

Sustainability

ADCB's commitment to sustainability adopts a multi-pronged approach to deliver long-term value to our investors and community.

Our broad approach to sustainability contributes to our overall business value and UAE economic growth. It consists of:

- Initiatives that manage environmental, social and governance (ESG) risks arising from our business operations (as a major UAE financial services organisation and a large property manager), and
- Programmes that invest in our community and proactively contribute to advancing the goals of the UAE's Visions and the UN Sustainable Development Goals (collectively, the "Goals").

Our approach strategically focuses on the key ESG issues that bring greatest value to our bank and are most relevant to the core business and stakeholders. These material issues have been agreed with Executive Management, with due consideration given to the Goals, and initiatives and activities have been developed in collaboration with strategic partnerships to create lasting mutual benefits.

Below, we describe ADCB's key sustainability initiatives and activities undertaken during 2017 and how they support the Goals.



GOAL: QUALITY EDUCATION

ADCB has invested significantly to support the belief that quality education is a fundamental cornerstone for sustainable development. In 2017, our efforts focused on enhancing financial literacy in the region, as well as deepening our relationships in the education sector through our Banking on Education initiative.

ADCB MoneySense™

During 2017, our greatest priority community investment was MoneySense, our financial literacy initiative. Financial literacy is a key sustainability issue for banks generally, including those in the UAE. The programme educates the community on how to make informed judgments and take effective decisions regarding the use and management of money. MoneySense is the first financial literacy programme of its kind in the UAE, and was developed in collaboration with the Emirates Foundation, a national foundation established to facilitate public-private partnerships to empower youth and deliver programmes on key social issues including financial literacy. The programme formally launched in 2017, following a pilot that was run from 2016 into early 2017, which helped to refine our outreach strategy.

During 2017, our MoneySense outreach programme inducted over 1,000 UAE residents and UAE nationals, providing complimentary mentoring on topics including: budgeting, setting and reaching savings goals, responsible borrowing, and planning for the future. Our outreach also includes our own staff and those of corporate clients through workshops, as well as our customers during the pilot project. MoneySense has also been integrated into our monthly ADCB Health & Wealth Roadshow, which conducts medical tests and complimentary financial health checks. The programme was also integrated into the Mohammed Bin Rashid Housing Establishment's DECOBUILD 2017 event, which supports the grant programme for UAE nationals who qualify to buy housing or plots of land to construct their homes, as well as the Ministry of Education's induction programme for new teachers.

Outreach to the community was also made available online, through our financial literacy web page, and received 2,835 visits in 2017.

UAE RESIDENTS & UAE NATIONALS INDUCTED INTO THE MONEYSENSE OUTREACH PROGRAMME

OVER

1,000

Our success also means helping others and empowering financial literacy remains a significant objective for us. It helps to contribute to the economy and stability of the UAE overall.



GOAL: HEALTH AND WELL-BEING

Promoting health and well-being has been an ongoing focus area for ADCB, with several ongoing initiatives and activities to support this sustainable development goal.

ADCB Pink Month

2017 marked the eighth consecutive year when we have earmarked October as ADCB Pink Month, our award-winning breast cancer awareness programme which aims to help reduce the incidence of breast cancer, one of the most significant health issues facing our society:

- Working in partnership with several significant charities and organisations, we raised approximately AED 99,000 to support breast cancer research and raise awareness about the disease through a variety of activities in 2017.

ADCB ATMs gave our customers the opportunity to donate one dirham per ATM transaction to the Al Jalila Foundation, a global philanthropic organisation dedicated to transforming lives through medical education and research. ADCB customers also donated through our internet platform and Tree of Hope initiative, as well as through the ADCB Zayed Sports City 5k & 10k runs.

- ADCB Zayed Sports City 5k & 10k runs during Pink Month attracted more than 1,200 people, who joined the increasingly popular 5k & 10k runs, which are held annually by ADCB and Abu Dhabi Striders at Zayed Sports City. They attracted a total of 3,500 participants in the 2017 season. The races bring together people of all ages and all proceeds go to Breast Cancer Research.

ADCB BIKESHARE EXPANDED
FROM 11 LOCATIONS TO

28 LOCATIONS

MONEY RAISED TO SUPPORT
BREAST CANCER RESEARCH
(AED)

99,000

ADCB Bikeshare

ADCB Bikeshare was launched in 2014 in partnership with Cyacle, a private bike-sharing venture of the Khalifa Fund for Enterprise Development. Bikeshare provides a cost-effective and energy-saving alternative method of transport across numerous UAE communities and also supports a healthier lifestyle.

In 2017, the scheme was expanded from the original 11 locations to 28 locations to include NYU campus and the Louvre. In 2017, Bikeshare cyclists burned 1.49 million kcal and avoided emitting more than 9 tons of carbon.

ADCB Health & Wealth Roadshow

ADCB promotes good health and financial well-being in the community through our monthly Health & Wealth Roadshows, organised by our Wealth Management

Bancassurance department in collaboration with a prominent medical provider. Select ADCB branches, sales centres and key corporate client offices across the UAE hosted the roadshows in 2017. Participants received basic medical testing, complimentary vouchers for further medical testing, and an opportunity to meet a professional financial advisor and have their current financial circumstances, liquidity position and short-term as well as long-term financial plans reviewed. They can also explore how ADCB might help them to address their financial needs, plan for their future and guide the way to live a healthier and wealthier future.

In 2017, the Health & Wealth Roadshow provided medical and financial checks to over 2,000 participants across the UAE.

ADCB Staff Health & Wellness Week

An internal staff Health & Wellness event was held in 2017, in collaboration with our health insurers and network hospitals to promote health and well-being amongst staff. Approximately 500 staff participated and gained from complimentary doctor consultations, medical testing and promotional offers on important health issues including cholesterol, blood pressure, breast cancer, cardiology and nutrition.

A two-day blood drive with Sheikh Khalifa Medical City was also organised as part the Health & Wellness Week. Approximately 105 participants donated blood to help save lives.

OHSAS 18001

Abu Dhabi Commercial Property (ADCP), a subsidiary of ADCB, was awarded with the OHSAS 18001:2007 Certification for 2017 by Lloyd's Register Quality Assurance (LRQA) Ltd., a leading international certification body, after months of concentrated efforts to implement initiatives to improve the health and safety conditions across their branch network.

ADCP joins our subsidiary Abu Dhabi Commercial Engineering (ADCE) which was awarded ISO certification in 2013 for OHSAS 18001.



GOAL: GENDER EQUALITY

ADCB's Tamooha initiative was launched in 2014 in line with the "Absher" initiative launched by His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the United Arab Emirates and Ruler of Abu Dhabi and Supreme Commander of the UAE Armed Forces, to enhance the participation of national citizens in the employment market. By providing a women-only workspace, telecommuting and part-time options for highly-skilled Emirati women, it is a sustainable and innovative way to contribute to the economic development of the UAE. It advances employment, culture and diversity across the Emirates by giving women the opportunity to join the workforce whilst meeting their everyday life responsibilities in an environment suited to their traditional values.

Tamooha was awarded the "Women in Leadership Achievement" under the category of best DNI (Diversity and Inclusion Initiative) at the Global Women in Leadership Economic Forum 2017, and received the Gulf Customer Experience Award in the category of "Innovative Approach to Emiratisation to Deliver Exceptional Customer Experience."

Tamooha now employs 144 UAE national women. The scope of the Tamooha programme expanded during the year to encompass a broader range of activities as part of an upscaling and cross-training transformation process.

ADCB also promotes gender equality at all levels of seniority. ADCB is one of the few GCC banks to have a female Board Director. Ms Aysha Al Hallami was appointed to the ADCB Board of Directors in 2013 and serves on the Board Audit & Compliance and Risk & Credit Committees.

At senior management level, ADCB is also one of the first banks to support UAE national female talent. Ms Siddiqi Abbas has held several senior level management positions, including General Manager of ITMAM, under which the Tamooha programme sits. Our efforts towards empowering local female talent have been recognised externally—in 2017 Ms Abbas received the "Best Initiative Award" at the Global Women in Leadership Economic Forum.

Approximately 23% of our female staff hold senior management positions.

FEMALE STAFF HOLDING SENIOR MANAGEMENT POSITIONS

23%

TAMOOHA FEMALE EMPLOYEE HEADCOUNT

144

We continue to grow our commitment to this programme.



GOAL: INDUSTRY, INNOVATION & INFRASTRUCTURE

We support economic growth across the UAE by making responsible and efficient investments in infrastructure projects, by supporting business growth and by being a driver of financial services innovation.

The UAE Visions call for building a resilient infrastructure to support a more diverse and sustainable economy, while taking necessary steps to protect the environment. We support this vision by taking part in public-private partnerships that build energy, transport, telecommunications and technology assets.

Sharjah Multi-Fuel Waste-to-Energy Project

ADCB approved credit facilities of up to USD 75 million to finance the construction of a landmark waste-to-energy project in the UAE. Developed by Masdar in partnership



with Bee'ah, the Middle East's leading and award-winning environmental management company, this cutting-edge waste-to-energy plant in Sharjah expects to divert approximately 300,000 tonnes of solid waste away from landfill each year. This marks a significant contribution to Sharjah's effort to reach its "zero waste-to-landfill" target and the UAE's goal of diverting 75% of waste from landfills by 2021.

National Central Cooling Company PJSC (Tabreed)

Tabreed is the region's leading district cooling utility company, and a key part of the district energy systems that are the foundation of sustainable economic and urban development in the UAE. ADCB has been actively supporting Tabreed's growth over the past decade. In 2017, ADCB contributed 40% of the facility amount, in a AED 1.513 billion 10-year Islamic finance facility, which was used to refinance a portion of Tabreed's existing debt and to fund capital expenditure on the construction of additional district cooling plants on behalf of the Government of Abu Dhabi.

With a longer lifecycle and long-term service contracts, district cooling offers unparalleled economies of scale for customers while delivering a cleaner, greener solution, offering:

- Up to 50% less electricity consumption vs traditional cooling or heating systems
- Reduced CO₂ emissions as a consequence of lower energy consumption
- Longer equipment life (district cooling facilities need to be replaced only every 30 years compared to 15 years for traditional air conditioning)
- Greater reliability and substantially lower annual costs.

SMEs

Our Wholesale Banking Group supports economic growth by helping clients to achieve their business goals. In the past two years, we have maintained our support for small and medium-size enterprises (SMEs) at a time when other banks have pulled back. In 2017, the size of our borrowing customer pool for working capital facilities grew by 21%. SMEs are recognised for their strong contribution to economic growth.

GOAL: CLIMATE ACTION

We seek to reduce our impact on climate change by improving efficiencies in energy and resource consumption across our operations. We measure our resource consumption and reduce it in a variety of ways. Similarly, we measure and report our greenhouse gas emissions and our natural resource consumption. Initiatives taken in recent years include the installation of water saver washers, installing light sensors that switch off when people leave the office, managing office temperatures more carefully (especially in off-peak hours) and installing LED lighting in all new projects. We also have a waste recycling programme for paper, cans, plastic and electronic waste, paperless processes in many business areas, and an active e-statement programme.

Our property development and management subsidiaries, Abu Dhabi Commercial Properties (ADCP) and Abu Dhabi Commercial Engineering (ADCE), where environmental impacts are more material, have undertaken numerous initiatives to manage their footprint:

- ADCP has an ongoing agreement with GE's energy start-up Current, powered by GE, to increase energy efficiency throughout the projects ADCP manages. In 2017, ADCP commenced installing LED lighting fixtures across all of its offices and branches.
- ADCP introduced a waste management programme across its portfolio in 2016. By the end of 2017 the programme was well into implementation across over 2,100 properties under management, along with a complementary awareness campaign at all ADCP-managed properties.
- ADCE has integrated environmental practices into its management systems through ISO 14001.
- Construction waste segregation for concrete and wood was introduced in 2016 by ADCE.



PARTNERSHIPS FOR THE GOALS

ADCB partners with other organisations to pursue our sustainability strategy. In addition to those already mentioned in this report, ADCB has nurtured a partnership with Emirates Wildlife Society-WWF (EWS-WWF)—a non-profit organisation driving positive change to conserve the natural heritage of the UAE—supporting them at the highest Platinum and Pearl levels since 2012 to preserve the environment. In 2017, ADCB raised over AED 350,000 for EWS-WWF through ATM and internet banking donations.

In 2017, as part of 'The Year of Giving' declared by the President of the United Arab Emirates, His Highness Sheikh Khalifa bin Zayed Al Nahyan, and the environment endowment initiative launched by The Mohammed Bin Rashid Global Centre for Endowment Consultancy (the MBRGCEC) and EWS-WWF, ADCB was recognised for our continuous support to the sustainability vision of the country, and was granted the Dubai Endowment Sign by the MBRGCEC.



ADCB's commitment to sustainability will see our sustainability framework continue to take shape, by investing in our communities to promote their well-being and by managing our businesses to contribute to UAE economic growth.

Care

Care is a value that is embedded into the cultural fabric of the United Arab Emirates. Whether it is healthcare or hospitality; caring for residents, citizens, and visitors is central to the essence of the country.

