zealand, and the UAE.

Experience
Mr. Sullivan joined Emirates NBD from Standard Chartered, where he held a number of senior finance roles, including Group Financial Controller, Standard Chartered China CFO and Greater China Head of Finance, Wholesale Banking. Prior to that, he worked with PricewaterhouseCoopers in Banking & Capital Markets in multiple countries.

Education and Qualifications
- Chartered Accountant from Chartered Accountants Australia and New Zealand
- Bachelor of Business Studies from Massey University, New Zealand

Mr. Ahmed Al Qassim
Group Head – Wholesale Banking
Year joined: 2013

Key Responsibilities
Mr. Al Qassim leads Emirates NBD's Wholesale Banking unit, with an expanded role covering Global Markets, Treasury and Research since 2023. He champions the adoption of digital innovation, AI, advanced analytics, and customer experience excellence to enhance the Group's Corporate Banking proposition.

Skills and Expertise
Mr. Al Qassim is a seasoned banking and management professional with over 19 years of experience in commercial and investment banking. He has led product development and implementation of award-winning trade and supply chain finance, cash management, and Islamic banking solutions, while driving higher levels of lending to the Group's Wholesale Banking client base across nine countries.

Experience
Mr. Al Qassim was formerly Chief Executive Officer of Emirates NBD Capital, the investment banking arm of Emirates NBD, and General Manager of Corporate Banking at Emirates NBD, where he managed the successful transformation of the respective units, building on capabilities, creating synergies in cross-functional teams, and inculcating the principles of risk management while remaining relevant to their respective client bases.

Education and Qualifications
- Bachelor's in Engineering Management from Higher Colleges of Technology, UAE
- Master of Business Administration from University of Victoria, Canada
- Advanced Management Program Certification from Wharton, University of Pennsylvania, USA

Mr. Marwan Hadi
Group Head – Retail Banking & Wealth Management
Year joined: 2019

Key Responsibilities
Mr. Hadi's remit spans all aspects of Emirates NBD's Retail Banking, Business Banking, Private Banking, Consumer Finance, Asset Management and Brokerage businesses, including setting new standards in product innovation and customer experience across the UAE, Egypt, Saudi Arabia, the UK, and Singapore.

Skills and Expertise
Mr. Hadi has over 19 years of extensive experience in banking which covers retail, wealth management, and commercial banking. His impactful legacy in banking highlights his leadership and change-driving capabilities.

Experience
Mr. Hadi joined Emirates NBD as the Head of Retail Banking for the UAE, steering the unparalleled success of the Retail business. Prior to Emirates NBD, Mr. Hadi held a series of senior appointments during his 15-year tenure at HSBC, predominantly in retail, wealth management, and commercial banking. These roles included Head of Retail Banking and Wealth Management for the UAE, Managing Director of HSBC Middle East Finance Company and Head of Business Management for Commercial Banking.

Education and Qualifications
- Master of International Business from University of Wollongong, Dubai, UAE

Mr. Aazar Ali Khwaja
Group Head International and Advisor to Group CEO for DenizBank
Year joined: 2012

Key Responsibilities
Mr. Khwaja is responsible for managing the Group's international presence and executing Emirates NBD's strategy in its international markets. The role covers direct management and oversight of business growth and initiatives, operational efficiencies, governance and controls, in collaboration with the relevant Group stakeholders, in order to achieve the business growth and profitability targets set by the Group for its international businesses.

He also represents the Group's interests in its DenizBank subsidiary, sitting on the Boards of DenizBank AS Türkiye and DenizBank AG Austria. He is also closely involved in facilitating better integration and larger collaboration of DenizBank entities with the wider Emirates NBD network.

Skills and Expertise
Mr. Khwaja has over 30 years of international banking experience across a number of geographies, including Europe, the Middle East, and Africa. Prior to his current role, he was responsible for Emirates NBD's Global Markets and Treasury Group, as Senior Executive Vice President and Group Treasurer.

Experience
Before joining Emirates NBD, Mr. Khwaja worked with Barclays Bank PLC as Regional Treasurer for Emerging Markets/Africa covering 15 markets. He was a Member of the EM Executive Committee and Chaired the EM Assets and Liabilities Committee. Prior to that, he held a number of senior positions with Citigroup and ABN Amro Bank across geographies in the financial markets arena.

Education and Qualifications
- International Directors Program (IDP-C) from INSEAD, France
- MBA in Finance from Institute of Business Administration, Karachi, Pakistan
- Bachelor of Commerce from University of Karachi, Pakistan

Mr. Ammar Al Haj
Group Treasurer and Head of Global Markets
Year joined: 2007

Key Responsibilities
Mr. Al Haj is responsible for driving bespoke Sales, Trading, and Research services across Foreign Exchange, Rates, Fixed Income, Equities and Commodities within the Group. His responsibilities also extend to the management of Group Assets and Liabilities.

Skills and Expertise
Mr. Al Haj is a seasoned professional with over 15 years of expertise in Global Markets & Treasury. Renowned for his comprehensive understanding and strategic leadership in financial domains, he also possesses a distinctive proficiency in Islamic products and structures.

Experience
Notably, Mr. Al Haj served as the Head of Global Treasury and Markets for Emirates Islamic Bank, where his visionary leadership significantly impacted Emirates NBD's financial strategies.

Education and Qualifications
- Certificate of Finance from London Business School, UK
- MBA in Finance from Canadian University of Dubai, UAE

Mr. Manoj Chawla
Group Chief Risk Officer
Year joined: 2013

Key Responsibilities
Mr. Chawla is responsible for overall risk governance covering people, policy, portfolio, processes and risk systems. His role covers Group-wide enterprise risk management, environmental and social risk, ensuring alignment of risk-taking activities within risk appetite across all business lines and geographies, maximising the value of distressed assets, market risk, operational and cyber risk, model risk and risk analytics.

Skills and Expertise
Mr. Chawla is a senior banker with over 25 years of experience in risk management, including enterprise and regulatory risk, model development, and validation, wholesale and retail credit, global markets, private banking, and operational risk management.

Experience
Mr. Chawla has been a key architect in implementing a Group-wide risk management framework across all risk streams, providing strategic risk leadership and institutionalising a sound risk culture that ensures alignment of risk-taking activities with Emirates NBD's risk appetite.

He chairs both the Group Risk Committee ('GRC') and the Model Oversight Committee ('MOC'), which exercise risk oversight and governance at the highest levels of management as well as covering all aspects of model management across Emirates NBD.

He is also a member of all key management committees that oversee Emirates NBD's strategy, digitisation and transformation agenda, including the Management Credit Committee ('MCC') in his capacity as Group Chief Risk Officer.

Education and Qualifications
- Chartered Accountant from The Institute of Chartered Accountants of India
- Company Secretary from The Institute of Company Secretaries of India
- Bachelor of Law from Delhi University, India
- Bachelor of Science (Physics honours) degree from St. Stephen's College, University of Delhi, India

Mrs. Eman Abdulrazzaq
Group Chief Operating Officer and Group Chief Human Resources Officer
Year joined: 2020

Key Responsibilities
Mrs. Abdulrazzaq is responsible for leading a dynamic and proactive working culture and driving future skills development to build an agile workforce that can embrace the developing digital landscape. She is also responsible for leading the operational transition to Net Zero and Emirates NBD Group's enterprise-wide transformation efforts to strengthen back-office operations, digitise and modernise infrastructure and, simplify its operating model with a focus on customer experience, operational excellence, sustainable growth, and workforce efficiency.

Skills and Expertise
Mrs. Abdulrazzaq has many years of experience in strategic human resources and has been instrumental in leading a dynamic and proactive working practice and cultural change at Emirates NBD, as well as driving future skills development to reskill and build out an agile workforce that can embrace the developing digital landscape.

Experience
Before joining Emirates NBD, Mrs. Abdulrazzaq worked at HSBC Bank Middle East Limited as Regional Head of Human Resources, Strategy and Planning and Chief of Staff for the Middle East, North Africa and Türkiye, working on a number of strategic projects to help drive business and revenue growth.

She is also a board member & chairman, Nomination & Remuneration Committee at Emaar Properties; board member, Emirates Institute of Finance; and member, HR Committee, UAE Banking Federation.

Education and Qualifications
- Bachelor's in Business Administration from HCT Dubai Women's College, UAE

Mr. Farid AlMulla
Chief Executive Officer – Emirates Islamic
Year joined: 1991

Key Responsibilities
Mr. AlMulla's key focus is to drive Emirates Islamic's vision to be the most innovative Shariah-compliant bank for its customers, people and communities. He has contributed to major initiatives that have shaped Emirates Islamic as one of the fastest growing Islamic banks in the UAE, thus establishing Emirates Islamic as the flagship Islamic banking arm of the Emirates NBD Group.

Skills and Expertise
As a seasoned banker with extensive experience, Mr. AlMulla has strengthened Emirates Islamic's market standing with a focus on consumer-centric banking and the introduction of several first-to-market products and services. He has also led Emirates Islamic's digital transformation efforts, contributing to a substantial increase in Emirates NBD's online and mobile banking transactions. His contributions to Emirates Islamic's long-term Emiratisation strategy of developing UAE Nationals for key executive roles and succession planning has been a key driver in shaping Emirates Islamic's success.

Experience
Prior to taking over as CEO, Mr. AlMulla was Head of Retail Banking and Wealth Management at Emirates Islamic, where he was responsible for Emirates Islamic's personal and business banking segments, branches and ATM network, products, customer experience, wealth management and digital banking. He has held several other positions at Emirates Islamic, including Deputy Head – Retail Banking and Wealth Management, Head of Home Finance and Head of Distribution.

Mr. Hakan Ateş
Chief Executive Officer – DenizBank, Türkiye
(until 31 December, 2024)
Year joined: 1997

Key Responsibilities
Mr. Ateş is the founder CEO of DenizBank Financial Services Group. He is the Chairman of the Board of Directors at DenizBank's subsidiaries Deniz Yatırım Menkul Kıymetler A.Ş., Intertech A.Ş, Neohub Teknoloji Yazilim Pazarlama Ve Danismanlik A.S, DenizBank Moscow and DenizBank AG Vienna, and a member of the Boards of Emirates NBD Egypt and Metlife Emeklilik ve Hayat A.Ş.

Skills and Expertise
Mr. Ateş has 44 years of experience in the banking industry, leading growth strategies through both organic and inorganic acquisitions. He led the successful team and process management during DenizBank's acquisition process, and oversaw crisis management initiatives during critical periods in DenizBank's history. He is an expert in identifying and investing in profitable niche sectors, including infrastructure, energy, agriculture, maritime, tourism, healthcare, education, sports clubs, and municipalities, driving profitable growth for DenizBank.

Experience
Mr. Ateş has worked with DenizBank's shareholders from four different countries – including Zorlu Holding (Türkiye), Dexia S.A. (French / Belgian partnership), Sberbank (Russia) and Emirates NBD (UAE). During his tenure at DenizBank, the bank's 2004 public offering was 5.5 times oversubscribed. In addition, he oversaw transfer of Deniz Emeklilik for EUR 256 million at 10 times its book value with a 15-year sales agreement in 2011, and the takeover of Retail Banking operations of Citi Turkey with about 1,500 employees in 2013.

Education and Qualifications
- Degree in Business Administration from Middle East Technical University, Türkiye

Mr. Neeraj Makin
Group Head – Strategy, Analytics and Venture Capital
Year joined: 2008

Key Responsibilities
Mr. Makin supports the Group CEO and Board on strategy development across the Group, and the development and execution of the strategic vision and aspirations of Emirates NBD and its entities/businesses, along with managing its strategic acquisitions and international growth plans. He also oversees advanced analytics and manages the Corporate Venture Fund for Emirates NBD.

Skills and Expertise
Mr. Makin's expertise covers strategy development, mergers & acquisitions, investments, negotiations, business development, international banking, venture capital, digital banking, analytics and transformation.

Experience
Mr. Makin previously led International Business for the Group, with overall business management responsibility for Emirates NBD's international subsidiaries and branches. He played a pivotal role in leading Emirates NBD's international expansion, including the successful acquisition of BNP Paribas Egypt and DenizBank in Türkiye, as well as obtaining branch licences and expansion in India and Saudi Arabia.

He is a member of the Group Executive Committee and leads the Advanced Analytics Centre of Excellence for Emirates NBD, which drives Group-wide efforts to leverage data and analytics. He also heads the Corporate Venture Capital Fund for Emirates NBD to invest in fintechs and tech companies to drive innovation for Emirates NBD.

Prior to Emirates NBD, Mr. Makin spent eight years with McKinsey & Co in strategy consulting, and with Ernst Young in UAE in Transaction Advisory and M&A Services.

Education and Qualifications
- Bachelor's of Physics and Mathematics from Hemwati Nandan Bahuguna Garhwal University, India
- MBA in Finance from International Management Institute, India
- Venture Capital & Private Equity Program from Columbia Business School, New York, USA

Mr. Victor Matafonov
Group Chief Compliance Officer
Year joined: 2014

Key Responsibilities
Mr. Matafonov leads the Group Compliance function and is responsible for the Regulatory Compliance Framework to ensure Emirates NBD complies with all applicable regulations. This includes relevant regulations in all of the jurisdictions that the Group operates in and the requirements of the countries of the key global currencies used by Emirates NBD internationally. It also includes best practice guidance issued by organisations such as the Basel Committee on Banking Supervision, the Financial Action Task Force and the Wolfsberg Group. In addition to overseeing the compliance with regulatory obligations by all departments, Group Compliance plays a significant role in managing Financial Crime Compliance including, Anti Money Laundering, Counter Terrorist Financing and Sanctions Compliance.

Skills and Expertise
Mr. Matafonov has more than 37 years of international banking experience across Australasia, Europe, Americas, the Middle East, Africa and Asia with Emirates NBD, Standard Chartered, Grindlays and ANZ. This includes 25 years in regulatory and financial crime compliance dealing with regulators, industry bodies, correspondent banks and systems vendors.

Experience
Mr. Matafonov is a member of the Compliance Committee of the UAE Banking Federation, a founding member of the MENA Financial Crime Compliance Group, and a member of the Global Coalition to Fight Financial Crime.

Education and Qualifications
- Bachelor of Commerce from Deakin University, Australia

Mr. Simon Copleston
Group General Counsel
Year joined: 2021

Key Responsibilities
Mr. Copleston has overall responsibility for management of legal risk, as well as legal service quality and service delivery, across the Group.

Skills and Expertise
Mr. Copleston has more than 25 years' experience as a lawyer and more than 19 years' experience in the local banking and sovereign investment sectors. He has extensive exposure to highly regulated sectors and geographies and broad international, cross-border and emerging markets experience.

Experience
Mr. Copleston has worked in the UAE since 2006, initially at a sovereign wealth fund and then at a prominent local bank. His experience spans the banking and asset management industries, financial services, corporate finance, procurement, IT, real estate, treasury, data privacy, regulation and governance.

In the past, he has held positions on the boards of several local and international entities, including Damas Jewellery, a bond issuer, a local asset manager, and a licensed Islamic bank.

Mr. Copleston has previously chaired and continues to be a member of the UAE Banks Federation's Legal Committee. Mr. Copleston is an accomplished manager of change programmes in the provision of legal services, both via people and technology programmes, as well as the development of positive and successful culture and working environments.

Education and Qualifications
- Post Graduate Diploma in Legal Practice from The College of Law, UK
- Diploma in Law from The College of Law, UK
- UK qualified solicitor

Mr. Amer Kazim
Group Chief Audit Officer
Year joined: 2019

Key Responsibilities
Mr. Kazim reports directly to the Board Audit Committee ('BAC'). He is responsible for providing independent assurance to the Board of Directors and Senior Management on the quality and effectiveness of Emirates NBD Group's internal control environment, covering its systems and processes, risk management, compliance and Corporate Governance Framework.

Skills and Expertise
Mr. Kazim is a senior executive with over 27 years of professional experience, who has held various finance and audit related roles and has worked in several sectors, including aviation, telecommunications and, real estate.

Experience
Prior to Joining Emirates NBD, Mr. Kazim was the Chief Financial Officer at Emirates Integrated Telecommunications Company (du). He has held senior finance roles across a number of leading organisations, including the Emirates Group, Meraas, and Dubai Airports.

He is currently a member of the Board of Directors of Etihad Credit Insurance; member of the Board Audit, Risk and Compliance Committee of Emirates Development Bank; and a member of the Audit Committee – UAE Banking Federation.

Education and Qualifications
- Bachelor of Science in Accounting from the University of Denver, USA
- Member of the American Institute of Certified Public Accountants ('AICPA').

Mr. Vinod Ramabhadran
Group Chief Credit Officer
Year joined: 2022

Key Responsibilities
Mr. Ramabhadran is the chairman of Emirates NBD's Management Credit Committee, responsible for end-to-end credit underwriting. Additional responsibilities include dynamic management of the credit portfolio of Emirates NBD and timely actions to ensure robustness of the portfolio so that optimal risk reward equations are maintained in line with Emirates NBD's established – risk appetite.

Skills and Expertise
Mr. Ramabhadran has over 35 years of experience which spans diverse areas of banking, such as corporate relationship management, Group Audit, Group Treasury, corporate governance and all areas of risk management.

Experience
Mr. Ramabhadran's banking experience has largely been with Standard Chartered Bank in leadership roles, such as Regional Chief Credit Officer, Regional Chief Risk Officer and Regional Chief Operating Officer – Africa and Middle East.

Prior to joining Emirates NBD Group, Mr. Ramabhadran was Director of Standard Chartered Bank, Pakistan, and served as the Chairman of the Board of Directors of Global Business Services, Standard Chartered Bank Group, overseeing a team of approximately 40,000.

Education and Qualifications
- Master in Law from Kings College, London, UK
- Chartered Accountant from the Institute of Chartered Accountants of India
- Certified Financial Analyst (CFA) from AIMR, USA
- Certified Financial Risk Manager (FRM) from GARP, USA

Mr. Miguel Rio-Tinto
Group Chief Digital and Information Officer
Year joined: 2017

Key Responsibilities
Mr. Rio-Tinto leads Emirates NBD's technology and digital advancements, ensuring Emirates NBD upholds its position as a leader in digital innovation within the banking sector.

Skills and Expertise
With over 25 years of experience in driving digital transformation and innovation across various industries, Mr. Rio-Tinto has successfully led Emirates NBD's comprehensive IT transformation, revolutionising its technology and infrastructure platforms. His strategic vision has set numerous industry records and established a new technology benchmark across the MENAT region.

Experience
Previously, Mr. Rio-Tinto headed Digital McKinsey's Iberian office, advising major financial institutions in Europe and Latin America on large-scale digital transformations, including IT strategy, operating models, architecture, cost efficiency, and cybersecurity. He served as COO and CIO for Novo Banco SA, one of Iberia's largest banks, and held the CIO position at Banco Espírito Santo in Portugal. His executive experience also includes roles on several boards, including Portugal's Tranquilidade Insurance Group, alongside various advisory positions in digital and technology.

Education and Qualifications
- Master in Business Administration from INSEAD, France
- Master of Science in Information Technology from Instituto Superior Technico, Portugal

Key Management

Mr. Vijay Bains
Chief Sustainability Officer and Group Head of ESG
Year joined: 2022

Key Responsibilities
Mr. Bains leads the sustainable and transition finance strategy and implementation for Emirates NBD Group, as well as implementation of its ESG programmes.

Skills and Expertise
Mr. Bains has worked in sustainability for 20 years across banking. He has extensive experience in sustainable finance framework design, due diligence, and sustainability risk management practices.

Experience
Mr. Bains has worked for the European Bank of Reconstruction & Development, the World Bank and Lloyds Banking Group, as well as working in consulting for KPMG UK in Sustainable Finance & ESG Strategy.

He is a member of the World Economic Forum of Sustainability Leaders and a member of the S&P Sustainability Leadership Council. He is also a member of the UAE Banking Federation Sustainable Finance Committee, DIFC Sustainable Finance Committee, and ADGM Sustainable Finance Committee.

Education and Qualifications
- Chartered Environmentalist
- Royal Geographical Society Chartered Geographer, UK
- Sustainability Leadership Certificate from University of Cambridge, UK

Mr. Ibrahim Sowaidan
Head of Group Corporate Affairs
Year joined: 1999

Key Responsibilities
Mr. Sowaidan has a broad range of responsibilities across the Group, primarily concentrated on the Group's communications and public relations campaigns, press office management, community sponsorship activities, Group events and financial announcements. His role requires significant involvement and sensitive coordination with key internal decision makers, high-level media and other external stakeholders.

Skills and Expertise
Mr. Sowaidan excels at operating at a strategic level while taking into consideration the implementation of tactical actions. He possesses a broad network of local contacts in media as well as senior decision makers in both the private and public sectors. He has multi-lingual skills and excellent knowledge of local and international cultures.

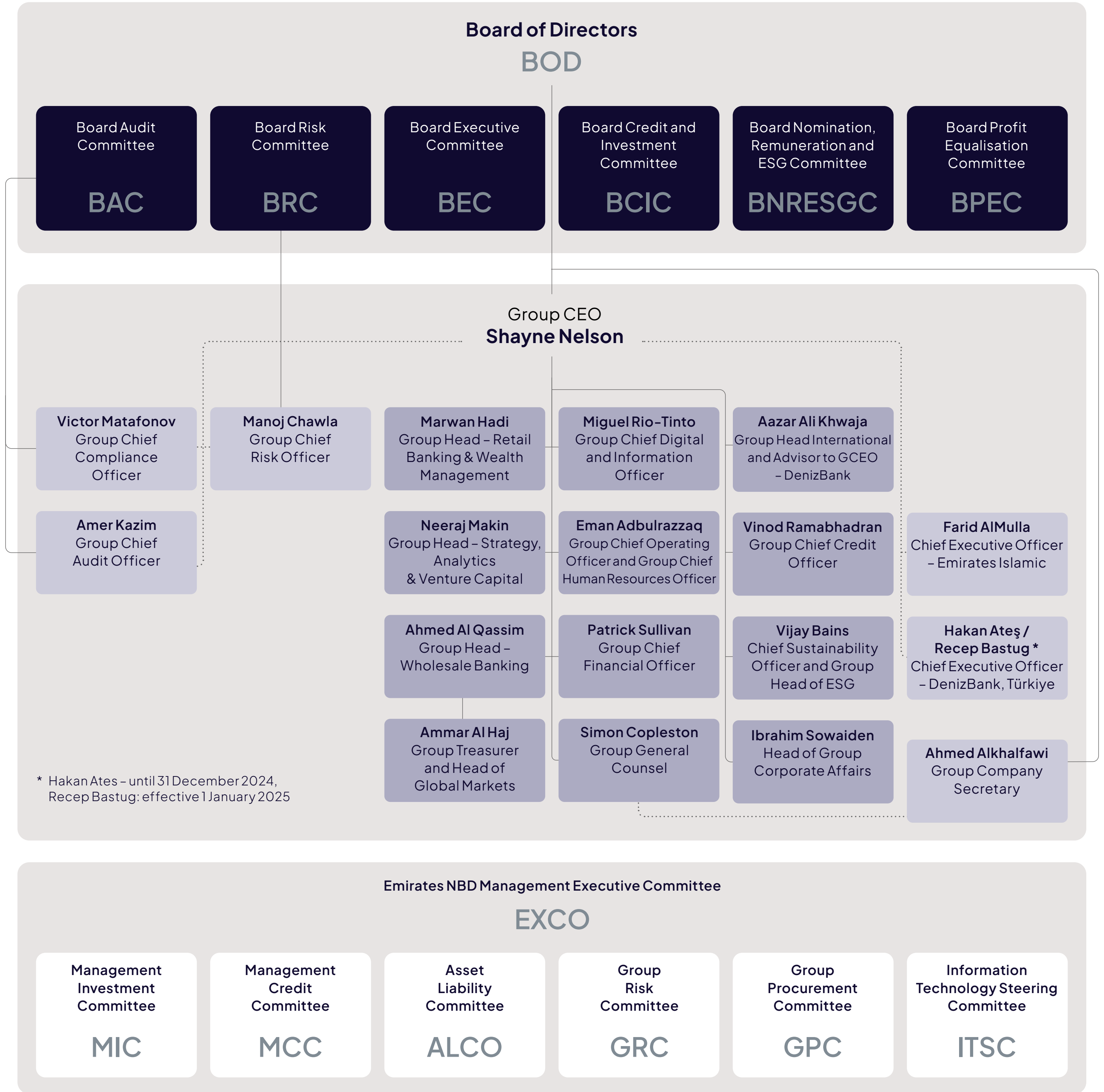
Experience
Mr. Sowaidan is a senior corporate affairs and communications professional with more than 25 years' experience in financial services media, advertising, and public relations in the Arabian Gulf region.

Education and Qualifications
- Bachelor of Arts in Economics from The American University of Beirut, Lebanon
- Master's in Business Administration from the Bradford School of Management, UK

Group Corporate Governance Framework

The Group is committed to good corporate governance, which provides a solid basis for its future development and corporate performance, supports trust in its activities as a recipient of depositors' funds and shareholders' capital, and enables it to contribute to the successful development of the financial system of the UAE.

Our Governance Model



The Group's Corporate Governance Framework is based on the principles of responsibility, accountability, transparency, and fairness to support sound and prudent decision making.

The Corporate Governance Framework consists of Emirates NBD's Corporate Governance Manual, Board Charter, and a series of Board policies, all of which are published on the Emirates NBD website.

The Corporate Governance Manual identifies the responsibilities and accountabilities of the Board and individual Directors, Board Committees and supporting management functions. It also provides an overview of the overall governance approach within Emirates NBD. The Board Charter details the protocols and policies of the Board and is supplemented by specific Board policies related to conflicts of interest, fitness and propriety, remuneration, and performance evaluation.

The Corporate Governance Manual sets out four broad tiers/levels of roles:
(i) Board: The Board has the ultimate responsibility for ensuring that an appropriate and effective governance framework is established and maintained to manage and control the Group's activities.
(ii) Board-level and Senior Management Committees: The Board delegates authority to committees and establishes standards for the control and governance of the Group. Committees have responsibilities and authorities as defined in their Terms of Reference.
(iii) Functions: Individual functions perform business and control activities, which are compliant with all internal policies, procedures, guidelines, external laws and regulations.
(iv) Individuals: The business and function heads are delegated with authorities necessary to ensure effective governance and compliance.

As such, the Corporate Governance Framework guides the Board and Senior Management in the discharge of their duties, aligns their interests with those of shareholders and other key stakeholders, and ensures risks are managed prudently. All Group entities comply with this framework, suitably adjusted to local regulations.

Key Initiatives in 2024

In line with the Group's commitment to continuous improvement, a range of key initiatives were implemented during 2024 to enhance corporate governance, including:

- Updating the Terms of Reference of Board Committees to ensure alignment with regulations and best practices.
- Reviewing internal policies and frameworks to align with updates in the SCA Corporate Governance Regulations and CBUAE Fit and Proper Regulations.
- Establishing Group Board Oversight Principles to ensure best corporate governance practices are applied consistently across the Group.
- Conducting an independent external board evaluation of the Board, Board Committees and Board Members, in line with applicable Corporate Governance Regulations.
- Establishing a Power of Attorney Policy for enhanced governance on delegation of authority.
- Continuous review of existing risk frameworks and policies to ensure the Group remains protected, given the ever evolving risk landscape.
- An independent review of the compensation system, in accordance with applicable Corporate Governance Regulations.
- Inclusion of ESG KPIs in Senior Management scorecards.
- Establishing a Sustainable Finance Forum to advance the Group's sustainable finance business.

Authority Framework

All authority throughout Emirates NBD is ultimately derived from the Board, which ensures an effective system of internal control.

Board
The Board has overall responsibility for the Group, including approving and overseeing the implementation of the Group's strategic objectives, complying with all laws and regulations applicable to the Board, governance framework, and corporate culture. The Board is responsible for the overall direction, management, supervision, and control of the business affairs of the Group and provides leadership in the development and implementation of the vision and mission of the Group. The Board is also responsible for providing oversight of Senior Management.

Chairman of the Board
The Memorandum of Association of the Group confers authority upon the Chairman to act on behalf of the Group. The Chairman is responsible for leading the Board and focusing it on strategic matters, overseeing the business of Emirates NBD and setting high governance standards. The Chairman plays a pivotal role in fostering the effectiveness of the Board and of the individual Directors. The Chairman, on behalf of the Board, delegates specific powers and responsibilities to the Group Chief Executive Officer by virtue of a duly notarised Power of Attorney ('POA'), who subsequently sub-delegates specific authorities to members of Senior Management of the Group.

Board Committees
Whilst the Board is ultimately responsible for the conduct of Emirates NBD's affairs, for greater efficiency and to assist it in carrying out its responsibilities, Board Committees have been established with formally delegated objectives, authorities, responsibilities, and terms.

The Board has established six (6) permanent Board Committees. Each Committee has its own Board-approved Terms of Reference, which sets out the responsibilities of the Committee and how it reports to the Board. The Chairman of each Board Committee determines the frequency of Committee meetings, consistent with the Committee's Terms of Reference and the requirements of Emirates NBD.

The Board regularly reviews the composition of the Board Committees. During 2024, the Board Audit Committee ('BAC') and the Board Risk Committee ('BRC') continued to have an Independent Director as the Chair, and the BRC had a majority of Independent Members, as required by CBUAE Regulations.

Further details of Board Committees can be found in the Board Committee reports section on pages 120 to 133.

Management Committees
The Board has established various Management Committees to assist in the day-to-day management of the Group's activities. These committees have duly approved Terms of Reference, which set out the responsibilities of each committee and to whom it reports. Further details of key Management Committees can be found in the Management Committee section on page 138.

Senior Management
Emirates NBD has established internal authority matrices to delegate authority to members of Senior Management and employees. During 2024, the Board also approved a Power of Attorney Policy for the purpose of outlining the principles and conditions for management of POAs, including the issuance of clearly defined authority to Senior Management to run their respective business/support units on behalf of the Group. The Senior Management can further sub-delegate powers to the extent necessary to employees or external authorised representatives limited to a term of three (3) years.

Board Composition

Emirates NBD's Board composition is in line with all relevant regulations and is reviewed frequently to stay up to date with any new changes in regulations and includes the following areas.

Gender and Board Diversity
The UAE continues to enhance gender diversity through Corporate Governance Regulations, including those set by the CBUAE and SCA. Current regulations stipulate that at least 20% of the candidates considered for appointment to the board of a listed company must be female. This was considered in the last election that took place in 2022, when three (3) of the thirteen (13) candidates for nomination were female, exceeding the 20% female nomination threshold set by the CBUAE.

H.E. Huda Sayed Naim AlHashimi was appointed as Emirates NBD's first female Board member in early 2022. The Board currently has 11% female representation, which is in line with its Board Charter and regulatory requirements.

The BNRESGC supports the nomination of female candidates and will continue to review opportunities to include gender diversity as part of the Board succession process. The Group is also committed to playing a progressive role in promoting gender, cultural and ethnic diversity across the organisation. Emirates NBD's employee base is currently 41% female, showing Emirates NBD's eagerness and commitment to support diversity.

UAE Nationals
As per UAE Regulations, the majority of the Members of the Board must be UAE Nationals. Currently, all of the Emirates NBD's Directors are UAE Nationals, including the Chairman of the Board.

Board Member Independence
As per UAE Regulations, a minimum of one-third of the Board Members must be Independent. Currently, four (4) out of nine (9) of the Board Directors of Emirates NBD are assessed to be Independent, as per the criteria prescribed by the CBUAE below:

- If the tenure of the Board Member exceeds twelve (12) consecutive years from the date of his/her appointment. This provision applies equally to persons appointed by a government shareholder;
- If the Board Member, or any of his/her first-degree relatives, have been employed by Emirates NBD Group or its subsidiaries during the past two (2) years;
- If the Board Member has been employed, or is a partner, in a company that performs consulting works for Emirates NBD or the Group, or he/she has acted in such capacity during the past two (2) years;
- If the Board Member has had any personal services contracts with Emirates NBD or the Group during the past two (2) years;
- If the Board Member has been affiliated with any non-profit organisation that receives significant funding from Emirates NBD or the Group;
- If the Board Member, or any of his/her first-degree relatives, has been a partner or employee of the auditors of Emirates NBD during the past two (2) years;
- If the Board Member, or any of his/her first-degree relatives, has or had a direct or indirect interest in the contracts and projects of Emirates NBD or its subsidiaries during the last two (2) years, and the total of such transactions exceeds the lower of 5% of Emirates NBD's paid capital or five million Dirhams or its equivalent amount in a foreign currency, unless such relationship is part of the nature of Emirates NBD's business and involves no preferential terms; and
- If the Board Member and/or any of his/her first-degree relatives (individually or collectively) own directly or indirectly 10% or more of Emirates NBD's capital or is a representative of a shareholder who owns directly or indirectly more than 10% of Emirates NBD's capital.

Board Skills
Collectively, the Board comprises nine (9) Non-Executive Directors contributing a wide range of skills, competencies, diversity, expertise and experience from a range of backgrounds, including in the areas of banking, finance, audit, strategic planning, business development, regulatory compliance, human resources and remuneration, corporate governance, ESG, risk management, technology and digital and Islamic banking. This ensures that their collective knowledge and understanding align with the governance, strategic and operational needs of the Group.

Skills and experiences*

* The chart reflects the self-rating of the Directors on a scale of 1 to 10.

Board Responsibilities

The Board's core mandate is to oversee the implementation of the Group's strategic objectives; determine the overall direction, management, supervision, and controls of the business affairs of the Group; and provide leadership in the development and implementation of its vision and mission.

The Board also provides oversight of Senior Management while complying with all requirements relating to laws and regulations, its governance framework, and its corporate culture. The key responsibilities of the Board include, but are not limited to:

Strategy and Management

Strategic Oversight
Formulate and monitor the Group's business objectives and strategic plans, while mitigating financial, legal, reputational and other risks to the Group. Approve and monitor major investments, divestitures, strategic commitments, operational initiatives and the Group's annual budget.

Management Oversight
Establish a fit and proper process for the selection of Senior Management, as well as monitor and review executive succession planning, including the Group Chief Executive Officer. Monitor Senior Management's actions to ensure that they are consistent with the strategic objectives and policies approved by the Board and are aligned with the Group's values, risk appetite and risk culture.

Performance Review
Review business results and monitor budgetary control and report any breach or failure to comply. Set appropriate performance standards for Senior Management.

Financial Management

Capital Adequacy
Make decisions concerning the Group's capital structure and its dividend policy and oversee the implementation of the Group's capital adequacy assessment process, capital and liquidity plans, and relevant policies and obligations.

Credit Responsibilities
Implement key credit and liquidity policies and approve credit commitments, in accordance with the CBUAE requirements, including facilities to related parties.

Financial Oversight
Establish commercial and financial policies, processes, controls and procedures to maintain the integrity of the Group's accounting and financial records and statements and approve the annual and interim financial statements.

External Reporting
Monitor reporting to shareholders to ensure that it is objective, comprehensive, factual and timely, and establish disclosure policies for the fair and timely public disclosure of material information, which is accurate, not misleading, complete and in line with regulatory requirements.

Risk Management and Controls

Risk Management
Establish and oversee implementation of an effective risk governance framework, RAS and risk management processes and culture across the Group and determine the nature and extent of the risks it is willing for the Group to bear to achieve its strategic objectives.

Internal Controls and Compliance
Establish an effective internal control framework across the Group, taking into account the Group's risk profile, and ensure the efficiency of internal controls throughout the Group, including the management of finances and operations.

Ensure effective regulatory compliance programmes are in place (including without limitation Financial Crime Compliance, Consumer Protection and Data Privacy), and clearly articulate the expectations with regards to the responsibilities and accountability of all employees in relation to those programmes.

Culture and Compensation

Corporate Culture
Set the values of the Group and establish and implement the Group's Corporate Governance Framework, Code of Conduct and formal written policies and processes in accordance with applicable regulatory requirements and best practices, with due regard to Emirates NBD's Stakeholders and customers and the Group's role in the community.

Ethics and Values
At all times, act with integrity and exercise the duty of care, the duty of confidentiality and the duty of loyalty. Provide clear guidance about the Group's purpose and set its values and ethical standards and ensure that management and employees behave with integrity and ethics and perform their jobs with skill, due care and diligence.

Compensation Framework
Oversee the design and operation of the Group's compensation system and executive remuneration to ensure alignment with the long term interests of the Group, risk culture and risk appetite, and relevant regulatory requirements.

Corporate Governance

Group Governance
Ensure effective control over the Group's entire business, while respecting the independent legal and governance responsibilities that apply to the individual entities and ensure that management balances the opportunities and risks of the business of the Group.

Board Effectiveness
Evaluate the performance of the Board, Board Committees and each Director, and ensure that Directors have sufficient time to devote to Board matters to discharge their duties effectively.

Delegation of Authority
Approve clear policies for the delegation of authority and the actual delegations to Senior Management, particularly in respect of the financial and administrative affairs of the Group.

Board Management of Corporate Culture
Emirates NBD continued to embrace a strong corporate culture during the year, which supports long-term sustainable shareholder value. During 2024, the Board and EXCO continued to enhance and embed a strong corporate culture in a number of ways, including:

- Setting the "tone from the top" by playing a lead role in establishing, promoting, embedding and monitoring the Group's corporate culture and values to ensure that all business is conducted in a legal and ethical manner.
- Monitored and influenced the culture, reputation and ethical standards of the Group.
- Ensured strong engagement with employees and confirmed that they are aware that appropriate disciplinary or other actions will result from unacceptable behaviours and transgressions that do not adhere to the Group's purpose and values.
- Embedded employee engagement scores into Senior Management scorecards.
- Continued to apply a written code of conduct, conflict of interest policy, whistleblowing policy mechanism, culture and values programmes (applying the values of Collaboration, Ownership, Drive and Enterprising), championing consumer protection.
- Continued to monitor the overall development of the Group's culture to promote a healthy environment and employee engagement conducive to organisational success through initiatives such as:
  - Mental Health Policy to support employees' wellbeing and ensure access to mental health resources.
  - Expansion of the Future of Work initiatives internationally, rolling out Career Architecture across global locations in 2024.
  - 'Speak Up-up' programme providing a confidential channel for reporting workplace misconduct and fostering a safe inclusive environment.
  - 'Bring Your Kids to Work' Day promoting a family-friendly culture with activities, games and leadership engagement.
  - Culture Coffee Chat sessions for employees to engage with senior leaders, explore organisational culture, and discuss key insights and practices.
  - International Women's Day activities with a panel discussion featuring Her Excellency Huda Al Hashimi highlighting leadership and empowerment for women.

Board Appointments

Emirates NBD recognises that an effective Board is the outcome of appointment of well-qualified and experienced Directors, who are critical to ensuring that the Board meets its primary responsibility of promoting the success of the Group.

The Group's Board appointment process is aligned with the Fitness and Propriety Regulations and Standards, and the Corporate Governance Regulations issued by the CBUAE and the Group's approved Fit and Proper Policy, which ensures that the appointed Board Members:

a. Possess the necessary knowledge, skills and experience;
b. Have a record of integrity and good repute;
c. Have sufficient time to fully discharge their responsibilities;
d. Provide for collective suitability and added value to the Board;
e. Do not have any conflict of financial or non-financial interests; and
f. Have a record of financial soundness.

The BNRESGC plays an important role in the selection and recommendation of potential Directors for appointment to the Board, ensuring that the Board comprises individuals with a balance of skills, diversity and expertise, who collectively possess appropriate qualifications required for the size, complexity and risk profile of the Group. The BNRESGC also ensures that the Board comprises at least one-third Independent, and one female members, in line with CBUAE and SCA Regulations.

Appointments are made in line with the cumulative voting requirements under the UAE Commercial Companies Law and the Emirates NBD Articles of Association pursuant to which Directors are elected by an ordinary resolution passed by shareholders at the Group's GAM and their appointments are subject to approval by the CBUAE.

Before providing its no-objection for nominations, appointments or renewals, the CBUAE may conduct additional interviews and/or background checks to ensure the fitness and probity of the candidates, including their ability to manage the time commitments required for their role on the Board of the Group, and confirm the accuracy and completeness of the information and documentation provided by Emirates NBD.

In the event of a vacancy, the Board, assisted by the BNRESGC, may identify candidates with the appropriate expertise and experience, using external consultants and/or by placing advertisements, as appropriate. The most suitable candidate will be appointed by the Board within a maximum period of 30 days but must stand for election by the shareholders at the next GAM to confirm such candidate's appointment or appoint another instead.

As stipulated in Emirates NBD's Articles of Association, all Directors hold office for a term of three (3) years and are eligible for re-appointment after that. The current Board is completing its three-year term, and a new Board will be appointed at the upcoming GAM to be held in February 2025.

Board Succession Planning

Emirates NBD reviews its Board composition regularly to keep it aligned to regulatory requirements and to support the principles of Board independence, diversity and effectiveness. The Group's continual reviews take account of:

- The skills required of the Board as a whole and of each of its Committees;
- The skills and tenure of each of its Directors;
- The diversity of the Board;
- Board independence; and
- Other regulatory requirements.

Board Induction and Continuing Awareness Programmes

Board induction and ongoing Board awareness programmes are vital to ensure that Directors keep up to date on key matters.

Board Induction

To ensure that Directors have the necessary skills and knowledge to discharge their fiduciary responsibilities effectively and to provide constructive challenge and enquiry to the business of the Board, the BNRESGC, working with Senior Management, provides a tailored induction programme for new Directors joining the Board. The induction programme includes:

- Information about Directors' rights, duties and responsibilities, the Group's strategic plans, its significant financial, accounting and risk management issues, its compliance programmes, its Corporate Governance Manual and Framework, its Code of Conduct, its management structure and an overview of the regulatory environment applicable to the Group, including the Corporate Governance Regulations.
- Discussions with the Group Chief Executive Officer, Senior Management, the Group Company Secretary, the internal auditors and (where required or considered appropriate) external auditors.
- Appropriate reading materials, tutorials and workshops.

The Board dedicates sufficient time, budget and other resources for its induction programme, and regularly reviews it to ensure that Directors acquire, maintain, and enhance knowledge and skills relevant to their duties and fiduciary responsibilities.

Board Awareness Programmes

Emirates NBD provides ongoing Board awareness programmes during the year on a variety of topics relevant to the business. These awareness topics are developed in consultation with the Board and cover key issues that are considered relevant and appropriate, commensurate with the ongoing or evolving challenges and risks of the business and any regulatory requirements.

At the request of the BNRESGC, Senior Management provides additional presentations for Directors, on any matters that may help them gain deeper understanding and knowledge of the Group.

The Board dedicates sufficient time, budget and other resources for its awareness programmes and regularly reviews them to ensure that Directors acquire, maintain, and enhance knowledge and skills relevant to their duties and fiduciary responsibilities.

Awareness Programmes

During 2024, the following Board awareness programmes, including programmes on regulations, governance and emerging technologies, were delivered to the Board:

Digital Assets
- Types of Digital Assets
- Digital Capital Transformation Cycle
- Global and Regional Perspective of the Industry

Corporate Governance
- Key Pillars of Corporate Governance
- Best Practices and leading trends in UAE Corporate Governance
- Recent Developments in UAE Corporate Governance Regulations
- Emerging developments in UAE Corporate Governance Regulations

AML/CFT
- Regulatory Environment
- Board and Senior Management Responsibilities
- Emerging Threats

Emirates NBD Board Evaluation Process

The Board is committed to monitoring and improving its performance and implementing international best practices through annual Board evaluations.

a. Internal Evaluation

The Board reviews and evaluates the performance of the Board, each of the Board Committees and each of its Members annually, under the Emirates NBD Board Evaluation Policy. This process provides the Board with an understanding of how Board Members view their own effectiveness, highlights areas of strengths and improvements, and provides an integrated picture of the performance of the Board and its Committees.

These annual assessments of the Board include but are not limited to:

- **Structure and Composition of the Board:** Reviewing the structure, size and composition of the Board as a whole and its Committees.
- **Board Governance:** Reviewing the effectiveness of Board governance procedures, determining where improvements are needed and making any necessary changes.
- **Board Member Performance:** Assessing the ongoing suitability of each Board Member, taking into account the fit and proper criteria and his/her performance on the Board.

Emirates NBD Internal Board Evaluation Process

1. Review approach for performance evaluation
2. Enhance performance evaluation questions (as needed)
3. Questionnaire completed by Board Members
4. Results compiled anonymously and presented in a thematic manner
5. Report presented to BNRESGC to recommend suitable actions
6. BNRESGC Chairman highlights major areas of concern (if any) to the Chairman of the Board
7. Recommendations presented to the Board for an action plan
8. Group Company Secretary follow up on the agreed action plan

b. External Evaluation

At least once every five (5) years, an independent evaluation of the Board, each of the Board Committees and individual Directors, using an independent external consultant, is conducted in line with the CBUAE Corporate Governance Regulations and Standards and SCA Corporate Governance Regulations.

During 2024, Emirates NBD appointed Nasdaq Corporate Solutions as an independent external expert to conduct the external evaluation of:

- The Emirates NBD Board;
- The Emirates NBD Board Committees; and
- The Emirates NBD Board Members.

The process involved the Board Members responding to questionnaires via a secure digital platform, accompanied by one-to-one interviews with selected Board Members to provide more in-depth understanding of the Board's performance. The results were presented to the BNRESGC in the form of a report that contained anonymised and randomised information, in line with best practices in corporate governance. Following this process, the recommendations were presented to the Board.

The external evaluations included a review of:

- The Board's performance objectives and how it performed according to those objectives;
- The effectiveness of the strategy development process;
- The Board's contribution to effective risk management;
- The Board Members and Board Committees' mix of skills and knowledge;
- The organisational structure and interaction between the Board, Board Committees and Senior Management;
- The efficiency of the Board in responding to problems and challenges;
- The efficacy of the relationship between the Board and its Committees;
- The Board's understanding of the latest regulatory and market developments;
- The Board Committees' Terms of Reference and how they performed against these Terms of Reference; and
- The Board Members' continued fitness, probity, and independence.

Results of the 2024 External Evaluation Process

Overall, the 2024 external Board evaluation concluded that the Directors act with due care, skill, and diligence, and the Board and Board Committees performed well in 2024 in line with an effective structure.

Managing Conflicts and External Directorships

Conflicts of Interest

The Group has adopted a Directors' Conflict of Interest Policy to ensure that as far as possible, conflicts are avoided or, where necessary, presented to the Board for its review and approval.

- Each Director once appointed and on a quarterly basis thereafter, must disclose all actual or potential conflicts to the Group. These are recorded in the Register of Interests, which is maintained by Group Company Secretary and reviewed by the BNRESGC on a quarterly basis.
- As a result of written declarations submitted by each Director, the Board satisfies itself that the other commitments of the Directors do not conflict with their duties, or where conflicts arise, that the Board is sufficiently aware, and policies are in place, to minimise the risks.
- A Director who, in any way, has a conflict of interest in relation to a contract or proposed contract or arrangement with the Group must declare the nature of that interest at a meeting of the Board and record the nature of such interest in the minutes. The Director may not vote on any resolution concerning such a contract or arrangement.

All employees and members of Senior Management are also bound by the Group's Conflict of Interest Policy and Code of Conduct pursuant to which:

- All employees, at the time of joining, must disclose any external positions, directorships and/or shareholdings and consent to certain obligations to ensure such positions do not conflict with the interests of Emirates NBD or its clients as outlined in the Corporate Governance Regulations.
- Employees who subsequently take up/add additional external positions, directorships, and/or shareholdings, as well as existing employees who have previously declared external positions, directorships and/or shareholdings that transfer from their existing position within the Group to a new position within the Group, are also required to make such disclosures.
- All employees of Emirates NBD are responsible for identifying potential conflicts, whether perceived, potential, or actual.
- A central register of all conflicts of interest identified is maintained, together with the actions taken to mitigate such conflicts.

Each year, Group Compliance requests an annual declaration from Senior Management, which it reviews to ensure that the external appointments for each Senior Management member are in line with the Corporate Governance Regulations and in accordance with the Group's policies and procedures.

External Directorships

Through the application of the Directors' Conflict of Interest Policy and the Fit and Proper Policy, the Board ensures that any external directorships or other interests held by any Director:

- are not excessive in number, as required by relevant regulations;
- do not take up an unreasonable amount of time, to the prejudice of Emirates NBD Board duties; and
- do not create any conflict of interest.

Emirates NBD complies with all regulatory requirements in relation to overboarding, including:

- A Director may hold memberships in the boards of up to five (5) Public Joint Stock Companies ('P.J.S.C.') in the UAE, which includes P.J.S.C.s inside the Group.
- A Director may not hold memberships in the board of any other bank in the UAE.
- A Director may hold membership in the board of up to four (4) banks outside the UAE.
- A Director must obtain permission from the Board before accepting a nomination to serve on another board and ensure no conflict of interest exists.
- Each Director must confirm at the time of nomination as well as annually that he/she has sufficient time available to manage the time commitments required from his/her role in the Group.

The following table sets out the P.J.S.C. appointments held by each Director and their compliance with the regulations.

Board Members	Number of P.J.S.C. Appointments Held*	Number of Appointments Held in Banks Outside the UAE**	Compliant to Regulation	Sufficient Time Available for Emirates NBD
H.H. Sheikh Ahmed Bin Saeed Al Maktoum	1	None	✓	✓
Mr. Hesham Abdulla Al Qassim	3	2	✓	✓
Mr. Buti Obaid Buti Al Mulla	4	None	✓	✓
H.E. Mohamed Hadi Ahmed Al Hussaini	2	None	✓	✓
Mr. Ali Humaid Ali Al Owais	5	None	✓	✓
Mr. Salem Mohammed Obaidalla	2	None	✓	✓
H.E. Huda Sayed Naim AlHashimi	2	None	✓	✓
Mr. Jassim Mohammed Abdulrahim Al Ali	1	None	✓	✓
H.E. Khalid Juma Al Majid	1	None	✓	✓

* Including Emirates NBD
** Including Emirates NBD Group banking subsidiaries

Related Party Transactions

In accordance with the CBUAE Corporate Governance Regulations, Related Party Transactions ('RPTs') must be defined and identified, to prevent any potential or actual conflict of interest that may arise.

Emirates NBD has developed an RPT framework and guidelines, which detail the processes in place to identify, assess, monitor, and report the Group's exposures towards related parties. RPTs are entered into on an arm's length basis, on normal commercial terms, and continue to be monitored by or on behalf of the Board. Emirates NBD maintains a register of related parties and details for each RPT.

RPTs and balances for 2024 and 2023 are set out in the following table:

No.	Clarifying the Nature of the Relationship	Type of Transaction and Balances	Value (AED million) 2024	Value (AED million) 2023
1	Majority shareholder of the parent	Loans and receivables	57,333	76,028
2	Majority shareholder of the parent	Customer and Islamic deposits	8,056	8,297
3	Parent	Loans and receivables	2,262	2,278
4	Parent	Investment	6,370	6,377
5	Parent	Customer and Islamic deposits	2,278	553
6	Funds managed by Emirates NBD	Fees received	24	23
7	Other related parties	Payments made	17	17
8	Directors	Directors sitting and other fees	28	18
9	Directors and related companies	Loans and receivables	1,949	1,658
10	Key management	Key management compensation	114	106

Note: As at 31 December 2024, deposits from and loans to Dubai government related entities amounted to 5% (2023: 5%) and 7% (2023: 10%) respectively, of the total deposits and loans of the Group. These entities are independently run business entities and all financial dealings with the Group are on normal commercial terms.

Directors' Ownership of Shares and Securities

The following table shows the ownership and transactions in shares (both purchase and sale) of the Board Directors, in the securities of Emirates NBD during the year ended 31 December 2024:

Board Members as at 31 December 2024	Position Held	Shares/ Securities Held as at 1 January 2024	Total Shares Purchased during 2024	Total Shares Sold during 2024	Shares/ Securities Held as at 31 December 2024
H.H. Sheikh Ahmed Bin Saeed Al Maktoum	Chairman	655,598	None	None	655,598
Mr. Hesham Abdulla Al Qassim	Vice Chairman and Managing Director	135,200	None	None	135,200
Mr. Buti Obaid Buti Al Mulla	Director	7,395,043	None	None	7,395,043
H.E. Mohamed Hadi Ahmed Al Hussaini	Director	None	None	None	None
Mr. Ali Humaid Ali Al Owais	Director	296,479	None	None	296,479
Mr. Salem Mohammed Obaidalla	Director	None	None	None	None
H.E. Huda Sayed Naim AlHashimi	Director	None	None	None	None
Mr. Jassim Mohammed Abdulrahim Al Ali	Director	None	None	None	None
H.E. Khalid Juma Al Majid	Director	1,404,781	None	None	1,404,781

Board of Directors' Remuneration

The Directors' Remuneration Policy is consistent with Emirates NBD's culture, control environment and long-term objectives. The BNRESGC reviews and makes annual recommendations to the Board on the form and amount of Directors' remuneration, taking into consideration the amount of time they are engaged with Emirates NBD's affairs, as well as the extent and complexity of their responsibilities, including serving on Board Committees. Committee Members were paid an allowance of AED 20,000 for each meeting they attended in 2024. The amount of Directors' remuneration is recommended to shareholders by the Board.

The following table sets out the total Board fixed fees paid to each of the Emirates NBD Board Directors during the year ended 31 December 2024:

Board Members	Role	Remuneration Paid in 2024 (AED)
H.H. Sheikh Ahmed Bin Saeed Al Maktoum	Chairman	5,000,000
Mr. Hesham Abdulla Al Qassim	Vice Chairman	5,000,000
Mr. Buti Obaid Buti Al Mulla	Director	2,000,000
H.E. Mohamed Hadi Ahmed Al Hussaini	Director	2,000,000
Mr. Ali Humaid Ali Al Owais	Director	2,000,000
Mr. Salem Mohammed Obaidalla	Director	2,000,000
H.E. Huda Sayed Naim AlHashimi	Director	2,000,000
Mr. Jassim Mohammed Abdulrahim Al Ali	Director	2,000,000
H.E. Khalid Juma Al Majid	Director	2,000,000

A collective total of AED 24 million for the Board Directors was approved by shareholders for each of the 2022 and 2023 financial years. It is proposed that the same level of fixed remuneration of AED 24 million for the 2024 financial year be recommended for approval by the shareholders at the 2025 GAM, along with the sitting and any additional fees / allowance payable to Directors, in line with Directors' Remuneration Policy.

Board Leadership

Board meetings held during 2024

- Board meetings take place regularly, at least six (6) times per year, or more, if and when required.
- In order to ensure that all relevant and appropriate agenda items are tabled for review/noting/approval during the year, it is the Group's practice to develop a standing annual agenda schedule, setting out the standing agenda items to be tabled during the year.
- The Group's policy is that Directors should demonstrate "constructive challenge and enquiry,"and also be of "independent mind and spirit". The Chairman also ensures that there is effective debate, encouraging a wide variety of views, and that each Director has an opportunity to contribute fully. This is to ensure that the Board decisions take all key matters into account and are in the best interest of the Group.
- The Board and Board Committee agendas are drafted by the office of the Group Company Secretary and shared with the Chairman for review/approval, as well as with the Group CEO.
- The Board has a positive, constructive, working relationship with Management, and the Board meeting agenda and papers are submitted to Board Members in advance to ensure informed decision making.
- The attendance of individual Directors is recorded at each Board and Board Committee meeting.
- During 2024, six (6) scheduled Board meetings were held to discuss fundamental business of the Group, including reviewing and approving strategic and business performance and other key matters as set out on page 119.

Board attendance during 2024

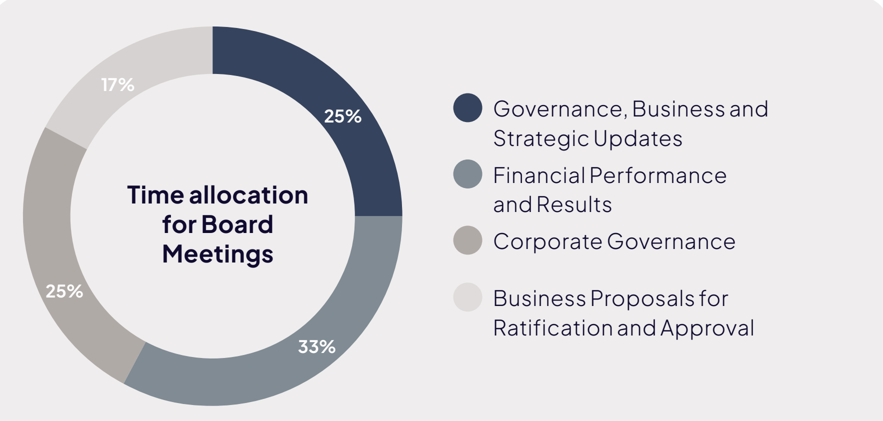
The following table sets out the Board meetings attended by each Director during 2024. Whenever a Director is unavoidably absent from a Board or Board Committee meeting, he/she still receives and reviews the agenda and papers for that meeting. Generally, a Director unable to attend shall provide verbal or written input ahead of the meeting, usually through the Chairman or Company Secretary of the Board. This is to ensure that his/her views are considered at the meeting.

		Board Meeting Dates and Attendance in 2024					
Board of Directors	Role	24 Jan	24 Apr	17 Jul	16 Oct	20 Nov	11 Dec
H.H. Sheikh Ahmed Bin Saeed Al Maktoum	Chairman	✓	✓	✓	✓	✓	✓
Mr. Hesham Abdulla Al Qassim	Vice Chairman	✓	✓	✓	✓	✓	✓
H.E. Mohamed Hadi Ahmed Al Hussaini	Director	✓	✓	✓	✓	✓	✓
Mr. Jassim Mohammed Abdulrahim Al Ali	Director	✓	✓	✓	✓	✓	✓
Mr. Buti Obaid Buti Al Mulla	Director	✓	✓	✓	✓	✓	✓
Mr. Salem Mohammed Obaidalla	Director	✓	✓	✓	✓	✓	✓
Mr. Ali Humaid Ali Al Owais	Director	–	✓	✓	✓	✓	✓
H.E. Huda Sayed Naim AlHashimi	Director	✓	✓	✓	✓	✓	✓
H.E. Khalid Juma Al Majid	Director	✓	✓	✓	✓	✓	–

Key Board Agenda Items during 2024

In 2024, six (6) Board meetings were held, and the following matters were considered. In addition, the Board passed ten (10) resolutions by circulation in 2024.

	Jan	Apr	Jul	Oct	Nov	Dec
Financial Performance and Results						
Review of Group Financial Results and External Auditors Report	•	•	•	•		
Recommendation for appointment of Group External Auditors for the 2024 financial year	•					
Review of dividend proposal FY2024	•					
Rotation of External Auditors			•			
Financial forecast 2024			•			
Budget 2025					•	
Strategic Performance						
Strategic priorities					•	
Corporate Governance						
Review of Annual Integrated Report for 2023	•					
Review of Notice of 2024 GAM	•					
Review of Board remuneration	•					
Review of Board Oversight Principles	•					
Review of Group organisational structure					•	
Re-appointment of Internal Shariah Supervision Committee members				•		
Update of Board Committee Terms of Reference				•	•	•
2025 calendar and provisional agendas for Board and Committee Meetings						•
Subsidiary board membership						•
Governance and Business Updates						
Board Committee reports and updates	•	•	•	•		•
International subsidiary board updates		•	•	•	•	
Group Risk Appetite Statement 2024		•				
Review of Related Party Transactions		•	•	•	•	
Update on CBUAE Credit Risk Management Regulations and Standards			•			
Interim review of Risk Appetite Statement 2024				•		



Board Audit Committee

Mr. Jassim Mohammed Abdulrahim Al Ali
Chairman,
Board Audit Committee

Remit

The responsibilities of the BAC include oversight of:

- the qualifications, independence and performance of the Group's External Auditors;
- the integrity of the Group's financial statements, reporting, and audit controls;
- the qualifications, independence, and performance of the Group Internal Audit, Group Compliance, and Internal Shariah Audit departments;
- the Group's internal control system to ensure it adequately covers the conduct of the Group's business, taking into account the Group's internal controls over financial reporting and disclosure;
- the adequacy and effectiveness of the corporate governance environment;
- Shariah audit and compliance; and
- the Group's compliance with applicable legal and regulatory requirements (including Shariah regulations), and with the Group's policies (unless specifically delegated to other Board Committees).

Committee Composition

The BAC Chairman and Members have been appointed by the Board, after duly considering the recommendations of the BNRESGC. The BAC composition is compliant with CBUAE regulatory requirements, which require three (3) Non-Executive Directors, including an Independent Chair distinct from the Chair of Board and other Committees, who collectively have experience in audit practices, financial reporting, accounting, and compliance.

Mr. Jassim Mohammed Abdulrahim Al Ali
Chairman
Independent Non-Executive Director

Mr. Hesham Abdulla Al Qassim
Member
Non-Independent Non-Executive Director

Mr. Salem Mohammed Obaidalla
Member
Non-Independent Non-Executive Director

BAC Meeting Attendance 2024

BAC Members	Meeting Attendance in 2024
Mr. Jassim Mohammed Abdulrahim Al Ali	5/5
Mr. Hesham Abdulla Al Qassim	5/5
Mr. Salem Mohammed Obaidalla	5/5

Statement from Chairman of the BAC

As Chairman, I am pleased to provide the annual report on the activities of the BAC for the year 2024. The BAC conducted five (5) meetings in 2024 to effectively discharge its responsibilities in accordance with its Terms of Reference and regulatory obligations.

As part of its primary obligations, the BAC reviewed the Group Financial Results along with the External Audit Reports for the year ended 2023 and the Quarterly Financial Results for 2024.

The BAC ensured the independence of the External Auditor and the effectiveness of the audit process. The External Audit Fees were reviewed by the BAC, as per the annual process, and recommendations were submitted for Board approval. The recommendations to rotate the current External Auditor in line with regulatory requirements were also submitted by the BAC to the Board for its approval – these will be presented to the shareholders for approval at the upcoming GAM.

The BAC continued to ensure the independence of the Internal Audit function. The Internal Audit Plan and the Internal Shariah Audit Plan for 2024 were both approved to ensure that Emirates NBD's internal governance and controls remained robust. The implementation progress of the audit plans and significant issues raised by Internal Audit and Internal Shariah Audit were regularly monitored during the year by the BAC.

The BAC approved the Compliance Monitoring Plan for 2024, Emirates NBD's Annual Letter of Attestation for 2023, and continued to receive regular updates from the Group Chief Compliance Officer with respect to Compliance Issues that encompass regulatory changes, customer and payment screening, transaction monitoring, Russian payments and correspondence banking relationships, and enhanced customer due diligence reviews.

The BAC ensured that an ISSC representative was invited to attend a BAC meeting, if an item required the presence of the ISSC representative, and that an ISSC representative attended at least one BAC meeting in a year. It also discontinued reviewing reports from the Internal Shariah Control Division ('ISCD') as the reporting changed from the BAC to the BRC.

The effectiveness and performance of the BAC was reviewed as part of the annual evaluation process, which was conducted by an independent external party this year, in accordance with regulatory requirements. The results reflected that the BAC was discharging its responsibilities in an effective and efficient manner.

2025 priorities

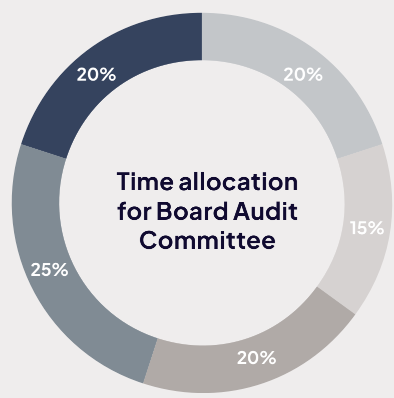
The BAC's schedule in 2025 will include a minimum of four (4) meetings focused on, amongst other things, the integrity of Emirates NBD's financial statements, IFRS 9 governance practices, emerging risks, assessment and oversight of the activities and performance of Group Internal Audit, Group Compliance and Internal Shariah Audit departments, as well as the performance of Emirates NBD's External Auditor.

I hereby acknowledge my responsibility to discharge the responsibilities of the BAC, under its Terms of Reference, and ensure its effectiveness.

Mr. Jassim Mohammed Abdulrahim Al Ali
Chairman, Board Audit Committee

Key Matters Considered during 2024

	Jan	Apr	May	Jul	Oct
Financial Performance, Results and External Audit					
Review of Group Financial Results and External Auditors' Report	•	•		•	•
Review of External Audit Fees	•				
Rotation of External Auditors				•	
Deloitte Auditor's Long Form Audit Report ('LFAR') on Emirates NBD Group's Selected Subsidiaries for 2022	•	•		•	
Regulatory Reports					
Review and update on CBUAE Examiner's Reports	•	•		•	•
Review and update on FAA Examiner's Reports	•	•		•	•
Review of FAA Report for the year 2023 and 2024 plan			•		
Internal Audit					
Independence of the Internal Audit function	•				
Quarterly Internal Audit Report	•	•		•	•
Updates on external quality assessment review of the Internal Audit function	•	•		•	•
Group Internal Audit annual declarations	•				
Group Internal Audit charter updates	•				
DenizBank cybersecurity update	•	•		•	•
Adjustment to the 2024 audit plan					•
Control pulse update		•			•
Internal Shariah Audit					
Quarterly internal shariah audit report	•	•		•	•
Review of Internal Audit and Internal Shariah Audit plan for 2024	•				
Compliance					
Group Compliance Report	•	•		•	•
Compliance monitoring plan	•	•		•	•
Emirates NBD annual Letter of Attestation for 2023	•				



External Auditor

BAC and External Auditors

The Board has delegated to the BAC, its responsibilities relating to oversight of the qualifications, independence and performance of the Group's External Auditor. As per the BAC Terms of Reference, its responsibilities with respect to the External Auditor include, but are not limited to:

- establishment of Group's policies for the selection and rotation of the External Auditor;
- making recommendations to the Board regarding the appointment, reappointment or dismissal of the External Auditor;
- reviewing the terms of engagement and fees to be paid to the External Auditor and recommending to the Board for approval;
- ensuring and monitoring independence of the External Auditor and making recommendations to the Board regarding rotation of the External Auditor and partner in charge, in line with the CBUAE regulations;
- monitoring independence and objectivity of the External Auditor and assess effectiveness on an annual basis;
- meeting with the External Auditor, in the absence of Senior Management;
- reviewing of the audit plan and scope of the audit to ensure it reflects changes in size, business mix or complexity of the Group, or the instructions of the CBUAE; and
- monitoring the provision of non-audit services by the External Auditor and ensuring that the External Auditor does not carry out any additional work that is not part of the audit programme, if it may affect their impartiality and independence.

Selection of the External Auditor

The External Auditor appointed by shareholders at the 2024 GAM for the 2024 financial year was Deloitte & Touche (M.E). Deloitte & Touche (M.E) has served for six (6) consecutive years as the External Auditor of Emirates NBD. The Audit Partner at Deloitte & Touche (M.E) in charge of the external audit rotates every three (3) years. External audit firms may only be appointed for a maximum of six (6) consecutive years. The Group must rotate its External Auditor for the financial year 2025.

Selection Criteria

In addition to the key responsibilities of the BAC referred to above, the BAC also reviews and approves the external audit approach, including the evaluation, independent appointment or re-appointment, and terms of engagement and rotation of the auditing firm and/or the principal partner in charge of the audit.

The evaluation assesses the External Auditor's independence, objectivity, and professional scepticism and the relevant safeguards to independence implemented by the External Auditor.

The selection criteria include ensuring capacity of the audit firm to manage the audit effectively and competently, taking into account the scale and complexity of the Group, as well as ensuring independence, no conflicts of interest, and a strong, experienced, and capable audit partner and team.

The BAC ensures that the External Auditor meets the following criteria:

- has banking industry knowledge and competence sufficient to respond appropriately to the risks of material misstatement in the financial statements and to properly meet any additional regulatory requirements that may be part of the external audit;
- is objective and independent in both fact and appearance with respect to the Group;
- exercises professional scepticism when planning and performing the audit, having due regard to the specific challenges in auditing the Group;
- complies with the applicable standards on quality control;
- identifies and assesses the risks of material misstatement in the Group's financial statements, taking into consideration the complexities of the Group's activities and the effectiveness of its internal control environment;
- provides assurance that the audit engagement team members have no personal, family, business, financial or other relationships with the Group, which could adversely affect the External Auditor's actual or perceived independence and objectivity;
- has not purchased or sold, directly or indirectly the securities of the Group or provided any consultancies to any person in connection with such securities during the blackout period; and
- may not serve on the Board or hold a position in Senior Management before two years have lapsed from the time of involvement in the Group's audit.

The BAC also reviews the audit scope and approach for the year proposed by the External Auditor. The BAC communicates with the external audit team on a number of occasions during the year, without the presence of any of the Senior Management, to discuss periodic and annual reporting, audit findings, changes in accounting and reporting standards, and other necessary business. The BAC reviews the performance, independence and quality of the External Auditor annually, including any regulatory conditions and thresholds on independence, rotation, and qualifications of the audit firm and its staff.

Fees

The BAC approves the fee for in-scope external audit services at the beginning of each year. The scope of services includes audit services, audit-related services and any other relevant services. The BAC may approve additional fees for the services of External Auditors that may arise throughout the year or where the fee exceeds the prior approved amount.

Name of the audit office and partner auditor	**Deloitte & Touche (M.E.) Mr. Yahia Shatila**
Number of consecutive years served by partner auditor	3 years
Total fees for auditing Emirates NBD's consolidated financial statements for 2024	AED 2.4m
Fee for long-form audit report	AED 0.7m
Fee for other regulatory and Group reporting	AED 0.6m
Fee for any non-audit services	NIL

Special (Non-Audit) Services

The BAC is mandated to monitor the independence of the External Auditor to ensure objectivity in the financial statements, to review its statutory audit scope and non-audit services, and to approve its fees. Emirates NBD has established a Non-Audit Services Policy to ensure that due process is followed for providing non-audit services by the External Auditor that are not restricted, as per the CBUAE Regulations.

There were no special (non-audit) services provided by the External Auditor during 2024 and, accordingly, no fee was rendered for non-audit services.

2024 Audit

No reservations were raised by the External Auditor with respect to the year ended 31 December 2024.

Board Risk Committee

Mr. Ali Humaid Ali Al Owais
Chairman,
Board Risk Committee

Remit

The BRC provides oversight of risk management, as part of its responsibility to advise the Board on the overall risk strategy, risk appetite, and risk tolerance of the Group.

The BRC assists the Board to fulfil its duties by overseeing:

- alignment of Emirates NBD's strategic objectives with risk profile and risk appetite;
- development, approval, and implementation of the Group risk management framework and adequate policies, procedures, processes, systems, and controls;
- the Group's approach to model management across the model lifecycle;
- maintaining effective governance and oversight of the management of conduct and compliance risks;
- compliance with regulatory requirements relating to risk management;
- the Group's public reporting on risk management matters; and
- the independence and effectiveness of the risk management departments throughout the Group.

Committee Composition

The BRC Chairman and members have been appointed by the Board, after duly considering the recommendations of the BNRESGC. The BRC composition is compliant with CBUAE regulatory requirements, which require three (3) Non-Executive Directors, including a majority of Independent Members and an Independent Chairman distinct from the Chair of the Board and any other Committees. The members collectively have experience in risk management issues and practices.

Mr. Ali Humaid Ali Al Owais
Chairman
Independent Non-Executive Director

Mr. Hesham Abdulla Al Qassim
Member
Non-Independent Non-Executive Director

Mr. Jassim Mohammed Abdulrahim Al Ali
Member
Independent Non-Executive Director

BRC Meeting Attendance 2024

BrC Members	Meeting Attendance in 2024
Mr. Ali Humaid Ali Al Owais	4/4
Mr. Hesham Abdulla Al Qassim	4/4
Mr. Jassim Mohammed Abdulrahim Al Ali	4/4

Statement from the Chairman of the BRC

During 2024, the BRC held four (4) meetings, during which it discharged its duties in accordance and compliance with the BRC's Terms of Reference.

The BRC continued to enforce the risk management framework in 2024, recommended to the Board the approval of the Risk Appetite Statement and monitored adherence to it through regular updates.

Oversight of financial risks was a primary focus for the BRC during the year. The BRC effectively monitored financial risks such as credit risk, country and transfer risk, counterparty credit risk, market risk, asset and liability management risk, and capital risk through various updates, including review of management reports, review and approval of the Internal Capital Adequacy Assessment Process ('ICAAP'), and stress testing process to ensure that the Group's level of capital is sufficient to meet regulatory thresholds and support its strategy, even in challenging market conditions.

The BRC received regular updates from the Group Chief Compliance Officer with respect to regulatory changes, customer and payment screening, transaction monitoring, Russian payments, and correspondence banking relationships and enhanced customer due diligence reviews.

The Consumer Protection Framework was also approved by the BRC, and an annual update was received regarding Consumer Protection Regulations. In addition, the BRC reviewed and approved material outsourcing arrangements of the Group.

Non-financial risks were also a key focus of the BRC in 2024. The BRC carefully considered non-financial risks including operational risk, model risk, legal risk, reputational risk, and environmental and social risk. It also provided oversight over the ISCD, which started reporting to the BRC instead of the BAC in 2024.

The effectiveness and performance of the BRC was reviewed as part of the annual evaluation process, which was conducted by an independent external party this year, in accordance with regulatory requirements. The results reflected that the BRC was discharging its responsibilities in an effective and efficient manner.

2025 priorities

In 2025, the BRC is scheduled to meet at least four (4) times to fulfil its responsibilities and escalate key matters to the Board. Central to its agenda will be the ongoing enhancement of the Group risk management framework to align with evolving industry best practices and regulatory expectations, ensuring it is appropriate to the Group's size and complexity. Other key focus areas include the review and approval of risk policies and the Risk Appetite Statement, as well as overseeing management's execution of risk strategies to maintain a balanced risk profile.

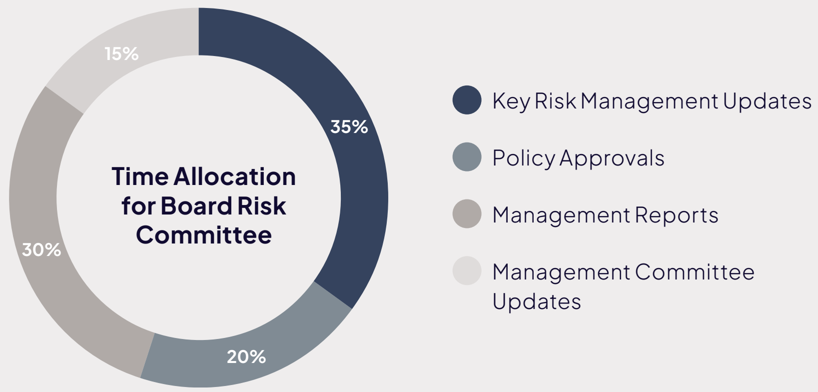
Furthermore, the BRC will oversee the completion of key processes, such as ICAAP, stress testing, and recovery planning, all of which are instrumental in measuring and managing the Group's capacity to withstand adverse conditions. It will also oversee the proactive monitoring and navigation of regulatory changes, ensuring the Group adapts to new requirements in an agile, effective, and compliant manner.

As Chairman of the BRC, I hereby acknowledge my duty to discharge the responsibilities of the BRC, under its Terms of Reference, and ensure its effectiveness.

Mr. Ali Humaid Ali Al Owais
Chairman, Board Risk Committee

Key Matters Considered during 2024

	Mar	Jun	Oct	Dec
Group risk appetite statement	•		•	
Group quarterly risk report	•	•	•	•
Group recovery plan		•		
Group recovery plan dashboard		•	•	•
Review of consumer protection regulations and framework	•		•	
Annual conduct risk report	•			
Quarterly fraud report	•	•	•	•
Compliance reports	•	•	•	•
Environmental and social risk updates	•	•	•	•
Group ICAAP report	•			
Group stress test report	•			
Portfolio updates	•	•	•	•
Liquidity risk updates	•	•	•	•
Material outsourcing arrangements	•	•	•	
Regulatory reports and updates	•	•	•	•
Review and approval of policies and committee Terms of Reference	•	•	•	•



Board Nomination, Remuneration and ESG Committee

Mr. Buti Obaid Buti Al Mulla
Chairman, Board Nomination, Remuneration and ESG Committee

Remit

The responsibilities of the BNRESGC include:

- matters relating to the Board, including the composition, nomination, assessment, succession plans, and remuneration policies for the Directors, and the Board induction plan and awareness programme;
- reviewing independence and interests of Directors and ensuring that Independent Directors remain independent on a continuing basis;
- reporting on corporate governance and remuneration matters, and the development of the Corporate Governance Framework, systems, and controls;
- corporate culture and values, including the Group's governance culture;
- selection, assessment, succession, and remuneration policies for Senior Management;
- HR strategy including Emiratisation and talent acquisition strategies and workforce diversity and retention strategies;
- workforce planning and alignment with goals and strategies;
- review, approval and assessment of progress of the sustainability strategy and ensuring alignment between the Group's ESG efforts and its mission, values and long-term sustainability goals; and
- overseeing achievement of ESG goals including sustainable finance targets, ESG policies, procedures, disclosures, the Group Net Zero Pathway progress, and regulatory developments and emerging ESG trends.

Committee Composition

The BNRESGC composition is compliant with the CBUAE regulatory requirements, which consists of three (3) Non-Executive Directors, including an Independent Director and a Non-Executive Chairman who is distinct from the Chairman of the Board and other Committees.

Mr. Buti Obaid Buti Al Mulla
Chairman
Non-Independent Non-Executive Director

Mr. Hesham Abdulla Al Qassim
Member
Non-Independent Non-Executive Director

Mr. Ali Humaid Ali Al Owais
Member
Independent Non-Executive Director

BNRESGC Meetings Attendance 2024

BNRESGC Members	Meeting Attendance in 2024
Mr. Buti Obaid Buti Al Mulla	5/5
Mr. Hesham Abdulla Al Qassim	5/5
Mr. Ali Humaid Ali Al Owais	5/5

Statement from the Chairman of the BNRESGC

During 2024, the BNRESGC held five (5) meetings and discharged its duties in accordance and in compliance with its Terms of Reference.

The BNRESGC appointed an independent external expert to conduct the external Board evaluation, which included the assessment of the Board, its Committees and every Board Member. This also included the evaluation of the BNRESGC, which concluded that BNRESGC was discharging its responsibilities in an effective and efficient manner.

During the year, the BNRESGC continued to monitor and review the performance and remuneration of Senior Management and the bonus analysis for the Group. In accordance with its responsibilities, it also reviewed the list of Material Risk Takers for 2024. The BNRESGC ensured the implementation of the Emirates NBD Emiratisation Strategy, in line with the guidelines issued by the CBUAE, through the review of regular updates. The percentage of Emirati employees increased to 36% of total Emirates NBD employees, out of which 74% are female (Emirati) employees. Emirates NBD hired 631 Emirati employees in 2024 at all levels and across all departments. It reviewed and approved the organisational structure of the Group, monitored the implementation of major HR projects and approved the relevant HR policies. It also ensured that an independent assessment of the compensation framework and systems was conducted, in accordance with regulatory requirements and its Terms of Reference.

It continued to monitor the overall development of Emirates NBD's culture to promote a healthy environment and positive employee engagement conducive to organisational success. The Speak Up Programme was launched to foster an environment of respect, trust and transparency across all Emirates NBD Group employees by ensuring that any employee can confidentially report unethical behaviour and is protected across the Group, thereby creating a safe and inclusive environment.

As part of its oversight of governance matters, the BNRESGC reviewed the Directors' Register of Interests on a quarterly basis, in line with the Directors' Conflict of Interest Policy, and reviewed the updates provided by the remuneration committees of the international subsidiaries, in line with the Group's Board Oversight Principles.

The BNRESGC also noted the Fitness and Propriety Regulations and Standards issued by the CBUAE and considered the nominations received for the upcoming Board elections.

The BNRESGC updated its Terms of Reference, in line with regulatory updates, and added specific ESG-related responsibilities. In line with these obligations, it received regular updates on ESG-related matters throughout the year, and approved ESG policies and disclosures. It was noted by the BNRESGC that there had been a significant improvement in the ratings in 2024 given by international ESG rating agencies due to improvements and enhancements made with respect to ESG initiatives and disclosures.

2025 Priorities

In 2025, the BNRESGC is scheduled to meet at least four (4) times in order to discharge its duties across a range of areas. The BNRESGC will oversee the process for election of the Board of Directors for the next three-year term, which shall be conducted at the 2025 GAM, and ensure compliance with regulatory requirements including the newly issued CBUAE Fitness and Propriety Regulations and Standards. It will oversee the procedure of election of the Chairman and Vice Chairman, induction and training of Board Members, and constitution of the Board Committees, in accordance with the Corporate Governance Regulations. It will continue to prioritise the development of Emirates NBD's Emiratisation Strategy, focusing on improvements in recruitment, retention of Emirati talent, and diversity and inclusion, in order to ensure that Emirates NBD remains an employer of choice. It will also continue to oversee remuneration policies and processes to ensure they remain suitable for Emirates NBD's talent pool and contribute to future success and progress, in accordance with regulatory requirements.

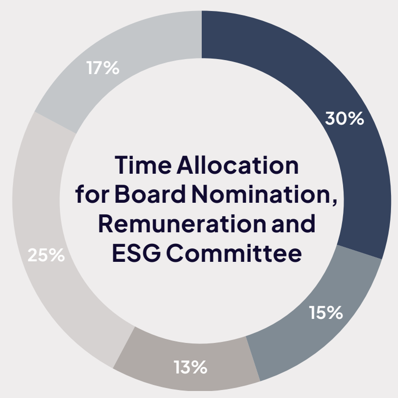
From an ESG perspective, the BNRESGC will approve the 2025 ESG Strategy and continue to focus on areas to increase the Group's ESG ratings and enhance disclosures, in line with regulatory and market requirements. It will also oversee the implementation of the Group's sustainable finance framework.

As Chairman of the BNRESGC, I hereby acknowledge my duty to discharge the responsibilities of the BNRESGC, under its Terms of Reference, and ensure its effectiveness.

Mr. Buti Obaid Buti Al Mulla
Chairman, Board Nomination, Remuneration and ESG Committee

Key Matters Considered during 2024

	Feb	May	Sep	Nov	Dec
Human Resources					
Senior Management pay and performance	•				
Senior Management appointment and role expansion	•				
2023 PM, 2023 bonus and 2024 pay analysis	•				
Material Risk Taker ('MRT') criteria and identified roles	•			•	
HR project and activity updates	•		•		
Employee engagement updates		•			
Workforce analysis	•	•	•	•	
Emiratisation update	•	•	•	•	
Independent assessment of Compensation System			•		
Review of Group Organisational Structure			•		
Policy Review					
HR policy revisions	•	•	•	•	
Reputational Risk Policy			•		
Benefit amendments	•	•	•	•	
ESG					
ESG update		•	•	•	
ESG ratings and disclosures		•			
Sustainable finance update		•	•	•	
Corporate Governance					
Directors Register of Interest		•	•	•	
Independent external Board evaluation			•		
Update of BNRESGC Terms of Reference				•	
Board nomination and fit and proper assessment					•
Regulatory Updates					
Climate regulations update		•		•	
Sustainable Finance Committees				•	
Fitness and Proprietary Regulations				•	



Board Executive Committee

Mr. Hesham Abdulla Al Qassim
Chairman, Board Executive Committee

Remit

The BEC serves as a subgroup of the Board of Directors who have been nominated and appointed by the Board to handle specific governance and decision-making functions between regular Board meetings, when necessary, especially on urgent or time-sensitive matters in cases where it is not possible to convene a meeting of the Board, and to manage other matters delegated by the Board.

The BEC exercises the powers of the Board in the supervision and oversight of the Group's affairs. The BEC plays a pivotal role in ensuring transparency, sound governance, and prudent financial stewardship.

Committee Composition

The BEC Chairman and Members have been appointed by the Board, after duly considering the recommendations of the BNRESGC. The BEC's composition is compliant with relevant regulatory requirements and consists of Non-Executive Directors.

Mr. Hesham Abdulla Al Qassim
Chairman
Non-Independent Non-Executive Director

H.E. Mohamed Hadi Ahmed Al Hussaini
Member
Non-Independent Non-Executive Director

Mr. Ali Humaid Ali Al Owais
Member
Independent Non-Executive Director

Mr. Salem Mohammed Obaidalla
Member
Non-Independent Non-Executive Director

BEC Meeting Attendance 2024

BEC Members	Meeting Attendance in 2024
Mr. Hesham Abdulla Al Qassim	33/33
H.E. Mohamed Hadi Ahmed Al Hussaini	33/33
Mr. Ali Humaid Ali Al Owais	25/33
Mr. Salem Mohammed Obaidalla	33/33

Statement from the Chairman of the BEC

During 2024, the BEC held 33 meetings, during which the BEC discharged its responsibilities in accordance with its Terms of Reference.

The BEC continued to review a number of urgent matters on behalf of the Board, enabling the business of Emirates NBD to be completed in an effective and timely manner. This included considering a wide range of matters which included review of strategic investment and business proposals. It received updates on a regular basis to monitor the status of such proposals.

It also reviewed several contracts that were intended to be executed by Emirates NBD which related to matters such as IT systems and licences and procurement, and approved expenses to be incurred at the Group level such as those relating to key insurance renewals for Group employees.

The BEC reviewed proposals regarding the acquisition and disposal of properties under the ownership of the Group within and outside UAE, as well as reviewing the effectiveness and performance of the BEC as part of the annual evaluation process which was conducted by an independent external party this year in accordance with regulatory requirements. The results reflected that the BEC was discharging its responsibilities in an effective and efficient manner.

2025 priorities

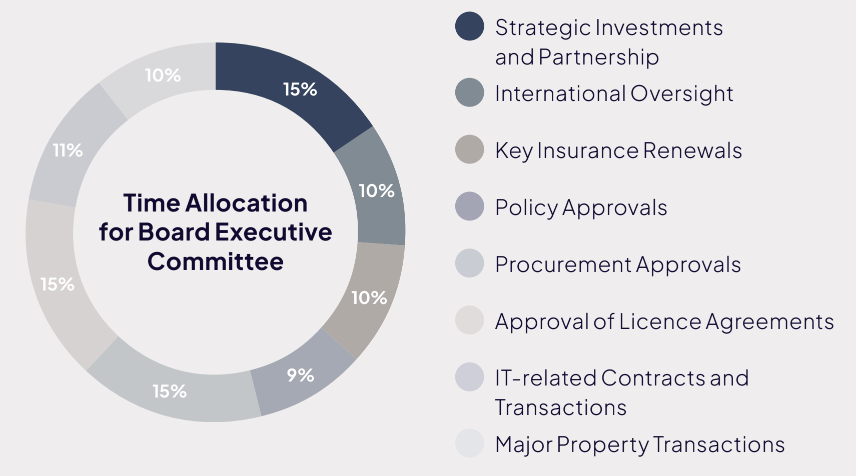
During 2025, the BEC will continue its work to provide review of urgent matters on behalf of the Board, ensuring the effective and timely completion of key strategic and business matters.

As Chairman of the BEC, I hereby acknowledge my responsibility to discharge the responsibilities of the BEC, under its Terms of Reference, and ensure its effectiveness.

Mr. Hesham Abdulla Al Qassim
Chairman, Board Executive Committee

Key Matters Considered during 2024

	Q1	Q2	Q3	Q4
Review of strategic investment and disposal proposals	•	•	•	•
Review of proposed sale/acquisition of properties	•	•	•	•
Key insurance renewals		•	•	
Policy approvals			•	
IT-related contracts and transactions	•	•	•	
International oversight		•	•	•
Strategic partnerships	•	•		•
Procurement approvals	•	•		•
Approval of licence agreements	•	•	•	•



Board Credit and Investment Committee

Mr. Hesham Abdulla Al Qassim
Chairman, Board Executive Committee

Remit

The responsibilities of the BCIC include overseeing:

- management of the credit and investment portfolio of the Group;
- approval of new products and services, including Group and country lines, credit facilities, and investments; and
- supporting the Board of Directors in delegation of lending authorities for all credit and investment committees, management, and employees across the Group.

Committee Composition

The BCIC Chairman and Members have been appointed by the Board, after duly considering the recommendations of the BNRESGC. The BCIC composition is compliant with the regulatory requirements and consists of Non-Executive Directors.

Mr. Hesham Abdulla Al Qassim
Chairman
Non-Independent Non-Executive Director

H.E. Mohamed Hadi Ahmed Al Hussaini
Member
Non-Independent Non-Executive Director

Mr. Ali Humaid Ali Al Owais
Member
Independent Non-Executive Director

Mr. Salem Mohammed Obaidalla
Member
Non-Independent Non-Executive Director

BCIC Meeting Attendance 2024

BCIC Members	Meeting Attendance in 2024
Mr. Hesham Abdulla Al Qassim	50/50
H.E. Mohamed Hadi Ahmed Al Hussaini	50/50
Mr. Ali Humaid Ali Al Owais	45/50
Mr. Salem Mohammed Obaidalla	50/50

Statement from the Chairman of the BCIC

During 2024, the BCIC held 50 meetings during which it discharged it responsibilities in accordance with its Terms of Reference.

The BCIC continued in 2024 to provide guidance to management regarding business strategies and investment policies. It reviewed and supported approval of the delegated lending authority for all credit and investment committees, management and staff across the Group.

It regularly reviewed and approved new products and services, Group and country lines, proposals for credit facilities, investments, asset management, financial restructuring and remedial matters, as per the approved delegated lending authority framework.

The BCIC also provided oversight of the portfolio composition, portfolio quality, performance and compliance, including approval of high-value credit exposures and policy exceptions. It ensured that any decision made by it that affected the Group was subsequently adopted by the Group companies as required for regulatory purposes.

During the year, it updated its Terms of Reference to align with new regulatory requirements introduced pursuant to the Credit Risk Management Regulations and Standards issued by CBUAE and the Corporate Governance Regulations.

It also reviewed effectiveness and performance of the BCIC as part of the annual evaluation process which was conducted by an independent external party this year in accordance with regulatory requirements. The results reflected that the BCIC was discharging its responsibilities in an effective and efficient manner.

2025 priorities

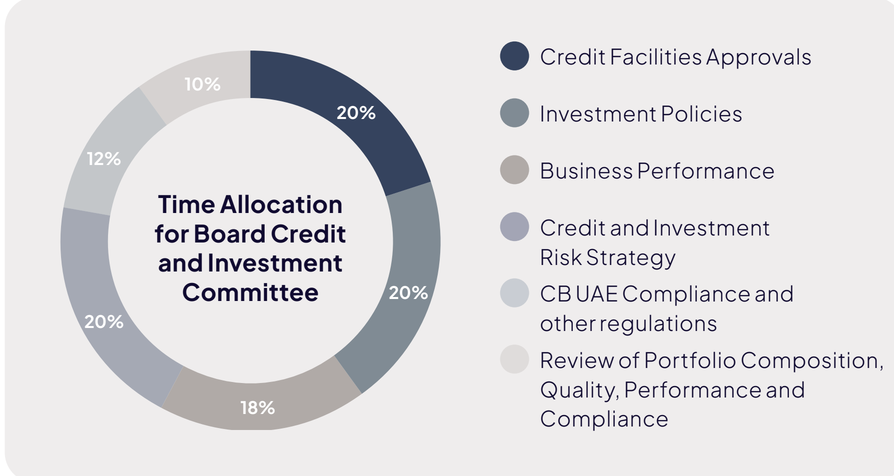
The BCIC's schedule in 2025 will include weekly meetings focused on Emirates NBD's strategy and monitoring the effectiveness of credit and investment policies. Specifically, the BCIC will examine tactical and short-term efficiency measures pertaining to credit and investment portfolios, due to changes in the market conditions and cost optimisation, changes to operating models, and digitisation against the backdrop of changing market conditions, approve and note Group and country lines, credit proposals, portfolio reports, DLA framework, and new products and services.

As Chairman of the BCIC, I hereby acknowledge my responsibility to discharge the responsibilities of the BCIC, under its Terms of Reference, and ensure its effectiveness.

Mr. Hesham Abdulla Al Qassim
Chairman, Board Credit and Investment Committee

Key Matters Considered during 2024

	Q1	Q2	Q3	Q4
Credit facilities	•	•	•	•
Investment policies		•	•	•
Business performance	•		•	•
Credit and Investment Risk Strategy	•	•	•	•
Compliance with CBUAE and other relevant regulations	•	•	•	•
Review portfolio composition, quality, performance and compliance		•		•



Board Profit Equalisation Committee

Mr. Hesham Abdulla Al Qassim
Chairman, Board Profit Equalisation Committee

Remit

The primary responsibilities of the BPEC include overseeing:

- compliance with the requirements of the Profit Equalisation Standards;
- ensuring that investment accounts are managed in the best interests of Investment Account Holders ('IAHs');
- development and periodic update of profit equalisation internal policies, procedures and controls, in order to ensure adequate and prudent profit equalisation; and
- ensuring approval of internal policies, procedures and controls by the Emirates NBD ISSC.

Committee Composition

The BPEC Chairman and Members have been appointed by the Board, after duly considering the recommendations of the BNRESGC. The Committee has three (3) Members, including a member of the ISSC in accordance with the requirements of the Profit Equalisation Standards.

Mr. Hesham Abdulla Al Qassim
Chairman
Non-Independent Non-Executive Director

Mr. Buti Obaid Buti Al Mulla
Member
Non-Independent Non-Executive Director

Dr. Salim Al Ali
External Member – CB Shariah ISSC Representative

BPEC Meeting Attendance 2024

BPEC Members	Meeting Attendance in 2024
Mr. Hesham Abdulla Al Qassim	4/4
Mr. Buti Obaid Buti Al Mulla	4/4
Dr. Salim Al Ali	4/4

Statement from the Chairman of the BPEC

During 2024, the BPEC met four (4) times and continued its work in line with its Terms of Reference, with the primary objective of protecting the interests of stakeholders, other than the shareholders, in line with Higher Shariah Authority ('HSA') and ISSC resolutions.

The BPEC provided robust oversight and sound monitoring in 2024, to ensure that investment accounts were managed in the best interests of IAHs.

The BPEC reviewed on a quarterly basis the status of the displaced commercial risk and the steps being taken to mitigate such risks by Emirates NBD. It also scrutinised the utilisation of reserves such as the Profit Equalisation Reserve ('PER') and Investment Risk Reserve ('IRR') and considered appropriate recommendations to the Board.

In line with its responsibilities, it continued to provide oversight over policy, processes, and procedures relating to financing and investment activities undertaken by the Group, using IAH's funds, as well as the fiduciary duties performed by the Group and approval of key items relating to compliance with regulatory requirements on profit equalisation.

The Terms of Reference of the BPEC were updated in accordance with the requirements of the CBUAE Profit Equalisation Standards and the Corporate Governance Regulations. Various new sections were added to ensure that procedural and regulatory corporate governance matters were covered, and that all responsibilities were in accordance with the CBUAE Profit Equalisation Standards.

The effectiveness and performance of the BPEC was reviewed as part of the annual evaluation process, which was conducted by an independent external party this year in accordance with regulatory requirements. The results reflected that the BPEC was discharging its responsibilities in an effective and efficient manner.

2025 priorities

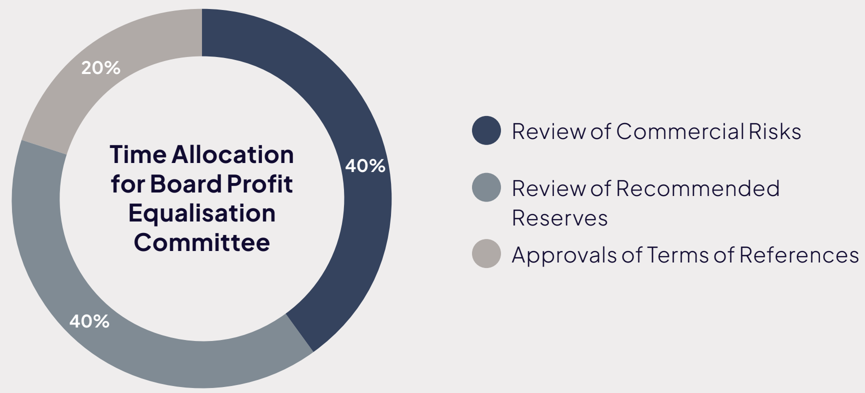
The BPEC's schedule in 2025 will include a minimum of four (4) meetings focused on ensuring compliance with all the requirements of its Terms of Reference and applicable regulations.

As Chairman of the BPEC, I hereby acknowledge my responsibility to discharge the responsibilities of the BPEC, under its Terms of Reference, and ensure its effectiveness.

Mr. Hesham Abdulla Al Qassim
Chairman, Board Profit Equalisation Committee

Key Matters Considered during 2024

	Feb	May	Sep	Nov
Review of displaced commercial risk	•	•	•	•
Review of recommended reserves	•	•	•	•
Approval of updated BPEC Terms of Reference				•



Diversity in Senior Management

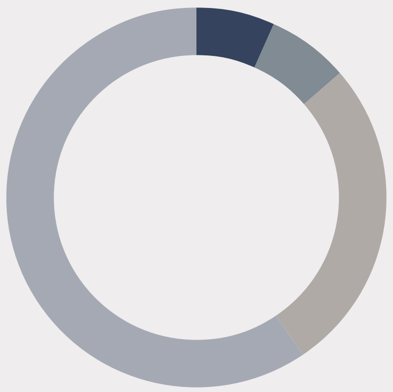
Emirates NBD is dedicated to building a diverse and inclusive leadership team, with a strategic commitment to increasing gender diversity at the Senior Management level. This commitment is reinforced by a pledge to achieve 25% representation of women in senior roles by 2027, driving progress towards inclusive and equitable leadership.

Gender

Male
15

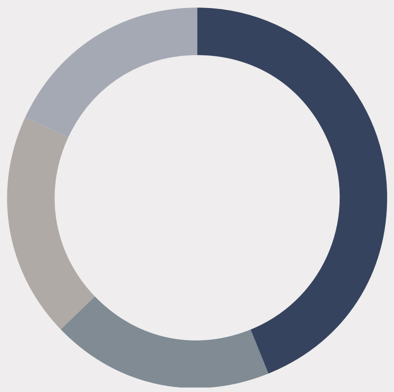
Female
1

Tenure



< 3 years	7%
3–5 years	7%
5–7 years	27%
7+ years	60%

Nationality



Emirati	44%
Indian	19%
European	18%
Other	18%

Senior Management Compensation

The Group's general remuneration policies and practices aim to provide a total reward offering that recognises and rewards performance aligned to the Group's business strategy, within a sound risk management and governance framework that clearly emphasises 'how' goals are achieved in addition to 'what' is achieved.

Design and Structure of Remuneration Processes

The Group's remuneration policies and processes have the following objectives:

- attract, retain and motivate talent through fair and equitable remuneration based on the role, with an offering that is clear and easy to understand and appropriately balanced between fixed and variable compensation;
- foster a pay-for-performance culture, with appropriate differentiation based on performance and contribution aligned to the achievement of business objectives;
- support a culture that generates sustainable growth and value over the long term to the Group's stakeholders, customers, employees, and communities;
- align, drive, and reinforce the Group's culture, values, and desired behaviours that are integral to the attainment of individual and team results and the achievement of organisational goals;
- integrate risk management and compensation, promoting conduct based on prudent decision making and highest ethical standards and guided by internal controls and regulatory compliance; and
- instil a sense of ownership in employees by providing them with opportunities to share in the Group's success through a competitive total reward offering that is linked to exceptional performance and financial results.

The Group BNRESGC is the main body that has independent oversight of remuneration at the Group, on behalf of the Board of Directors.

Remuneration Composition – Fixed and Variable

Fixed remuneration for employees is set appropriately based on market and internal pay levels for the role in the industry by location, individual's expertise, professional experience, role responsibilities, and seniority of the employee and regulatory and governance requirements.

Variable remuneration is underpinned by the pay for performance principle and awarded in the form of an annual discretionary bonus or incentive payments depending on the role. The discretionary annual bonus scheme is fully flexible, allowing for the possibility of variable compensation award values being zero. Bonus allocations to eligible employees are determined based on the overall risk-adjusted Group performance, business performance and individual performance, the employee's role and responsibilities, and performance assessment based on both financial and non-financial criteria, including conduct and behaviour.

An appropriate balance between fixed and variable remuneration is maintained. Variable pay levels will not exceed 100% of fixed compensation unless, in certain circumstances, Emirates NBD seeks to increase these levels to either 150% of fixed compensation – with approval by the Board or 200% of fixed compensation – with approval at the GAM of Emirates NBD.

Remuneration for Control Function Employees

Remuneration for Group Risk, Audit, and Compliance employees is set at a level to attract and retain suitably qualified and experienced employees and is predominantly fixed remuneration (when considering the fixed: variable remuneration ratio). Performance is assessed based on the objectives of their respective functions and not on the performance of the business units that they oversee/support.

The bonus pool allocations to the Group Risk, Audit, and Compliance functions are made independent of the overall financial performance of the business units they support and are based on the function's performance and overall affordability of the Group. Individual variable remuneration decisions for Control Function employees are determined independently of the business areas that they oversee/support. As Senior Management of the Group, the variable remuneration of the Group Chief Risk Officer, Group Chief Audit Officer and Group Chief Compliance Officer are directly overseen by the BNRESGC.

Remuneration for Senior Management

From a Group perspective, for the 2024 performance year, seventeen (17) Senior Management (including current and former) have been identified as those responsible and accountable to the Board of Directors for the sound and prudent day-to-day management of the Group and as key staff responsible for the oversight of Emirates NBD's key business lines. i.e., the Group CEO, the Group EXCO, Group Heads of the Control Functions, (i.e. Risk, Compliance, and Audit) and Group Head of Legal.

In line with UAE regulatory requirements, variable remuneration awarded to Senior Management under the discretionary annual bonus scheme is comprised of cash bonuses, paid after the end of the performance year, and deferred awards, granted under the terms and conditions of the relevant plan rules. Deferred awards will vest in tranches over a three-year period.

For the year 2024, total remuneration awarded to Senior Management amounted to AED 121 million. Total remuneration is comprised of fixed pay (including employer pension contributions) and variable compensation awarded in the year 2024.

The following table includes information on fixed and variable remuneration for the financial year:

AED in millions	2024 Senior Management
Fixed Remuneration*	–
1 Number of Employees	17
2 Total Fixed Remuneration (3 + 5 + 7)	66
3 Of which: Cash-based	65
4 Of which: Deferred	–
5 Of which: Shares or Other Share-linked Instruments	–
6 Of which: Deferred	–
7 Of which: Other Forms	1
8 Of which: Deferred	–
Variable Remuneration	–
9 Number of Employees	16
10 Total Variable Remuneration (11 + 13 + 15)	55
11 Of which: Cash-based	55
12 Of which: Deferred	15
13 Of which: Shares or Other Share-linked Instruments	–
14 Of which: Deferred	–
15 Of which: Other Forms	–
16 Of which: Deferred	–
17 Total Remuneration (2 + 10)	121

* Fixed Remuneration (which then forms part of Total Remuneration) has been reported on an awarded basis and excludes accrued post-employment and long-term benefits and deferrals awarded in prior years but paid in 2024.

* The number of employees includes employees who were identified as Senior Management at any time during the 2024 performance year, including those who were no longer Senior Management as at the end of the year (i.e. former Senior Management).

Special Payments for Senior Management

There were no Special Payments made to Senior Management for the year 2024.

Policy and Criteria for Adjusting Variable Remuneration:

Variable compensation is subject to ex-post risk adjustment under certain events and conditions via operation of malus and/or clawback adjustments. Ex-post risk adjustment may be applied on an individual or a collective basis, depending on the circumstances of the event and in a range of circumstances, including but not limited to, material restatement or downturn of financial results for the relevant period, fraud or gross negligence by an individual or group of employees, material error or failures of risk management controls. The applicable claw back period shall be three years after the date of payment of the relevant award.

The specific criteria for ex-post risk adjustment will be reviewed by the BNRESGC annually and applied in each case as determined by the Committee at its sole discretion. The Group will consider all relevant factors (including, where any of the circumstances described above arise, the proximity of the employee to the failure of risk management in question and the employee's level of responsibility) in deciding whether, and to what extent, it is reasonable to seek recovery of any or all of their variable remuneration.

The following table includes quantitative information on Senior Management deferred remuneration subject to ex-post risk adjustment for the financial year.

Deferred and Retained Remuneration 31 December 2024 AED in millions	Total amount of outstanding deferred remuneration	Of which: Total amount of outstanding deferred and retained remuneration exposed to ex-post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex-post explicit adjustments	Total amount of amendment during the year due to ex-post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
Cash	25	25	–	–	6
Shares	–	–	–	–	–
Cash-linked Instruments	–	–	–	–	–
Other	–	–	–	–	–

For further details of the remuneration policy, and the design and structure of remuneration processes, please refer to the Pillar III report.

Management Committees

Emirates NBD has six (6) Management Committees which report to Board / Board Committees, including the Group EXCO. Management Committees help execute the objectives of the Group, and assist in the efficiency and effectiveness of running, controlling and monitoring of the business of Emirates NBD.

Each Management Committee has approved Terms of Reference that outline its authority, responsibilities, meeting frequency, and practices. The Management Committees help drive decision making across a number of areas of the business, including the management of assets, risk, credit and investment, procurement, and information security.

Group EXCO	Management Committee	Number of Meetings Held in 2024	Committee Responsibilities
The key responsibilities of the Group EXCO include the following: • collectively monitor the performance of the Group (consisting of businesses, support functions and subsidiaries) and make Group-level decisions within the authority limits delegated by the Board; • make specific recommendations to the Board on decisions that fall outside its delegated authority limit; • review proposals/papers (other than those reviewed by ALCO, Audit and Credit & Investment Committees) prior to their circulation to the Board; • monitor monthly financial performance of the business divisions in the Group; • validate new product and project proposals and approve/decline them in accordance with the Group EXCO's authority limits; • define guidelines for strategic and business plans/budgets prior to their presentation to the Board; • validate any overarching policy, process, and organisational changes (within the budget) that can significantly impact the performance of the Group and approve/decline them; • validate and decide on talent pool membership and staff reward proposals (within the budget); • monitor and validate progress and implementation results of large projects; and • set internal and external communication policies.	Management Investment Committee ('MIC')	2	Ensures the Group's investment portfolios conform to the strategic vision of the Group and monitors and reports the performance of these portfolios to the Board.
	Management Credit Committee ('MCC')	98	Manages approvals as per delegation of credit facilities, debt settlement, provisioning and write-offs, amendments to pricing, grades, and waivers.
	Asset Liability Committee ('ALCO')	12	Oversees the Group's capital adequacy assessment, reviewing banking book liquidity and interest rate risk tolerance and mismatches, trading book tolerance & oversight and managing maturity gaps and funding plans. Manages the Group's borrowing and lending strategy and acquisition funding.
	Group Risk Committee ('GRC')	5	Ensures effective management of all types of risk throughout the Group in support of and in line with the Group's business strategy and the Board-approved risk appetite.
	Group Procurement Committee ('GPC')	12	Provides oversight and reviews procurement of non-FTE expenditure across the Group between AED 2m up to AED 10m, with the view to identifying opportunities for synergies and operating efficiencies.
	Information Technology Steering Committee ('ITSC')	8	Ensures effective and cost-efficient application of information technologies, related personnel resources and funding to meet the goals and needs of the Group.

Twelve (12) Group EXCO meetings were held during 2024.

Risk Management and Internal Controls

The Group has established an overarching risk management framework. Risk is managed proactively across the Group through various well-established principles, standards, policies, organisational structures, approval authorities and measurement, monitoring and control processes.

The risk management framework enables the Group to identify, measure, monitor, mitigate, and report key risks. Key risk types are categorised into 'financial risks' and 'non-financial risks'. Whilst financial risks are driven by events in the financial markets, non-financial risks are driven by other market-related events. In line with evolving regulatory frameworks, market dynamics and product offerings, Emirates NBD endeavours to incorporate best-in-class risk management techniques by continually reviewing existing policies, frameworks and risk measurement techniques, and capturing adequate controls including those arising from lessons learned.

The Group operates a three lines of defence risk management model, which includes the segregation of responsibility, controls, monitoring and reporting appropriate for the size and nature of the Group and regulatory environment in which it operates:

- Business units (Relationship and Product Management) make up the first line of defence. They originate risk and are responsible and accountable for ongoing management of such risks. This includes direct assessment, control, and mitigation of risks.

First Line of Defence

Business Units

- Direct assessment
- Control and mitigation of risks

Second Line of Defence

Risk Management, Finance and Compliance

- Overseeing the Group's risk-taking activities
- Assessing risks and issues independently from the business lines

Third Line of Defence

Internal Audit function

- An impartial review and objective assurance on the quality and effectiveness of the Group's internal control system
- Independent and effective review of the first and second lines of defence

- The second line of defence includes the Risk Management, Finance, and Compliance functions. These functions complement the risk activities of the business lines through their monitoring and reporting responsibilities. They are responsible for overseeing the Group's risk-taking activities and assessing risks and issues independently from the business lines. These functions emphasise the crucial role of Senior Management and business line managers in identifying and documenting risk owners as part of the NPPA protocol ensuring a thorough and critical assessment of risks.
- The third line of defence consists of an independent and effective Internal Audit function. It provides an impartial review and objective assurance on the quality and effectiveness of the Group's internal control system as well as its first and second lines of defence.

In response to the continuous growth and expansion in products in 2024, the Group further strengthened its foundation for better governance and controls through the creation of new risk units and realignment of existing ones. Furthermore, Emirates NBD enhanced measurement, monitoring, and control of identified risks to address the introduction of new regulations and the increasing complexity of the products offered by the Group.

The Group's Board-approved Risk Appetite Statement is a critical component of the risk management framework, establishing suitable boundaries to ensure it operates within acceptable levels of risk and maintains compliance with its obligations and commitments. Key risks are included in the Group Risk Appetite Statement with appropriate thresholds. Group risk models' governance was further enhanced to ensure that models remain aligned with applicable regulations and industry best practices.

During 2024, a key focus area was climate risk and its associated impact on the Group's portfolio. The Group made major strides in advancing the climate agenda. It reported its financed emissions for 2023 and is in the process of performing transition risk stress testing.

Further, managing fraud risk remained a cornerstone of Emirates NBD Group's risk management framework, alongside cyber risk, outsourcing risk, and conduct risk. There have been significant investments in fraud prevention and detection capabilities, including advanced fraud analytics and enhanced safeguards for online and mobile channels, which underline the Group's proactive approach to combatting evolving fraud threats to the Group and its customers. Fraudsters are becoming increasingly sophisticated and well resourced, and the Group has recognised and responded to this risk by identifying emerging trends early and increasing its focus on security by design. In addition, in line with the increase in digitisation of processes, there has been a move to a system enforced and automated controls in place of manual controls.

In cyber risk management, the Group ensured all digitisation initiatives undergo rigorous first and second line of defence reviews by security and cyber risk teams. Partnerships with service providers were subject to stringent assessment and oversight to align with CBUAE requirements. Additionally, the Group continues to strengthen its conduct risk management capabilities, ensuring fair treatment of customers in line with Consumer Protection Regulations.

The Board is also supported by a prudent internal control framework, which provides assurance on the financial and non-financial operations of Emirates NBD, including internal and external audits. The internal control system is designed to follow a multi-tiered approach and is implemented at various governance levels throughout the Group. It relies on accountability, delegation, and collaboration within the various departments and business functions, encouraging the Group-wide alignment of objectives, resources, and the mechanisms deployed. It is based on the clear identification of best practice governance standards and responsibilities and that appropriate policies and assurance procedures are implemented to serve each department and business unit across the Group. Functions that contribute to the internal control system include the Internal Audit and External Audit, Risk, Compliance, Finance, Legal and Corporate Governance functions.

The Internal Audit, Compliance, and Risk functions report on a quarterly basis to the Board Committees, including the BRC and the BAC. During 2024, Internal Audit and Compliance issued 47 and 10 reports respectively to the BAC. Both the BRC and the BAC report any significant matters, as and when required, to the Board:

- The BRC sets the overall risk strategy and approves risk-related frameworks. It reviews risk exposures, risk profiles, and risk concentration reports on a regular basis, through quarterly risk monitoring supported by the risk management department. The BRC has oversight of the establishment and operation of risk management systems and receives regular updates on their effectiveness. The BRC also reviews the effectiveness of the Internal Shariah Control function.
- The BAC plays a key role in assessing and assuring the quality and integrity of Group disclosures, financial statements, financial reporting and compliance to regulatory requirements. The BAC reviews effectiveness of the Group's internal controls and corporate governance environment and provides oversight of the Internal and External Audit and Compliance functions, as well as the Internal Shariah Audit function in coordination with the Group's ISSC.
- The BNRESGC oversees incentives and other emoluments, which includes consideration of the risk structures for appropriate corporate performance, risk-taking and responsibility, and corporate culture.
- The ISSC, with members appointed by shareholders, considers Shariah risks and controls.

In the coming year, Emirates NBD will continue to prioritise risk management objectives that address emerging risks and ensure compliance with evolving regulatory requirements. Key areas of focus include further strengthening fraud prevention and detection to counter increasingly sophisticated threats and bolstering cyber defences with advanced monitoring capabilities to mitigate cyber risks. Operational resilience will also be a priority, with increased emphasis on maintaining the delivery of critical services during unplanned disruptions.

These efforts will align with the Group's strategic objectives and adapt to the complexities of the evolving risk landscape. By adopting a proactive approach to risk management and reinforcing internal controls, Emirates NBD aims to safeguard its long-term stability and success.

Further details on these Committees are included in relevant sections of this report.

Violations, Causes, and Avoidance

Emirates NBD maintains a process to ensure effective compliance with relevant regulations and to report any violations or matters of significance.

During 2024, there were no material violations identified or reported. All material issues were identified and reported to the Board and/or Board Committees by the Group Chief Audit Officer, Group Chief Compliance Officer, and/or Group Chief Risk Officer. No reservations were noted by the External Auditor for the 2024 financial year.

Islamic Banking

Emirates NBD offers Shariah-compliant products and services through Emirates NBD Islamic, an Islamic window licensed by the CBUAE. This business unit applies a robust Shariah governance mechanism to ensure that all products and services offered are duly accredited and in line with Shariah principles and the CBUAE HSA guidelines and regulations.

In line with the CBUAE Shariah governance standards, the Islamic window has established a "three lines of defence" approach, comprising the Islamic window business team, the Internal Shariah Control Department and the Internal Shariah Audit Department, respectively. These units support Emirates NBD's Islamic governance activities, oversight, and reporting.

The Islamic window is governed by the ISSC, comprising independent Shariah scholars. Members of the ISSC are appointed by the shareholders at the GAM, upon nomination by the Board and approval from the HSA.

Emirates NBD has well-established policies, procedures and controls that are approved by the ISSC and facilitate business activities in a manner that is Shariah compliant.

The ISSC operates in accordance with the resolutions, standards and guidelines issued by the HSA, and undertakes supervision of all Shariah-compliant businesses, activities, products, services, contracts, and documents. The ISSC has an approved charter that covers the framework for referring matters to the ISSC, issuance of fatwas and the decision-making process. The fatwas and resolutions issued by the ISSC are binding upon Emirates NBD.

The ISSC issues an annual report on its activities, including assurance that Emirates NBD Islamic consistently complied with the Shariah principles and agreed fatwas, and outlining any instances of non-compliance. The report is approved by the HSA and is also presented to the Group's shareholders during its GAM. During 2024, fifteen (15) meetings were held by the ISSC. There were no absentees.

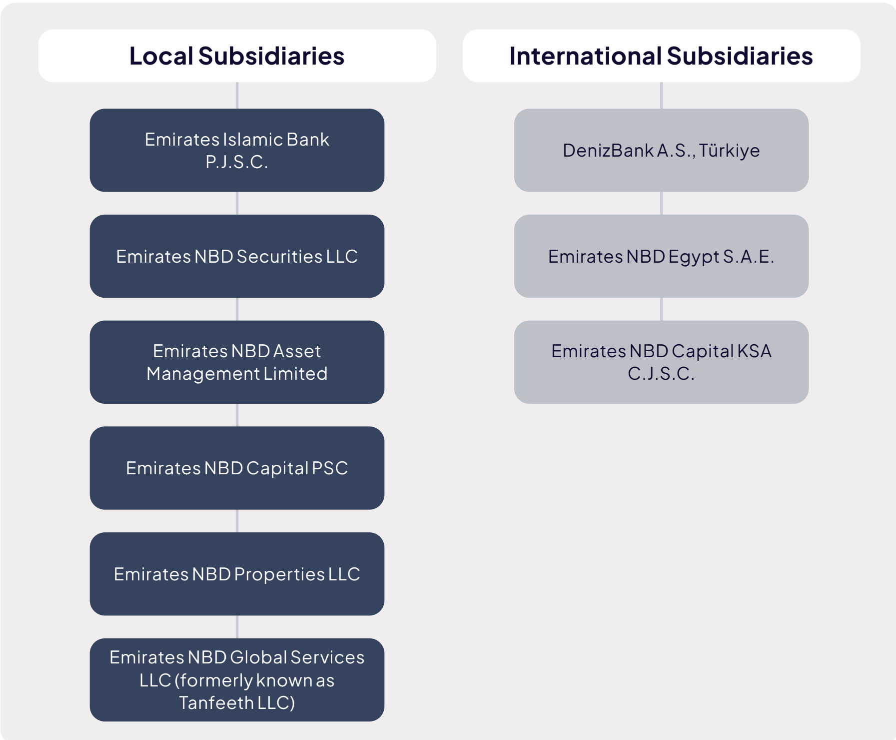
Members of the ISSC as of 31st December 2024 are as follows:

Professor Dr. Mohammad Abdul Rahim Sultan Al Olama Chairman (Appointed 10 May 2020)	Professor Dr. Mohammad Abdul Rahim Sultan Al Olama ('Dr. Al Olama') is a Professor of Jurisprudence and its fundamentals at the College of Law at the United Arab Emirates University in Al Ain, in addition to being a certified expert in financial affairs concerning compliance with Islamic Shariah principles. Dr. Al Olama holds a PhD in Comparative Islamic Jurisprudence from Umm Al-Qura University in Makkah Al-Mukarramah, in the Kingdom of Saudi Arabia, and: • leads the Shariah Committee at the Zakat Fund in the United Arab Emirates; and • is a member of a number of Fatwa and Shariah Supervisory Boards for Islamic financial institutions and Takaful companies.
Professor Dr. Mohamed Ali Elgari Vice Chairman (Appointed 10 May 2020)	Professor Dr. Mohamed Ali Elgari ('Dr. Elgari') holds the distinction of being a former Professor of Islamic Economics at King Abdulaziz University, Jeddah, Saudi Arabia, and former Director of the Centre for Research in Islamic Economics at the same university. Dr. Elgari has authored several books on Islamic finance, both in Arabic and English, holds a PhD from the University of California, and: • is an Expert at the Islamic Jurisprudence Academy of the Organisation of Islamic Cooperation ('OIC') and the Islamic Jurisprudence Academy of the Islamic World League; • is a Member of the Board of Trustees of the Accounting and Auditing Organisation for Islamic Financial Institutions as well as its Shariah Council; and • is the Chairman and a Member of numerous Shariah Boards of Islamic banks and Takaful companies worldwide. Including the Shariah boards of the Central Bank of Bahrain and the Dow Jones Islamic Markets Index.
Dr. Salim Ali Al Ali Member (Appointed 26 July 2020)	Dr. Salim Ali Al Ali ('Dr. Al Ali') is an Assistant Professor at the Department of Shariah and Islamic Studies at the College of Law at the United Arab Emirates University, where he teaches a variety of courses related to Islamic law and Islamic banking, and: • was educated in the United Kingdom, where he received his PhD in Islamic Financial Law from the University of London; • holds a Bachelor's degree in Shariah (Jurisprudence and its Fundamentals) and a Master's degree in Islamic Banking and Finance; • was a part-time lecturer for the LLM Programme at the BPP Law School, BPP University, based in London, where he lectured on a broad spectrum of jurisprudence matters, including Islamic, English and comparative laws; and • is a member of the Internal Shariah Supervisory Committee for a number of institutions offering Islamic financial services.
Dr. Muhammad Qaseem Member (Appointed 1 August 2021)	Dr. Muhammad Qaseem ('Dr. Qaseem') is a well-known Shariah scholar and Islamic banking expert, and: • is a member of the Internal Shariah Supervisory Committee for a number of institutions offering Islamic financial services; • has taught in the International Islamic University of Islamabad for more than two decades; and • has contributed immensely to the growth and regulation of the Islamic banking industry in various capacities.
Dr. Amin Fateh Member (Appointed 1 July 2021)	Dr. Amin Fateh ('Dr. Fateh') holds a Bachelor's degree and Master's degree in Honourable Hadith, a PhD in Islamic studies, and: • has been involved in the Islamic banking industry since 1988; • is a member of the Internal Shariah Supervisory Committee for a number of institutions offering Islamic financial services; and • has lectured in many universities and is a bilingual Islamic finance trainer, providing many Islamic finance training courses around the world.

Group Oversight of International and Local Subsidiaries

Emirates NBD Group has a total of 848 branches and 395 ATMs/SDMs across its international footprint, with operations in the UAE, Türkiye, the Kingdom of Saudi Arabia, Egypt, India, Singapore, the United Kingdom, Austria, Germany, and Bahrain, as well as representative offices in China and Indonesia.

The following entity chart shows the key subsidiaries of the Group.



Emirates NBD, as the ultimate parent company, is responsible for the operations and effective risk management of the Group, which includes its local and international subsidiaries.

According to the local regulations of the CBUAE and SCA, the Board is responsible for establishing a clear governance framework and exercising adequate oversight over the Group, ensuring the Senior Management's implementation of Emirates NBD's strategic objectives and corporate culture on all levels. In line with this, Emirates NBD has set its own internal policies and procedures, including the Group Board Oversight Principles established in 2024 to oversee and ensure that high standards of corporate governance are followed across the Group.

While the Board retains overall responsibility for exercising adequate oversight for the Group, it is entitled to delegate responsibility for such oversight, or elements of it, as it deems fit, to including delegating oversight over any subsidiary to any Board Committee or Management Committee that it considers appropriate. All parts of the business of the Group, including the subsidiary Boards and branches locally or internationally have appropriate and effective governance arrangements in place, which comply with all local laws and regulations.

To provide effective oversight across the Group, Emirates NBD follows high-level principles of best practice governance, which are applied consistently across the Group. As such each subsidiary must:

- comply with all local legal, regulatory, and governance requirements. In case of a conflict between the Group principles and the local regulatory requirements, the more stringent requirements apply;
- operate within the Group strategy, culture, and values, and manage its business in alignment with the Group's risk management framework;
- be led by an effective Board, with an appropriate balance of skills, diversity, experience, and knowledge, ensuring that there be an appropriate number of independent Directors, as required by local regulations, to provide effective counterbalance and insights on the market and industry outlook;
- foster open and effective communication and relationships with key stakeholders in the Emirates NBD Board, where the Emirates NBD Board is informed of any changes to the Board or Committees; and
- provide regular updates to the Emirates NBD Board on business performance, business strategy, material risks, challenges, and any other key matters.

Emiratisation

For over 60 years, Emirates NBD has been one of the largest employers of UAE Nationals in the UAE. We offer Emiratis accelerated career opportunities, world-class professional development and the chance to directly support our nation's continued economic development through carefully curated career development programmes.

	2024	2023	2022
% of Emiratis	36%	33%	34%
% of Female Emiratis	74%	74%	75%

As at year-end 2024, we have 56 Emiratis employed in Senior Leadership positions in Emirates NBD and 2,155 Emirati employees in Emirates NBD, who play critical roles across every level of the organisation. Emirates NBD aims to attract, develop, engage, and retain Emirati talent at every level of the organisation.

The Group's flagship initiatives are designed to identify potential Emirati leaders and provide them with the required training and support needed to step into and perform effectively in demanding leadership positions to help Emirates NBD to build the future of the Group and the nation.

General Assembly Meeting ('GAM')

The 2024 GAM was chaired by the Chairman of the Emirates NBD Board. The Directors, the External Auditor, a representative of the SCA and shareholders were in attendance (in-person and online).

The meeting minutes were taken by the Group Company Secretary, and the GAM resolutions were made available to the SCA and shareholders through a market announcement before opening of the next market trading day. During the 2024 GAM, the business of the meeting included several standard GAM items subject to ordinary resolution (being a simple majority of the eligible votes) and a number of matters that required special resolutions of 75% of the eligible votes. All the resolutions tabled for approval were duly approved at the 2024 GAM. A summary of resolutions tabled and passed (approved) by the shareholders is set out in the following table:

Matters tabled for approval at the 2024 GAM	Resolution Type
Financial Statements and Directors' Report • To approve the report of the Board on the Group's activities and financial statements for the year ended 31 December 2023	Ordinary
Report of the External Auditor • To approve the report of the external auditor for the year ended 31 December 2023.	Ordinary
Internal Shariah Supervision Committee Report • To approve the report of the Internal Shariah Supervision Committee with respect of Emirates NBD's Islamic Banking window for the year ended 31 December 2023.	Ordinary
Balance Sheet and Profit and Loss Account • To approve the audited Balance Sheet and the Profit and Loss Account of Emirates NBD for the year ended 31 December 2023.	Ordinary
Distribution of Dividend • To approve the Board's proposal to distribute cash dividends for the year ended 31 December 2023.	Ordinary
Board Remuneration • To approve the remuneration of the Board's Directors for the year ended 31 December 2023.	Ordinary
Absolving the Board • To absolve Members of the Board from liability for their work during the year ended 31 December 2023.	Ordinary
Release, Dismiss or File Liability Claims against External Auditor (as the case may be) • To absolve the External Auditor from liability for work conducted during the year ended 31 December 2023.	Ordinary
Appointment of the External Auditor • To approve the appointment of the External Auditor for the year 2024 and to determine the fees for the same year.	Ordinary
Approval of the Proposals for Non-convertible Securities Programmes • To approve the Board's proposals with respect to non-convertible securities to be issued by Emirates NBD subject to obtaining the necessary approvals from the relevant regulatory authorities.	Special
Authority to the Board • To authorise the Board, and/or any person so authorised by the Board, to adopt any resolution or take any action as may be necessary to implement the ordinary and special resolutions adopted by the general assembly in the 2024 GAM.	Special

Statement of Cash and In-Kind Contributions to Local Community and Environmental Preservation

Emirates NBD operates under the principle of creating shared value, through a shared robust framework that underscores our dedication to surrounding communities. The Group takes an active role in enhancing the social and environmental wellbeing of the areas in which it operates, with the goal of improving the lives of those living and working there. This philanthropic approach reinforces the Group's position as a socially responsible organisation, strengthens its commitment to growing alongside its communities, and ensures it meets its public responsibilities.

Emirates NBD's progress in these sectors is documented for transparency and further information is provided in the Group's ESG Report 2024.

Environment

The Group aims to navigate the changing environmental landscape with agility and resilience, turning risks and challenges into opportunities for positive change.

Energy efficiency: Established itself as the leading bank in the Middle East for sustainable building design, achieving a record 35 LEED certifications including 16 LEED Platinum certifications, 19 LEED Gold certifications across its branches in the UAE, Saudi Arabia, and India, and one Parksmart Gold certification.

Biodiversity restoration: Successfully planted 60,000 mangroves at the Jebel Ali Wildlife Sanctuary in partnership with Emirates Marine Environmental Group.

Employee-led initiatives: Launched several initiatives to engage employees in sustainability efforts, including Eco Supporters, Green Champions, and Green Tips. The Green Champion initiative celebrates employee-led sustainability success stories, while Eco Supporters invites all employees from across the Group to share innovative ideas for reducing emissions within our offices and branches, particularly in areas like electricity reduction, water conservation, and reducing paper and plastic usage. This has resulted in over 110 actionable suggestions submitted to further enhance the Group's environmental impact. The Green Tip series encourages employees to adopt simple, yet impactful, green practices in their daily lives, both at their workplace as well as their homes.

Community Initiatives

In 2024, the Group's total social contributions amounted to AED 51 million, supporting various sectors including Islamic contributions, education, humanitarian aid, health and wellness, and community development.

Financial literacy and mentorship programme: Launched Financial Wellbeing with Emirates NBD initiative, a dedicated portal providing knowledge and tips on managing money matters efficiently. Conducted financial literacy workshops and mentorship initiatives designed to empower small business owners and women entrepreneurs, as well as awareness sessions for employees.

Donation by customers: Donations through the ENBD X application and online banking platform raised a significant amount for registered charities. The total donations sent from customers to UAE charities via those channels amounted to AED 2.7 million.

Disability-friendly branches: As of 2024, 313 branches across Emirates NBD Group globally are equipped with features tailored to the needs of people of determination. These branches incorporate inclusive infrastructure, technology, and services to improve accessibility. Training on servicing special needs customers is also provided to all customer-facing staff.

Unity Run: Held the seventh edition of the annual Unity Run, the leading community event in the UAE that celebrates inclusion and accessibility for people of determination, with over 2,800 attendees from all abilities taking part.

Disposal and recycling of e-waste: Donated over 5,300 old IT devices, including used laptops, printers, and tablets, to students in need. A total of 10,868 kilograms of e-waste items were donated to Ecyclex to refurbish and refresh all these assets and donate them to The Digital School. This initiative supported nearly 8,512 students from underprivileged communities.

Sustainable Finance

Emirates NBD firmly believes that sustainable finance is the future and is committed to leading the way in driving a low-carbon economy. The following initiatives were undertaken in line with the Group's vision:

- Issued a landmark USD 500 million Sustainability-Linked Loan Financing Bond ('SLLB') in 2024, demonstrating its leadership in sustainable finance. The world's first SLLB fully aligned with the new ICMA and LMA framework.
- Emirates Islamic, issued its first ever Sustainability sukuk (USD 750 million). This was the first Sustainability Sukuk issued out of the UAE following the release of ICMA, the Islamic Development Bank ('IsDB') and the London Stock Exchange Group ('LSEG's') Guidance on Green, Social & Sustainability Sukuk.
- Launched an ESG-focused sustainable fixed deposit, allowing customers to earn attractive interest rates while supporting environmentally and socially responsible projects.
- Introduced carbon trading services, becoming the first bank in the UAE to empower clients to offset emissions, a step aligned with the UAE's Net Zero 2050 strategy.
- Since FY 2021, the Group has demonstrated its broader commitment to sustainable finance by facilitating a total of USD 28.4 billion in green, social, and sustainability-linked transactions.

Investor Relations and Company Performance

Emirates NBD's Investor Relations department, which reports to the Group Chief Financial Officer, is responsible for engaging with a range of key external stakeholders, including shareholders, debt holders, rating agencies, and the professional investment community.

Investor Relations coordinates the release of the Group's quarterly results to the public, and updates stakeholders on performance and outlook.

According to the Group's Articles of Association, up to 40% of the shares of the Group may be held by foreign investors.

Investor Relations organised eighteen (18) conferences and roadshows globally in 2024 and welcomed many investors to meetings at Emirates NBD's iconic Head Office in Dubai. During 2024, Investor Relations and Senior Management met with over 400 debt and equity investors and attended over 200 individual meetings.

Investor Relations also coordinates with Group Corporate Affairs and the Group Company Secretary departments to disseminate quarterly performance information to stakeholders in a manner compliant with the Group's regulatory obligations. This includes the release of the financial statements, press release, and results presentation through the DFM's website. Investor Relations also coordinates an analyst and investor call on the afternoon of the results announcement, where the Group Chief Executive Officer and the Group Chief Financial Officer present the results and answer questions from the investment community. Details of the analyst and investor call are posted on the Group's website, with details, along with links to the call, webcast and relevant documents also sent to those who have registered to receive updates.

Employees receive email notification on the morning of the announcement of the Group's quarterly results, advising them of the results and the key highlights. A management call also takes place on the morning of the results announcement, where the Group Chief Executive Officer and the Group Chief Financial Officer interact with Group Management to discuss the Group's results and performance.

Insider Trading

Emirates NBD has a Personal Account Dealing Policy in place which requires the Group Compliance department to maintain and quarterly update a list of Board Members, Senior Management and employees who are considered insiders. As per the policy, such insiders are required to submit an annual declaration and are prohibited from directly or indirectly buying or selling securities while they are in possession of confidential or inside information. A closed period is announced prior to the announcement of the financial results during which employees are not permitted to buy or sell Emirates NBD securities. The Group Compliance department shares the insider register on an annual basis with the Group Investor Relations department which submits it to SCA and DFM in line with applicable laws and regulations.

The Investor Relations function is led by:
Mr. Patrick Clerkin
Head of Group Funding & Investor Relations
Email: IR@EmiratesNBD.com
Patricke@emiratesnbd.com
Phone: +971 4 609 3009
www.emiratesnbd.com/en/investor-relations/meet-the-team/

The breakdown of shareholder types as at 31 December 2024 is set out in the following table:

	Percentage of Owned Shares			
Shareholder Classification	**Individual**	**Companies**	**Government**	**Total**
Local	11.35%	34.04%	41.13%	86.52%
Arab	1.31%	0.82%	0%	2.13%
Foreign	0.73%	10.09%	0.53%	11.35%
Total	13.39%	44.95%	41.66%	100%

The following table sets out a statement of the shareholders who held 5% or more of Emirates NBD's shares as at 31 December 2024:

Name	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
Investment Corporation of Dubai	2,584,499,640	40.92%
DH 7 LLC	937,500,000	14.84%
Capital Assets LLC	336,614,121	5.33%

The following table sets out a statement of shareholders distribution by the size of equity as at 31 December 2024:

Share Ownership	Number of Shareholders	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
Less than 50,000	2,790	15,703,459	0.25%
From 50,000 to less than 500,000	821	148,732,637	2.35%
From 500,000 to less than 5,000,000	420	638,291,833	10.11%
5,000,000 or more	81	5,513,870,324	87.29%

Total number of Emirates NBD shares in issue throughout 2024 = **6,316,598,253.**

Emirates NBD's share price in the market (closing price, highest and lowest price) at the end of each month during 2024.

Month (2024)	Monthly High (AED)	Monthly Low (AED)	Monthly Close (AED)
January	19.50	17.05	17.70
February	18.70	17.15	18.30
March	17.80	16.85	17.50
April	17.60	15.65	17.00
May	17.05	15.45	15.55
June	16.55	15.50	16.50
July	19.10	16.40	19.10
August	20.00	18.00	19.70
September	21.25	19.45	20.30
October	20.55	19.00	19.00
November	20.50	18.90	20.00
December	21.85	19.25	21.45

Emirates NBD's comparative performance with the general market during 2024.

Month (2024)	Monthly close (AED)	DFMGI	Financials
January	17.70	4,169.08	2,994.64
February	18.30	4,308.77	3,177.61
March	17.50	4,246.27	2,996.04
April	17.00	4,155.77	2,904.37
May	15.55	3,977.93	2,806.37
June	16.50	4,030.00	2,892.02
July	19.10	4,268.05	3,123.49
August	19.70	4,325.45	3,170.42
September	20.30	4,503.48	3,285.28
October	19.00	4,591.05	3,278.13
November	20.00	4,847.34	3,358.87
December	21.45	5,518.67	3,457.98

Definitions

In this Corporate Governance Report, the following expressions have the following meanings:

ALCO: Asset Liability Committee

Board: Refers to the Board of Directors, the governing body of the Company

BAC: Board Audit Committee

BRC: Board Risk Committee

BEC: Board Executive Committee

BCIC: Board Credit and Investment Committee

BNRESGC: Board Nomination Remuneration and ESG Committee

BPEC: Board Profit Equalisation Committee

CBUAE: Central Bank of the UAE

Corporate Governance Regulations: Includes the CBUAE Corporate Governance Regulation for Banks (Circular No.83/2019 dated July 18, 2019) and the SCA Chairman's Resolution No. 03/TM of 2020 Regarding the Approval of the Public Joint-Stock Companies Governance Guide, in addition to other relevant laws, rules and regulations applicable to banking and listed companies on the DFM.

DFM: Dubai Financial Market

Emirates NBD / Group: Refers to Emirates NBD Group and its subsidiaries

ESG: Environmental, social and governance

EXCO: Emirates NBD Executive Committee

GAM: General Assembly Meeting

GPC: Group Procurement Committee

GRC: Group Risk Committee

HSA: Higher Shariah Authority

ICAAP: Internal Capital Adequacy Assessment Process

ISCD: Internal Shariah Control Division

ISSC: Internal Shariah Supervision Committee

ITSC: Information Technology Steering Committee

MIC: Management Investment Committee

MCC: Management Credit Committee

P.J.S.C.: Public Joint Stock Company

POA: Power of Attorney

RPT: Related Party Transactions

SCA: Securities and Commodities Authority

Directors' Report and The Annual Shariah Report

Directors' Report

The Directors have pleasure in presenting their report together with the audited consolidated financial statements of Emirates NBD Bank (P.J.S.C.) (the Bank) and its subsidiaries (collectively known as the Group) for the year ended 31 December 2024.

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

Basis of Preparation of Financial Statements

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

Financial Commentary

The Group reported a consolidated profit (attributable to equity holders) of AED 23 billion for the year 2024, which represents an increase of 7% over 2023 on significant loan growth, a stable low-cost funding base, increased transaction volumes and substantial recoveries. The Group has continued to focus on:

- Delivering an Excellent Customer Experience
- Driving Core Business
- Focusing on Future Potential
- Driving International Diversification
- Developing a Dynamic Organization
- Building Market-Leading Infrastructure

The Group delivered its highest-ever profit and record loan growth. Supported by strong economic growth, buoyant consumer confidence and continued infrastructure investment in Dubai and the UAE, we have reinforced our position as one of the region's most profitable, well-capitalised and visionary banks.

The Group's deposits base grew by AED 82 billion, a 14% increase over the previous 12 months, including AED 45 billion on Current Account and Savings Accounts. This facilitated an AED 48 billion increase in lending as the loan book grew by 10%. Underscoring the Group's ability to help drive regional economic growth, Emirates NBD lent over AED 150 billion of new loans across all sectors.

Emirates NBD's presence in the Kingdom of Saudi Arabia more than doubled to 21 branches, helping deliver an increase of 58% in loans to AED 28 billion.

All our business units contributed to this year's record-breaking results. Retail Banking and Wealth Management achieved unprecedented success, including record lending levels and a one-third market share of UAE credit card spend. Our enhanced Digital Wealth platform drove Emirates NBD Group Assets Under Management beyond USD 40 billion, reflecting expanded offerings such as fractional bonds, sukuks, equities, and mutual funds. This underscores our strategic focus on ultra-high-net-worth individuals and wealth creation, supported by immense inflows and a broader, innovative product portfolio.

Corporate and Institutional Banking demonstrated its strength with AED 88 billion in gross new loans and robust growth in trade flows, leveraging the Emirates NBD Group's regional presence to capture opportunities across key markets.

Emirates Islamic delivered its highest-ever net profit of AED 2.8 billion, supported by exceptional customer financing growth of 28%, further cementing its position as an innovative leader in the UAE's Islamic banking sector.

Global Markets and Treasury delivered more innovative products, with the introduction of Fractional bonds and sukuk, an expanded commodity suit and a state-of-the-art FX solution. Our Investment Banking division flourished, closing over 100 deals and playing a key role in the region's leading IPOs, solidifying its leadership position as a trusted partner in capital markets and advisory services.

These strong results demonstrate the financial resilience of the Group's diversified business model with all business units delivered an increase in profit. The Group's balance sheet strengthened with improvements in deposit mix, credit quality, core capital, and liquidity. Emirates NBD continues to support businesses and customers while investing in its digital platform and international network to drive future growth.

Group earnings per share was AED 3.56 (2023: AED 3.32) and the Group adjusted earnings per share (excluding the impact of hyperinflation) was AED 4.06 (2023: AED 3.99).

The Group achieved a return on average tangible equity of 21.8 percent (2023: 24.3%) and a return on average total assets of 2.5% (2023: 2.7%).

Equity and Note Holders' Funds

Total equity and note holders' funds as at the end of 2024 stands at AED 125,990 million (2023: AED 109,799 million).

Proposed Appropriations

The Directors also propose the following appropriations from retained earnings:

	AED million
Retained earnings as at 1 January 2024	79,373
Group profit for the year (attributable to equity holders)	22,973
Other comprehensive income / (loss) for the year	(480)
Retained earnings available for appropriation	101,866
(a) 2023 Cash dividend paid during 2024	(7,573)
(b) Interest on Tier 1 Capital Notes	(511)
(c) Directors' fees for 2024	(31)
(d) Zakat	(15)
Balance of retained earnings as at 31 December 2024	**93,736**

Board and Board Committee meetings during 2024

Emirates NBD Board of Directors

H.H. Sheikh Ahmad Bin Saeed Al Maktoum	Chairman
Mr. Hesham Abdulla Al Qassim	Vice Chairman
H.E. Mohamed Hadi Al Hussaini	Director
H.E. Huda Sayed Naim Al Hashimi	Director
H.E. Khalid Juma Al Majid	Director
Mr. Buti Obaid Al Mulla	Director
Mr. Salem Mohammed Obaidalla	Director
Mr. Ali Humaid Al Owais	Director
Mr. Jassim Mohammed Al Ali	Director

Total Number of Meetings: 6

Emirates NBD Board Executive Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
H.E. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 33

Board and Board Committee Meetings during 2024 continued

Emirates NBD Board Audit Committee

Mr. Jassim Mohammed Abdulrahim Al Ali	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 5

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

Mr. Buti Obaid Buti Al Mulla	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Ali Humaid Ali Al Owais	Member

Total Number of Meetings: 5

Emirates NBD Board Risk Committee

Mr. Ali Humaid Ali Al Owais	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Jassim Mohammed Abdulrahim Al Ali	Member

Total Number of Meetings: 4

Emirates NBD Board Credit and Investment Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
H.E. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 50

Board Profit Equalisation Committee

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

Total Number of Meetings: 4

Auditors:

Deloitte and Touche (M.E.) were appointed as auditors of the Emirates NBD Group for the 2024 financial year at the Annual General Meeting held on 22 February 2024.

On behalf of the Board

H.H. Sheikh Ahmed Bin Saeed Al Maktoum
Chairman

Dubai, UAE
28 January 2025

The Annual Shariah Report

Annual Report of the Internal Shariah Supervision Committee of Emirates NBD – Islamic

Issued on: 15/01/2025
To: Shareholders of Emirates NBD Bank (P.J.S.C.)

After greetings,
Pursuant to requirements stipulated in the relevant laws, regulations and standards (the 'Regulatory Requirements'), the Internal Shariah Supervision Committee (the 'ISSC') of the Islamic Window of Emirates NBD Bank (P.J.S.C.) Group (the 'Institution') presents to you the ISSC's Annual Report regarding Shariah compliant businesses and operations of the Institution for the financial year ended on 31 December 2024.

1. Responsibility of the ISSC:

In accordance with the Regulatory Requirements and the ISSC's charter, the ISSC's responsibility is stipulated as to:

a. undertake Shariah supervision of all businesses, activities, products, services, contracts, documents and business charters of the Institution; and the Institution's policies, accounting standards, operations and activities in general, memorandum of association, charter, financial statements, allocation of expenditures and costs, and distribution of profit between holders of investment accounts and shareholders ('Institution's Activities') and issue Shariah resolutions in this regard.
b. determine Shariah parameters necessary for the Institution's Activities, and the Institution's compliance with Islamic Shariah within the framework of the rules, principles, and standards set by the Higher Shariah Authority ('HSA') to ascertain compliance of the Institution with Islamic Shariah.

The Senior Management is responsible for compliance of the Institution with Islamic Shariah in accordance with the HSA's resolutions, fatwas, and opinions, and the ISSC's resolutions within the framework of the rules, principles, and standards set by the HSA ('Compliance with Islamic Shariah') in all Institution's Activities, and the Board bears the ultimate responsibility in this regard.

2. Shariah Standards:

In accordance with the HSA's resolution (No. 18/3/2018), and with effect from 01/09/2018, the ISSC has abided by the Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions as minimum Shariah requirements and did not deviate from the standards, in all fatwas, approvals, endorsements and recommendations, relating to the Institution's Activities.

3. Duties Fulfilled by the ISSC During the Financial Year:

The ISSC conducted Shariah supervision of the Institution's Activities by reviewing those Activities, and monitoring them through the internal Shariah Control Department and the Internal Shariah Audit Department, in accordance with the ISSC's authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. The ISSC's activities included the following:

a. Convening (19) meetings during the year.
b. Issuing fatwas, resolutions and opinions on matters presented to the ISSC in relation to the Institution's Activities.
c. Monitoring compliance of what was presented of policies, procedures, accounting standards, product structures, contracts, documentation, business charters, and other documentation submitted by the Institution to the ISSC for approval.
d. Ascertaining the level of compliance of allocation of expenditures and costs, and distribution of profit between investment accounts holders and shareholders with parameters set by the ISSC.
e. Supervision through the internal Shariah control department and the Internal Shariah Audit Department, of the Institution's Activities including supervision of executed transactions and adopted procedures on the basis of samples selected from executed transactions, and reviewing reports submitted in this regard.
f. Providing guidance to relevant parties in the Institution – to rectify (where possible) incidents cited in the reports prepared by internal Shariah control Department and the Internal Shariah Audit Department – and issuing of resolutions to set aside revenue derived from transactions in which non-compliances were identified for such revenue (if any) to be disposed towards charitable purposes.
g. Approving corrective and preventive measures related to identified incidents to preclude their reoccurrence in the future.
h. Communicating with the Vice Chairman of the Board as authorised by the Board, the Board's subcommittees and the senior management of the Institution (as needed) concerning the Institution's compliance with Islamic Shariah.

The ISSC sought to obtain all information and interpretations deemed necessary in order to reach a reasonable degree of certainty that the Institution is compliant with Islamic Shariah.

4. Independence of the ISSC:

The ISSC acknowledges that it has carried out all of its duties independently and with the support and cooperation of the senior management and the Board of the Institution. The ISSC received the required assistance to access all documents and data, and to discuss all amendments and Shariah requirements.

5. The ISSC's Opinion on the Shariah Compliance Status of the Institution:

Premised on information and explanations that were provided to us with the aim of ascertaining compliance with Islamic Shariah, the ISSC has concluded with a reasonable level of confidence, that the Institution's Activities are in compliance with Islamic Shariah, except for the incidents of non-compliance observed, as highlighted in the relevant reports. The ISSC also provided directions to take appropriate measure in this regard.

The ISSC formed its opinion, as outlined above, exclusively on the basis of information perused by the ISSC during the financial year.

Signatures of members of the Internal Shariah Supervision Committee of the Institution:

Prof. Mohammad Abdul Rahim Sultan Al Olama	Chairman and Executive Member
Prof. Mohamed Bin Ali El Gari	Vice Chairman
Dr. Salim Ali Al Ali	Member
Dr. Amin Fateh	Member
Dr. Muhammad Qaseem	Member

Financial Statements

These Audited Preliminary Group Consolidated Financial Statements are subject to the Central Bank of UAE Approval and adoption by the Shareholders at the Annual General Meeting.

Deloitte.

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Independent Auditor's Report

The Shareholders
Emirates NBD Bank (P.J.S.C.)
Dubai
United Arab Emirates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Emirates NBD Bank (P.J.S.C.)** (the 'Bank') **and its subsidiaries** (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group, as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code') together with the other ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Independent Auditor's Report
To the Shareholders of Emirates NBD Bank (P.J.S.C.)

Key Audit Matters continued

Key audit matter	How our audit addressed the key audit matter
Loan loss impairments – Estimation uncertainty with respect to expected credit losses for loan and advances to customers	
The assessment of the Group's determination of impairment allowances for loans and advances to customers require management to make judgements over the staging of financial assets and measurement of the Expected Credit Loss ('ECL'). The audit was focused on this matter due to the quantitative significance of the loans and advances to customers (representing 50% of total assets) and the complexity of the judgements, assumptions and estimates used in the ECL models. Refer to Note 6 to the consolidated financial statements for the material accounting policy and Note 45 for the credit risk disclosure. The material portion of the non-retail portfolio of loans and advances to customers is assessed individually for a significant increase in credit risk ('SICR') or credit impairment and the related measurement of ECL. This requires management to capture all qualitative and quantitative reasonable and supportable forward-looking information while assessing SICR, or while assessing credit-impaired criteria for the exposure. Management judgement may also be involved in manual staging movements in accordance with the Group's policies and the requirements of IFRS 9 *Financial Instruments* ('IFRS 9'). The measurement of ECL amounts for retail and non-retail exposures classified as Stage 1 and Stage 2 are carried out by the models with limited manual intervention. It is important that models and their parameters (Probability of Default ('PD'), Loss Given Default ('LGD'), Exposure At Default ('EAD') and macroeconomic adjustments) are valid throughout the reporting period and are subject to a validation / monitoring process by an independent reviewer. The Group performed independent validation / monitoring of the PD and LGD models including the macro-economic model during the reporting period, as well as an external validation for some of the newly implemented models.	We performed the following audit procedures on the computation and reasonableness / appropriateness of the ECL included in the consolidated financial statements for the year ended 31 December 2024: We gained an understanding of the loan origination process, credit risk management process and the estimation process of determining impairment allowances for loans and advances to customers and tested the operating effectiveness of relevant controls within these processes. On a sample basis, we selected individual loans and performed a detailed credit review and challenged the Group's identification of SICR (Stage 2), the assessment of credit-impaired classification (Stage 3) and whether relevant impairment events had been identified in a timely manner. We challenged the assumptions underlying the impairment allowance calculation, such as credit risk mitigation through estimated future discounted cash flows including collateral and estimates of recovery. We evaluated controls over approval, accuracy and completeness of impairment allowances and governance controls, including assessing key management and committee meetings that form part of the approval process for loan impairment allowances. We evaluated key assumptions such as criteria used to determine SICR and forward-looking macroeconomic scenarios including the related weighting. On a sample basis, we assessed the group application of the staging criteria, including the basis for movement between stages. For loans tested collectively, we evaluated controls over the modelling process, including model inputs, monitoring, validation and approval. We challenged key assumptions, reviewed the calculation methodology and traced a sample back to source data. We tested the IT application used in the credit impairment process and verified the integrity of data used as input to the models including the transfer of data between source systems and the impairment models. We evaluated system-based and manual controls over the recognition and measurement of impairment allowances.

Independent Auditor's Report
To the Shareholders of Emirates NBD Bank (P.J.S.C.) continued

Key Audit Matters continued

Key audit matter	How our audit addressed the key audit matter
Loan loss impairments – Estimation uncertainty with respect to expected credit losses for loan and advances to customers (continued)	
	We evaluated post model adjustments and management overlays in order to assess the reasonableness of these adjustments. We further assessed the forward-looking information incorporated into the impairment calculations by involving our specialists to challenge the multiple economic scenarios chosen and weighting applied to capture non-linear losses. We considered the process of the independent and external validations of the models and its impact on the results of the impairment estimate. We updated our assessment of the methodology and framework designed and implemented by the Group as to whether the impairment models' outcomes and stage allocations appear reasonable and reflective of the forecasts used by the Group to determine future economic conditions at the reporting date. We assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.
IT systems and controls over financial reporting	
We identified IT systems and controls over financial reporting as an area of focus due to the extensive volume and variety of transactions which are processed daily by the Group and rely on the effective operation of automated and IT dependent manual controls. There is a risk that automated accounting procedures and related internal controls are not accurately designed and operating effectively. In particular, the incorporated relevant controls are essential to address the potential risk for fraud and error as a result of change to applications or underlying data.	We obtained an understanding of the applications relevant to financial reporting and the infrastructure supporting these applications. We tested IT general controls relevant to the identified automated controls and Information Produced by the Entity ('IPEs') covering access security, program changes, data center and network operations. We examined certain IPEs used in the financial reporting from relevant applications and key controls over their report logics as well as preparation and maintenance. We performed testing on the key automated controls on significant IT systems relevant to business processes. We tested the interfaces between the identified systems in order to determine if information is being transmitted in an accurate and complete manner.
Concentration of related party balances	
Related party assets as at 31 December 2024 are disclosed in Note 38 to these consolidated financial statements with the description of the material accounting policy disclosed in Note 6. We focused on this area as significant management judgement is required to determine the disclosures required under IFRS 7 *Financial Instruments: Disclosures* ('IFRS 7') and IAS 24 *Related Party Disclosures* ('IAS 24') with regards to significant credit risk concentrations and related party disclosures.	We obtained from those charged with governance and management information identifying all known related parties. We evaluated and tested key controls over the identification and monitoring of related party transactions. We evaluated and tested key controls over the initial recognition and monitoring of loans.

Independent Auditor's Report
To the Shareholders of Emirates NBD Bank (P.J.S.C.) continued

Key Audit Matters continued

Key audit matter	How our audit addressed the key audit matter
Concentration of related party balances (continued)	
IFRS 7 requires that specific information be disclosed for each type of risk arising from financial instruments. These include qualitative disclosures around how exposures arise and how they are measured and managed, summary quantitative data about an entity's exposure to each type of risk, and information about an entity's credit risk exposure, including significant credit risk concentrations. In addition, for government-controlled entities such as Emirates NBD Bank (P.J.S.C.), disclosure is required under IAS 24 of a qualitative or quantitative indication of the extent of transactions with the government or related entities.	We reviewed minutes of board meetings and management meetings to determine if there were any related party transactions of which we were previously unaware. We obtained a confirmation for the balance in writing from the relevant related party. We vouched individual related party transactions on a sample basis to supporting documentation. Finally, we evaluated the adequacy of the disclosures by assessing whether a reasonable user of the consolidated financial statements could understand the exposure of the Group to concentration and related risks, and by considering the ability of such a user to reasonably estimate the extent of transactions with the majority shareholder of the parent, including the income arising from the balance due from them, based on the disclosures provided.
Accuracy of the hyperinflation accounting for the results of DenizBank A.S.	
As disclosed in Note 8 to the consolidated financial statements, the economy of the Republic of Türkiye was deemed a hyperinflationary economy in accordance with the requirements of IAS 29 *Financial Reporting in Hyperinflationary Economies* ('IAS 29'). The Group performed the hyperinflation calculations which included utilising the consumer price indices as a key input into the calculations. The consolidated financial results of DenizBank A.S. ('DenizBank') are translated to the Group's reporting currency, AED, using the official exchange rate published by the Central Bank of the Republic of Türkiye as at 31 December 2024. The loss on the monetary position is calculated as the difference resulting from the restatement of net non-monetary assets, equity and items in the statement of profit or loss and other comprehensive income ('OCI'), and adjustment of index linked assets and liabilities. The application of IAS 21 *The Effects of Changes in Foreign Exchange Rates* ('IAS 21') in conjunction with the application of IAS 29 resulted in a net monetary loss of AED 3.1 billion being recognised in profit or loss for the year. Overall, the hyperinflation adjustment results in a net other comprehensive income of AED 1.8 billion. The application of the requirements of IFRS Accounting Standards relative to hyperinflation and the assessment of the applicable exchange rate were areas that required significant auditor attention. Given the significance of the quantitative impact, the complexities associated with hyperinflationary accounting and the extent of audit effort required, the application of hyperinflation accounting for the Group's operations located in the Republic of Türkiye and the related disclosures were deemed to be a Key Audit Matter.	We obtained an understanding of the process implemented by the Group to determine the hyperinflation adjustments and disclosures. We assessed the controls over this area to determine if they had been designed and implemented appropriately. We utilised our internal IFRS Accounting Standards specialists to conclude on the appropriate application of IAS 21 and IAS 29. We assessed the inputs into the hyperinflation calculations with specific emphasis on the consumer price indices used by agreeing them to independent sources. We reperformed the mathematical accuracy of the hyperinflation adjustments. We reperformed the mathematical accuracy of the calculations to determine the disclosure of sensitivities. We determined if the exchange rates used to translate the hyperinflated consolidated statement of financial position, consolidated statement of income, consolidated statement of cash flows, and consolidated statement of changes in equity of DenizBank were determined in accordance with the requirements of IFRS Accounting Standards. We assessed the disclosure in the consolidated financial statements relating to this area against the requirements of IFRS Accounting Standards.

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Independent Auditor's Report
To the Shareholders of Emirates NBD Bank (P.J.S.C.) continued

Other information
The Board of Directors is responsible for the other information. The other information comprises the annual report of the Group but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with applicable provisions of UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

Deloitte.

Independent Auditor's Report
To the Shareholders of Emirates NBD Bank (P.J.S.C.) continued

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements continued
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
As required by the UAE Federal Law No. (32) of 2021, we report that for the year ended 31 December 2024:
- We have obtained all the information we considered necessary for the purposes of our audit;
- The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021;
- The Bank has maintained proper books of account;
- The financial information included in the Directors' report is consistent with the books of account and records of the Bank;
- Note 11 to the consolidated financial statements discloses the Bank's purchases or investments in shares during the year ended 31 December 2024;
- Note 38 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted and principles of managing conflict of interest;
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Bank has contravened during the year ended 31 December 2024 any of the applicable provisions of the UAE Federal Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024; and
- Note 47 to the consolidated financial statements discloses social contributions made during the year ended 31 December 2024.

Further, as required by UAE Federal Law No. (14) of 2018, we report that we have obtained all the information and explanations we considered necessary for the purpose of our audit.

Deloitte & Touche (M.E.)

Musa Ramahi
Registration No. 872
28 January 2025
Dubai
United Arab Emirates

Group Consolidated Statement of Financial Position
As at 31 December 2024

	Notes	2024 AED million	2023 AED million
Assets			
Cash and deposits with Central Banks	9	**104,665**	96,031
Due from banks	10	**132,766**	92,302
Investment securities	11	**199,223**	173,246
Loans and receivables	12	**501,627**	445,105
Positive fair value of derivatives	34	**12,468**	15,284
Customer acceptances		**9,478**	8,468
Property and equipment		**7,941**	5,264
Goodwill and intangibles	14	**5,626**	5,683
Other assets	15	**22,788**	21,390
Total assets		**996,582**	**862,773**
Liabilities			
Due to banks	16	**55,487**	40,321
Customer deposits	17	**666,777**	584,561
Debt issued and other borrowed funds	18	**72,476**	66,116
Sukuks payable	19	**7,427**	4,673
Negative fair value of derivatives	34	**15,897**	17,389
Customer acceptances		**9,478**	8,468
Other liabilities	20	**42,826**	31,273
Total liabilities		**870,368**	**752,801**
Equity			
Issued capital	21	**6,317**	6,317
Treasury shares		**(46)**	(46)
Tier I capital notes	22	**9,129**	9,129
Share premium reserve	21	**17,954**	17,954
Legal and statutory reserve	23	**3,158**	3,158
Other reserves	23	**2,945**	2,945
Fair value reserve	23	**(1,132)**	(1,570)
Currency translation reserve	23	**(6,071)**	(7,461)
Retained earnings		**93,736**	79,373
Total equity attributable to equity and note holders of the Group		**125,990**	**109,799**
Non-controlling interest		**224**	173
Total equity		**126,214**	**109,972**
Total liabilities and equity		**996,582**	**862,773**

The attached notes 1 to 48 form an integral part of these Group consolidated financial statements.
The independent auditor's report on the Group consolidated financial statements is set out on pages 162 to 167.

H.H. Sheikh Ahmad Bin Saeed Al Maktoum
Chairman

Mr. Hesham Abdulla Al Qassim
Vice Chairman

Shayne Nelson
Chief Executive Officer

Group Consolidated Statement of Income
For the year ended 31 December 2024

	Notes	2024 AED million	2023 AED million
Interest and similar income		**69,129**	50,031
Interest and similar expense		**(42,760)**	(25,239)
Net interest income	24	**26,369**	**24,792**
Income from Islamic financing and investment products	25	**9,003**	7,288
Distribution on Islamic deposits and profit paid to Sukuk holders	26	**(2,976)**	(2,000)
Net income from Islamic financing and investment products		**6,027**	**5,288**
Net interest income and net income from Islamic financing and investment products		**32,396**	**30,080**
Fee and commission income		**13,347**	8,959
Fee and commission expense		**(6,554)**	(4,086)
Net fee and commission income	27	**6,793**	**4,873**
Net gain on trading securities		**838**	480
Other operating income	28	**4,107**	7,595
Total operating income		**44,134**	**43,028**
General and administrative expenses	29	**(13,751)**	(11,696)
Operating profit before impairment		**30,383**	**31,332**
Net impairment loss	30	**(106)**	(3,448)
Operating profit before taxation and others		**30,277**	**27,884**
Hyperinflation adjustment on net monetary position	8	**(3,136)**	(4,229)
Profit for the year before taxation		**27,141**	**23,655**
Taxation charge	32	**(4,133)**	(2,134)
Profit for the year		**23,008**	**21,521**
Attributable to:			
Equity holders of the Group		**22,973**	21,480
Non-controlling interest		**35**	41
Profit for the year		**23,008**	**21,521**
Earnings per share (AED)	33	**3.56**	**3.32**

The attached notes 1 to 48 form an integral part of these Group consolidated financial statements.
The independent auditor's report on the Group consolidated financial statements is set out on pages 162 to 167.

Group Consolidated Statement of Comprehensive Income
For the year ended 31 December 2024

	2024 AED million	2023 AED million
Profit for the year	**23,008**	21,521
Other comprehensive income		
Items that will not be reclassified subsequently to the income statement:		
Actuarial gains / (losses) on retirement benefit obligations	**(151)**	(104)
Movement in fair value reserve (equity instruments):		
- Net change in fair value	**34**	142
- Net amount transferred to retained earnings	**329**	-
Items that may be reclassified subsequently to the income statement:		
Cost of hedging for forward element of a forward and currency basis spread excluded from hedge effectiveness testing:		
Net changes in the cost of hedging	**(58)**	105
Cash flow hedges:		
- Effective portion of changes in fair value	**316**	393
- Net amount transferred to the statement of income	**9**	(71)
- Related deferred tax	**(23)**	-
Fair value reserve (debt instruments):		
- Net change in fair value	**171**	(818)
- Net amount transferred to the statement of income	**(448)**	(380)
- Related deferred tax	**108**	355
Currency translation reserve	**(3,478)**	(4,964)
Hedge of a net investment in foreign operations	**9**	(42)
Hyperinflation adjustment (note 8)	**4,859**	4,853
Other comprehensive income / (loss) for the year	**1,677**	(531)
Total comprehensive income for the year	**24,685**	**20,990**
Attributable to:		
Equity holders of the Group	**24,650**	20,949
Non-controlling interest	**35**	41
Total comprehensive income for the year	**24,685**	**20,990**

The attached notes 1 to 48 form an integral part of these Group consolidated financial statements.
The independent auditor's report on the Group consolidated financial statements is set out on pages 162 to 167.

Group Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	2024 AED million	2023 AED million
Operating activities		
Profit for the year before taxation	**27,141**	23,655
Adjustment for non-cash items (refer Note 41)	**1,188**	8,214
Operating profit before changes in operating assets and liabilities	**28,329**	**31,869**
(Increase) / decrease in interest free statutory deposits	**(15,057)**	(20,759)
(Increase) / decrease in certificate of deposits with Central Banks maturing after three months	**(27)**	1,000
(Increase) / decrease in amounts due from banks maturing after three months	**(6,797)**	(21,869)
Increase / (decrease) in amounts due to banks maturing after three months	**22,468**	(12,534)
(Increase) / decrease in other assets	**(770)**	(7,007)
Increase / (decrease) in other liabilities	**3,272**	1,950
(Increase) / decrease in positive fair value of derivatives	**3,083**	2,307
Increase / (decrease) in negative fair value of derivatives	**(1,492)**	(2,817)
Increase / (decrease) in customer deposits	**82,216**	81,608
(Increase) / decrease in loans and receivables	**(56,118)**	(32,967)
Net cash flows generated from / (used in) operations	**59,107**	**20,781**
Taxes paid	**(1,665)**	(1,454)
Net cash flows generated from / (used in) operating activities	**57,442**	**19,327**
Investing activities		
(Increase) / decrease in investment securities	**(22,850)**	(45,787)
(Increase) / decrease of property and equipment	**(2,903)**	(1,447)
Dividends income received	**12**	7
Net cash flows generated from / (used in) investing activities	**(25,741)**	**(47,227)**
Financing activities		
Issuance of debt issued and other borrowed funds	**27,689**	22,386
Issuance of Sukuks	**2,754**	1,000
Repayment of debt issued and other borrowed funds	**(19,471)**	(8,050)
Interest on Tier I capital notes	**(511)**	(511)
Dividends paid	**(7,573)**	(3,786)
Net cash flows generated from / (used in) financing activities	**2,888**	**11,039**
Increase / (decrease) in cash and cash equivalents (refer Note 41)	**34,589**	**(16,861)**

The attached notes 1 to 48 form an integral part of these Group consolidated financial statements.
The independent auditor's report on the Group consolidated financial statements is set out on pages 162 to 167.

Group Consolidated Statement of Changes In Equity

For the year ended 31 December 2024

	Attributable to equity and note holders of the Group											
	Issued capital (a) AED million	**Treasury shares AED million**	**Tier I capital notes (b) AED million**	**Share premium reserve (a) AED million**	**Legal and statutory reserve (c) AED million**	**Other reserve (c) AED million**	**Fair value reserve (c) AED million**	**Currency translation reserve (c) AED million**	**Retained earnings AED million**	**Total AED million**	**Non-controlling interest AED million**	**Group Total AED million**
Balance as at 1 January 2024	**6,317**	**(46)**	**9,129**	**17,954**	**3,158**	**2,945**	**(1,570)**	**(7,461)**	**79,373**	**109,799**	**173**	**109,972**
Profit for the year	-	-	-	-	-	-	-	-	**22,973**	**22,973**	**35**	**23,008**
Other comprehensive income for the year	-	-	-	-	-	-	**438**	**1,390**	**(151)**	**1,677**	-	**1,677**
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	**(511)**	**(511)**	-	**(511)**
Gain / (loss) on sale of FVOCI equity instruments	-	-	-	-	-	-	-	-	**(329)**	**(329)**	-	**(329)**
Increase in non-controlling interest	-	-	-	-	-	-	-	-	-	-	**16**	**16**
Dividends paid*	-	-	-	-	-	-	-	-	**(7,573)**	**(7,573)**	-	**(7,573)**
Directors' fees (refer Note 31)	-	-	-	-	-	-	-	-	**(31)**	**(31)**	-	**(31)**
Zakat	-	-	-	-	-	-	-	-	**(15)**	**(15)**	-	**(15)**
Balance as at 31 December 2024	**6,317**	**(46)**	**9,129**	**17,954**	**3,158**	**2,945**	**(1,132)**	**(6,071)**	**93,736**	**125,990**	**224**	**126,214**

	Attributable to equity and note holders of the Group											
	Issued capital (a) AED million	Treasury shares AED million	Tier I capital notes (b) AED million	Share premium reserve (a) AED million	Legal and statutory reserve (c) AED million	Other reserve (c) AED million	Fair value reserve (c) AED million	Currency translation reserve (c) AED million	Retained earnings AED million	Total AED million	Non-controlling interest AED million	Group Total AED million
Balance as at 1 January 2023	6,317	(46)	9,129	17,954	3,158	2,945	(1,296)	(7,308)	62,346	93,199	106	93,305
Profit for the year	–	–	–	–	–	–	–	–	21,480	21,480	41	21,521
Other comprehensive income for the year	–	–	–	–	–	–	(274)	(153)	(104)	(531)	–	(531)
Interest on Tier 1 capital notes	–	–	–	–	–	–	–	–	(511)	(511)	–	(511)
Increase in non-controlling interest	–	–	–	–	–	–	–	–	–	–	26	26
Dividends paid*	–	–	–	–	–	–	–	–	(3,786)	(3,786)	–	(3,786)
Directors' fees (refer Note 31)	–	–	–	–	–	–	–	–	(31)	(31)	–	(31)
Zakat	–	–	–	–	–	–	–	–	(21)	(21)	–	(21)
Balance as at 31 December 2023	6,317	(46)	9,129	17,954	3,158	2,945	(1,570)	(7,461)	79,373	109,799	173	109,972

* Dividends paid are net of the amount attributable to treasury shares.

The attached notes 1 to 48 form an integral part of these Group consolidated financial statements.
The independent auditor's report on the Group consolidated financial statements is set out on pages 162 to 167.

Notes:
(a) For further details refer to Note 21
(b) For further details refer to Note 22
(c) For further details refer to Note 23

Notes to the Group Consolidated Financial Statements

For the year ended 31 December 2024

1 CORPORATE INFORMATION

Emirates NBD Bank (P.J.S.C.) (the 'Bank') was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International (P.J.S.C.) and National Bank of Dubai (P.J.S.C.), under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company.

The Group consolidated financial statements for the year ended 31 December 2024 comprise the financial statements of the Bank and its subsidiaries (together referred to as the 'Group').

The Bank is listed on the Dubai Financial Market (TICKER: 'EMIRATESNBD'). The Group's principal business activities are corporate and institutional banking, retail banking, treasury and Islamic banking. The Bank's website is www.emiratesnbd.com. For details of activities of subsidiaries, refer to Note 36.

The registered address of the Bank is P. O. Box 777, Dubai, United Arab Emirates ('UAE').

The parent company of the Group is Investment Corporation of Dubai, which is wholly owned by the Government of Dubai.

2 BASIS OF ACCOUNTING

Statement of compliance

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

Federal Decree-Law No. (32) of 2021 on Commercial Companies has come into effect from 2 January 2022, replacing the existing Federal Law No. 2 of 2015.

The material accounting policies information adopted in the preparation of the Group consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3 FUNCTIONAL AND PRESENTATION CURRENCY

The presentation currency of the Group consolidated financial statements is the United Arab Emirates Dirham (AED). The functional currency for a significant proportion of the Group's assets, liabilities, income and expenses is also AED. However, certain subsidiaries and branches have functional currencies other than AED and AED is their presentation currency.

4 BASIS OF MEASUREMENT

The Group consolidated financial statements have been prepared under the historical cost basis except for the following:
- derivative financial instruments are measured at fair value;
- financial instruments classified as trading and at fair value through profit or loss (FVTPL) are measured at fair value;
- financial assets at fair value through other comprehensive income are measured at fair value; and
- recognised assets and liabilities that are hedged are measured at fair value in respect of the risk that is hedged.

The preparation of the Group consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group consolidated financial statements are disclosed in Note 5.

5 USE OF JUDGEMENTS AND ESTIMATES

The preparation of the Group consolidated financial statements requires Management to make certain estimates and assumptions that affect the reported amount of financial assets and liabilities and the resultant allowances for impairment and fair values. Considerable judgment by Management is required in the estimation of the amount and timing of future cash flows when determining the level of allowances required for impaired loans and receivables as well as allowances for impairment provision for unquoted investment securities. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Significant items where the use of estimates and judgments are required are outlined below:

(i) Financial instruments

Judgments made in applying accounting policies that have most significant effects on the amounts recognised in the Group consolidated financial statements for the year ended 31 December 2024 pertain to:
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payment of principal and interest of the principal amount outstanding.
- Calculation of expected credit losses (ECL): Assumptions and estimation uncertainties that have a significant impact on ECL for the year ended 31 December 2024. The impact is mainly driven by inputs, assumptions and techniques used for ECL calculation under IFRS 9 methodology.

5 USE OF JUDGEMENTS AND ESTIMATES continued

Inputs, assumptions and techniques used for ECL calculation

Key concepts that have the most significant impact and require a high level of judgment, as considered by the Group while determining the ECL, are:

Assessment of Significant Increase in Credit Risk ('SICR')

The assessment of SICR is done on a relative basis. To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using early warning and other indicators that are used in the Group's existing risk management processes.

The Group's assessment of significant increases in credit risk is performed at least quarterly for each individual exposure based on various factors. If any of the factors indicates that a significant increase in credit risk has occurred, the instrument will be moved from Stage 1 to Stage 2. These factors include but are not limited to:

1. The Group has established thresholds for significant increase in credit risk based on movement in Probability of Default relative to initial recognition.
2. Additional qualitative reviews have been performed to assess the staging results and make adjustments, as necessary, to better reflect the positions which have significantly increased in risk.
3. IFRS 9 contains a rebuttable presumption that instruments which are 30 days past due have experienced a significant increase in credit risk.

Movements between Stage 2 and Stage 3 are based on whether financial assets are credit impaired as at the reporting date. The determination of credit-impairment is based on individual assessment of financial assets for objective evidence of impairment.

The Group reviews its loans and receivables portfolio and Islamic financing receivables to assess impairment on a regular basis. In determining whether an impairment loss should be recorded in the Group consolidated statement of income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the contractual future cash flows from a loan or homogenous group of loans and receivables or Islamic financing receivables. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss.

Macroeconomic Factors, Forward Looking Information and Multiple Scenarios

The measurement of ECL for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions.

The estimation and application of forward-looking information requires judgment based on the macroeconomic variables (or changes in macroeconomic variables) such as occupancy rates, oil prices, housing price index and GDP (where applicable), that are closely correlated with credit losses in the relevant portfolio and represent the underlying causal effects of changes in these economic conditions. Each macroeconomic scenario used in the Group's ECL calculation will have projected forecasts of the relevant macroeconomic variables.

The Group estimation of ECL in Stage 1 and Stage 2 is a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. These scenarios are based on macroeconomic forecasts published by external experts. If conditions warrant, additional downside scenarios may also be considered.

Probability weights attached to these scenarios are updated on a quarterly basis (if required). All scenarios considered are applied to all portfolios subject to ECL with the same probabilities. In some instances, the inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the Group consolidated financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Such cases are subjected to the Group's governance process for oversight.

Sensitivity assessment due to movement in each macroeconomic variable and the respective weights under the three scenarios is periodically assessed by the Group.

The table below summarises key macroeconomic indicators included in the economic scenarios for respective operating regions relevant to their markets during Q4 2024 and for the years ending 2025 to 2028:

	Base Scenario					Upside Scenario					Downside Scenario				
	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028	2024	2025	2026	2027	2028
UAE															
Oil Price – USD	81	78	76	75	75	81	84	80	76	76	81	60	60	71	73
GDP - Change %	3.7	4.0	3.6	3.8	3.9	3.7	5.8	5.1	3.8	3.9	3.7	0.2	-0.9	4.8	5.6
Imports-AED in Bn	1,919	2,039	2,160	2,268	2,379	1,919	2,058	2,216	2,362	2,500	1,919	1,865	1,882	1,995	2,098
KSA															
Oil GDP-SAR in Trn	1.17	1.20	1.21	1.22	1.23	1.17	1.22	1.25	1.26	1.27	1.17	1.16	1.12	1.15	1.18
Unemployment - %	7.47	7.70	7.72	7.73	7.74	7.47	7.45	7.39	7.49	7.67	7.47	8.97	9.57	9.20	8.66
Türkiye															
Real GDP-Growth%	3.0	2.5	4.0	4.5	–	3.0	3.0	4.3	4.7	–	2.8	1.9	3.4	4.1	–
Unemployment - %	9.2	9.6	9.1	8.6	–	9.0	9.3	8.7	8.1	–	9.4	10.3	10.1	9.6	–

As with any economic forecasts, the projections and likelihoods of the occurrence are subject to inherent uncertainty and therefore the actual outcomes may be different to those projected.

Definition of default

The definition of default used in the measurement of ECL and the assessment to determine movement between stages is consistent with the definition of default used for internal credit risk management purposes. IFRS 9 does not define default but contains a rebuttable presumption that default has occurred when an exposure is greater than 90 days past due.

Expected Life

When measuring ECL, the Group must consider the maximum contractual period over which it is exposed to credit risk. All applicable contractual terms are considered when determining the expected life, including prepayment extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group is exposed to credit risk and where the credit losses would not be mitigated by Management actions.

Governance

In addition to the existing risk management framework, the Group has established an internal Committee to provide oversight to the IFRS 9 impairment process. The Committee is comprised of senior representatives from Finance, Risk Management, Internal Audit and Business teams and are responsible for reviewing and approving key inputs and assumptions used in the Group ECL estimates. It also assesses the appropriateness of the overall allowance results to be included in the Group consolidated financial statements.

(ii) Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the Group consolidated statement of financial position cannot be derived from quoted prices, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable market data where possible, but where this is not possible, a degree of judgment is required in establishing fair values. The judgments include consideration of liquidity and model inputs such as correlation and volatility for longer dated derivatives.

Fair values are subject to a control framework designed to ensure that they are either determined or validated, by a function independent of the risk taker.

(iii) Impairment of goodwill

On an annual basis, the Group determines whether goodwill is impaired. This requires an estimation of the recoverable amount using value in use of the cash generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(iv) Contingent liability arising from litigations

Due to the nature of its operations, the Group may be involved in litigations arising in the ordinary course of business. Provision for contingent liabilities arising from litigations is based on the probability (more likely than not) of outflow of economic resources and reliability of estimating such outflow. Such matters are subject to many uncertainties and the outcome of individual matters is not predictable with assurance.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are applied prospectively.

6 MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these Group consolidated financial statements.

(a) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date such control ceases.

The list of the Group's subsidiary companies is shown in Note 36.

Basis of consolidation

The Group consolidated financial statements comprise the financial statements of the Bank and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the Group consolidated financial statements are prepared for the same reporting date as the Bank. Consistent accounting policies are applied to all transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated at consolidation.

Business combinations are accounted for by applying the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date, fair value of assets transferred by the Group, liability incurred, and equity interest issued by the Group in exchange for control of the acquiree. Identifiable assets acquired and liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 in profit or loss. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are restated to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 6 (m) (i). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained.

(ii) Special Purpose Entities

Special Purpose Entities (SPEs) are entities that are created to accomplish a well-defined objective such as the securitisation of particular assets, or the execution of a specific borrowing or lending transaction. SPE is consolidated if the Group is exposed to variable returns from its involvement in the SPE and has the ability to affect those returns through its power over the SPE based on an evaluation of the substance of its relationship with the Group.

The following circumstances may indicate a relationship in which, in substance, the Group controls and consequently consolidates an SPE:

a. the Group has power over the SPE;
b. the Group has exposure to, or rights, to variable returns from its involvement with the SPE; and
c. the Group has the ability to use its power over the SPE to affect the amount of the Group's returns.

The assessment of whether the Group has control over an SPE is carried out at inception and reassessed at each period end date or if there are changes in the structure / terms of additional transactions between the Group and the SPE.

Information about the Group's securitisation activities is set out in Note 13.

(iii) Fund Management

The Group manages and administers funds on behalf of investors. The financial statements of these funds are not consolidated in these Group consolidated financial statements. Information about the Group's fund management activity is set out in Note 43.

(iv) Fiduciary activities

Assets held in trust or in a fiduciary capacity are not treated as assets of the Group and, accordingly, are not consolidated in these Group consolidated financial statements. Income earned by the Group from its fiduciary activities is recognised in accordance with the accounting policies on fee and commission income. Information about the Group Fiduciary activities is set out in Note 44.

(v) Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Group and is presented separately in the Group consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Group.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(b) Foreign currencies

Monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. The resulting gain / loss on monetary items is taken to the 'Other operating income' in the Group consolidated statement of income. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the Group consolidated financial statements, assets and liabilities in foreign operations are translated into AED at rates of exchange ruling at the reporting date, and the resulting gains and losses are taken to the currency translation reserve.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the exchange rate at the reporting date.

Forward exchange contracts are valued at market rates applicable to their respective maturities.

Exchange differences arising from the translation of the net investment in foreign operations are taken directly to currency translation reserve.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of qualifying cash flow hedges to the extent that the hedge is effective, are recognised in 'Other comprehensive income' (OCI).

6 MATERIAL ACCOUNTING POLICIES continued

(c) Interest

Effective interest rate

Interest income and expense are recognised in profit or loss using the 'effective interest method'. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, excluding ECL. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

Amortised cost

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation of the difference between the initial amount and the maturity amount using the effective interest method and, for financial assets, adjusted for any loss allowance.

Gross carrying amount

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any loss allowance.

Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost (as explained above) of the financial asset. If the financial asset is no longer credit-impaired, then the calculation of interest income reverts to the gross carrying amount (as explained above).

For the financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost (as explained above) of the financial asset. The calculation of interest income does not revert to a gross carrying amount (as explained above), even if the credit risk of the asset improves.

Presentation

Interest income and expense presented in the Group consolidated statement of income include:

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis;
- interest on debt instruments measured at fair value through other comprehensive income (FVOCI) calculated on an effective interest basis;
- the effective portion of fair value changes in qualifying hedging derivatives designated in cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense; and
- the effective portion of fair value changes in qualifying hedging derivatives designated in fair value hedges of interest rate risk.

(d) Fees and commission

Fee income, which is not an integral part of the effective interest rate of a financial instrument, is earned from a diverse range of services provided by the Group to its customers, and are accounted for in accordance with IFRS 15 'Revenue from Contracts with Customers'. Under the IFRS 15, fee income is measured by the Group based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed (for example, fees arising from negotiating, or participating in the negotiation of a transaction for a third-party, such as an arrangement for the acquisition of shares or other securities);
- income earned from the provision of services is recognised as revenue as the services are provided (for example, asset management, portfolio and other management advisory and service fees); and
- other fees and commission income and expense are recognised as the related services are performed or received.

Fee income which forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate (for example, certain loan commitment fees) and recorded in 'Interest income'.

(e) Income taxes and deferred taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Bank and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be settled with the tax authorities.

Deferred tax is accounted for using the asset and liability method. Deferred tax assets and liabilities are recognised for the full tax consequences of all temporary differences between the Group consolidated financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Recognition of deferred tax assets are, however, restricted to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax assets and liabilities are measured using tax rates that are expected to apply to the period in which the asset is expected to be realised or the liability is expected to be settled.

Deferred tax assets are reviewed periodically to reduce the carrying amount by the extent to which it is no longer probable that sufficient taxable profit will be available to utilise the differences.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to set off current tax asset against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and current tax liabilities on a net basis.

(f) Financial assets and financial liabilities

(i) Classification of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured: at amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(ii) Recognition and initial measurement

The Group initially recognises loans and receivables, customer deposits, debt issued and other borrowed funds and Sukuks payable on the date on which they are originated or acquired. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

6 MATERIAL ACCOUNTING POLICIES continued

(f) Financial assets and financial liabilities continued

(ii) Recognition and initial measurement continued

Business model assessment:

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level as this best reflects the way the business is managed and information is provided to Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether Management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about the future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rate.

See note on investment securities, loans and receivables and cash and cash equivalents for further details.

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

The Group classifies financial liabilities as held for trading when they have been issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit making. Gains and losses arising from changes in fair values are included in the Group consolidated statement of income in the year in which they arise.

Reclassifications:

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

(iii) Impairment

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of life time ECL that result from default events on a financial instrument that are possible within the 12 months after reporting date.

Measurement of ECL

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Restructured financial assets

If the terms of a financial asset are modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- if the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- if the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset. The cash shortfalls are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Revolving facilities

The Group's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Group has the right to cancel and/or reduce the facilities at a short notice. The Group does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Group's expectations of the customer behaviour, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities.

Based on past experience and the Group's expectations, the period over which the Group calculates ECL for these products, is estimated based on the period over which the Group is exposed to credit risk and where the credit losses would not be mitigated by Management actions.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable prospect of recovery. This is generally the case when the Group has exhausted all legal and remedial efforts to recover from the customers. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

6 MATERIAL ACCOUNTING POLICIES continued

(f) Financial assets and financial liabilities continued

(iv) Financial guarantees and loan commitments

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holders for a loss they incur because a specified debtor fails to make payment when due, in accordance with the terms of a debt instrument. The financial guarantee liability is carried at amortised cost when payment under the contract has become probable.

'Loans commitments' are firm irrevocable commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or irrevocable commitments to provide credit are initially measured at fair value and their initial fair value is amortised over the life of the guarantee or the commitment. Subsequently, they are measured at the higher of this amortised amount and the amount of loss allowance.

(v) Foreign currencies

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI are recognised through OCI.

(vi) Loans and receivables

'Loans and receivables' caption in the Group consolidated statement of financial position include:

- Loans and receivables measured at amortised cost: they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method and are presented net of expected credit losses; and
- Loans and receivables measured at FVTPL or designated as at FVTPL: these are measured at fair value with changes recognised immediately in profit or loss, if applicable.

When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement is accounted for as a loan or advance or due from banks, and the underlying asset is not recognised in the Group's consolidated financial statements.

Islamic financing receivables

Islamic financing receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These products are carried at amortised cost less impairment.

(i) Definitions

The following terms are used in Islamic financing:

Murabaha

An agreement whereby the Group sells to a customer an asset, which the Group has purchased and acquired, based on a promise received from the customer to buy the asset purchased at a deferred selling price comprised of the cost of the asset and an agreed profit margin.

Istisna'a

A Sale Istisna'a agreement between the Group and a customer whereby the Group would sell to the customer a fully described property according to the agreed upon specifications. The Group would construct/develop the property either on its own or through a subcontractor and then hand it over to the customer on a fixed date for a deferred agreed price.

Ijara

An agreement, whereby the Group (lessor) leases an asset to a customer (lessee), for a specific period and against certain rent instalments. Ijara ends by transferring the ownership of the asset to the lessee through an independent sale agreement at the end of the Ijara agreement pursuant to a sale undertaking granted by the Group.

Mudaraba

An agreement between two parties; wherein one of them provides the funds and is called Rab-Ul-Mal and the other provides efforts and expertise and is called the Mudarib and he is responsible for investing such funds in an enterprise or activity in return for pre-agreed percentage of the Mudaraba profit. In case of loss not attributable to any misconduct or negligence by the Mudarib, the Rab-Ul-Mal would bear the loss of his funds while the Mudarib would bear the loss of his efforts. However, in case of misconduct, negligence or violation of any of the terms and conditions of the Mudaraba agreement by the Mudarib, the Mudarib shall be responsible to make good the losses. The Group acts as Mudarib when accepting Mudaraba funds from depositors and as Rab-Ul-Mal when investing such funds on a Mudaraba basis.

Wakala

An agreement whereby the Group provides a certain sum of money to an agent who invests it according to specific conditions in return for a certain fee (a lump sum of money or a percentage of the amount invested). The agent is obliged to return the invested amount in case of misconduct, negligence or violation of any of the terms and conditions of the Wakala.

(ii) Revenue recognition

Revenue is recognised on the above Islamic products as follows:

Murabaha

The profit is quantifiable and contractually determined at the commencement of the contract. Profit is recognised on a time proportion basis over the life of the contract using an effective profit method on the balance outstanding.

Istisna'a

Istisna'a revenue and the associated profit margin (difference between the cash price to the customer and the Group total Istisna'a cost) are accounted for on a time proportion basis.

Ijara

Income from Ijara is recognised on an accrual basis over the period of the contract.

Mudaraba

Income on Mudaraba financing is recognised on distribution by the Mudarib, whereas the losses are charged to the Group consolidated statement of income on their declaration by the Mudarib.

Wakala

Estimated income from Wakala is recognised on account on a time proportion basis over the period, adjusted by actual income when received. Losses are accounted for on the date of declaration by the agent.

Profit equalisation reserve

Profit equalisation reserves are amounts appropriated out of the common mudaraba pool's income, before allocating the mudarib's share of profit, in order to maintain a certain level of return on investments for all the investment account holders and other investors in the common mudaraba pool. The allocation and distribution to depositors is approved by the Profit Equalisation Committee, Internal Shariah Supervision Committee of the Group and the Islamic banking subsidiary respectively.

Depositors' investment risk reserve

Depositors' investment risk reserve represents a portion of the depositors' share of profit set aside as a reserve. This reserve is payable to the depositors upon the approval of the Profit Equalisation Committee and the Internal Shariah Supervision Committee. Zakat on depositors' investment risk reserve is included under Zakat payable and is deducted from the depositors' investment risk reserve balance.

(vii) Investment securities

The 'investment securities' caption in the Group consolidated statement of financial position includes:

- debt investment securities measured at amortised cost: these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- debt and equity investment securities measured at FVTPL or designated as at FVTPL: these are at fair value with changes recognised immediately in profit or loss;
- debt securities measured at FVOCI; and
- equity investment securities designated as FVOCI.

For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

- interest revenue using the effective interest method;
- ECL charges and reversals; and
- foreign exchange gains and losses.

When a debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Group elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends from such equity instruments are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses on equity instruments recognised in OCI are transferred to retained earnings on disposal of an investment.

6 MATERIAL ACCOUNTING POLICIES continued

(f) Financial assets and financial liabilities continued

(viii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of the ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as FVOCI is not recognised in profit or loss account on derecognition of such securities.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its Group consolidated statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

(ix) Modification of financial assets and financial liabilities

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(x) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Group consolidated statement of financial position when, and only when, the Group currently has legally enforceable rights to set off amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activities.

(xi) Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of principal market, in the most advantageous market for the asset and liabilities.

If an asset or a liability measured at fair value has a 'Bid' price and an 'Ask' price, then the Group measures assets and long positions at a 'Bid' price and liabilities and short positions at an 'Ask' price.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Fair value is applicable to both financial and non-financial instruments.

(xii) Designated at FVTPL

At initial recognition, the Group has designated certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, which would otherwise arise.

The Group has designated certain financial liabilities as at FVTPL in either of the following circumstances:
(a) The liabilities are managed, evaluated and reported internally on a fair value basis; or
(b) The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.

A description of the basis of each designation is set out in relevant notes for the asset or liability class.

(xiii) Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') are disclosed in the notes to the Group consolidated financial statements when the transferee has the right by contract or custom to sell or re-pledge the collateral; the counterparty liability is included as a separate deposit. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and receivables to either banks or customers, as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

(g) Cash and cash equivalents

'Cash and cash equivalents' include notes and coins on hand, unrestricted balances held with Central Banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the Group consolidated statement of financial position.

(h) Trading assets and liabilities

Trading assets are those assets and liabilities that the Group acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking.

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the Group consolidated statement of financial position, with transaction costs recognised in profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss.

(i) Derivatives held for risk management purposes and hedge accounting

The Group follows a hedge accounting model that aligns hedge accounting more closely with risk management. The model measures hedge effectiveness through an objectives-based test that focuses on the economic relationship between the hedged item and the hedging instrument, and the effect of credit risk on that economic relationship.

The Group also performs rebalancing of hedging relationships, whereby, if a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio under IFRS 9, but the risk management objective for that designated hedging relationship remains the same, the Group shall adjust the hedge ratio of the hedging relationship so that it meets the qualifying criteria again.

Gains and losses arising from changes in the fair value of derivatives that are not the hedging instrument in a qualifying hedge are recognised as they arise in profit or loss. Gains and losses are recorded in 'income from trading activities' except for gains and losses on those derivatives that are managed together with financial instruments designated at fair value; these gains and losses are included in 'other operating income'.

Hedging instruments include futures, forwards, options and swaps in the interest rate and foreign exchange markets. The Group utilises these instruments to satisfy the requirements of its customers, for proprietary trading purposes and to hedge its own exposure to interest rates and currency risk.

6 MATERIAL ACCOUNTING POLICIES continued

(i) Derivatives held for risk management purposes and hedge accounting continued

Where there is a hedging relationship between a derivative instrument and a related item being hedged, the hedging instrument is measured at fair value, with any resultant gains and losses being accounted as set out below.

The fair value of derivative hedging instruments is calculated in the same way as the fair value of financial instruments.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- Hedges of the exposure to changes in fair value of recognised assets or liabilities or firm commitments (fair value hedge);
- Hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge); or
- Hedge of net investment in a foreign operation.

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

(i) Fair value hedge

When a derivative is designated as the hedging instrument in a hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss together with changes in the fair value of the hedged item that are attributable to the hedged risk.

If the hedging derivative expires or is sold, terminated, or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively. Any adjustment up to that point to a hedged item for which the effective interest method is used, is amortised to profit or loss as part of the recalculated effective interest rate of the item over its remaining life.

(ii) Cash flow hedge

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of derivative is recognised in OCI within 'Cash flow hedges – fair value gains / (losses)'. Any gain or loss in fair value relating to an ineffective portion is recognised immediately in the Group consolidated statement of income.

The accumulated gains and losses recognised in OCI are reclassified to the Group consolidated statement of income in the periods in which the hedged item will affect profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are removed from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting or the hedge designation is revoked, then hedge accounting is discontinued prospectively, and any cumulative gain or loss recognised in OCI at that time remains in equity until the forecast transaction is eventually recognised in the Group consolidated statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in OCI is immediately reclassified to the Group consolidated statement of income.

(iii) Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of the hedging instrument is recognised in OCI and accumulated in the translation reserve. Any ineffective portion of the changes in the fair value of the derivative is recognised immediately in Group consolidated statement of income. The amount recognised in OCI is reclassified to the Group consolidated statement of income as an adjustment on disposal of the foreign operation.

(iv) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the Group consolidated statement of income.

(v) Embedded derivatives

Derivatives embedded in financial assets, liabilities and non-financial host contacts, are treated as separate derivatives and recorded at fair value if they meet the definition of a derivative, their economic characteristics and risks are not closely related to those of the host contract, and the host contract is not itself held for trading or designated at FVTPL. The embedded derivatives separated from the host are carried at fair value in the trading portfolio with changes in fair value recognised in the Group consolidated statement of income.

(j) Inventory

Properties acquired in settlement of debt are held as inventory and are stated at lower of cost or net realisable value. Directly attributable costs incurred in the acquisition of inventory is included as part of cost of the inventory.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date.

(k) Property, equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Group consolidated statement of income during the financial period in which they are incurred.

Freehold land and fixed assets not commissioned are not depreciated. The estimated useful life of fixed assets for the Group is as follows:

Freehold premises	25 - 60 years
Freehold improvements	10 years
Leasehold improvements	7 years
Furniture, fixtures and office equipment	5 years
Computer hardware and software	4 - 5 years
Core banking software	5 - 7 years
Motor vehicles	3 - 5 years

Assets are depreciated on a straight-line basis over their estimated useful lives as given above.

Fixed assets not commissioned are stated at cost. When commissioned, they are transferred to the appropriate property and equipment category and depreciated in accordance with the Group's policies.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Group consolidated statement of income.

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

6 MATERIAL ACCOUNTING POLICIES continued

(l) Investment properties
The Group holds certain properties as investments to earn rental income, for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment (if any).

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Group consolidated statement of income in 'other operating income' in the year of retirement or disposal.

Transfers to and from investment properties are made only when there is a change in use based on the business model.

(m) Intangible assets
(i) Goodwill
Goodwill arises on the acquisition of subsidiaries.

Goodwill acquired in a business combination represents the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable net assets, including intangibles, liabilities and contingent liabilities of the acquiree. When the excess is negative (bargain purchase), it is recognised immediately in the Group consolidated statement of income.

Measurement
Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the Group consolidated statement of income. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss of disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

(ii) Capitalised software
Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in the Group consolidated statement of income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use.

(iii) Other intangible assets
Intangibles acquired separately are measured on initial recognition at cost. The cost of the intangibles acquired in a business combination is at fair value as at the date of acquisition. Following initial recognition, intangibles are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangibles with finite lives are amortised over their respective useful lives and assessed for impairment whenever there is an indication that the intangibles may be impaired. The amortisation period and amortisation method for intangibles with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in an accounting estimate prospectively. The amortisation expense on intangibles with finite lives is recognised in the Group consolidated statement of income in the expense category consistent with the function of the intangibles.

(n) Impairment of non-financial assets
The carrying amounts of the Group's non-financial assets are reviewed periodically to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Group consolidated statement of income. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of other assets in the unit (group or units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(o) Customer deposits, debts issued and other borrowed funds and sukuks payables
Customer deposits, debts issued and other borrowed funds and sukuks payables are the main sources of funding for the Group.

Customer deposits, debts issued and other borrowed funds and sukuks payables are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.

(p) Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable (more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6 MATERIAL ACCOUNTING POLICIES continued

(q) Employee benefits

(i) Pension obligations

The Group operates a pension scheme in respect of eligible UAE national employees in compliance with the UAE Federal Law on Pensions and Social Security. Arrangements for benefits for overseas employees is made in accordance with local regulations and customs. Full provision is made for all accrued benefits.

The Group also pays contributions to trustee administered funds on a contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period.

(ii) Termination gratuity benefit scheme

In compliance with UAE labour law, the Group has a termination gratuity benefit scheme covering all of its expatriate salaried employees who have been employed with the Group for more than one year. The provision for gratuity is recorded through the Group consolidated statement of income.

The present value of the gratuity obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost / (income) for gratuities include the discount rate. Any changes in these assumptions will impact the carrying amount of gratuity obligations. The value of the gratuity obligations is based on the report submitted by an independent actuarial firm.

(r) Dividends distribution on shares

Dividends on ordinary shares classified as equity are recognised in equity in the year in which they are declared. Dividends on ordinary equity shares are recorded in the year in which they are declared and, in respect of the final dividend, have been approved by the shareholders. Approval is also required from the Central Bank of the UAE in order to make a dividend payment.

The Board considers a number of factors such as Group's profitability, growth ambitions, opportunities for future investment and desire to maintain healthy capital ratios in excess of the minimum regulatory requirements.

Retained earnings that are not paid out as dividends are deployed within the business to support future profit growth and drive sustainable dividend growth.

(s) Share capital and reserves

(i) Perpetual Bonds

The Group classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Group's perpetual bonds are not redeemable by holders and bear an entitlement to distributions that is non-cumulative and at the discretion of the board of directors. Accordingly, they are presented as a component of issued capital within equity. Distributions thereon are recognised in equity. Related income tax is accounted for in accordance with IAS 12 – Income taxes.

(ii) Share issue costs

Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(t) Earnings per share

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders (further adjusted for interest expense on Tier I capital notes) of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all diluted potential ordinary shares, if any.

(u) Operating segments

For management purposes, the Group is organised into operating segments based on their products, services and certain subsidiaries which are independently managed by the respective segment managers responsible for the performance of the segments under their charge.

The segment managers report directly to the Management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35.

(v) Related parties

A party is considered to be related to the Group if:

(a) the party, directly or indirectly through one or more intermediaries:
- controls, is controlled by, or is under common control with, the Group;
- has an interest in the Group that gives it significant influence over the Group; or
- has joint control over the Group;

(b) the party is an associate;
(c) the party is a jointly controlled entity;
(d) the party is a member of the key management personnel of the Group;
(e) the party is a close member of the family of any individual referred to in (a) or (d);
(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

(w) Revenue recognition

Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group also operates a rewards programme which allows customers to accumulate points when they purchase products on the Group's credit cards. The points can then be redeemed for shopping rewards, cash back or air miles, subject to a minimum number of points being obtained.

7 STANDARDS ISSUED BUT NOT YET ADOPTED

Certain new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2024, with the Group not opting for early adoption.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	1 January 2025
Amendments to IFRS 9 and IFRS 7 The amendments address matters identified during the post implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19 Subsidiaries without Public Accountability IFRS 19 specifies the permitted disclosure requirements for an eligible subsidiary to apply instead of the disclosure requirements in other IFRS Accounting Standards.	1 January 2027

The Group anticipates that these new standards, interpretations, and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the consolidated financial statements of the Group in the period of initial application.

8 HYPERINFLATION

Türkiye has been determined a hyperinflationary economy under IAS 29 (Financial Reporting in Hyperinflationary Economies) with the previous three-year accumulated inflation exceeding 100 per cent. IAS 29 requires non-monetary assets and liabilities of DenizBank A.S. ('DenizBank'), the Group's subsidiary in Türkiye, to be restated to reflect their current prices using the Consumer Pricing Index (CPI) in the local currency of DenizBank before translation to the Group's functional currency.

As at 31 December 2024, the three-year cumulative inflation rate has been 291% (2023: 268%) based on the Turkish CPI. The consumer price index at the beginning of the reporting period was 1,859 and closed at 2,685 resulting in an increase of 44% (2023: 65%).

- Net non-monetary position (excluding equity) has been indexed by applying the difference in CPI from 31 December 2023 to 31 December 2024 resulting in a gain of AED 1.6 billion (2023: AED 2.3 billion) in the Group consolidated statement of income to the extent determined to be recoverable.
- Monetary assets and liabilities are already reported at the current measuring unit and are not adjusted for inflation. However, the CPI index is applied to measure the loss of purchasing power and for the net monetary position, a hyperinflation adjustment is made in Group Consolidated statement of income, amounting to AED 5.0 billion (2023: AED 5.6 billion) with an equal corresponding credit to OCI.
- Group consolidated statement of income is indexed using the respective period index movement for the year. For the year ended 31 December 2024, the indexation impact on the Group consolidated statement of income is as follows:

In AED Billion	31 December 2024 Hyperinflation Impact	31 December 2023 Hyperinflation Impact
Total operating income	0.43	1.80
General and administrative expenses	(0.58)	(0.69)
Net impairment loss on financial assets	(0.09)	(0.06)
Taxation charge	(0.04)	(0.14)

During the year ended 31 December 2024, the loss due to hyperinflation accounting for DenizBank was AED 3.1 billion (2023: AED 4.2 billion) and is recognised in the Group consolidated statement of income as hyperinflation adjustment on net monetary position. Overall, the hyperinflation adjustment results in a credit of AED 1.8 billion (2023: AED 0.7 billion) in OCI after netting off loss on net monetary position recognised in the Group consolidated statement of income.

The positive impact of 29 bps, arising from the AED 2.8 billion non-monetary items credit adjustment to equity partially offset by AED 4.9 billion indexation impact on risk-weighted assets, has been excluded from the capital adequacy computations.

9 CASH AND DEPOSITS WITH CENTRAL BANKS

	2024 AED million	2023 AED million
Cash	6,402	5,950
Statutory and other deposits with Central Banks	87,377	72,320
Interest-bearing placements with Central Banks	295	487
Murabahas and interest-bearing certificates of deposits with Central Banks	10,602	17,285
Less: Expected credit losses	(11)	(11)
	104,665	96,031

The reserve requirements which are kept with the Central Banks of the countries in which the Group operates are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the relevant Central Bank. The level of reserves required changes periodically in accordance with the directives of the respective Central Banks.

10 DUE FROM BANKS

31 December 2024	Local (UAE) AED million	Foreign AED million	Total AED million
Time loans	16,147	92,492	108,639
Overnight, call and short notice	1,095	23,252	24,347
Gross due from banks	17,242	115,744	132,986
Less: Expected credit losses			(220)
			132,766

31 December 2023	Local (UAE) AED million	Foreign AED million	Total AED million
Time loans	14,260	62,583	76,843
Overnight, call and short notice	561	15,052	15,613
Gross due from banks	14,821	77,635	92,456
Less: Expected credit losses			(154)
			92,302

The average yield on the above placements averaged 8.06% p.a. (2023: 6.16% p.a.).

11 INVESTMENT SECURITIES

31 December 2024	Domestic* AED million	Regional** AED million	International*** AED million	Total AED million
TRADING SECURITIES MEASURED AT FVTPL				
Government Bonds	2,826	979	2,675	6,480
Corporate Bonds	1,190	922	480	2,592
Equity	–	–	145	145
Others	–	–	1,009	1,009
	4,016	1,901	4,309	10,226
DESIGNATED AS AT FVTPL				
Equity	–	73	2	75
Others	–	3	5	8
	–	76	7	83
MEASURED AT AMORTISED COST				
Government Bonds	91,317	18,250	39,179	148,746
Corporate Bonds	4,380	3,650	1,423	9,453
	95,697	21,900	40,602	158,199
Less: Expected credit losses				(103)
				158,096
MEASURED AT FVOCI – DEBT INSTRUMENTS				
Government Bonds	3,001	1,362	13,766	18,129
Corporate Bonds	5,539	3,724	3,267	12,530
	8,540	5,086	17,033	30,659
Less: Expected credit losses				(51)
				30,608
MEASURED AT FVOCI – EQUITY INSTRUMENTS				
Equity	114	2	94	210
	114	2	94	210
Gross Investment securities	108,367	28,965	62,045	199,377
Net Investment securities				199,223

As at 31 December 2024, the fair value of investment securities measured at amortised cost amounted to AED 153,362 million (31 December 2023: AED 135,468 million).

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

11 INVESTMENT SECURITIES continued

31 December 2023	Domestic* AED million	Regional** AED million	International*** AED million	Total AED million
TRADING SECURITIES MEASURED AT FVTPL				
Government Bonds	3,434	2,495	1,138	7,067
Corporate Bonds	1,051	765	443	2,259
Equity	–	–	112	112
Others	–	–	491	491
	4,485	3,260	2,184	9,929
DESIGNATED AS AT FVTPL				
Equity	–	74	2	76
Others	–	3	5	8
	–	77	7	84
MEASURED AT AMORTISED COST				
Government Bonds	75,407	19,809	32,290	127,506
Corporate Bonds	5,124	2,857	3,625	11,606
	80,531	22,666	35,915	139,112
Less: Expected credit losses				(71)
				139,041
MEASURED AT FVOCI – DEBT INSTRUMENTS				
Government Bonds	–	823	14,719	15,542
Corporate Bonds	4,388	1,589	2,015	7,992
	4,388	2,412	16,734	23,534
Less: Expected credit losses				(40)
				23,494
MEASURED AT FVOCI – EQUITY INSTRUMENTS				
Equity	97	60	541	698
	97	60	541	698
Gross Investment securities	89,501	28,475	55,381	173,357
Net Investment securities				173,246

* Domestic: These are securities issued within the UAE.
** Regional: These are securities issued within the Middle East excluding the UAE.
*** International: These are securities issued outside the Middle East region.

12 LOANS AND RECEIVABLES

		2024 AED million	2023 AED million
(a)	By Type		
	Gross loans and receivables	**529,179**	480,885
	Less: Expected credit losses	**(27,552)**	(35,780)
	Net loans and receivables	**501,627**	445,105
	At Amortised Cost		
	Overdrafts	**21,182**	22,926
	Time loans	**344,958**	326,305
	Loans against trust receipts	**9,707**	8,216
	Bills discounted	**9,202**	8,001
	Credit card receivables	**26,243**	24,472
	Gross loans - conventional	**411,292**	389,920
	Murabaha	**86,497**	63,500
	Ijara	**28,908**	24,621
	Wakala	**1,820**	935
	Istisna'a	**1,749**	1,688
	Credit cards receivable	**3,685**	2,877
	Others	**603**	537
	Less: Deferred income	**(5,375)**	(3,193)
	Gross Islamic financing receivables	**117,887**	90,965
	Gross loans and receivables	**529,179**	480,885
	Total of credit impaired loans and receivables	**17,639**	22,022
(b)	By Business Units		
	Corporate and Institutional Banking	**314,777**	303,393
	Retail banking	**186,850**	141,712
		501,627	445,105

Ijara assets amounting to AED 5.2 billion (2023: AED 2.9 billion) were securitised for the purpose of issuance of Sukuks payable (refer Note 13 and 19).

Expected credit losses on Loans and receivables have been disclosed in further detail in Note 45 (l).

13 LOANS SECURITISATION

Securitisation of Islamic Financing Receivables

The Group transferred certain identified Ijara assets totalling to AED 5.2 billion (the 'co-owned assets') of its subsidiary, Emirates Islamic Bank, to EIB Sukuk Company Limited – (the 'Issuer'), a special purpose vehicle formed for the issuance of these sukuk.

In substance, the co-owned assets remain in control of the Group; accordingly these assets continue to be recognised by the Group. In case of any default, the Group has provided an undertaking to make good all losses to the sukuk holders. The assets are in the control of the Group and shall continue to be serviced by the Group.

14 GOODWILL AND INTANGIBLES

31 December 2024	Goodwill AED million	Intangibles on Acquisition: Banking license AED million	Customer relationships AED million	Core deposit intangibles AED million	Brands AED million	Total AED million
Cost						
Balance as at 1 January 2024	**5,532**	**85**	**495**	**913**	**71**	**7,096**
Exchange and other adjustments*	**(12)**	**(33)**	**–**	**–**	**(12)**	**(57)**
Balance as at 31 December 2024	**5,520**	**52**	**495**	**913**	**59**	**7,039**
Less: Amortisation and impairment						
Balance as at 1 January 2024	**5**	**–**	**495**	**913**	**–**	**1,413**
Amortisation and impairment for the year	**–**	**–**	**–**	**–**	**–**	**–**
Balance as at 31 December 2024	**5**	**–**	**495**	**913**	**–**	**1,413**
Net Goodwill and Intangibles	**5,515**	**52**	**–**	**–**	**59**	**5,626**
31 December 2023						
Cost	5,532	85	495	913	71	7,096
Less: Amortisation and impairment	5	–	495	913	–	1,413
Net Goodwill and Intangibles	5,527	85	–	–	71	5,683

* Exchange and other adjustments relate to translation of acquired Goodwill and intangibles pertaining to Emirates NBD Egypt and DenizBank using the year end exchange rate.

The goodwill and intangibles were acquired through business combinations. Goodwill and brands have indefinite life and are reviewed annually for impairment.

Impairment testing of goodwill

The goodwill acquired through business combinations with an indefinite life is reviewed annually for impairment by comparing the recoverable amount based on value-in-use calculations for cash generating units (CGUs) to which goodwill has been allocated with its carrying value.

The goodwill has been allocated to four cash-generating units:

- Corporate and Institutional Banking
- Retail banking and Wealth Management
- Global Markets and Treasury
- Emirates NBD Egypt S.A.E.

Key assumptions used in impairment testing for goodwill

The recoverable amount of the cash-generating units has been determined based on a value in use calculation, using cash flow projections covering a five-year period and by applying a terminal growth rate thereafter.

The calculation of value in use in the cash-generating units is most sensitive to the following assumptions:

- Interest margins;
- Discount rates;
- Market share during the projection period;
- Projected growth rates used to extrapolate cash flows beyond the projection period;
- Current local Gross Domestic Product ('GDP'); and
- Local inflation rates.

Interest margins

Interest margins are based on prevailing market rates at the start of the budget period. These are changed over the budget period for anticipated market conditions.

Discount rates

Discount rates reflect Management's estimate of return on capital employed ('ROCE') required in each business. This is the benchmark used by Management to assess operating performance and to evaluate future investment proposals. Discount rates are calculated by using the Weighted Average Cost of Capital ('WACC').

Projected growth rate, GDP and local inflation rates

Assumptions are based on published industry research.

The recoverable amount of goodwill of CGUs, determined on the basis of value in use calculation, uses cash flow projections covering a five year period, with an appropriate terminal growth rate applied thereafter. The forecast cash flows have been discounted using the WACC (7.5% for UAE and 37.36% for Egypt) in the jurisdiction where the CGU operates. A one percentage point change in the discount rate or the terminal growth rate would reduce the recoverable amount of the CGUs as mentioned in the table below:

Cash generating units (CGUs)	Goodwill allocated to CGUs (AED million)	Recoverable amount (AED million)	One percentage change in discount rate (AED million)	One percentage change in terminal growth rate (AED million)
Corporate and Institutional Banking	3,589	103,175	15,851	12,846
Retail banking and Wealth Management	1,700	124,491	19,126	15,500
Global Markets and Treasury	206	70,767	11,813	9,787
Emirates NBD Egypt S.A.E	20	2,102	66	22

Based on the current impairment assessment, goodwill is not impaired as at 31 December 2024.

Intangibles

Acquired intangibles are recognised at their 'fair value' upon initial recognition.

The specific criteria which needs to be satisfied for an intangible asset to be recognised separately from goodwill in an acquisition is that the intangible asset must be clearly identifiable, in that it either;

- Be separable, that is, be capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or
- Arise from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Intangibles excluding banking license and brand are amortised using the straight-line method over the useful life of the asset, which is estimated to be between 3 and 11 years. If an indication of impairment arises, the recoverable amount is estimated and an impairment loss is recognised if the recoverable amount is lower than the carrying amount.

The banking license and brands have indefinite lives and are tested for impairment annually. For impairment testing purposes, the banking license and brands are allocated to the relevant cash generating unit. Based on the current assessment, banking license and brands are not impaired as at 31 December 2024.

15 OTHER ASSETS

	2024 AED million	2023 AED million
Accrued interest receivable	**8,945**	6,358
Islamic profit receivable	**376**	320
Prepayments and other advances	**2,763**	2,693
Sundry debtors and other receivables	**3,223**	3,322
Inventory	**3,807**	3,746
Deferred tax asset	**420**	493
Investment properties	**348**	359
Others	**2,906**	4,099
	22,788	21,390

16 DUE TO BANKS

	2024 AED million	2023 AED million
Demand and call deposits	**8,302**	3,297
Balances with correspondent banks	**2,330**	2,702
Repurchase agreements with banks	**7,412**	7,294
Time and other deposits	**37,443**	27,028
	55,487	40,321

The interest incurred on the above averaged 5.40% p.a. (2023: 4.29% p.a.).

17 CUSTOMER DEPOSITS

		2024 AED million	2023 AED million
(a)	By Type		
	Demand, call and short notice	**262,856**	245,523
	Time	**273,297**	236,085
	Savings	**76,115**	67,181
	Others (including escrow)	**54,509**	35,772
		666,777	584,561
(b)	By Business Units		
	Corporate and Institutional Banking	**301,629**	248,649
	Retail banking	**365,148**	335,912
		666,777	584,561

Included in the above customer deposits are Islamic deposits totalling to AED 107,193 million (2023: 84,531 million)

The interest incurred and profit distribution to depositors on the above deposits averaged 6.07% p.a. (2023: 4.10% p.a.).

18 DEBT ISSUED AND OTHER BORROWED FUNDS

	2024 AED million	2023 AED million
Medium term note programmes	**56,014**	51,233
Term loans from banks	**13,884**	11,909
Borrowings raised from loan securitisations	**2,578**	2,974
	72,476	66,116

Some of the Debts issued and other borrowed funds have been hedged for cash flow and fair value risks and amount to AED 25,696 million (2023: AED 28,180 million). For details of hedging instruments please refer to Note 34.

	2024 AED million	2023 AED million
Balance as at 1 January	**66,116**	53,487
New issuances	**27,689**	22,386
Repayments	**(19,471)**	(8,050)
Other movements*	**(1,858)**	(1,707)
Balance as at 31 December	**72,476**	66,116

*Represents exchange rate and fair value movements on debts issued in foreign currency. The Group hedges the foreign currency risk on public issuances through derivative financial instruments.

As at 31 December 2024 and 31 December 2023, the outstanding medium term borrowings are falling due as below:

	2024 AED million	2023 AED million
2024	**–**	19,278
2025	**21,843**	11,063
2026	**9,089**	7,639
2027	**12,424**	4,660
2028	**6,823**	7,010
2029	**6,740**	576
Beyond 2029	**15,557**	15,890
	72,476	66,116

The interest rate paid on the above averaged 5.42% p.a. in 2024 (2023: 5.06% p.a.).

19 SUKUKS PAYABLE

	2024 AED million	2023 AED million
Balance as at 1 January	**4,673**	3,673
New issuances*	**2,754**	1,000
Balance as at 31 December	**7,427**	4,673

*During the year, the Group issued Sukuks amounting to AED 2,754 million under a Shariah compliant Sukuk financing arrangement with the maturity falling due in May 2029.

As at 31 December 2024 and 31 December 2023, the outstanding Sukuks are falling due as follows:

	2024 AED million	2023 AED million
2025	**1,836**	1,836
2026	**2,837**	2,837
2029	**2,754**	–
	7,427	4,673

The profit rate paid on the above averaged 3.38% p.a. in 2024 (2023: 2.60% p.a.).

20 OTHER LIABILITIES

	2024 AED million	2023 AED million
Accrued interest payable	**8,065**	6,114
Profit payable to Islamic depositors	**678**	533
Managers' cheques	**3,298**	2,690
Trade and other payables	**9,783**	8,014
Staff related liabilities	**2,226**	1,805
Provision for taxation (refer Note 32)	**2,734**	489
Others	**16,042**	11,628
	42,826	31,273

21 ISSUED CAPITAL AND SHARE PREMIUM RESERVE

Authorised, issued and fully paid: 6,316,598,253 ordinary shares of AED 1 each (2023: 6,316,598,253 ordinary shares).

At the forthcoming Annual General Meeting, the Group is proposing a cash dividend of AED 1 per share for the year (2023: AED 1.20 per share) amounting to AED 6,317 million (2023: AED 7,580 million).

22 TIER I CAPITAL NOTES

The Group has issued a number of regulatory Tier 1 capital notes with details mentioned in the table below. The notes are perpetual, subordinated and unsecured. The Group can elect not to pay a coupon at its own discretion. Note holders will not have a right to claim the coupon and such event will not be considered an event of default. The notes carry no maturity date and have been classified as equity.

Issuance Month/Year	Issued Amount	Coupon Rate
May 2021	USD 750 million (AED 2.75 billion)	Fixed interest rate with a reset every six years.
July 2020	USD 750 million (AED 2.75 billion)	Fixed interest rate with a reset every six years.
March 2019	USD 1 billion (AED 3.67 billion)	Fixed interest rate with a reset every six years.

23 RESERVES

Legal and statutory reserves

In accordance with the Bank's Articles of Association, and in compliance with Decretal Federal Law No. (14) of 2018, a minimum of 10% of profit should be transferred to a non-distributable legal and statutory reserve until such time as this reserve equals 50% of the Bank's issued capital. Since the legal and statutory reserve is equal to 50% of the Bank's issued capital, profit was not appropriated to the legal and statutory reserve during the year.

Other reserve

10% of the profit is also transferable to a non-distributable regular reserve until such time as this reserve equals 10% of the Bank's issued capital as per the Bank's Articles of Association. Since the regular reserve is equal to 10% of the Bank's issued capital, profit was not appropriated to the regular reserve during the year.

	Legal and statutory reserve AED million	Regular reserve AED million	Other reserves AED million	Total AED million
At 1 January 2024	3,158	631	2,314	6,103
Transfer from retained earnings	-	-	-	-
At 31 December 2024	3,158	631	2,314	6,103

Fair value reserve

Fair value reserve includes the net change in fair value of FVOCI financial assets and the net effective portion of changes in fair value of cash flow hedges.

Currency translation reserve

Currency translation reserve represents the exchange differences arising from re-translating the opening net investment in foreign operations.

24 NET INTEREST INCOME

	2024 AED million	2023 AED million
Interest and similar income		
Loans and receivables to customers	**47,380**	35,568
Loans and receivables to banks	**11,661**	6,431
Investment securities at FVOCI	**3,133**	2,990
Investment securities at amortised cost	**4,141**	3,487
Trading securities and designated at FVTPL investment securities	**591**	209
Others	**2,223**	1,346
Total interest income	**69,129**	50,031
Interest and similar expense		
Deposits from customers	**(34,814)**	(19,265)
Borrowings from banks and financial institutions	**(2,088)**	(1,622)
Debt issued and other borrowed funds	**(5,443)**	(4,140)
Others	**(415)**	(212)
Total interest expense	**(42,760)**	(25,239)
Net interest income	**26,369**	24,792

25 INCOME FROM ISLAMIC FINANCING AND INVESTMENT PRODUCTS

	2024 AED million	2023 AED million
Murabaha	**4,153**	3,559
Ijara	**1,544**	1,459
Others	**3,306**	2,270
	9,003	7,288

26 DISTRIBUTION ON ISLAMIC DEPOSITS AND PROFIT PAID TO SUKUK HOLDERS

	2024 AED million	2023 AED million
Distribution to depositors	**2,761**	1,885
Profit paid to sukuk holders	**215**	115
	2,976	2,000

Distribution on Islamic deposits represents the share of income between depositors and equity holders. The allocation and distribution to depositors is approved by the Profit Equalization Committee, Internal Shariah Supervision Committee of the Group and the Islamic banking subsidiary respectively.

Profit paid to sukuk holders represents the distribution of returns received in respect of leased assets transferred to the EIB Sukuk Company Limited which was specifically formed for this transaction.

27 NET FEE AND COMMISSION INCOME

	2024 AED million	2023 AED million
Fee income*	**11,716**	7,581
Commission income on Trade finance products / services	**1,170**	1,074
Brokerage fees	**76**	69
Portfolio and other management fees	**385**	235
Total fee and commission income	**13,347**	8,959
Fee and commission expense	**(6,554)**	(4,086)
	6,793	4,873

*This also includes fees related to asset management, earned by the Group on trust and fiduciary activities in which the Group holds or invests assets on behalf of its customers.

28 OTHER OPERATING INCOME

	2024 AED million	2023 AED million
Dividend income on equity investment measured at FVOCI	**1**	-
Dividend income on equity investments measured at FVTPL	**11**	7
Gain from sale of debt investment securities measured at FVOCI	**448**	380
Gain from investment securities designated at fair value through profit or loss	**6**	33
Rental income	**63**	62
Gain / (loss) on sale of investment properties / inventories	**(6)**	389
Foreign exchange and derivative income*	**3,481**	5,946
Other income (net)	**103**	778
	4,107	7,595

*Foreign exchange income comprises of trading and translation gain / (loss) and gain / (loss) on dealings with customers.

29 GENERAL AND ADMINISTRATIVE EXPENSES

	2024 AED million	2023 AED million
Staff cost	**8,282**	6,772
Occupancy cost	**346**	314
Equipment and supplies	**288**	244
Information technology cost	**808**	627
Communication cost	**394**	379
Service, legal and professional fees	**549**	366
Marketing related expenses	**333**	317
Depreciation	**1,150**	825
Amortisation of intangibles	**–**	28
Others	**1,601**	1,824
	13,751	11,696

30 NET IMPAIRMENT LOSS / (REVERSAL)

The charge to the Group consolidated statement of income for the net impairment loss / (reversal) is made up as follows:

	2024 AED million	2023 AED million
Net impairment of cash and deposits with Central Banks	**–**	9
Net impairment of due from banks	**70**	86
Net impairment of investment securities	**44**	42
Net impairment of loans and receivables (refer note – 45 I)	**(404)**	4,466
Net impairment of unfunded exposures	**1,069**	922
Bad debt written off / (recovery) - net	**(789)**	(2,173)
Net impairment on financial assets	**(10)**	3,352
Net impairment of non-financial assets	**116**	96
	106	3,448

31 DIRECTORS FEES

This comprises of fees payable to the directors of the Group of AED 31 million (2023: AED 31 million).

32 TAXATION

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ('CT Law') to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

As the Group's accounting year ends on 31 December, the first tax period will be 1 January 2024 to 31 December 2024, with the first return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes is subject to 9% CT rate. The Group is in scope of Pillar Two (i.e exceeding the revenue threshold of EUR 750 million and operating in multiple jurisdictions). The Group is in process of assessing its potential exposure to Pillar Two income taxes.

The Group's UAE operations will be subject to Pillar Two effective 1 January 2025. The effective tax rate is expected to be 15% on profit earned in the UAE (9% in 2024). The estimated impact based on 2024 profit equates to AED 1.4 billion.

The amendments to IAS 12 introduce a temporary mandatory relief from accounting for deferred tax that arises from legislation implementing Pillar Two. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The tax charge for year ended 31 December 2024 is AED 4,133 million, representing Group effective tax rate of 14% (31 December 2023: 8%). UAE effective tax rate is 9% and Türkiye effective tax rate is 29%.

A. Amounts recognised in the Statement of Income:

	2024 AED million	2023 AED million
Current Income tax expense:		
Current income tax charge	**3,858**	1,075
Deferred tax expense:		
Origination of temporary differences	**275**	1,060
Reversal of temporary differences	**–**	(1)
Income tax expense reported in the Statement of Income	**4,133**	2,134

B. Reconciliation of effective tax rate

	2024 AED million	2023 AED million
Profit before tax (before hyperinflation)	**30,277**	27,884
Domestic tax (9%)	**2,097**	–
Tax in foreign jurisdictions	**1,986**	2,028
Increase in tax rates	**–**	192
Tax effect of:		
Income not taxable	**(58)**	(162)
Taxable amount not included in PBT	**–**	1
Non-deductible expenses	**160**	88
Deductible amount not included in PBT	**(2)**	(1)
Others	**(71)**	(48)
Current year losses for which no deferred tax asset is recognized	**21**	36
Total income tax expense	**4,133**	2,134

33 EARNINGS PER SHARE

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders (further adjusted for interest expense on Tier 1 capital notes) of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all diluted potential ordinary shares, if any.

	2024 AED million	2023 AED million
Profit for the year attributable to equity holders	**22,973**	21,480
Deduct : Interest on Tier 1 capital notes	**(511)**	(511)
Net profit attributable to equity holders	**22,462**	20,969
Weighted average number of equity shares in issue (million)	**6,311**	6,311
Earnings per share* (AED)	**3.56**	3.32
Adjusted earnings per share** (AED)	**4.06**	3.99

*The diluted and basic earnings per share were the same for the year ended 31 December 2024 and 31 December 2023.
**Adjusted EPS for the year ended 31 December 2024 and 31 December 2023 represent net profit for the period attributable to equity holders excluding the non-cash impact of hyperinflation adjustment on net monetary position divided by weighted average number of equity shares in issue.

34 DERIVATIVES

Derivatives held for risk management

The table below shows the positive and negative fair values of derivative financial instruments, together with the notional amounts analysed by the term to maturity. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

31 December 2024 notional amounts by term to maturity

	Positive fair value AED million	Negative fair value AED million	Notional amount AED million	Within 3 months AED million	Over 3 months to 1 year AED million	Over 1 year to 3 years AED million	Over 3 years to 5 years AED million	Over 5 years AED million
Derivatives held for trading:								
Forward foreign exchange contracts	1,076	(854)	253,542	178,753	53,246	15,671	5,326	546
Foreign exchange options	210	(168)	12,591	7,172	4,659	183	577	-
Interest rate swaps/caps	10,453	(9,712)	718,772	99,729	183,200	225,751	99,997	110,095
Commodity options	70	(58)	5,296	438	979	2,889	990	-
	11,809	(10,792)	990,201	286,092	242,084	244,494	106,890	110,641
Derivatives held as cash flow hedges:								
Interest rate swaps	419	(575)	38,536	5,529	10,851	20,912	815	429
Derivatives held as fair value hedges:								
Interest rate swaps	236	(4,530)	26,367	-	1,344	7,411	5,461	12,151
Derivatives held as hedge of a net investment in foreign operations:								
Forward foreign exchange contracts	4	-	333	43	290	-	-	-
Total	12,468	(15,897)	1,055,437	291,664	254,569	272,817	113,166	123,221

Hedging instruments are issued to hedge against interest rate and foreign exchange risks pertaining to hedged items. Hedged items include certain Loans and receivables amounting to AED 29,976 million (note 12), Investment securities amounting to AED 8,966 million (note 11), Customer deposits amounting to AED 265 million (note 17) and Debt issued and other borrowed funds amounting to AED 25,696 million (note 18). All the hedges were determined to be effective as on 31 December 2024.

The hedged forecast cash flows which are expected to occur over the future years and are expected to affect profit or loss are insignificant.

31 December 2023 notional amounts by term to maturity

	Positive fair value AED million	Negative fair value AED million	Notional amount AED million	Within 3 months AED million	Over 3 months to 1 year AED million	Over 1 year to 3 years AED million	Over 3 years to 5 years AED million	Over 5 years AED million
Derivatives held for trading:								
Forward foreign exchange contracts	1,250	(936)	227,032	158,840	53,202	11,289	3,133	568
Foreign exchange options	40	(24)	6,632	3,466	2,351	210	257	348
Interest rate swaps/caps	13,268	(11,794)	634,063	61,273	143,233	215,396	113,695	100,466
Commodity options	36	(36)	2,454	95	821	1,332	206	-
	14,594	(12,790)	870,181	223,674	199,607	228,227	117,291	101,382
Derivatives held as cash flow hedges:								
Interest rate swaps	350	(786)	31,815	4,152	2,315	24,170	349	829
Derivatives held as fair value hedges:								
Interest rate swaps	340	(3,808)	30,170	3,143	40	6,180	7,663	13,144
Derivatives held as hedge of a net investment in foreign operations:								
Forward foreign exchange contracts	-	(5)	623	330	293	-	-	-
Total	15,284	(17,389)	932,789	231,299	202,255	258,577	125,303	115,355

Hedging instruments are issued to hedge against interest rate and foreign exchange risks pertaining to hedged items. Hedged items include certain Loans and receivables amounting to AED 24,527 million (note 12), Investment securities amounting to AED 9,278 million (note 11), Customer deposits amounting to AED Nil (note 17) and Debt issued and borrowed funds amounting to AED 28,180 million (note 18). All the hedges were determined to be effective as on 31 December 2023.

Derivative product types

Forwards are contractual agreements to either buy or sell a specified currency, commodity or financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the over-the-counter market.

Swaps are contractual agreements between two parties to exchange interest or foreign currency differentials based on a specific notional amount. For interest rate swaps, counterparties generally exchange fixed and floating rate interest payments based on a notional value in a single currency. For currency swaps, the underlying amounts are exchanged in different currencies.

Options are contractual agreements that convey the right, but not the obligation, to either buy or sell a specific amount of a commodity or financial instrument at a fixed price, either at a fixed future date or at any time within a specified period.

Derivative related credit risk

Credit risk in respect of derivative financial instruments arises from the potential for a counterparty to default on its contractual obligations and is limited to the positive fair value of instruments that are favourable to the Group and potential future fluctuations. The majority of the fair value of favourable contracts (and therefore credit risk) is exposure to financial institutions. All credit exposure is managed under approved facilities, and in many cases are collateralised under Credit Support Annex (CSA). The Group takes a Credit Value Adjustment (CVA) on outstanding derivative transactions. The methodology for CVA calculation relies on three components: the probability of default of the counterparty, the expected positive exposure and the recovery rate. CVA is computed on all asset classes including Foreign Exchange, Interest Rates and Commodities.

Derivatives held or issued for trading purposes

Most of the Group's derivative trading activities relate to sales and position coverage. Sales activities involve offering products to customers at competitive prices in order to enable them to transfer, modify or reduce current and expected risks.

Interest rate derivatives trading is conducted under Board approved limits.

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

34 DERIVATIVES continued

Derivatives held or issued for hedging purposes

As part of its asset and liability management, the Group uses derivatives for hedging purposes in order to reduce its exposure to currency and interest rate risks. This is achieved by hedging specific financial instruments and forecasted transactions as well as strategic hedging against overall balance sheet exposures.

The Group designates its derivatives held or issued for hedging purposes as:

- Fair value hedges: Hedges of the fair value of recognised assets or liabilities or firm commitments;
- Cash flow hedges: Hedges of highly probable future cash flows attributable to a recognised asset or liability, or a highly probable forecast transaction; and
- Net investment hedges: Hedges of net investments in foreign operations.

Further, in terms of the hedging transactions carried out by the Group, the Group documents:

- At the inception of the transaction, the relationship between hedging instruments and hedged items, the risk being hedged and the Group's risk management objective and strategy for undertaking a hedge transaction.
- The manner in which effectiveness will be measured throughout the life of the hedge relationship.
- The Group's assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Hedge effectiveness is measured by the Group on a prospective basis at inception, as well as retrospectively (where applicable) and prospectively over the term of the hedge relationship. Sources of ineffectiveness in hedge accounting include the impact of derivative related credit risk on the valuation of the hedging derivative and hedged item. To mitigate this credit risk, the Group executes hedging derivatives with high quality counterparties and the majority of the Group's hedging derivatives are collateralised.

Fair value hedges:

The Group uses interest rate swaps to hedge against changes in value of investment securities due to interest rate movements. These are designated by the Group as fair value hedges and, therefore the fair value hedge accounting is applied to hedge movements in the value of fixed interest rate assets and liabilities subject to interest rate risk, as well as assets and liabilities subject to foreign exchange risk.

Subsequent to initial designation, changes in the fair value of derivatives designated as fair value hedges are accounted for in the 'other operating income', along with any changes in the fair value of the hedged asset or liability attributable to the hedged risk.

Cash flow hedges:

The Group uses interest rate swaps and forward rate agreements to hedge against the cash flow risks arising on certain floating rate customer deposits and medium-term borrowings. Interest rate swaps are also used to hedge against the cash flow risks arising on certain floating rate loans and receivables. These are designated by the Group as cash flow hedges, and, as such, the Group applies cash flow hedge accounting to hedge the variability in highly probable forecast future cash flows attributable to interest rate risk on variable rate assets and liabilities, and assets and liabilities subject to foreign exchange risk.

The effective portion of changes in the fair value of derivatives designated as cash flow hedges are recognised in the fair value reserve within equity. Any gain or loss relating to the ineffective portion is recognised immediately in the Group consolidated statement of income.

Net investment hedges:

Net investment hedging instruments often consist of derivatives such as forward rate which are accounted for in the same manner as cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in the foreign currency translation reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the Group consolidated statement of income.

35 OPERATING SEGMENTS

The Group is organised into the following main businesses:

(a) Corporate and Institutional Banking represents corporate loans, customer deposits (including current and saving accounts), trade finance (including cash), Islamic products (including Emirates Islamic Bank P.J.S.C.) and structured financing for the Group excluding DenizBank;

(b) Retail banking and Wealth Management represents retail loans, customer deposits, private banking and wealth management, Islamic products (including Emirates Islamic Bank P.J.S.C.), equity broking services, asset management and consumer financing for the Group excluding DenizBank;

(c) Global Markets and Treasury activities comprise of managing the Group's portfolio of investments, funds management, Islamic products (including Emirates Islamic Bank P.J.S.C.) and interbank treasury operations for the Group excluding DenizBank;

(d) DenizBank is managed as a separate operating segment; and

(e) Other operations of the Group include Emirates NBD Global Services LLC (formerly known as Tanfeeth LLC), property management, operations and support functions.

Transactions between operating segments is on an arm's-length basis in a manner similar to transactions with third parties.

Audited 31 December 2024	**Corporate and Institutional banking AED million**	**Retail banking and Wealth Management AED million**	**Global Markets and Treasury AED million**	**DenizBank AED million**	**Others AED million**	**Total AED million**
Net interest income and income from Islamic products net of distribution to depositors	**5,528**	**12,474**	**2,842**	**7,125**	**4,427**	**32,396**
Net fees, commission and other income	**2,625**	**5,293**	**(111)**	**3,915**	**16**	**11,738**
Total operating income	**8,153**	**17,767**	**2,731**	**11,040**	**4,443**	**44,134**
General and administrative expenses	**(859)**	**(5,306)**	**(244)**	**(4,478)**	**(2,864)**	**(13,751)**
Net impairment loss	**2,677**	**(2,440)**	**(43)**	**(493)**	**193**	**(106)**
Hyperinflation adjustment on net monetary position	**–**	**–**	**–**	**(3,136)**	**–**	**(3,136)**
Profit for the year before taxation	**9,971**	**10,021**	**2,444**	**2,933**	**1,772**	**27,141**
Segment Assets	**392,847**	**188,264**	**239,175**	**165,339**	**10,957**	**996,582**
Segment Liabilities and Equity	**280,583**	**338,031**	**42,866**	**147,244**	**187,858**	**996,582**

Audited 31 December 2023	Corporate and Institutional banking AED million	Retail banking and Wealth Management AED million	Global Markets and Treasury AED million	DenizBank AED million	Others AED million	Total AED million
Net interest income and income from Islamic products net of distribution to depositors	5,545	11,512	3,276	5,971	3,776	30,080
Net fees, commission and other income	2,160	4,699	462	5,312	315	12,948
General and administrative expenses	(754)	(4,319)	(217)	(3,663)	(2,743)	(11,696)
Total operating income	7,705	16,211	3,738	11,283	4,091	43,028
Net impairment loss	249	(3,866)	(49)	30	188	(3,448)
Hyperinflation adjustment on net monetary position	-	-	-	(4,229)	-	(4,229)
Profit for the year before taxation	7,200	8,026	3,472	3,421	1,536	23,655
Segment Assets	346,409	143,513	222,723	147,441	2,687	862,773
Segment Liabilities and Equity	233,050	300,891	32,413	133,902	162,517	862,773

36 SUBSIDIARIES

The direct subsidiaries of the Group are as follows:

	Subsidiaries:	Group % Share holding	Nature of business	Country of incorporation
1	Buzz Contact Centre Solutions LLC	100	Call centre management services	Dubai, U.A.E.
2	DenizBank Anonim Sirketi	100	Banking	Türkiye
3	Emirates Funds LLC	100	Asset management	Dubai, U.A.E.
4	Emirates Funds Managers (Jersey) Limited	100	Asset management	Jersey, England
5	Emirates Islamic Bank (P.J.S.C.)	99.9	Islamic banking	Dubai, U.A.E.
6	Emirates Money Consumer Finance LLC	100	Consumer finance	Dubai, U.A.E.
7	Emirates NBD Asset Management Limited	100	Asset management	Dubai, U.A.E.
8	Emirates NBD Capital (KSA) LLC	100	Investment services	KSA
9	Emirates NBD Capital P.S.C.	100	Investment services	Dubai, U.A.E.
10	Emirates NBD Egypt S.A.E.	100	Banking	Egypt
11	Emirates NBD Global Funding Limited	100	Medium term borrowing and money market transactions	Cayman Islands
12	Emirates NBD Properties LLC	100	Real estate management	Dubai, U.A.E.
13	Emirates NBD Securities LLC	100	Brokerage services	Dubai, U.A.E.
14	Emirates NBD Trust Company (Jersey) Limited	100	Trust administration services	Jersey, England
15	ENBD London Branch Nominee Company	100	Nominee Company for Investment business	England
16	Emirates NBD Global Services LLC (Formerly Tanfeeth LLC)	100	Shared services organization	Dubai, U.A.E.
17	Emirates NBD Capital India Private Limited	100	Asset management	India

Other entities consolidated by the Group based on an assessment of control are as follows:

	Names	Nature of business
1	Emirates NBD Global Markets Limited	SPE for funding purpose
2	EIB Sukuk Company Limited	SPE for asset securitisation
3	EI Funding Limited	SPE for asset securitisation

During the year 2024, Emirates National Dubai Real Estate Company LLC was liquidated.

37 COMMITMENTS AND CONTINGENCIES

(a) The Group's commitments and contingencies are as follows:

	2024 AED million	2023 AED million
Letters of credit	17,118	16,180
Guarantees	80,028	65,428
Liability on risk participations	416	379
Irrevocable loan commitments*	95,414	66,018
	192,976	148,005

*Irrevocable loan commitments represent a contractual commitment to permit drawdowns on a facility within a defined period subject to conditions precedent and termination clauses. Since commitments may expire without being drawn down, and as conditions precedent to draw down have to be fulfilled the total contract amounts do not necessarily represent exact future cash requirements.

As at 31 December 2024 and 31 December 2023, ECL on unfunded exposures amounted to:

	2024			2023		
AED million	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired
Exposure	193,362	5,967	3,125	149,333	4,013	3,127
Expected credit losses	(903)	(177)	(2,561)	(972)	(572)	(991)
	192,459	5,790	564	148,361	3,441	2,136

Unfunded exposure includes guarantees, standby letter of credit, liability on risk participations, customer acceptances and irrevocable loan commitments.

(b) Acceptances
Acceptances are recognised on the Group's consolidated statement of financial position with a corresponding liability. Accordingly, there is no off-balance sheet commitment for acceptances.

(c) Capital Commitments
The Group has capital commitments as at 31 December 2024 for branch refurbishments and automation projects of AED 1,802 million (2023: AED 928 million).

38 RELATED PARTY TRANSACTIONS

Emirates NBD Group is majorly owned by Investment Corporation of Dubai (40.92%), entity which is wholly owned by the Government of Dubai.

Deposits from and loans to Dubai government related entities, other than those that have been individually disclosed, amount to 5% (2023: 5%) and 7% (2023: 10%) respectively, of the total deposits and loans of the Group. These entities are independently run business entities, and all financial dealings with the Group are on normal commercial terms.

The Group has also entered into transactions with certain other related parties who are non government related entities. Such transactions were also made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with third parties and do not involve more than a normal amount of risk.

Related party balances and transactions are carried out on normal commercial terms and are as follows:

	2024 AED million	2023 AED million
Loans and receivables:		
To majority shareholder of the parent	57,333	76,028
To parent	2,262	2,278
To directors and related companies	1,949	1,658
	61,544	79,964

38 RELATED PARTY TRANSACTIONS continued

	2024 AED million	2023 AED million
Customer and Islamic deposits:		
From majority shareholder of the parent	8,056	8,297
From parent	2,278	553
	10,334	8,850

	2024 AED million	2023 AED million
Investment in Government of Dubai bonds	6,370	6,377

	2024 AED million	2023 AED million
Payments made to other related parties	17	17
Fees received in respect of funds managed by the Group	24	23
Directors sitting and other fee	28	18
Key management compensation:		
Short term employment benefits	112	104
Post-employment benefits	2	2
	114	106

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

39 GEOGRAPHICAL DISTRIBUTION OF ASSETS AND LIABILITIES

The Group's financial position, before taking into account any collateral held or other credit enhancement, can be analysed by the following regions:

31 December 2024	UAE AED million	Other GCC AED million	International AED million	Total AED million
ASSETS				
Cash and deposits with Central Banks	73,463	2,250	28,952	104,665
Due from banks	17,242	27,802	87,722	132,766
Investment securities	108,367	19,987	70,869	199,223
Loans and receivables	350,468	35,929	115,230	501,627
Positive fair value of derivatives	1,451	441	10,576	12,468
Customer acceptances	8,276	685	517	9,478
Property and equipment	3,284	365	4,292	7,941
Goodwill and Intangibles	5,494	–	132	5,626
Other Assets	8,990	640	13,158	22,788
TOTAL ASSETS	577,035	88,099	331,448	996,582
LIABILITIES				
Due to Bank	14,228	8,705	32,554	55,487
Customer deposits	490,616	29,493	146,668	666,777
Debt issued and other borrowed funds	–	–	72,476	72,476
Sukuk Payable	7,427	–	–	7,427
Negative fair value of derivatives	1,600	700	13,597	15,897
Customer acceptances	8,276	685	517	9,478
Other liabilities	25,908	1,703	15,215	42,826
Total equity	126,214	–	–	126,214
TOTAL LIABILITIES AND EQUITY	674,269	41,286	281,027	996,582
Geographical distribution of letters of credit and guarantees	62,997	8,480	25,669	97,146

31 December 2023				
Geographical distribution of assets	528,319	59,241	275,213	862,773
Geographical distribution of liabilities and equity	572,632	29,187	260,954	862,773
Geographical distribution of letters of credit and guarantees	50,886	7,251	23,471	81,608

40 FINANCIAL ASSETS AND LIABILITIES

A. Classification of financial assets and financial liabilities

The table below sets out the Group's classification of each class of financial assets and liabilities, and their carrying values.

31 December 2024	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI– equity instruments AED million	Amortised cost AED million	Hedging instruments AED million	Total carrying value* AED million
Financial assets							
Cash and deposits with Central Banks	–	–	–	–	104,665	–	104,665
Due from banks	–	–	–	–	132,766	–	132,766
Investment securities	10,226	83	30,608	210	158,096	–	199,223
Loans and receivables	–	–	–	–	501,627	–	501,627
Positive fair value of derivatives	11,809	–	–	–	–	659	12,468
Others	–	–	–	–	24,928	–	24,928
	22,035	83	30,608	210	922,082	659	975,677
Financial liabilities							
Due to banks	–	–	–	–	55,487	–	55,487
Customer deposits	–	–	–	–	666,777	–	666,777
Debt issued and other borrowed funds	–	–	–	–	72,476	–	72,476
Sukuk payable	–	–	–	–	7,427	–	7,427
Negative fair value of derivatives	10,792	–	–	–	–	5,105	15,897
Others	–	–	–	–	52,304	–	52,304
	10,792	–	–	–	854,471	5,105	870,368

31 December 2023	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI– equity instruments AED million	Amortised cost AED million	Hedging instruments AED million	Total carrying value* AED million
Financial assets							
Cash and deposits with Central Banks	-	-	-	-	96,031	-	96,031
Due from banks	-	-	-	-	92,302	-	92,302
Investment securities	9,929	84	23,494	698	139,041	-	173,246
Loans and receivables	-	-	-	-	445,105	-	445,105
Positive fair value of derivatives	14,594	-	-	-	-	690	15,284
Others	-	-	-	-	22,567	-	22,567
	24,523	84	23,494	698	795,046	690	844,535
Financial liabilities							
Due to banks	-	-	-	-	40,321	-	40,321
Customer deposits	-	-	-	-	584,561	-	584,561
Debt issued and other borrowed funds	-	-	-	-	66,116	-	66,116
Sukuk payable	-	-	-	-	4,673	-	4,673
Negative fair value of derivatives	12,790	-	-	-	-	4,599	17,389
Others	-	-	-	-	39,741	-	39,741
	12,790	-	-	-	735,412	4,599	752,801

The carrying values of the financial assets and liabilities (that are not stated at fair value) are not significantly different to their fair values, except for investment securities at amortised cost, disclosed in note 11.

B. Fair value of financial instruments

The table below analyses financial instruments measured at fair value on a recurring basis. The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in principal markets for identified assets or liabilities.
- Level 2: valuation using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: valuation using inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

40 FINANCIAL ASSETS AND LIABILITIES continued

B. Fair value of financial instruments continued

31 December 2024	Level 1 AED million	Level 2 AED million	Level 3 AED million	Total AED million
Investment securities				
Trading securities at FVTPL				
Government Bonds	6,480	–	–	6,480
Corporate Bonds	2,592	–	–	2,592
Equity	145	–	–	145
Others	1,009	–	–	1,009
	10,226	–	–	10,226
FVOCI - debt instruments				
Government Bonds	18,108	21	–	18,129
Corporate Bonds	12,530	–	–	12,530
	30,638	21	–	30,659
FVOCI - equity instruments	4	–	206	210
Designated at FVTPL				
Equity	10	–	65	75
Others	8	–	–	8
	18	–	65	83
Positive fair value of derivatives				
Derivatives held for trading	–	11,809	–	11,809
Derivatives held as cash flow hedges:				
Interest rate swaps	–	419	–	419
Derivatives held as fair value hedges:				
Interest rate swaps	–	236	–	236
Derivatives held as hedge of a net investment in foreign operations:				
Forward foreign exchange contracts	–	4	–	4
	–	12,468	–	12,468
Negative fair value of derivatives				
Derivatives held for trading	–	(10,792)	–	(10,792)
Derivatives held as cash flow hedges:				
Interest rate swaps	–	(575)	–	(575)
Derivatives held as fair value hedges:				
Interest rate swaps	–	(4,530)	–	(4,530)
Derivatives held as hedge of a net investment in foreign operations:				
Forward foreign exchange contracts	–	–	–	–
	–	(15,897)	–	(15,897)
	40,886	(3,408)	271	37,749

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI – equity instrument AED million	Total AED million
Balance as at 1 January 2024	–	66	–	115	181
Total gains or losses:					
- in profit or loss	–	(1)	–	–	(1)
- in other comprehensive income	–	–	–	(1)	(1)
Purchases	–	–	–	92	92
Issues	–	–	–	–	–
Settlements and other adjustments	–	–	–	–	–
Transfers into Level 3	–	–	–	–	–
Transfers out of Level 3	–	–	–	–	–
Balance as at 31 December 2024	–	65	–	206	271

31 December 2023	Level 1 AED million	Level 2 AED million	Level 3 AED million	Total AED million
Investment securities				
Trading securities at FVTPL				
Government Bonds	7,067	–	–	7,067
Corporate Bonds	2,259	–	–	2,259
Equity	112	–	–	112
Others	491	–	–	491
	9,929	–	–	9,929
FVOCI - debt instruments				
Government Bonds	15,521	21	–	15,542
Corporate Bonds	7,992	–	–	7,992
	23,513	21	–	23,534
FVOCI - equity instruments	582	1	115	698
Designated at FVTPL				
Equity	10	–	66	76
Others	8	–	–	8
	18	–	66	84
Positive fair value of derivatives				
Derivatives held for trading	–	14,594	–	14,594
Derivatives held as cash flow hedges:				
Interest rate swaps	–	350	–	350
Derivatives held as fair value hedges:				
Interest rate swaps	–	340	–	340
Derivatives held as hedge of a net investment in foreign operations:				
Forward foreign exchange contracts	–	–	–	–
	–	15,284	–	15,284
Negative fair value of derivatives				
Derivatives held for trading	–	(12,790)	–	(12,790)
Derivatives held as cash flow hedges:				
Interest rate swaps	–	(786)	–	(786)
Derivatives held as fair value hedges:				
Interest rate swaps	–	(3,808)	–	(3,808)
Derivatives held as hedge of a net investment in foreign operations:				
Forward foreign exchange contracts	–	(5)	–	(5)
	–	(17,389)	–	(17,389)
	34,042	(2,083)	181	32,140

	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI – equity instrument AED million	Total AED million
Balance as at 1 January 2023	–	66	–	102	168
Total gains or losses:					
- in profit or loss	–	7	–	–	7
- in other comprehensive income	–	–	–	1	1
Purchases	–	–	–	12	12
Settlements and other adjustments	–	(7)	–	–	(7)
Transfers out of Level 3	–	–	–	–	–
Balance as at 31 December 2023	–	66	–	115	181

40 FINANCIAL ASSETS AND LIABILITIES continued

B. Fair value of financial instruments continued

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market data, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental.

There have been no transfers between Level 1 and Level 2 during the years ended 31 December 2024 and 31 December 2023.

41 NOTES TO THE GROUP CONSOLIDATED CASH FLOW STATEMENT

	2024 AED million	2023 AED million
(a) Analysis of changes in cash and cash equivalent during the year		
Balance at beginning of year	**19,505**	36,366
Net cash inflow / (outflow)	**34,589**	(16,861)
Balance at end of year	**54,094**	19,505
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Banks	**104,665**	96,031
Due from banks	**132,766**	92,302
Due to banks	**(55,487)**	(40,321)
	181,944	148,012
Less: deposits with Central Banks for regulatory purposes	**(87,377)**	(72,320)
Less: certificates of deposits / placements with Central Banks maturing after three months	**(27)**	-
Less: amounts due from banks maturing after three months	**(70,942)**	(64,215)
Add: amounts due to banks maturing after three months	**30,496**	8,028
	54,094	19,505
(c) Adjustment for non-cash items		
Net impairment loss / (reversal) on cash and deposits with central banks	**-**	9
Net impairment loss on loans and receivables	**(404)**	4,466
Net impairment loss / (reversal) on investment securities	**44**	42
Net impairment loss on unfunded exposures	**1,069**	922
Net impairment loss / (reversal) on due from banks	**70**	86
Amortisation of fair value	**117**	108
Premium / (discount) on Investment securities	**(3,343)**	(2,433)
Unrealised foreign exchange loss / (gain)	**(2)**	50
Depreciation / impairment of property and equipment / investment property	**1,279**	933
Unrealised (gain) / loss on investments	**14**	38
Dividend income on equity investments	**(12)**	(7)
Unrealised gain or loss on FV hedged item	**(790)**	132
Loss / (gain) on sale of properties (investment properties/inventories)	**6**	(389)
Amortisation of intangibles	**-**	28
Amortisation of discount / (premium) on Sukuks	**4**	-
Hyperinflation adjustment on net monetary position	**3,136**	4,229
	1,188	8,214

42 CAPITAL MANAGEMENT AND ALLOCATION

The CBUAE supervises the Group on a consolidated basis, and therefore receives information on the capital adequacy of, and sets capital requirements for, the Group as a whole. Effective from 2017, the capital is computed at a Group level using the Basel III framework of the Basel Committee on Banking Supervision (Basel Committee), after applying the amendments advised by the CBUAE, within national discretion. The Basel III framework, like Basel II, is structured around three pillars: minimum capital requirements, supervisory review process and market discipline.

Minimum Capital Requirements

The CBUAE issued Basel III capital regulations, which came into effect from 1 February 2017, introducing minimum capital requirements at three levels, namely Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Total Capital.

Additional capital buffers (Capital Conservation Buffer (CCB) and Countercyclical Capital Buffer (CCyB) - maximum up to 2.5% for each buffer) were introduced over and above the minimum CET1 requirement of 7%.

Over and above additional capital buffers, the Group as a Domestic Systematically Important Bank (D-SIB) is required to keep an additional D-SIB buffer of 1.5% of the Capital base.

Regulatory Capital

The Group's capital base is divided into three main categories, namely CET1, AT1 and Tier 2 (T2), depending on their characteristics.

- CET1 capital is the highest quality form of capital, comprising share capital, share premium, legal, statutory and other reserves, fair value reserve, retained earnings, non-controlling interest after deductions for goodwill and intangibles and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes under CBUAE guidelines.
- AT1 capital comprises eligible non-common equity capital instruments.
- T2 capital comprises qualifying subordinated debt, and general loan loss provisions subject to a maximum limit of 1.25% of CRWA.

The regulatory capital ratios exclude the impact of Hyperinflation accounting on Group's consolidated financial statements.

The capital overview as per Basel III framework is given below:

	2024 AED million	2023 AED million
Available capital		
Common equity tier 1 capital	**101,273**	87,150
Tier 1 capital	**110,402**	96,279
Total eligible capital	**117,934**	102,653
Risk-weighted assets		
Credit risk	**602,535**	509,947
Market risk	**16,550**	14,477
Operational risk	**71,290**	59,356
Total risk-weighted assets	**690,375**	583,780

Capital Ratio for consolidated Group	2024	2023
a. Total capital ratio	**17.08%**	17.58%
b. Tier 1 ratio	**15.99%**	16.49%
c. CET1 ratio	**14.67%**	14.93%

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

42 CAPITAL MANAGEMENT AND ALLOCATION continued

Regulatory Capital continued

The capital adequacy ratios as per Basel III capital regulation are given below:

	2024 AED million	2023 AED million
Common Equity Tier 1 Capital		
Share Capital	**6,317**	6,317
Share premium account	**17,954**	17,954
Eligible reserves	**(13,572)**	(11,052)
Transitional arrangement: Partial addback of IFRS 9 ECL impact to CET1	**921**	2,777
Retained earnings	**103,287**	85,399
Dividend expected/proposed[1]	**(6,317)**	(7,580)
Eligible amount of non-controlling interest	**-**	-
CET1 capital before the regulatory adjustments and threshold deduction	**108,590**	93,815
Less: Regulatory deductions	**(7,317)**	(6,665)
Total CET1 capital after the regulatory adjustments and threshold deduction (A)	**101,273**	87,150
Additional Tier 1 Capital		
Eligible AT1 capital	**9,129**	9,129
Other AT1 Capital (e.g. Share premium, non-controlling interest)	**-**	-
Total AT1 capital (B)	**9,129**	9,129
Tier 2 Capital		
Tier 2 Instruments e.g. subordinated loan	**-**	-
Other Tier 2 capital (including General Provisions, etc.)	**7,532**	6,374
Total Tier 2 Capital (C)	**7,532**	6,374
Total Regulatory Capital (A+B+C)	**117,934**	102,653

[1] Proposed dividend for the year ended 31 December 2024 is subject to shareholders' approval at Annual General Meeting.

43 FUND MANAGEMENT

The Group manages a number of funds which are not consolidated in the financial statements. The funds have no recourse to the general assets of the Group and further the Group has no recourse to the assets of the funds. Third party funds managed by the Group were AED 76,283 million at 31 December 2024 (2023: AED 39,756 million).

44 ASSETS HELD IN FIDUCIARY CAPACITY

The Group holds assets in a fiduciary capacity and provides custodian services for some of its customers. The underlying assets held in a custodial or fiduciary capacity are excluded from the Group consolidated financial statements.

45 RISK MANAGEMENT

The primary risks to the Group arise from extending credit to corporate and institutional banking and retail banking customers. The Group is also exposed to a range of other risk types such as market, operational, liquidity, compliance, reputational, country, conduct, legal and environmental and social risks that drive the direction of its risk management, product range and risk diversification strategies.

Risk Management Framework:

The risk management framework enables the Group to manage group-wide risks with the objective of maximising returns while adhering to our risk appetite.

The Group uses three lines of defence model to support its approach to risk management by clarifying responsibility, encouraging collaboration, and enabling efficient coordination of risk and control activities. The three lines of defence are summarised below:

- Business units: required to ensure the effective management of risks within the scope of their direct organisational responsibilities. All employees within the business units are sufficiently trained and have access to appropriate tools to ensure risk-taking is controlled. Each business unit primarily owns the risk that it underwrites and is equally responsible for designing and implementing necessary controls to mitigate risks emanating from its activities.
- Risk control units: responsible for implementing policies and procedures, monitoring risks taken to ensure all risks are within the Group's risk appetite. Appropriate controls are designed and implemented with adequate reporting in place to anticipate future risks and improve the level of preparedness across the Management chain.
- Group Internal Audit: provides independent assurance and reports its findings to all relevant Management and governance bodies, accountable line managers, relevant oversight function and committee(s) of the Board.

A. Risk governance

The Group's risk governance structure ensures central oversight and control with clear accountability for and ownership of risk.

The Board of Directors (the Board) has the ultimate responsibility for setting the Group's risk appetite and for the establishment and oversight of the Group's risk management framework. This is managed through a number of committees; namely Board Risk Committee (BRC), Board Credit & Investment Committee (BCIC) and Board Audit Committee (BAC).

The Management level committees also actively manage risk. Key ones include Group Risk Committee (GRC), Model Oversight Committee (MOC), Management Credit Committee (MCC), Management Investment Committee (MIC) and Group Asset Liability Management Committee (Group ALCO).

BRC supports the Board with its risk oversight responsibilities with regards to risk governance, risk appetite and the risk management framework. The BRC approves risk policies and reviews reports and updates on risk management including risk profile, portfolio trends, stress testing, liquidity and capital adequacy and is authorised to investigate or seek any information relating to any activity within its terms of reference.

BCIC supports the Board to manage the credit and investment portfolio and is responsible for approval of credit and investment decisions above the MCC and MIC's authority, which do not meet the Board's materiality threshold. It oversees the execution of Group's credit risk management approach and reviews the credit profile of material portfolios to ensure alignment with business strategy and risk appetite.

The primary role of BAC is to have oversight and review of financial, audit and internal control issues as well as oversee the independence and performance of the Group's external and internal auditors.

MCC is a management level committee with delegated authority to carry out credit lending decisions including but not limited to approval and renewal of credit facilities, review, and monitoring of portfolio performance in line with the credit risk strategy, decisions on debt settlement, provisioning write off and amendments to pricing, grades, and waivers.

The role of the MIC is to support the Board in the management of the Group's investment portfolios as well as the monitoring and reporting of their performance to ensure they conform to the Group's strategic vision.

The Group ALCO is responsible for balance sheet management, the funding plan, the management of capital and the establishment of, and compliance with, policies relating to balance sheet management, including management of liquidity, capital adequacy, structural foreign exchange and interest rate risk. The committee also reviews the contingency funding plan as well as the funds transfer pricing framework, and other key matters.

The GRC is a senior management committee responsible for the management of all risks through out the Group other than those delegated to MCC, MIC and Group ALCO and ensures the effective management of risk in support of the Group's business strategy and Group's risk appetite. The committee supports Board Risk Committees in the review of policies to ensure effective management of risks the Group faces, including credit, market, operational, reputational, compliance, legal, conduct and environmental and social risks.

The MOC a sub-committee of GRC, is responsible for the oversight of model risk management within the Group. The MOC oversees all stages of the model life cycle for effective identification, measurement, monitoring, controlling, mitigation and reporting of model risk in a consistent manner and in compliance with applicable internal and regulatory standards.

B. The Risk Function

The Risk Function is independent of the business (origination, trading and sales functions) to ensure that the necessary balance in risk/return decisions is not compromised by pressures for better results in terms of revenues and to ensure transparency of decisions in accordance with Group standards and policies.

The Risk Function assists in controlling and actively managing the Group's overall risk profile. The role of the function is:

- To ensure the risk management framework is effectively communicated and implemented across the Group and is appropriate to the Group's activities.
- To exercise direct ownership for various risk types including but not limited to credit, market, country, operational, reputational risks.
- To ensure that the Group's business strategies, risk policies, procedures and methodologies are consistent with the Group's risk appetite.
- To ensure the integrity of the Group's risk/return decisions guaranteeing their transparency.
- To ensure that appropriate risk management architecture and systems are developed and implemented.

45 RISK MANAGEMENT continued

C. Risk appetite

The risk appetite statement is an articulation of the risk that the Group is willing to accept, underwrite and/or be exposed to in the normal course of its business conduct.

The risk appetite statement is a critical component and extension of the risk management framework. It is used by the Group to proactively establish and subsequently monitor the Group's risk profile using a set of pre-defined key risk metrics and respective thresholds.

D. Credit risk

Credit risk is the risk of financial loss, should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligation to the Group. Credit risk arises mainly from interbank, corporate, and institutional banking, business banking, private banking and retail banking loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancements provided, such as credit derivatives (credit default swaps), financial guarantees, letter of credit, endorsement, and acceptances.

The Group is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures') including non-equity trading portfolio assets and derivatives as well as settlement of balances with market counterparties and reverse repurchase agreements.

Credit risk management

Group's approach to credit risk management is based on the foundation of independence and integrity of risk management as well as applicable regulatory standards. This is ensured through a well-defined and robust organisation structure duly supported by various risk committees, forums, systems, policies, procedures and processes providing a strong risk infrastructure and management framework.

The Group's credit policy focuses on the core credit principles, lending guidelines and parameters, control and monitoring requirements, problem loan identification, management of high-risk counterparties provisioning and write-offs. Standard procedures specific to businesses are in place to manage various types of risks across different business segments, products and portfolios.

Portfolio performance is regularly measured against the risk appetite parameters and breaches, if any, are actioned by the Group's senior Management.

Corporate and Institutional Banking, Business Banking and Private Banking credit risk management:

Credit facilities are granted based on the detailed credit risk assessment of the counterparty. The assessment is undertaken in accordance with Bank's policies and procedures and considers the risk profile & characteristics of the obligor along with drivers of their credit performance. Further, the assessment considers amongst other things, the purpose of the facility, sources of re-payment, prevailing and potential macro-economic factors, industry trends, customers' credit worthiness and standing within the industry.

The credit facility administration process is undertaken by an independent function to ensure proper execution of all credit approvals, maintenance of documentation and proactive controls over maturities, expiry of limits and collaterals.

Operations are managed by independent units responsible for processing transactions in line with credit approvals and standard operating guidelines.

Management of Early Alert (EA), Watch List (WL) and Impaired Non-Performing Loans (NPL)

The Group has a well-defined process for identification of EA, WL and NPL accounts and dealing with them effectively. There are policies which govern credit grading of these accounts and their impairment, in line with IFRS and regulatory guidelines. Once an account has be classified as NPL, it is assessed for recoverability by an independent Group Financial Restructuring and Remedial (FRR) unit reporting directly to Group Chief Risk Officer ('GCRO') to ascertain commensurate levels of provisions.

Retail banking credit risk management:

The Group has a structured management framework for retail banking risk management. The framework enables the Group in identification and evaluation of the significance of all credit risks that the Group faces, which may have an adverse material impact on its financial position.

In the retail banking portfolio, losses stem from outright default due to inability or unwillingness of a customer to meet commitments in relation to lending transactions.

The Group's provisioning policy, which is in line with the IFRS and the regulatory guidelines, allows the Group to prudently recognise impairment on its retail portfolios.

Credit approving authorities

The BOD has delegated credit approving authorities to the BCIC, MCC, MIC and members of senior Management to facilitate and effectively manage the business. However, in line with regulatory standards, BOD has retained the ultimate authority to approve credits beyond BCIC authority.

Credit risk measurement

The estimation of credit risk for risk management purpose is complex and requires use of models, as the risk exposure varies with changes in market condition, expected cash flows and the passage of time. The assessment of credit risk entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Group quantifies credit risk using Probability of Default, Exposures at Default and Loss Given Default. The same parameters are used to calculate ECL under IFRS 9.

Credit risk grading

The Group uses internal credit risk grading that reflects its assessment of the probability of default of individual counterparties. The Group uses internal rating models tailored to various categories of counterparty to capture borrower and loan specific information collected at the time of facility application (such as disposable income, level of collateral for retail exposure, turnover and industry type considerations.

The credit grades are calibrated to historical default data, such that the risk of default increases exponentially at each higher risk grade. For example, the difference in the PD between a 1A and 2A rating grade is lower than the difference in the PD between a 3A and 4A rating grade.

The following are additional considerations for each type of portfolio held by the Group:

Retail:
After the date of initial recognition, for retail business, the payment behaviour of the borrower is monitored on a periodic basis to develop a behavioural score. Any other known information about the borrower which impacts their credit worthiness such as: unemployment and previous delinquency history is also incorporated into the behaviour score. This score is mapped to a PD.

Corporate and Institutional Banking, Business Banking and Private Banking:
Ratings are determined at the borrower level for these segments. A relationship/portfolio manager incorporates any updated or new information/credit assessment into the credit system on an ongoing basis. In addition, the relationship manager also updates information about the creditworthiness of the borrower every year from sources such as, but not limited to, published financial statements. This will determine the updated internal credit rating and PD.

Treasury:
For debt securities in the Treasury portfolio, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PDs associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.

The Group's rating method comprises of 25 rating levels for instruments not in default (1 to 25) and 3 default classes (26 to 28). The Group's internal rating scale is mapped with external ratings. The master scale assigns each rating category a specified range of probabilities of default, which is stable over time. The rating models are reviewed for recalibration so that they reflect the latest projections in the light of all actually observed defaults.

45 RISK MANAGEMENT continued

D. Credit risk continued

Credit risk measurement continued

ECL measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit-quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified as Stage 1 and has its credit risk continuously monitored by the Group.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on a lifetime basis.
- ECL is measured after factoring forward-looking information.
- ECL on Purchase or originated credit-impaired financial assets is measured on a lifetime basis.

Significant increase in credit risk

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

Corporate and Institutional Banking, Business Banking and Private Banking:

Significant increase in credit risk is measured by comparing the risk of default estimated at origination with the risk of default at reporting date in addition to assessing qualitative and quantitative factors.

Retail:

Thresholds have been set for each portfolio based on historical default rates. Facilities exceeding the threshold are considered for significant increase in credit risk.

Qualitative criteria:

The Group also considers in its assessment of significant increase in credit risk, various qualitative factors like significant adverse changes in business, deterioration in financial performance, other available public information from external parties such as rating agencies/ credit bureau, extension of term granted, actual and expected forbearance or restructuring, early sign of cash flows and liquidity problems.

Backstop:

A backstop is applied, and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

The IFRS9 Governance Forum is the committee responsible for the oversight of provisions. The committee has reviewed the calculation process, methodology, and the results of provisions as presented by the GCRO. Further, the Board approved the provisioning process and associated provisions as presented by the GCRO, as per Article 9.16 (Standards) of the Credit Risk Management Regulation and accompanying Standards, Circular No. 3/2024 dated 25/7/2024.

Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, which is fully aligned with definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative:

The borrower is more than 90 days past due on its contractual payments.

Qualitative:

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. Indicators of unlikeliness to pay may include, but are not limited to, sector crisis, repeated restructurings, significant deterioration in operating assets, and high likelihood of bankruptcy.

Curing

The Group continues to monitor such financial instruments for a probationary period of up to 24 months, depending on the repayment frequency, to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL (Stage 2) to 12 months ECL (Stage 1).

The Group is observing a probationary period of a minimum of 3 instalments (for repayments which are on a quarterly basis or shorter) and 12 months (in cases where instalments are on a longer frequency than quarterly) after the restructuring, before upgrading such exposure from Stage 3 to 2.

Forward-looking information incorporated in the ECL model

The forward-looking information is incorporated through macro adjusted PD and LGD parameters which thereby affect the stage and ECL. The Group has performed historical analysis and identified key economic variables impacting credit risk and ECL for each portfolio.

These economic variables and their associated impact on PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecast of these economic variables (the 'base, upside and downside economic scenario along with scenario weighting') are obtained externally on a quarterly basis.

The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

As with any economic forecasts, the projections and likelihoods of the occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected.

Credit risk monitoring

Corporate and Institutional Banking, Business Banking and Private Banking: The Group's exposures are continuously monitored through a system of triggers and early warning signals. These are supplemented by monitoring of account conduct, assessment of collateral and market intelligence and early alerts.

Early Alert accounts are identified based on oversight, vigilance and risk triggers. Account strategy and action plans on these accounts are regularly monitored and discussed in the Early Alert Committee meetings.

Additionally, for IFRS 9 ECL computation, credit exposures are monitored and reported as per IFRS 9 and regulatory requirements. Stage migrations, any exceptions to SICR criteria, and other credit and impairment related matters are reviewed and approved by IFRS 9 Governance Forum.

Retail banking: risks of the Group's loan portfolio are continuously assessed and monitored on the basis of exceptions, management information reports and returns generated by the business and credit units. Credit risk is also monitored on an ongoing basis with formal monthly and quarterly reporting to ensure that senior Management is aware of shifts in the credit quality of the portfolio along with changing external factors.

Group credit risk mitigation strategy

The Group operates within prudential exposure ceilings set by the Board in line with UAE Central Bank guidelines. There are well laid out processes for exception management and escalation.

The Group has adopted measures to diversify the exposures to various sectors. Diversification is achieved by limiting concentration through setting customer, industry and geographical limits.

The risk transfer in the form of syndicated loans, risk participation agreements with other banks, credit default swaps and sale of loans are globally accepted practices followed by the Group, where appropriate, to limit its exposure.

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

45 RISK MANAGEMENT continued
D. Credit risk continued
Credit risk measurement continued

Collateral management

Collaterals and guarantees are effectively used as mitigating tools by the Group. The quality of collateral is monitored and assessed periodically, and the Group seeks to ensure enforceability of the collateral. Major categories of collaterals include cash/ fixed deposits, inventories, shares, guarantees (corporate, bank and personal guarantees), immovable properties, receivables, gold and vehicles.

Collaterals are revalued regularly as per the Group's credit policy and applicable regulations. In addition, ad hoc valuations are also carried out depending on the nature of collateral and general economic condition. This enables the Group to assess the fair market value of the collateral and ensure that risks are appropriately managed. Security structures and legal covenants are also subject to regular review.

When eligible collaterals are used in calculating provisions for stage 3 accounts, the Group employs haircuts which are conservative vis-à-vis regulatory requirements.

Please refer to Pillar III disclosures for additional information on collaterals.

Write offs

Loans and debt securities in corporate and institutional banking are written off (either partially or in full) when there is no reasonable prospect of recovery, typically more than 5 years days past due, broadly aligned with regulatory requirements. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-performing consumer loans and credit cards, except for mortgage facilities and overdrafts, are written off at 181 days past due. All receivables remain active on the loan management system for recovery and any legal strategy the Group may deem fit to use.

E. Analysis by economic activity for assets
The Group monitors concentrations of credit risk by economic activity sector. The analysis by economic activity is as follows:

	2024		2023	
	Loans and Receivables AED million	**Others* AED million**	Loans and Receivables AED million	Others* AED million
Manufacturing	**29,137**	**2,128**	28,305	1,614
Construction	**10,629**	**325**	11,535	338
Trade	**35,025**	**2**	32,397	142
Transport and communication	**40,632**	**1,545**	32,798	1,501
Utilities and services	**26,824**	**2,056**	27,711	2,041
Sovereign	**66,505**	**173,355**	81,432	150,115
Personal	**161,195**	**–**	132,727	-
Real estate	**46,360**	**239**	45,605	-
Hotels and restaurants	**12,336**	**–**	9,476	-
Management of companies and enterprises	**36,233**	**–**	37,694	-
Financial institutions and investment companies	**31,521**	**152,179**	23,220	108,865
Agriculture	**16,328**	**–**	4,359	-
Others	**21,829**	**534**	16,819	1,197
Total Assets	**534,554**	**332,363**	484,078	265,813
Less: Deferred Income	**(5,375)**	**–**	(3,193)	-
Less: Expected credit loss	**(27,552)**	**(374)**	(35,780)	(265)
	501,627	**331,989**	445,105	265,548

*Others include due from banks and investment securities.

F. Classification of investment securities as per their external ratings
As of 31 December 2024

Ratings	**Trading securities at FVTPL AED million**	**Designated at FVTPL AED million**	**FVOCI – debt instruments AED million**	**FVOCI– equity instruments AED million**	**Amortised cost AED million**	**Total AED million**
AAA	**36**	**2**	**75**	**–**	**2,283**	**2,396**
AA- to AA+	**3,158**	**–**	**6,247**	**–**	**116,136**	**125,541**
A- to A+	**923**	**–**	**6,882**	**–**	**18,109**	**25,914**
Lower than A-	**4,663**	**3**	**14,900**	**1**	**15,342**	**34,909**
Unrated	**1,446**	**78**	**2,555**	**209**	**6,329**	**10,617**
Less: Expected credit losses	**–**	**–**	**(51)**	**–**	**(103)**	**(154)**
	10,226	**83**	**30,608**	**210**	**158,096**	**199,223**

Of which issued by:

	Trading securities at FVTPL AED million	**Designated at FVTPL AED million**	**FVOCI – debt instruments AED million**	**FVOCI– equity instruments AED million**	**Amortised cost AED million**	**Total AED million**
Governments	**6,480**	**–**	**18,129**	**–**	**148,746**	**173,355**
Public sector enterprises	**2,551**	**–**	**10,530**	**–**	**9,355**	**22,436**
Private sector and others	**1,195**	**83**	**2,000**	**210**	**98**	**3,586**
Less: Expected credit losses	**–**	**–**	**(51)**	**–**	**(103)**	**(154)**
	10,226	**83**	**30,608**	**210**	**158,096**	**199,223**

As of 31 December 2023

Ratings	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI– equity instruments AED million	Amortised cost AED million	Total AED million
AAA	-	2	40	-	2,713	2,755
AA- to AA+	3,773	-	2,845	-	95,304	101,922
A- to A+	1,071	-	4,362	-	19,648	25,081
Lower than A-	4,257	3	15,802	1	13,886	33,949
Unrated	828	79	485	697	7,561	9,650
Less: Expected credit losses	-	-	(40)	-	(71)	(111)
	9,929	84	23,494	698	139,041	173,246

Of which issued by:

	Trading securities at FVTPL AED million	Designated at FVTPL AED million	FVOCI – debt instruments AED million	FVOCI– equity instruments AED million	Amortised cost AED million	Total AED million
Governments	7,067	-	15,542	-	127,506	150,115
Public sector enterprises	2,053	-	6,954	1	10,989	19,997
Private sector and others	809	84	1,038	697	617	3,245
Less: Expected credit losses	-	-	(40)	-	(71)	(111)
	9,929	84	23,494	698	139,041	173,246

45 RISK MANAGEMENT continued

G. Risk gross maximum exposure

The table below shows the gross maximum exposure to credit risk for the components of the Group consolidated statement of financial position, including derivatives. The maximum exposure is shown gross, before the effect of use of master netting and collateral agreements.

	2024 AED million	2023 AED million
Deposits with Central Banks	**98,263**	90,081
Due from banks	**132,766**	92,302
Investment securities	**197,776**	171,861
Loans and receivables	**501,627**	445,105
Positive fair value of derivatives	**12,468**	15,284
Customer acceptances	**9,478**	8,468
Total (A)	**952,378**	823,101
Contingent liabilities	**97,562**	81,987
Irrevocable loan commitments	**95,414**	66,018
Total (B)	**192,976**	148,005
Total credit risk exposure (A + B)	**1,145,354**	971,106

H. Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

31 December 2024	12-month ECL AED million	Lifetime ECL not credit-impaired AED million	Lifetime ECL credit-impaired AED million	Total AED million
Balance at 1 January	433,219	25,644	22,022	480,885
Transfers from stage 1	(14,749)	14,749	–	–
Transfers from stage 2	4,194	(10,627)	6,433	–
Transfers from stage 3	–	626	(626)	–
New financial assets, net of repayments	65,104	(4,387)	(3,172)	57,545
Amounts written off during the year	–	–	(6,451)	(6,451)
Exchange and other adjustments	(1,356)	(877)	(567)	(2,800)
Total gross loans and receivables	486,412	25,128	17,639	529,179
Expected credit losses	(5,767)	(6,223)	(15,562)	(27,552)
Carrying amount	480,645	18,905	2,077	501,627
By business units				
Corporate Banking	306,757	15,097	13,221	335,075
Retail Banking	179,655	10,031	4,418	194,104
Total gross loans and receivables	486,412	25,128	17,639	529,179

31 December 2023	12-month ECL AED million	Lifetime ECL not credit-impaired AED million	Lifetime ECL credit-impaired AED million	Total AED million
Balance at 1 January	399,698	29,057	27,254	456,009
Transfers from stage 1	(10,056)	8,040	2,016	–
Transfers from stage 2	3,994	(10,230)	6,236	–
Transfers from stage 3	33	81	(114)	–
New financial assets, net of repayments	43,933	(1,923)	(6,810)	35,200
Amounts written off during the year	–	–	(8,059)	(8,059)
Exchange and other adjustments	(4,383)	619	1,499	(2,265)
Total gross loans and receivables	433,219	25,644	22,022	480,885
Expected credit losses	(6,266)	(7,596)	(21,918)	(35,780)
Carrying amount	426,953	18,048	104	445,105
By business units				
Corporate Banking	295,918	18,144	18,336	332,398
Retail Banking	137,301	7,500	3,686	148,487
Total gross loans and receivables	433,219	25,644	22,022	480,885

The stage 1 and stage 2 are performing loans having grades 1a - 4f while stage 3 are non performing loans having grades 5a - 5d.

Corporate and Institutional Banking – Performing includes AED 1,956 million (2023: AED 2,200 million) for exposure against watchlist customers.

I. Amounts arising from ECL

31 December 2024	12-month ECL AED million	Lifetime ECL not credit-impaired AED million	Lifetime ECL credit-impaired AED million	Total AED million
Balance at 1 January	6,266	7,596	21,918	35,780
Transfers from stage 1	(522)	522	–	–
Transfers from stage 2	525	(1,187)	662	–
Transfers from stage 3	–	296	(296)	–
Allowances for impairment made during the year	(273)	(962)	3,939	2,704
Write back / recoveries made during the year	–	–	(3,108)	(3,108)
Amounts written off during the year	–	–	(6,451)	(6,451)
Exchange and other adjustments	(229)	(42)	(1,102)	(1,373)
Closing Balance	5,767	6,223	15,562	27,552

31 December 2023	12-month ECL AED million	Lifetime ECL not credit-impaired AED million	Lifetime ECL credit-impaired AED million	Total AED million
Balance at 1 January	4,819	7,786	26,800	39,405
Transfers from stage 1	(452)	361	91	–
Transfers from stage 2	390	(2,360)	1,970	–
Transfers from stage 3	16	71	(87)	–
Allowances for impairment made during the year	1,549	881	7,337	9,767
Write back / recoveries made during the year	–	–	(5,301)	(5,301)
Amounts written off during the year	–	–	(8,059)	(8,059)
Exchange and other adjustments	(56)	857	(833)	(32)
Closing Balance	6,266	7,596	21,918	35,780

The contractual amount outstanding on loans and receivables which were written off during the year and are still subject to enforcement activity amounted to AED 6,451 million (2023: AED 8,059 million).

45 RISK MANAGEMENT continued

J. Market risk

Market risk is the risk that the value of financial instruments in the Group's books – with the inclusion of some other financial assets and liabilities could produce a loss because of changes in future market conditions.

The Group takes on Market Risks in the pursuit of its strategic and business objectives.

The Group predominantly pursues opportunities in the market that exposes itself to the following categories of market risk - which are actively managed and monitored:

1. Interest Rate Risk: losses in value due to changes in the level, slope and curvature of yield curves, the volatility of interest rates and changes in credit spreads;
2. FX Risk: losses in value due to exposures to changes in spot prices, forward prices and volatilities of currency rates;
3. Credit Spread Risk: Losses in the value due to change in credit spreads driven by associated credit risk of the security issuer/ underlying;
4. Commodity Price Risk: losses in value due to exposures to changes in spot prices, forward prices and volatilities of commodities such as petrochemicals, base and precious metals, and food stocks.

Respective portfolio managers are accountable for managing market risk within the approved limits. These managers have extensive knowledge of markets and products, their risk exposures and of the financial instruments available to hedge their exposures.

The Group's risk exposures to market risk are segregated into Trading and Banking Books. The Trading Book include those financial instruments held with trading intent arising from market-making, position-taking and other so designated financial instruments accounted for at fair value daily. The Banking Book includes financial instruments not held with trading intent that arise from the management of Interest Rate risk and FX risk from the Group's retail and corporate and institutional banking assets and liabilities, and other financial investments designated as either FVOCI or Amortised Cost.

Market risk oversight and management process

As part of the Group's enterprise-wide risk management framework, an extensive governance processes is applied to the market risk taking activities. This governance framework includes, inter alia:

- Approval by the Board Risk Committee and Group Asset-Liability Committee of a set of risk limits with appropriate monitoring, reporting and limits excesses' escalation procedures;
- Independent valuation of financial instruments in the Trading Book and measurement of market risk;
- A comprehensive set of policies, procedures and limits; and
- Monitoring a wide range of risk metrics appropriate for the respective trading activities - such as risk sensitivities, Gross and Net open positions, Value-at-Risk (VaR) and stop-loss limits.

The Group uses appropriate and independently validated market standard models for the revaluation and risk measurement of its linear and non-linear financial products and receives regular market information from independent market data providers in order to measure and monitor market risk.

Details of allocation of assets and liabilities subject to market risk between trading and non-trading portfolios are as follows:

	Market risk measure		
31 December 2024	**Total AED million**	**Trading Portfolio AED million**	**Non Trading Portfolio AED million**
Assets subject to market risk			
Cash and deposits with Central Banks	**104,665**	**–**	**104,665**
Due from banks	**132,766**	**–**	**132,766**
Loans and receivables	**501,627**	**–**	**501,627**
Investment securities	**199,223**	**10,226**	**188,997**
Positive fair value of derivatives	**12,468**	**11,809**	**659**
Liabilities subject to market risk			
Due to banks	**55,487**	**–**	**55,487**
Customer deposits	**666,777**	**–**	**666,777**
Debt issued and other borrowed funds	**72,476**	**–**	**72,476**
Sukuk payable	**7,427**	**–**	**7,427**
Negative fair value of derivatives	**15,897**	**10,792**	**5,105**

	Market risk measure		
31 December 2023	Total AED million	Trading Portfolio AED million	Non Trading Portfolio AED million
Assets subject to market risk			
Cash and deposits with Central Banks	96,031	-	96,031
Due from banks	92,302	-	92,302
Loans and receivables	445,105	-	445,105
Investment securities	173,246	9,929	163,317
Positive fair value of derivatives	15,284	14,594	690
Liabilities subject to market risk			
Due to banks	40,321	-	40,321
Customer deposits	584,561	-	584,561
Debt issued and other borrowed funds	66,116	-	66,116
Sukuk payable	4,673	-	4,673
Negative fair value of derivatives	17,389	12,790	4,599

The impact of sensitivity analysis on foreign exchange risk and equity price risk on the Group consolidated statement of income and Group consolidated statement of comprehensive income is immaterial.

The Group uses following metrics to measure market risk on an ongoing basis:

1. Non statistical metrics: Interest rate sensitivity, (DV01/PV01), FX sensitivity (FX01), Net open/ Net Gross outstanding positions, Maximum notional and tenor measures, Derivatives' Greek sensitivities (Delta, Gamma, Vega), and Stop Loss limits;
2. Statistical metrics: Value-at-Risk (VaR), by Desk as well as total for the whole Trading Book. Stressed VaR (sVaR) for Trading Book and Banking Book Investments.

The Group is not significantly exposed to structural FX Risk - which is a component of market risk - since the majority of the assets and liabilities of the Group are denominated predominately in either AED or in USD-pegged currencies from other GCC countries.

Value-at-Risk

To better capture the multi-dimensional aspects of market risk, the Group's primary market risk metric is a statistical one, Value-at-Risk, which is used for short-term risk holding periods. VaR metrics are calculated daily for the specific Trading Desk, such as Interest Rate Desk VaR, Foreign Exchange Desk VaR and overall Trading Book VaR.

The Group's year-end VaR numbers reported below have been calculated using the following parameters:

- Statistical level of confidence: 99%
- Holding period: 1 business day
- Methodology: Full Revaluation, Historical Simulation using over 2 years of historical market data

	2024 AED million				2023 AED million			
	Average	**Maximum**	**Minimum**	**Actual***	Average	Maximum	Minimum	Actual*
By Trading desk								
Interest rate risk	**25**	**44**	**11**	**13**	14	28	5	14
Foreign exchange risk	**4**	**12**	**1**	**7**	2	12	-	1
Credit trading risk	**7**	**16**	**3**	**5**	5	8	2	4
Total	**23**	**41**	**11**	**15**	14	26	7	14

* Note that the sum of asset class VaR metrics does not add up to the reported Total VaR metric due to diversification and cross correlation effects.

45 RISK MANAGEMENT continued

J. Market risk continued

Value-at-risk

Major currency-wise open positions of the Group are as follows:

	2024 Long / (Short) AED million	2023 Long / (Short) AED million
U.S. Dollar (USD)	**6,778**	11,482
Omani Riyal (OMR)	**12**	21
Euro (EUR)	**(990)**	(496)
Saudi Riyal (SAR)	**(106)**	(1,095)
Turkish Lira (TRY)	**704**	(8)
Egyptian Pound (EGP)	**(15)**	(218)
Bahraini Dinar (BHD)	**(3)**	(44)
Indian Rupee (INR)	**(86)**	111

K. Operational risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. This definition includes legal risks (described as exposure to fines, penalties and punitive damages resulting from supervisory actions, as well as private settlements), regulatory risks, and the risk arising from change initiatives.

Operational Risk Governance Framework

The Group applies a three line of defence model for operational risk management. The business and support units form the first line of defence. They have the primary responsibility and accountability for identifying operational risk in their areas and to promptly mitigate any issues.

Operational Risk function as the second line of defence, provide consistent and standardised methods and tools to business and support functions for managing operational risk. The function monitors the risk management process and compliance to the operational risk policies and procedures. It conducts independent analysis of the operational risk exposure and the Group's mitigating strategies.

The Group's Internal Audit department as the third line of defence, provides independent assurance to the Board of Directors.

Operational Risk Management Process

The Group has set up the operational risk function within the risk management unit to establish the framework and governance structure set out in the operational risk policy. The risk management process comprises mainly of the below elements,

- Risk Identification and Assessment
- Risk Monitoring and Review
- Risk Treatment
- Risk Reporting

This function develops and implements the methods for the identification, assessment, measurement and monitoring of operational risk throughout the Group and provides regular and comprehensive reporting on operational risks to senior Management. The function supports business and other support units to monitor and manage their individual operational risks.

Insurance Management

The Group obtains tailored insurance cover to protect the Group against unexpected losses. Insurance cover is obtained from high rated insurance companies in the international reinsurance market. The requirements for insurance are reviewed annually and the insurance cover is aligned to changes of the Group's risk exposure.

Fraud Management

The Board and Management are determined to build and maintain a credible defence to the threat posed by fraud.

In line with the evolving banking technologies and digital landscape, Management has recognized the need for greater focus on anti-fraud capabilities of the Group. As such the Group invests in advanced systems and controls for the prevention of frauds perpetrated against the Group and its customers. The Group has increased monitoring and enhanced detective controls to manage fraud risks, which arise from new technologies and new methods of banking.

The Group has a specialized team which focuses on investigation of fraud attempts against the Group, spreading fraud awareness to stakeholders, identification and mitigation of fraud risks.

The Group has policies and procedures in place to ensure compliance with prevailing legislation and to mitigate risk, including the risk of fraud.

Whistleblowing

The Group is committed to the highest standards of openness, integrity and accountability in the delivery of its services. Whilst the Group has instituted a wide range of rules, regulations, procedures and codes of practice to deliver on its commitments, fraud, malpractice, abuse and/or wrongdoing may unfortunately occur.

As such, the Group 'Whistleblowers Policy', provides the platform to employees for reporting of malpractices. The policy is designed to encourage employees to report suspected internal fraud and other breaches, through specified channels, while safeguarding the employee from retribution.

Cyber Security Management

The Group considers information and related processes, systems, and networks as an important and valuable asset. These assets are required to be protected to ensure their confidentiality, availability and integrity at all times.

The Group has established a comprehensive cyber security framework based on three lines of defence model.

The framework ensures the Group is resilient to cyber security threats in an evolving and increasingly complex digital environment.

Business Continuity Management

Business Continuity Management (BCM) is defined as a management process that identifies potential threats to an organisation and the impacts to business operations that those threats, if realised, might cause. BCM provides a framework for building organisational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities.

The business continuity process across the Group is based on the international standard ISO22301:2012 (E). The BRC is responsible for providing oversight and strategy for Business Continuity Management. Business and support units are responsible to ensure appropriate Business Continuity Plans are in place and tested for their respective areas. The effectiveness of the Business Continuity Plans is monitored independently by relevant risk teams.

L. Liquidity risk

Liquidity Risk refers to the inability of the Group to fund an increase in assets and meet obligations as they become due (Structural Funding Risk), or the inability to convert assets into cash at reasonable prices (Market Liquidity Risk). The risk arises from mismatches in the amount and timings of cash flows.

Objectives and Governance structure

The objective of the Group's liquidity and funding management framework is to ensure that all foreseeable funding commitments (under both normal and stressed conditions) can be met when due, and that access to the wholesale markets is coordinated and cost effective. To this end, the Group maintains a diversified funding base comprising core retail and corporate customer deposits and institutional balances. This is augmented with wholesale funding and portfolios of highly liquid assets diversified by currency and maturity which are held to enable the Group to respond quickly and smoothly to unforeseen liquidity requirements.

45 RISK MANAGEMENT continued

L. Liquidity risk continued

Policies and Procedures

Specifically, liquidity and funding management process includes:

- projecting cash flows under various stress scenarios and considering the level of liquid assets necessary in relation thereto;
- mis-match analysis between assets and liabilities for different periods with a focus on shorter time frames. These gap reports are based on contractual cash flow, retention and decay assumptions for non-maturing assets and liabilities and potential liquidity demand through undrawn commitments;
- monitoring balance sheet liquidity and advances to deposits ratios against internal and regulatory requirements;
- maintaining a diverse range of funding sources with back-up facilities;
- managing the concentration and profile of debt maturities;
- maintaining debt financing plans;
- monitoring customer depositor concentration in order to avoid undue reliance on large individual depositors and ensure a satisfactory overall funding mix; and
- maintaining liquidity and funding contingency plans. These plans identify early indicators of distress conditions and describe actions to be taken in the event of difficulties arising from systemic or other crisis, while minimising adverse long-term implications for the business.

M. Maturity analysis of assets and liabilities

The table below summarises the maturity profile of the Group's assets and liabilities based on their carrying value:

31 December 2024	Within 3 months AED million	Over 3 months to 1 year AED million	Over 1 year to 3 years AED million	Over 3 years to 5 years AED million	Undated and Over 5 years AED million	Total AED million
ASSETS						
Cash and deposits with Central banks	102,814	1,851	–	–	–	104,665
Due from banks	78,565	37,879	16,322	–	–	132,766
Investment securities	36,183	60,056	34,438	26,460	42,086	199,223
Loans and receivables	132,916	77,710	134,622	70,325	86,054	501,627
Positive fair value of derivatives	1,570	1,365	3,900	2,040	3,593	12,468
Customer acceptances	9,478	–	–	–	–	9,478
Property and equipment	–	–	–	–	7,941	7,941
Goodwill and intangibles	–	–	–	–	5,626	5,626
Other assets	15,300	–	–	–	7,488	22,788
TOTAL ASSETS	376,826	178,861	189,282	98,825	152,788	996,582
LIABILITIES						
Due to banks	25,422	17,710	5,069	5,180	2,106	55,487
Customer deposits	551,794	102,132	6,733	5,466	652	666,777
Debt issued and other borrowed funds	5,986	15,857	21,513	13,563	15,557	72,476
Sukuk payable	–	1,836	2,837	2,754	–	7,427
Negative fair value of derivatives	1,507	1,576	3,700	2,275	6,839	15,897
Customer acceptances	9,478	–	–	–	–	9,478
Other liabilities	13,703	13,081	–	–	16,042	42,826
Total equity	–	–	–	–	126,214	126,214
TOTAL LIABILITIES AND EQUITY	607,890	152,192	39,852	29,238	167,410	996,582
OFF BALANCE SHEET						
Letters of credit and guarantees	37,199	37,027	15,378	4,396	3,146	97,146
31 December 2023						
ASSETS	339,929	149,682	133,226	82,444	157,492	862,773
LIABILITIES AND EQUITY	504,445	142,119	47,166	17,789	151,254	862,773
OFF BALANCE SHEET ITEMS	29,285	28,919	11,037	3,502	8,865	81,608

N. Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2024 based on contractual undiscounted repayment obligations.

Repayments which are subject to notice are treated as if notice was given immediately. However, the Group expects that many customers will not request repayment on the earliest date, the Group could be required to pay and the table does not reflect the expected cash flows indicated by the Group's deposit retention history.

As at 31 December 2024	Carrying amount AED million	Gross nominal outflows AED million	Within 3 months AED million	Over 3 months to 1 year AED million	Over 1 year to 3 years AED million	Over 3 years to 5 years AED million	Over 5 years AED million
Financial liabilities							
Due to banks	55,487	(58,608)	(25,833)	(18,946)	(6,013)	(5,698)	(2,118)
Customer deposits	666,777	(678,252)	(556,905)	(106,336)	(8,298)	(6,001)	(712)
Debt issued and other borrowed funds	72,476	(85,345)	(6,324)	(17,787)	(25,351)	(16,225)	(19,658)
Sukuk payable	7,427	(8,427)	(34)	(2,112)	(3,302)	(2,979)	–
	802,167	(830,632)	(589,096)	(145,181)	(42,964)	(30,903)	(22,488)
Letters of credit and guarantees	97,146	(97,146)	(37,199)	(37,027)	(15,378)	(4,396)	(3,146)
Irrevocable loan commitments	95,414	(95,414)	(39,551)	(43,697)	(11,989)	(6)	(171)

As at 31 December 2023	Carrying amount AED million	Gross nominal outflows AED million	Within 3 months AED million	Over 3 months to 1 year AED million	Over 1 year to 3 years AED million	Over 3 years to 5 years AED million	Over 5 years AED million
Financial liabilities							
Due to banks	40,321	(42,262)	(18,994)	(19,353)	(1,630)	(175)	(2,110)
Customer deposits	584,561	(593,997)	(462,500)	(104,651)	(18,327)	(3,484)	(5,035)
Debt issued and other borrowed funds	66,116	(78,151)	(9,210)	(12,936)	(22,970)	(14,681)	(18,354)
Sukuk payable	4,673	(4,950)	(31)	(93)	(4,826)	-	-
	695,671	(719,360)	(490,735)	(137,033)	(47,753)	(18,340)	(25,499)
Letters of credit and guarantees	81,608	(81,608)	(29,285)	(28,919)	(11,037)	(3,502)	(8,865)
Irrevocable loan commitments	66,018	(66,018)	(23,712)	(30,401)	(11,888)	-	(17)

O. Interest rate risk in the banking book

Interest Rate Risk in the Banking Book (IRRBB) is defined as the exposure of the non-trading products of the Group to interest rates. Non-trading portfolios include all banking book positions that arise from the interest rate on the Group's retail and corporate and institutional banking assets and liabilities, and financial investments designated as FVOCI and amortised cost. IRRBB arises principally from mismatches between the future yields on assets and their funding costs, as a result of interest rate changes.

In order to manage this risk optimally, IRRBB in non-trading portfolios is transferred to Group Treasury under the supervision of the Group ALCO, through Funds Transfer Pricing (FTP) Systems. Group ALCO is required to regularly monitor all such interest rate risk positions to ensure they comply with interest rate risk limits.

For measuring overall interest sensitivity in the banking book, the Group conducts stress tests by simulating parallel shifts to the yield curve(s) ranging from 50 basis points to 200 basis points, and assessing the corresponding impact on its Net Interest Income.

	As at 31 December 2024 Impact AED million	As at 31 December 2023 Impact AED million
Rates Up 200 bps	1,631	2,441
Rates Down 200 bps	(3,594)	(4,113)

The interest rate sensitivities set out in the table above are based on a set scenario i.e. the projections above assume that interest rates of all maturities move by the same amount and, therefore, do not reflect the potential effect on net interest income of some rates changing while others remain unchanged. The projections are based on constant balance scenario, consider behavioural assumptions on non-maturity products and also make the assumption that all positions run to maturity. This effect does not incorporate actions that would be taken by Group Treasury or in the business units to mitigate the impact of this interest rate risk. In practice, Group Treasury seeks proactively to change the interest rate risk profile to minimise losses and optimise net revenues.

45 RISK MANAGEMENT continued

P. Interest rate repricing analysis

As at 31 December 2024	Less than 1 month AED million	Over 1 month to 3 months AED million	Over 3 months to 6 months AED million	Over 6 months to 1 year AED million	Over 1 year AED million	Non-interest bearing AED million	Total AED million
ASSETS							
Cash and deposits with Central Banks	5,318	3,718	1,521	329	–	93,779	104,665
Due from banks	72,666	29,354	11,491	10,031	1,362	7,862	132,766
Investment securities	16,916	26,081	40,515	22,653	91,611	1,447	199,223
Loans and receivables	200,204	156,438	44,931	26,073	73,981	–	501,627
Positive fair value of derivatives	–	–	–	–	–	12,468	12,468
Customer acceptances	–	–	–	–	–	9,478	9,478
Property and equipment	–	–	–	–	–	7,941	7,941
Goodwill and Intangibles	–	–	–	–	–	5,626	5,626
Other assets	–	–	–	–	–	22,788	22,788
TOTAL ASSETS	295,104	215,591	98,458	59,086	166,954	161,389	996,582
LIABILITIES AND EQUITY							
Due to banks	23,302	7,538	5,445	9,294	3,084	6,824	55,487
Customer deposits	249,874	66,403	51,747	46,710	7,508	244,535	666,777
Debt issued and other borrowed funds	17,019	13,108	5,903	4,109	32,337	–	72,476
Sukuk payable	–	–	–	1,836	5,591	–	7,427
Negative fair value of derivatives	–	–	–	–	–	15,897	15,897
Customer acceptances	–	–	–	–	–	9,478	9,478
Other liabilities	–	–	–	–	–	42,826	42,826
Total equity	–	–	–	–	–	126,214	126,214
TOTAL LIABILITIES AND EQUITY	290,195	87,049	63,095	61,949	48,520	445,774	996,582
ON BALANCE SHEET GAP	4,909	128,542	35,363	(2,863)	118,434	(284,385)	–
OFF BALANCE SHEET GAP	(29,954)	(11,315)	33	7,663	32,226	–	(1,347)
INTEREST RATE SENSITIVITY GAP – 2024	(25,045)	117,227	35,396	4,800	150,660	(284,385)	(1,347)
CUMULATIVE INTEREST RATE SENSITIVITY GAP – 2024	(25,045)	92,182	127,578	132,378	283,038	(1,347)	(1,347)
CUMULATIVE INTEREST RATE SENSITIVITY GAP – 2023	1,804	88,268	132,025	128,759	248,685	-	-

Represents when the interest rate will be repriced for each class of assets and liabilities.

Q. Reputational risk

Reputational risk is the risk of damage to a Group's reputation as a result of any event, arising from negative publicity about its business practices, conduct, or financial condition. Such negative publicity may affect public or stakeholder confidence in the Group leading to a decline in customer base, business revenue, liquidity, or capital position. Reputational Risk may also arise as a result of negative stakeholder opinion. This could be a result of any event, behaviour, action, or inaction, either by the Group's itself, our employees or those with whom we are associated.

Reputational risk damage can often arise from a secondary effect or outcome of other interconnected risks, as defined within the Group Risk Management Framework. As such, these additional risk categories when assessing reputational risks and their measurement.

The Groups Reputational Risk policy is defined to ensure all organisational units identify, measure, manage and monitor the reputational risks that arise from the ongoing operations of the Group during its transactions with clients, setting up of new products business practices, counterparties, customer complaints and claims, sponsorship, and media relations. The governance of the Group's reputational risk management is integrated into the Group's broader risk management framework.

R. ICAAP and Stress Testing

ICAAP and stress testing is an integral part of the Group's risk management process. It includes scenario analysis and is conducted regularly. Every stress test is documented, and the results are discussed at the EXCO level and approved by the GRC and the BRC.

S. Model risk

Model risk is the risk of potential adverse consequences arising from decision made based on incorrect or misused model outputs and reports. As the Group has a robust model governance and Management approach, potential losses arising from the outputs of the internal models due to errors in the development, implementation, or use of such models are well understood and managed.

A specialised model management unit within the Group oversees the validation and use of models for regulatory and/or financial reporting purposes, guided by the Group Model Governance and Management Framework. This ensures that the models follow a robust approach of validation prior to use. The governance process for the models is performed across the model life cycle. All Tier 1 and Tier 2 models are managed through a centralised Model Inventory System to track and manage their use. The Group Model Validation Standards outline the minimum requirements that models should meet prior to use.

T. Regulatory/compliance risk

Regulatory/Compliance risk is the risk of reputational and/or financial losses due to the failure to comply with applicable laws, regulations or sanctions.

The Group has an independent Compliance function, with the necessary mandate and authority to enforce and monitor compliance on a Group wide basis. This includes compliance with the applicable laws and regulations across the various jurisdictions where the Group operates as well as those of the USD/EU clearing centres.

Compliance policies covering key areas such as Sanctions, Anti Money Laundering (AML), Counter Terrorist Financing (CTF), Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS) are applicable Group wide and are supplemented where necessary to address any unique local requirements. These policies are supported by automated screening and monitoring systems and associated investigation teams to help comply with the Sanctions, AML, CTF, FATCA and CRS requirements. Independent Compliance Monitoring is undertaken to provide assurance over the effectiveness of controls. Mandatory Compliance Training is provided to all relevant staff both at onboarding and periodically thereafter to help ensure that key requirements are complied with.

U. Environmental, social and governance (ESG) risk

The rapidly changing global landscape, marked by challenges such as climate change, the evolving expectations of our stakeholders, as well as a continuous evolution of international standards, particularly in the areas of sustainability accounting, audit and ethics necessitates a proactive approach to ESG. The Group continues to develop its approach to ESG in line with progressing standards, both regionally and globally.

Climate related risk

Climate risks relate to the financial and non-financial impacts that may arise as a result of climate change. There are two categories of climate risks: physical risks, as a result of climate change and environmental factors that are event driven (acute) or longer-term shifts (chronic) and may vary in severity and frequency across various scenarios, and transition risks, which arises from the shift to a low carbon economy. Managing climate risk is critical in the pursuit of sustainable growth and transitioning towards a low carbon economy. Both, physical and transition risks can affect households, businesses and the wider macro economy and manifest within the Group's principal risks in several ways.

The Group considers climate risk as part of the broader environmental and social risks. Our strategy on climate risk has been incorporated into the Group Risk Management Framework and is guided by the three-lines of defence approach.

The Group's Board of Directors bears the final responsibility for all aspects concerning climate related risks. The Board actively participates in shaping our ESG strategy and is regularly briefed on the progress of this strategy by the Executive Committee.

Impact of climate risk on accounting judgments and estimates

The Group is currently assessing the financial impacts associated with climate-related credit risk. Using the results of ongoing analysis, the Group intends to highlight and address risks and opportunities which present immediate and anticipated effects on financial position, performance and planning as well as cashflows and to disclose the actions taken to manage these risks and opportunities.

As at 31 December 2024, the Group raised debts and sukuks payable amounting to USD 4.6 billion (2023: USD 3.0 billion) via sustainable and green financings in debt capital markets.

Notes to the Group Consolidated Financial Statements continued
For the year ended 31 December 2024

45 RISK MANAGEMENT continued

V. Group Internal Audit's role in overall risk management

Group Internal Audit is an independent appraisal function established by the Board of Directors to examine and evaluate the activities of the Group including all aspects of the Group Risk Management. The department is organisationally independent of all other functions in the bank. The unit is headed by the Group Chief Audit Officer, who is accountable to the Board of Directors through the Board Audit Committee.

The primary objectives of Group Internal Audit is to provide assurance on risks to which the Group's businesses are exposed, evaluate the adequacy and effectiveness of financial/operating controls and the Corporate Governance environment, assess the extent to which assets are accounted for and safeguarded from losses and conduct follow-up activities to assess and report on the degree to which Management has addressed risks and compliance with action plans previously agreed.

The unit's mission is achieved through a risk based annual audit plan approved by the Board Audit Committee. A formal report is prepared at the end of each quarter which includes a summary of audit activity completed during the period and an update on the status of previously reported matters for Board Audit Committee attention.

The Board Audit Committee reviews and approves Group Internal Audit's plans and resources and evaluates the effectiveness of the Internal Audit function. External advisers also periodically conduct an assessment of the function.

W Risk management framework and processes at Group entities

In establishing risk management policies & processes at the Group entities level, due consideration is given to the entities' specific regulatory environment.

X. Risk Management at DenizBank

DenizBank has a structured risk governance process in place to identify, measure, manage, control and report (risk) to assist in risk-based decision-making and oversight across all operations of DenizBank.

The Board of Directors have the ultimate responsibility for the establishment of the risk management system of DenizBank in accordance with regulations and best practices. Main responsibilities of the Board of Directors related to risk management include:

- Reviewing and approving the policies for the management of risks and supervising their implementation,
- Approving the risk appetite that is appropriate for its business strategy and that matches with its financial strength,
- Following up the effectiveness of the risk management system of DenizBank,
- Ensuring the establishment and the implementation of the internal capital adequacy assessment process.

The Board of Directors carries out its oversight of the Bank-wide risk management processes through Board Level committees. These roles are further trickled down to Management Level Committees and respective business and risk control units.

ENBD Group oversees the processes of establishing DenizBank's Risk Management Framework and risk policies, monitoring of the limits, realized figures and breaches of the risks subject to the Risk Appetite Statement. All of which govern following risk areas.

Credit Risk

The Group has added an additional layer of supervision over and above the credit risk policies in force at DenizBank. This supervisory layer is conditional to exceptional approvals for substantial exposures. From a reporting standpoint all exposures (irrespective of materiality) are periodically reported to the Group by DenizBank for internal alignment within the Group.

DenizBank complies with BRSA's and Basel II/III standards in determining regulatory credit risk charge. Within the bank's internal capital adequacy assessment plan, credit risk is subjected to stress tests and scenario analysis at least annually.

The quantitative risk management disclosures comply with TFRS (Turkish Financial Reporting Standards) that are aligned to the IFRS (International Financial Reporting Standards) standards including IFRS 9 followed by the Group.

- Both on and off balance sheet instruments that are material to TFRS/IFRS 9 expected credit loss calculation are considered in the Group consolidated financial statements
- Models exist for PD, EAD and LGD that have long term calibrations and forward-looking scenarios to adjust for economic assumptions
- New or re-structured processes of TFRS/IFRS 9 are advanced and complex in nature in order to ensure high quality implementation
- Estimations, assumptions and scenarios used in expected credit losses are fairly comprehensive
- Comprehensive and detailed disclosures are published in line with TFRS/IFRS 9 requirements

Enterprise Risk Management

DenizBank specifies its limit setting, monitoring and reporting process in its risk appetite statement. It also includes the process of phased action plans and prescribes the remediation actions in cases where the exposure exceeds the limit in each phase. The documents encompassing these policies are reviewed every year, and are approved by the Board of Directors.

Market Risk

All trading activities related to money and capital markets are in accordance with the internally recognised measure of Value at Risk (VaR) method, which is also used by the Group to gauge changing market conditions. These VaR analysis are adequately supported by scenario analysis and stress tests. Trading book is held for the purpose of supporting client driven activities. Market risk is managed in accordance with Board of Directors approved limits.

Structural Interest Rate Risk and Foreign Exchange Risk

Interest rate and foreign exchange (FX) risks are monitored closely with the use of the metrics defined within the risk limit framework and managed as per the rules defined by Board of Directors. DenizBank makes use of hedging transactions for risk mitigation where necessary.

Liquidity Risk

Liquidity adequacy is actively monitored as per the rules defined by Board of Directors. The liquidity adequacy and the reserve opportunities are tested periodically against worst case scenarios and other scenarios, all of these assumptions are documented for traceability.

Operational Risk

Events that trigger operational risks are recorded along with the causes and impacts on specific functions and mitigation measures are taken to prevent the recurrence of such events in the future. Events that are either frequent or significant are discussed within the relevant committees that include Internal Audit and the impacted departments.

The relevant risk teams work to ensure comprehensive alignment in different risk areas taking into account the local and European regulatory requirements. As part of this process policies and procedures are reviewed to ensure necessary alignment with Group.

46 LEGAL PROCEEDINGS

Litigation is a common occurrence in the banking industry due to the nature of the business undertaken. The Group is party to legal proceedings and regulatory matters arising out of its normal business operations. The Group has proper controls and policies for managing legal claims. The recognition of provisions is determined in accordance with the accounting policies set out in Note 6. While the outcomes of legal proceedings and regulatory matters are inherently uncertain, Management believes that, based on the information available to it, appropriate provisions have been made in respect of these matters as at 31 December 2024. Any provision recognised does not constitute an admission of wrongdoing or legal liability. Based on the information available, no material adverse impact on the financial position of the Group is expected to arise from legal claims as at 31 December 2024 other than to the extent already provided.

47 SOCIAL CONTRIBUTIONS

The social contributions (including donations and charity) made during the year amount to AED 44 million (2023: AED 58 million).

48 COMPARATIVE AMOUNTS

Certain prior year comparatives have been reclassified wherever necessary to conform to the presentation adopted in the current year.

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