

SUSTAINABILITY REPORT 2010

Holding Ourselves Accountable

About This Document

Welcome to our second annual National Bank of Abu Dhabi (NBAD) Sustainability Report, entitled "Holding Ourselves Accountable".

This report particularly addresses the progress on our sustainability commitments published in the 2009 report relating to the environmental, social and economic issues most material to our business. The scope of our reporting includes data and activities from NBAD Group businesses in the United Arab Emirates (UAE) and covers the financial year ending 31 December 2010. All commitments made pertain to 2011, unless otherwise stated. For more information on our reporting process and parameters, please see Appendix C.

This report uses the Global Reporting Initiative's (GRI's) international guidelines and the Financial Sector Supplement as guidance for sustainability reporting.

We self-declare the report to meet GRI Application Level B. An index listing the GRI indicators that are included in this report can be found on pages 91 & 92.



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A Message from Our Chairman

The global recession has been deep and painful; leaving no market or business untouched, and yet, in the eye of the storm, new opportunities were exposed, changing the way we think, and encouraging innovation and creativity.

At National Bank of Abu Dhabi (NBAD) we are acutely aware that 2010 was a challenging year across all business sectors and particularly for our customers and the communities in which they live. The markets give every indication that the financial and economic challenges of 2010 will remain throughout 2011 but we are well set to continue our strong growth and profitability, and remain a stable institution that our stakeholders can rely on over the long-term.

Reactivating Trust

Despite the challenging business climate, we have not been forced to lose any of our people, and as we continued to expand into new regional and international markets we worked hard to build trust and confidence to retain our 'licence to operate' and retain the loyalty of our employees.

Beyond regulatory approval, we seek to reactivate trust in the global banking sector – accountability, transparency and integrity, are the foundations upon which we continue to embed sustainability into the core of the Bank and our Group businesses, wherever we seek to do business. It is this commitment to sustainability that will open doors, strengthen our reputation, position us as an employer of choice and allow us to take advantage of new opportunities arising from our growth and expansion across the region and the globe. As if to confirm our commitment, Moody's rated us as the highest in Bank Financial Strength Rating (BFSR), in the UAE, demonstrating our long established strategy of organic growth in both domestic and international markets, while reinforcing the strength of our brand name.

"We worked hard to build trust and confidence to retain our 'licence to operate' and retain the loyalty of our employees."

We consider ourselves leaders in the UAE economy, seeking new ways of thinking and embracing change. Investment in growth and innovation will sustain real competitive advantage for us – our commitment to being a sustainable bank is how we will achieve this.

Supporting the Wider Vision

Looking forward, our strategic vision for 2011 is "Supporting the Abu Dhabi 2030 Vision". At this time of economic challenge we are deepening our strategic alignment and support for objectives of the Abu Dhabi 2030 Vision, as well as communicating our commitment to our stakeholders.

We have made a good start in delivering on our pledge and in this report we are reporting against 10 objectives which our Sustainability Stakeholder Group identified as most material to our business in a sustainability context.

We have the strategic advantage of being located within Abu Dhabi, and recognised as its Number One Bank, as well as having strong relationships with the government, key corporate entities and the community of Abu Dhabi.

We are proud to play a significant role in achieving the emirate's vision and therefore contributing to the long-term prosperity of the UAE as a whole.

HE Nasser Ahmed Khalifa Alsowaidi
Chairman



A Message from Our Group Chief Executive

In 2009 we shared our commitment to embark on our sustainability journey. We took time to assess carefully our path towards sustainability and identified the six priority areas of our Sustainability Framework. In this, our second sustainability report, we give an account of what we have achieved towards the commitments we made last year, and hold ourselves accountable to reinvest and refocus efforts to deliver fully on our promises.

At the same time we recommit to our Sustainability Framework which will guide our journey in 2011. At our Strategy Away Day in October 2010, the leadership team took the opportunity to refresh our vision, mission and values. We agreed that our vision must reflect our existing profiles as Abu Dhabi's flagship banks and our strategic growth ambitions across the MENA region and beyond. Our vision statement is, **'To be recognised as the World's Best Arab Bank'**.

Our commitment to this strategic vision will guide our actions and decisions every day. We will continue to invest in key initiatives, which will strengthen our sustainable success. We are not interested in quick wins – we seek enduring returns for all our shareholders, customers, staff, partners, and the wider communities in which we operate.

As we move forward, the six priority focus areas of our Sustainability Framework will be embedded into the way we do business; we will ensure that all our internal stakeholders understand how they are interlinked while strengthening our relationship with our customers.

By placing our customers at the heart of our business, and focusing on their long term success, we become the trusted business partner and bank of first choice; constantly raising the bar in service performance and delivery to be 'best in class'.

"We will continue to improve and enhance our economic, social and environmental impacts which are vital to our long term success."

'What gets measured gets delivered', so to help us deliver our strategic ambitions we have developed a Balanced Scorecard and identified three main themes for 2011 – Growth, Strength and Productivity. These three themes will be supported by 22 key performance indicators which are integrated into the performance objectives of the senior leadership team. We will review progress quarterly to ensure that we remain on track for successful delivery.

Sustainable performance can only be achieved by building and embedding a performance culture across the bank and, in 2011, the senior leadership team will lead through example.

Michael H. Tomalin
Group Chief Executive

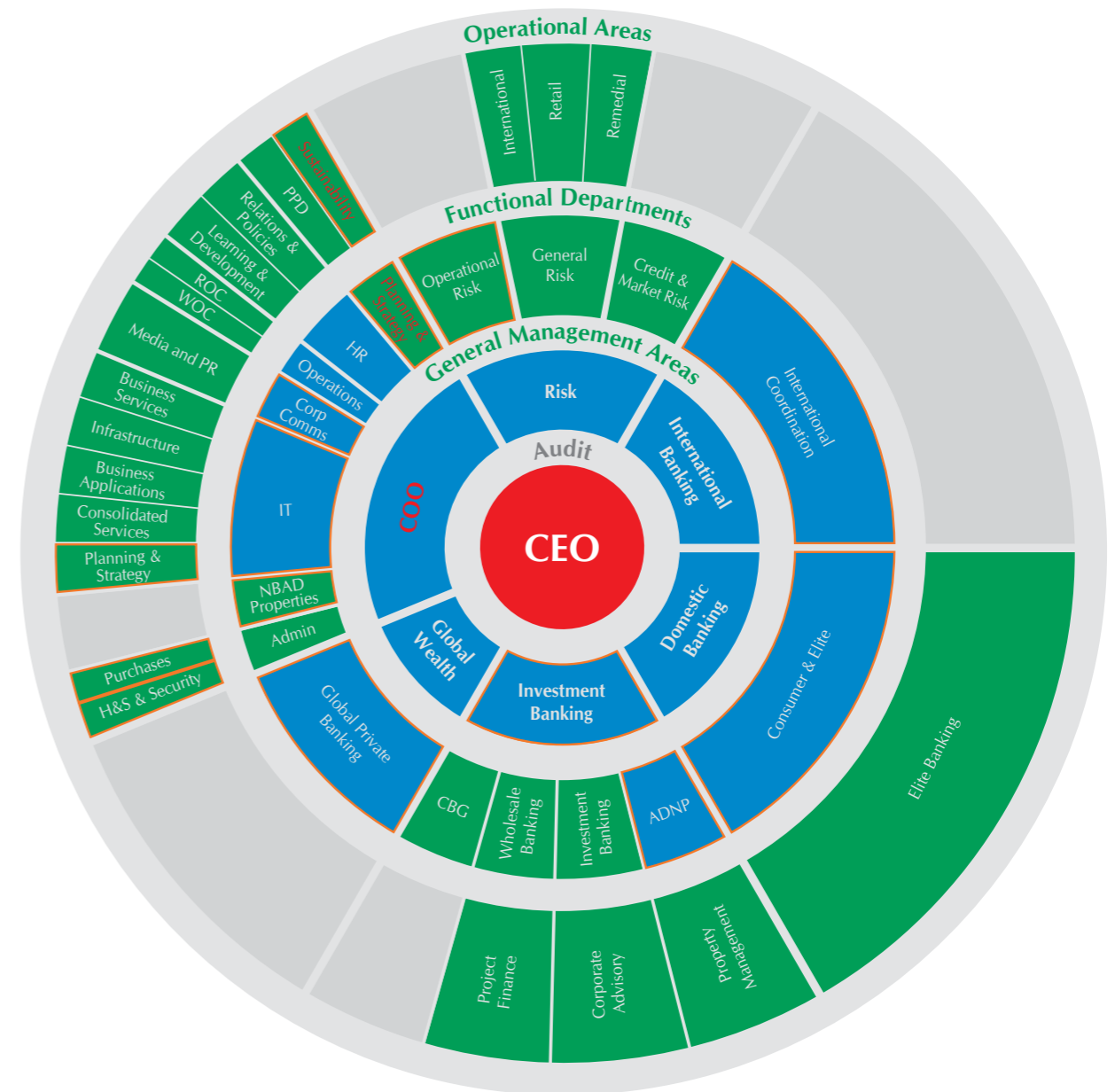
Who We Are

In the 42 years following the foundation of NBAD, Abu Dhabi has advanced to become one of the most important frontier markets in the world. The Bank has grown with the Emirate and the country, and since 1999 has experienced average annual growth of 23%; our annual net profit grew ten-fold over the decade and the branch network expanded from 48 to 112 at the end of 2010. Internationally we operated in 12 countries outside the United Arab Emirates (UAE), and by the end of last year our international network consisted of 49 units in key financial centres.

We have been able to grow our business because of the people we employ and who work in the branches, manage the systems, develop the brand, expand the network and lead the business. Our employee base of 69 nationalities in the UAE is diverse and we see this directly contributing to positive customer relationships as the diversity of our employees helps us understand and meet the needs of our customers across the world.

As we enter new markets and strengthen our regional presence, we continue to implement internal organisational changes that support this growth. In 2010, the Audit and Compliance functions separated into two distinct Divisions of the Bank. The Business Planning and Strategy department has expanded to include ownership of our Policies and Processes Management, and significant changes have taken place within Business Banking Group, which was formerly known as Commercial Banking, and now handles our small and medium enterprise business. In 2010, we were recognised as one of the World's 50 Safest Banks for the second consecutive year (read more about this prestigious award on page 35).

Sustainability Representation in NBAD Departments



Sustainability is embedded through the organisation via our Sustainability Stakeholder Group (SSG) members and our Sustainability Champions.

The chart shows in which departments our representatives are currently stationed (either an SSG member represented by an orange outline, or a Champion with a green fill) and their reporting line back to the very top management.

We will be working to increase the coverage to as many departments, as well as branches, as possible during the coming year to create a breadth and depth of Sustainability knowledge and representation.

GM areas not yet represented:

- Economist
- Financial Markets
- Legal
- ADNIF
- Northern Emirates
- Compliance
- Governance

Key

- Sustainability Stakeholder Group Member
- Sustainability Champion

Our Group Network



¹Private Banking Subsidiary

²Subsidiary incorporated in the Netherlands Antilles

Growth in 2010

JORDAN: Entering the Levant

We opened our first branch in Amman in February 2010 setting the stage for increased business in the surrounding countries and further expansion specifically in the Levant region. The Jordan branch will serve as our base to develop business in Iraq and the wider Levant. We plan to extend our network in Jordan to six branches by 2014.

EGYPT: Our Largest International Market

We have the largest network among international banks in Egypt, and opened our 28th branch in early 2010 in Cairo. We opened our first overseas branch in Cairo in 1975. Since then Egypt remains an important market for us, as can be witnessed by our growth and future plans of expanding to 50 branches over the next few years. NBAD has become an established brand in the Egyptian market.

OMAN: Growing with our Neighbours

In June 2010, as the only UAE bank to operate in Oman, we opened our eighth branch in the Sultanate. We have been expanding in Oman since opening our second branch in the country in 2006. We have set a goal to double our presence in the Sultanate to 14 branches by 2014 to keep pace with the economic development of the country.

DUBAI: Greater Domestic Accessibility

In May 2010, we opened two new branches in Dubai. One in Dubai's prime industrial locations of Al Quoz and the other in Al Muraqqabat in Deira bringing the total of our branches in the Emirate of Dubai to 13. The expansion of branches domestically is essential to our commitment to provide easily accessible services to the wider UAE population.

JORDAN: Entering the Levant

Our entrance into Malaysia, Syria, Lebanon and expansion in China to include a presence in Shanghai is expected in 2011 as we expand beyond the region and increase our international presence and global reach.

In the News

Fitch Affirms NBAD's Strong Credit Rating

The individual rating reflects our strong domestic franchise, consistent profitability, relatively conservative risk profile and low funding costs, and its close link to the Abu Dhabi government which benefits its lending and funding profile.

NBAD and Global Fund Sign MoU to Launch Socially Conscious ETF

We signed, together with the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund), a Memorandum of Understanding to launch an ETF and list it on the ADX.

NBAD Surpasses Emiratisation Goals

We had planned to recruit 300 UAE Nationals during the year, to increase Emiratisation to 38%, but surpassed our target, achieving 39% Emiratisation in 2010.

NBAD's Contribution to Higher Education Rewarded

We received a commemoration for our financial and strategic contributions to the Higher Colleges of Technology's (HCT) programmes to strengthen higher education and the development of national human resources.

NBAD and ADX Launch and List the First ETF in the Region

Together with the Abu Dhabi Securities Exchange (ADX), we launched and listed the first ever Exchange Traded Fund (ETF) in the Gulf Region. The new fund, NBAD OneShare Dow Jones UAE 25 ETF, was listed on March 25th.

NBAD Launches Environmental Programmes

We initiated a series of environmental campaigns in 2010 to encourage and promote methods and practices that protect the ecosystem.

NbadOnline customers reach 100,000

In the third quarter, more than 100,000 customers were registered on NbadOnline, our online banking service. Profits increased 31% from the same period in 2009.

Lulu Exchange and NBAD Launch Co-branded Payroll Card

Over 700 companies have signed up to supply employees with My Card since the launch of this co-branded payroll card, a first in the UAE. The card is expected to be issued to tens of thousands of employees in 2011.

Awards in 2010

World's 50 Safest Banks

We were recognised for the second consecutive year with this prestigious rating. We are the only UAE Bank on the list, and one of two banks from the Middle East.

Best Bank in the UAE

Euromoney recognised us with this award for the fourth time in the past decade, and second time in a row.

Most Outstanding Performance Award in the UAE

We were awarded the Dubai Chamber of Commerce and Industry Most Outstanding Performance and Best Performance in the Finance Category at the fifth Mohammed bin Rashid Al Maktoum Business Awards.

Best Financial Information Website in the GCC

We were ranked as the website leader in transparency and disclosure by an annual survey conducted by Hallvarsson & Hallvarsson's web-ranking evaluation.

Money Laundering Reporting Officer of the Year award

"Highly Commended" 2010 Money Laundering Reporting Officer of the Year award at the 4th annual Regulators Summit.

Best CSR Programme in the Middle East

We received the emefinance award for the Best CSR Programme in the Middle East after the release of our 2009 Baseline Sustainability Report.

Lifetime Achievement Award for NBAD Group Chief Executive

Banker Middle East Magazine awarded our Group CEO, the Lifetime Achievement Award.

FIG Deal of the Year for the Middle East Region

The Banker Magazine, published by the Financial Times Group, selected our USD 850 million (AED 3.12 billion) fixed-rate notes as the deal of the year.

Best Emiratisation CEO Award

The Emirates Institute for Banking and Financial Studies (EIBFS) awarded the Best Emiratisation CEO Award in the Banking Sector to our Group CEO.

GCC Compliance Award

Compliance Training program recognised for effective implementation by Thomson Reuters and Complinet at GCC Compliance Award.

"NBAD's vision is to be the most recognised Arab Bank. Winning prestigious awards encourages us even further to leave no stone unturned in meeting and surpassing the expectations of our customers and stakeholders to be recognised as the World's Best Arab Bank."

Michael H. Tomalin
Chief Executive, NBAD Group

Message from the Senior Manager, Corporate Sustainability

In 2010 we made some great sustainability achievements, including:

- Election to the Abu Dhabi Sustainability Group General Secretariat and co-chair of one of the flagship task forces on Labour Practices
- Accepting an invitation to join the regional Arab Sustainability Leadership Group
- Receiving the emefinance Middle East Banking Awards 2010 (Pan MENA – Best CSR Programme)
- Launching a socially responsible exchange traded fund

There will always be more to do, however, because sustainable business at the Bank is not about PR and it is not an irrelevant 'add-on'. What it means to us is a strategically successful way of choosing to do business.

When I joined NBAD in 2007, the Bank was moving from charitable, philanthropic and social activity to an early understanding of how sustainability management would have a much greater impact on business value.

In 2009 things changed significantly and quickly, in one afternoon, our Strategy Committee unanimously agreed that NBAD would become a sustainable bank. As a result, the then Corporate Social Responsibility Team, was integrated into the Business Planning & Strategy Department, our focus became strategic and our path was set.

Our founding membership of Abu Dhabi Sustainability Group and our role on the General Secretariat has made us accountable to the economic, social and environmental development of Abu Dhabi. We publicly committed to issuing a sustainability report and as reflected in our report title, "Holding Ourselves Accountable", I see this second report as even more important than our first as we are now reporting against the commitments we established in 2009 and our progress in contributing to the Abu Dhabi Economic Vision 2030. Our report is an excellent tool to help us raise the bar and push ourselves towards even better performance. It also reveals areas where we have to do better.

Belinda Scott
Senior Manager, Corporate Sustainability

Our accountability extends to our people, and we made a point of asking all our employees to tell us about the sustainability issues that are of most concern to them. They were more than ready to share these with us. We talk about some of them on page 17.

The growth of NBAD means we are now serving more diverse markets. The challenge is not to lose sight of what matters to our stakeholders wherever we conduct our business. In 2009, we began to build sustainability momentum using the six priority focus areas of our sustainability framework and established an internal Sustainability Stakeholder Group to guide us.

The goal of the sustainability team during 2011 is to help NBAD to sustain and increase the momentum of our sustainability journey as we invest for the future.

"Investing in our future. We are committed to doing business in a responsible way by dealing with our customers, investors and other stakeholders honestly and fairly, by valuing our employees, by being accessible and responsive to the communities where we do business, and through careful environmental stewardship."

NBAD Sustainability Policy



Our Sustainability Strategy and Framework

Our Stakeholders

We have a number of stakeholders that can impact us and are impacted by our operations; these include our shareholders, investors, regulators, our employees, our customers, the environment, the community, the government, our partners and our suppliers.



Determining Material Issues

To read more about how we developed our sustainability strategy and framework, please refer to our baseline 2009 Sustainability Report. www.nbad.com/bank/csr/

Our Priority Focus Areas

In 2009 we prioritised six focus areas based on the issues most important to us and to our stakeholders. These issues and priorities remain the same and will continue to guide us as we continue to integrate sustainability throughout the Bank.

Material Issues	Relevant Stakeholders	Priority Focus Areas
Strong Financial Performance, Shareholder Returns	Investors and Shareholders, Employees, Regulators and Society	Economic Performance
Governance, Transparency and Accountability, and Tackling Financial Crime	Investors and Shareholders, Employees, Regulators and Society	Embracing New Accountability Realities
Training and Education, Emiratisation, Salary & Benefits, Health and Safety, Diversity and Equal Opportunity	Employees	Investing In Our People
Water Consumption, Energy Consumption, GHG Emissions, Paper Use and Waste	Investors and Shareholders, Employees, The Environment	Environmentally Smarter
Responsible Lending and Investing, Product and Service Innovation, Quality Services and Customer Satisfaction, Financial Inclusion, and Product Responsibility	Customers, Investors and Shareholders, Regulators	Product & Service Quality and Innovations
Creating Outstanding Relationships with our Stakeholders such as our Business Partners, Suppliers, and the Community	Partnerships, Suppliers, Community	Outstanding Relationships

Our Sustainability Framework

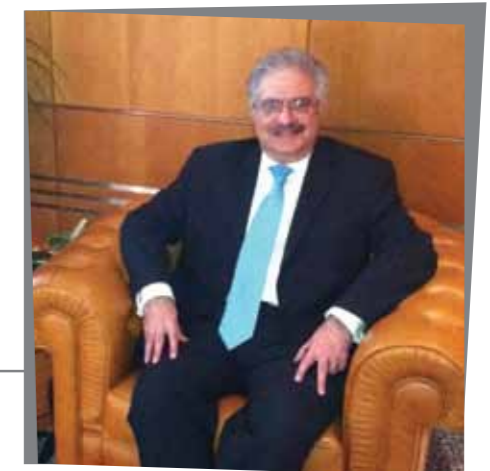
Our sustainability framework captures our priority focus areas and demonstrates their interdependence.

Throughout this 2010 report, you will find examples of how we are addressing our priority focus areas in our 'Insight' articles. With full integration of sustainability in mind, our initiatives often address more than one focus area. As an illustration, each 'Insight' article uses our sustainability framework to demonstrate our impacts in these areas.



"Being a premier financial institution of paramount importance within the Arab World, NBAD's commitment to sustainability is a major achievement in itself. Furthermore, our strategic goals are aligned with Abu Dhabi's vision towards attaining successful long term benefits in economic, environmental and social terms; this is an achievement all NBAD colleagues should be proud of."

Jal Noshir Bharucha
 Head of Planning and Administration Private Banking UAE
 Sustainability Stakeholder Group Member



Our Employees' Sustainability Concerns in 2010

Engaging our employees is a top priority at NBAD. In 2010 we reached out to our employees to understand and address their sustainability concerns. Here is what some of our employees had to say:

"I would like all our stakeholders to see NBAD's efforts to support sustainable projects in the region; see our answers on page 24"

Sebastian Frederiks
Head of Corporate Coverage
Northern Emirates, Financial Markets Division



"We have to encourage staff to familiarise themselves with sustainability. I would also like to see solar power introduced to the bank." (see page 46 for sustainability training, and page 69 for our R&D into utilising solar power)

Nazar Mohaidin
Operations Manager,
Nakheel Branch, Ras Al Khaimah

"For me it's our direct impact on the environment from an energy and water usage perspective. What are we doing to encourage recycling of waste water and utilising recycled paper? How has our resource usage changed over time per capita? Do we have targeted lending criteria for sustainable projects such as the work going on in Masdar City?" (see pages 59-62 & 69)

Mark Watts
Head of Fixed Income,
Asset Management Group



"I would like to see some practical tips on how we (as individuals) can lessen our environmental impact at home or in the office." (see the inside back cover of this report)

Milad Obeid
Manager, Advertising and Communication

"There is a strong need for sustainability objectives/programmes to be rolled out to the overseas units as well. We should take the first step and at least formulate some plan for 2011." (see page 37 for our commitment to expanding our sustainability programme)

Raheel Khan
Financial Controller,
NBAD Retail Bank, Bahrain

"We always hear about climate change and NBAD's contribution to society. However, we do not hear enough about employee engagement (see page 41 & 48), responsible lending practices (see page 69), and the development of sustainability related financial products (see page 70). I am looking forward to the opportunity to participate in future workshops on these issues and in the development of new financial products."

Gurprasad K
Senior Operation and Administration Officer,
Corniche Branch, Abu Dhabi





OUR ECONOMIC PERFORMANCE

In 2010 We Said We Were Committed

To achieve an average return on shareholder funds of 20%

Achieved

Actual return for 2010 was 19.3%. This is in line with our medium-term strategic objective to maintain an average return of 20% over the full economic cycle

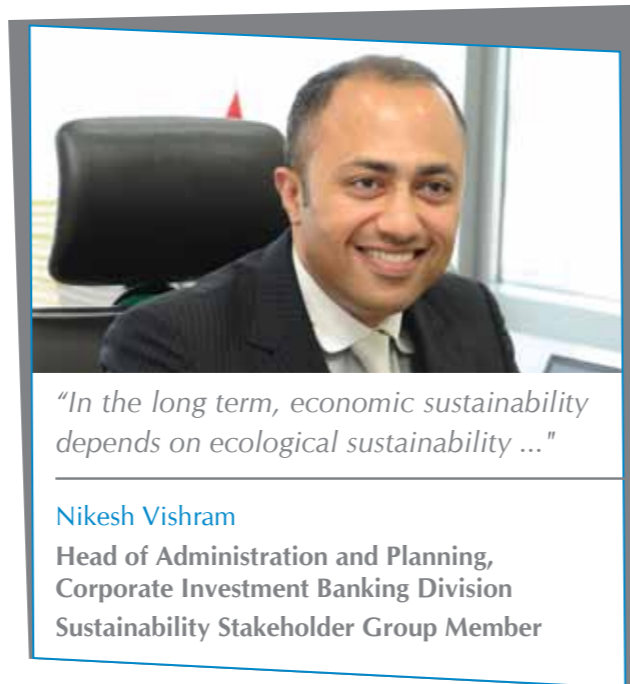
To report back on our contributions to 10 of the Abu Dhabi Economic Vision 2030 Objectives

Complete

At the first meeting of the internal Sustainability Stakeholder Group (SSG) in August 2010, we decided the 10 objectives which we would report on in our 2010 Sustainability Report. We provide a full overview of our performance against these objectives later in the report. Read more on page 22

In 2010, the sovereign debt crisis in Europe renewed concerns for the global economic outlook and the stability of banks. Despite this, we continued our strong growth trajectory, achieving record-breaking profits in 2010. This achievement is significant especially when considering the performance of our peers across the sector. In 2010, we achieved a 19% return on equity for our shareholders. This is in line with our medium-term strategic objective to maintain an average return of 20% over the full economic cycle.

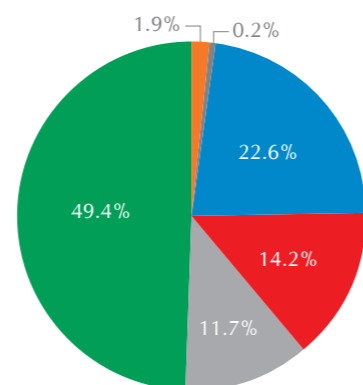
Last year, we predicted that 2010 would be another difficult year for banking but, while the markets were tough in 2010, we earned profits of AED 3,683 million, achieving a 22% growth from 2009. As other banks continue to recover from the global financial crisis, we are well-positioned for healthy growth in the coming years, with capital ratios well above UAE Central Bank minimum requirements and the proposed Basel III guidelines. Further details on our financial performance can be found in the 2010 Annual Report.



Key Financial Features

KPI	2010	2009
Global Net Profit (AED million) <i>*includes UAE figures (this is overall figure)</i>	3,683	3,020
Diluted Earnings per Share (AED)	1.40	1.18
Customer Deposits (AED billion)	123.1	115.6 ³
Customer Loans (AED billion)	136.8	132.3
Overseas Units	49	45
Return on Shareholders' Funds (%)	19.3%	19.3%

Contribution to Fy'10 Operating Profits



- Domestic Banking
- Financial Markets
- International Banking
- Corporate and Investment Banking
- Islamic Banking
- Global Wealth

³Figure for customer deposits in 2009 excludes AED5.6bn of Ministry of Finance deposits converted into Tier-2 capital in Q1 2010. Management Discussion and Trading Statement for the financial year ended 31 December 2010.

Our Alignment with Abu Dhabi's Economic Vision 2030

The Abu Dhabi Economic Vision 2030 is a 20-year roadmap set out by the Government of Abu Dhabi in an effort to achieve effective economic transformation across the Emirate. The Economic Vision uses the Government's policy agenda as a guideline, which focuses on four key priority areas:

- (1) Economic development;
- (2) Social and human resource development;
- (3) Infrastructure development and environmental sustainability; and
- (4) Optimisation of Government operations.

Economic Diversification is fundamental to the Government seeing performance gains across its priority focus areas. The Economic Vision 2030 was the first of the 2030 plans to be publicly released, further illustrating its importance to the fabric of Abu Dhabi's Vision 2030.

The Economic Vision identifies 30 strategic objectives, of which NBAD reported 23 opportunities for alignment. As one of the first commitments made in the baseline sustainability report, the Sustainability Stakeholder Group (SSG) reviewed all 30 objectives of the Abu Dhabi Economic Vision 2030 and selected 10 to report back on in this year's report. The following are the 10 objectives selected.

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How NBAD Supports the Economic Development of Abu Dhabi

1. Enhance Competitiveness

We are supporting the Abu Dhabi Government to enhance competitiveness in the Emirate in three ways. Firstly, we are demonstrating leadership in both Emiratisation rates and through the creation of a culture of learning and education. Our efforts in these areas improve the employability of nationals while enhancing the productivity and competitiveness of the workforce in general.

Secondly, we play a major role in supporting and financing key projects in different economic sectors across the Emirate to help achieve the Abu Dhabi Vision 2030. In 2010, we were appointed as the financial adviser to Abu Dhabi Ports Company (ADPC), a coveted position following a tender involving several global institutions.

Finally, we have a core mission to support events, activities and projects that contribute to the development and promotion of Abu Dhabi. This mission underlies our decision to sponsor the Yas Marina Circuit and the Formula 1 (F1) Races, the largest financial contribution we have ever made for a single sponsorship. We consider ourselves a core part of the DNA of Abu Dhabi and firmly believe that our achievements are intrinsically linked with the success of the emirate. We are committed to supporting projects which promote the emergence of Abu Dhabi as a premier destination for cultural events and a flourishing hub for business.

In 2010, we organised and sponsored a number of events which contributed to the competitiveness of Abu Dhabi and the UAE. On home soil, we organised the four-day Global Financial Markets Workshop for the second year. More than 190 of our investors and partners attended presentations, panel discussions and workshops on important financial topics including Islamic Finance and investment opportunities in the GCC.

The event is organised by our Financial Markets Division in partnership with corporate partners Thomson Reuters and Bloomberg.



"Since its inception in 1968, NBAD has played a significant and leading role in the economic development of the UAE and other countries where we operate. Our aim is to bring world-class leaders within the reach of the UAE community, and to create a forum for knowledge-sharing and enlightenment."

Abdulla Ghobash
Regional Manager, Northern Emirates

In Ras Al Khaimah, we sponsored the Global Arab Business Meeting which was attended by CEOs of the world's leading companies. The Global Arab Business Meeting is the foremost annual gathering of Arab business leaders and their global counterparts – supporting Arab companies to increase their global outreach, influence and prestige.

We were also a lead sponsor at the Abu Dhabi Economic Forum which attracted hundreds of investors from more than two dozen countries. Through the newly restructured Business Banking Group, we were also the main sponsor of the National Exhibition for Small and Medium Enterprise (SME). SMEs are one of the fastest growing segments in the UAE market, contributing over 45% to the UAE's GDP. The development of a national plan in 2011 for SMEs to play a bigger role in fuelling economic growth is a strategic goal for governmental and semi-governmental organisations in the UAE.

Abroad, we sponsored the Abu Dhabi and China Economic Forum held in Shanghai. The forum highlighted increased economic and commercial opportunities and partnership between Abu Dhabi and Chinese entities. Sponsoring these types of forums helps to highlight Abu Dhabi's importance and potential to influence the global economy.

2. Increase Financing of Economic Sectors and Projects

We have received recognition from prestigious international publications for a series of project-financing deals where we have played a leading role in facilitating their execution. These projects also play a critical role in developing the Emirate in line with the Abu Dhabi Vision 2030.

Enhancing Economic Stability in the UAE

We supported the GCC Mutual Fund Industry Survey 2010, which aims to provide greater information on the industry to the marketplace, and thus, contribute to the financial sector development. The 227-page survey provides in-depth data and analysis of the GCC's nascent fund industry.

Dr. Giyas Gökkent, our Group Chief Economist and author of the Survey, noted that "policymakers in a number of GCC member states have identified asset management as a focus sector in the development of their economies". The survey aims to provide a description of the 'visible universe' of the GCC mutual fund industry to seed interest and bring together various entities that have a stake in the industry.

The survey will help drive growth in one of the 12 key focus sectors of the 2030 plan and NBAD is committed to using its resources to keep all of its stakeholders informed. The survey can be found on NBAD's website⁴.

Abu Dhabi Ports Company

In July 2010, we were appointed financial adviser to Abu Dhabi Ports Company (ADPC). This position followed a competitive tender process involving

several global institutions. In our role as financial adviser, we will support ADPC to structure and execute its long-term financial strategy as it seeks to deliver the landmark Khalifa Port and Industrial Zone (KPIZ) project.

KPIZ will commence operations in 2012 and plans to become one of the largest integrated industrial zones in the world by 2030. KPIZ will comprise 420 square kilometres of prime industrial land organised into vertically integrated clusters for aluminium, petrochemicals, glass, paper, and other major sectors. It will consist of a new world-class multi-purpose offshore port which will have a capacity of 15 million TEUs (Twenty Foot Equivalent Units) of containers and 35 million tonnes of general cargo.

Lending a Hand to Bring Natural Gas to the UAE

We agreed to a \$4.1 billion financing deal with Dolphin Energy which will provide funds for the construction of 364 km of pipelines to bring natural gas from Qatar to Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Fujairah and Oman. We are the largest provider, and served as the facility agent, in the execution of this package which involved 25 banks.

EuroMoney, a London-based publication that covers international capital markets, ranked the US\$4.1 billion financing to Dolphin Energy as the Middle East Oil & Gas Deal of the Year 2009. Another London-based publication, Global Trade Review, selected the same deal as one of the Best Deals of the Year 2009.

Other Award Winning Project Financing Deals

Zayed University Public-Private Partnership

We were recognised for the second consecutive year with this prestigious rating. We are the only UAE Bank on the list, and one of two banks from the Middle East.

2nd Independent Sewage Treatment Plant

We received the emefinance award for the Best CSR Programme in the Middle East after the release of our 2009 Baseline Sustainability Report.

⁴www.nbad.com/economic/countries/gcc_mf_industry_survey2010

3. Stimulate Faster Economic Growth in Remote Regions

We are eager to stimulate faster economic growth in the country's remote regions, and we contribute in a number of ways, many of which were outlined in our 2009 Baseline Sustainability Report. Initiatives include monitoring the percentage of ATMs and branches established in geographically remote and economically disadvantaged areas – in 2010, 17% of branches and 23% of ATMs were placed in such areas.

We have developed various products and services including online banking, mobile banking, and the provision of banking services to non-NBAD customers for bill payments and charity donations. The Ratibi payroll card has been considerably successful; provided free of charge and created primarily for migrant workers to support the Ministry of Labour to monitor that fair wages and timely payments were being made by companies in the country.

"NBAD offered financing for mega projects during the peak of the global financial crisis, reflecting its strong position even during the most troubled times for financial institutions. The accolades and awards we have received also confirm NBAD's commitment to serving and building Abu Dhabi and the wider UAE nation by supporting milestone events and financing projects in different economic sectors."



Mark Yassin
Senior General Manager
Corporate & Investment Banking

How NBAD Supports the Economic Development Of Abu Dhabi

4. Equip the Emirate's Youth to Enter the Workforce

We have developed and implemented the Watani UAE National Development Programmes, which aim to ensure success for UAE Nationals wishing to pursue a career in the Financial Services industry.

5. Maximise Participation of Women Nationals in the Workforce

In 2010, the number of female UAE Nationals at the bank grew by 15% to 490.

6. Attract and Retain Skilled Workers

See "Attracting, Developing and Retaining the Brightest" on page 45 to see how we develop our employees and create employee satisfaction and loyalty.

30 years and counting

Nabawia Osman
Manager of HR Information Systems
and Vice President
35 Years with the Bank

"I feel NBAD is my life. I never thought about searching for another job. I have received calls from companies in Abu Dhabi and Dubai who want to recruit me, but I always told them 'Thanks but I'm not interested.' NBAD was my first job in the UAE and I will stay here until I retire."

Ahmed El Khalifa
Senior Manager, Banking Training
35 Years with the Bank

"I started my banking employment in the UAE with the best bank and it is still known to be one of the best in terms of recognising and appreciating its staff. It's difficult to imagine working anywhere else. Changing to another employer is equivalent to lowering my standards."

Rajkumar Bhatia
Senior Retail Sales Manager,
Main Branch, Abu Dhabi
32 Years with the Bank

"My career in customer services is an addiction. I enjoy it because it offers me a new experience every day, meeting different kinds of customers with different characters is a great way to learn."

New starts

Noura Al Salami
Analyst, Policies & Process Management
6 months with the Bank

"I'm pleased to join NBAD because it is known as the best bank in the UAE that cares for its national workforce. The Bank offers competitive compensation packages and the work experience is exceptional. It has all the elements of a healthy working environment: continuous learning, group work, CSR activities, etc. I enjoy being an 'NBAD-er' and working in my department."



7. Increase Participation of Nationals in the Workforce, Especially in the Private Sector

We have consistently exceeded government-set targets in Emiratisation. In 2010, we exceeded our own Emiratisation target by achieving 39%. In 2009, we were recognised for showing leadership in our contribution to the Emiratisation initiatives set up by the UAE Government. We were also awarded the Abu Dhabi Tawteen Council's Emiratisation Award 2009. In 2010, Michael H Tomalin, NBAD's Group Chief Executive, won the Best Emiratisation CEO Award in the banking sector.

"NBAD is committed to the development of national talent. We participate in and fully support campaigns and events that will help the education, development and increased recruitment of Emirati nationals in the field of banking."

Ehab Anis Hassan
Group Chief Human Resources Officer

8. Increase National Workforce Employability

Programmes such as those outlined in "Attracting, Developing and Retaining the Brightest" on page 45 develop our UAE nationals and support the development of a competitive workforce.

How NBAD Supports Infrastructure Development and Environmental Sustainability

9. Develop Efficient ICT Infrastructure and Increase Adoption

One of our key strategic objectives is to enhance our ICT infrastructure to increase internal efficiencies and deliver quality customer services. We launched an ICT project in 2010 to build a new data centre in Al Raha, Abu Dhabi and will be seeking to make the building and systems as sustainable as possible.

Externally, we have also been focusing on increasing the adoption and use of technologies, which will extend our reach to individuals who may not otherwise have access to financial services.

10. Promote environmental sustainability

We adopted environmental sustainability as a core corporate value several years ago as we concluded that encouraging, promoting and adopting environmentally responsible policies would serve our sustainability objectives and therefore impact the business bottom line and profitability.

In 2010, various campaigns were launched whilst educating our own employees on our first sustainability report released last year.



"It is hugely important to NBAD to support knowledge sharing and build awareness of the actions we need to take now to combat climate change. All of us have a responsibility to make a difference and the feedback we receive from staff and customers tells us that this is an area of significant importance to them."

Sally Paterson
Head of Business Planning and Strategy
Sustainability Stakeholder Group Member

In 2011 We Are Committed

- To achieving an average return on shareholder funds of 20%
- To reporting back on how we linked the Bank's corporate strategy to the Abu Dhabi Economic Vision 2030
- To increasing our global presence with four new international units

In 2010 We Said We Were Committed

To improve our process of understanding and enhancing our economic, social and environmental impacts

Continuing

By developing our sustainability strategy and framework, we have developed a year on year road map to understand, manage and enhance our sustainability impact with the aim to continue to improve our process of understanding and to do and achieve more. This will remain an ongoing commitment

To create an internal sustainability committee to monitor our progress on the adoption of sustainability management

Complete

We created the Sustainability Stakeholder Group

To produce an annual sustainability report to measure performance against commitments made

Complete

This report is our follow-up annual sustainability report. We will continue to publish a report annually

EMBRACING NEW ACCOUNTABILITY REALITIES

The Chief Risk Officer's Perspective on Risk

Banking is at its essence a risk business, but there are more risks than just the credit risk of lending money and the bank not getting it back on time as agreed – although it is this risk that consumes most of the attention of the newspapers and commentators. There are three other types of risk that need to be considered by any banker.

First, market risk – the risk that markets may suddenly change. Secondly, there is operational risk – the risk that, for one reason or another, one of the operations in the bank might fail with consequential damage for the bank or its customers. Third, there is reputational risk – the risk that the bank's reputation might be damaged by association with the wrong product, person, market or country.

The world is a riskier place than it was in the past and to reflect that the Bank's risk processes have been enhanced immensely. NBAD now has more than 85 people working in the Risk Management Division, with senior officers responsible for credit, market and operational risk, and someone within the team now responsible for quality assurance. But in fact, risk is part of all of our jobs, whatever we do in the Bank.

A branch manager, in a remote office opening a new account, has to consider reputational and operational risks; a foreign exchange dealer in a dealing room is constantly confronted with market risk; a corporate banker is responsible for his credit portfolio; and the senior management team is jointly and severally responsible for the risks entertained by the Bank.

Abhijit Choudhury
Group Chief Risk Officer

It is impossible to run a risk free bank because banking is a commercial enterprise and there is a reward for risk taken.

That said it is the skill and responsibility of Bankers to judge risk against reward. The Bank does expect to make credit losses and, unfortunately, from time to time, operational errors. It is the magnitude of these errors and losses that need to be measured against the reward of running the business. Some banks choose to operate at the higher end of the risk spectrum – a good example of this is bankers operating in the credit card business where the returns can be very high but the risks substantial.

NBAD has prided itself on being conservative, but still aiming to achieve above average returns for its shareholders. This is not always an easy task, but over the past 10 years or so we have managed to achieve returns on equity substantially above the average of our peers, because of our lower risk profile.

It is this successful management of changing risks over the long-term that has positioned NBAD amongst the 50 safest banks in the world.

Governance

Effective corporate governance is fundamental to success. We are governed by our Board of Directors, who are nominated and approved by NBAD shareholders. The Board comprises ten members, all of whom are male and non-executive, and two of whom were independent according to the definition of the term under the Ministerial Resolution No. 518 of 2009.

In 2010, the Board met five times. The Board's major responsibilities are reflected by our Board Committees, these include the Risk Management Committee, the Compensation and Nominations Committee, the Audit Committee and the Corporate Governance Committee.

The majority shareholder of NBAD is the Abu Dhabi Investment Council ("the Council"). It maintains a 70.48% stake and nominates board members pro rata to its shareholding. The Council nominated six members to the current board. Two independent members are nominated by the Annual General Meeting (AGM), while the remaining members are nominated by cumulative secret ballots from the AGM without the Council's participation.

Board members receive remuneration for their role where the proposed remuneration is determined through deliberations with relevant parties and presented by the Chairman to the AGM for approval by shareholders. Further details of our Corporate Governance activities are included in our Annual Report 2010.

Restructuring Audit and Compliance

The separation of Audit and Compliance is based on both a recommendation by the Abu Dhabi Accountability Authority and in line with best practice adopted by international banks. The Group Internal Audit role is to independently assess the adequacy of internal controls across our local and international operations and reports to the Board Audit Committee in this regard.

The Compliance function now reports directly to the Group Chief Executive, and is responsible for overseeing

regulatory compliance and monitoring compliance with Bank Policy. The two functions will continue to work closely together on assuring the shared strategic objectives of the Bank are achieved safely.

We recognise that the integrity of our own people is fundamental to the successful application of controls across our business and we continue to develop and enhance our policies and training programmes. Our Code of Ethics, Conflict of Interest, Prevention of Financial Fraud, IT Data Security, and Whistle-Blowing policies, of which the latter two were reviewed and improved in 2010, apply to all employees. Additionally, regular communications from our senior management remind our employees of our Code of Ethics and other Bank policies.

Our policies also provide specific guidance for Board members and staff members with regard to prohibitions on trading in NBAD-issued securities listed on the securities exchange during ban periods.

We are fully committed to fighting financial crime, and we take IT security and the prevention of financial fraud and money laundering very seriously. In 2010, 1003 employees were trained on anti-money laundering.

We aim to double this figure in 2011 to extend this training to all staff in the UAE. In recognition of our contribution to addressing the ever evolving challenges associated with new approaches to financial crime and fraudulent activity, Mohammed Al Haram, Head of Prevention of Money Laundering & Financial Fraud, Compliance Division, received the "Highly Commended" 2010 Money Laundering Reporting Officer of the Year award at the 4th annual Regulators Summit in Doha, Qatar.

Our Compliance Training program was also recognised for effective implementation by Thomson Reuters and Complanet at the second GCC Compliance Awards.

Guidelines have been issued in Abu Dhabi, to assist government entities and controlled companies, such as NBAD, to review, monitor and control the risks of involvement in acts of fraud, breach of trust, misappropriation, bribery, corruption and misconduct by insiders, clients and third parties. As part of this process we will be reviewing our management of these issues during the year.

Enhancing and Integrating Management Systems

Sustainability provides the opportunity to strengthen various systems through integration, while offering added value through the incorporation of the wider range of economic, environmental and social risks and opportunities in our business decisions.

Since the establishment of the SSG⁵ in 2010, a 15-member multi-stakeholder group comprising management representatives from our key functions, we have been able to better understand our economic, social and environmental impacts. From this newfound understanding several initiatives have been implemented, including the NBAD Greener Office Programme. Other initiatives such as solar powered ATMs and sustainable products and services are currently undergoing feasibility and pilot studies, and are expected to be introduced in 2011.

The dedication and collaboration of the members of the SSG is helping to bring us one step closer to effectively integrating the Bank's management systems.

"To support the Abu Dhabi 2030 Strategic Plan and achieve its vision to be the World's Best Arab Bank, NBAD has played a pivotal role in introducing healthy social and environmental systems to uphold sustainable economic growth in the UAE."

Dr. Abdul Karim Al Zarouni
Deputy General Manager & Chief Audit Officer
Member of the Sustainability Stakeholder Group



⁵Sustainability Stakeholder Group

Insight – The Role of Auditing in Corporate Sustainability

Whilst many people have a fixed and narrow view on the role of a Group Internal Audit function, I am a strong believer that this function, which interacts with all parts of the organisation in all countries, has a very important role in shaping the values and culture of the company. It is our responsibility to evaluate the risks and internal controls assigned to issues material to our business. It is also our responsibility to ensure the Bank's alignment to our corporate values and commitments. I believe that this practice can and should be extended into the realm of sustainability.

As identified in our 2009 Sustainability Report, 'Our Commitment', our six focus areas are firmly rooted in the material issues identified by our stakeholders. As part of our traditional auditing practices, we observe many of these issues including the detection and prevention of financial crime and ensuring our customers are treated fairly through a strong customer service culture. However, there is an opportunity for the Audit Division to play an important role in the identification, reporting and management of the risks, controls and governance pertaining to the integration of sustainability into the Bank's overall management systems.

Our commitment to sustainability is fully aligned with the Bank's overall strategy. Over the coming months and years, we will re-shape the Audit Division to be in line with our sustainability agenda.

Malcolm Walker
General Manager & Group Chief Audit Officer



In 2011, we commit to training internal audit staff on sustainability reporting in order to better support the creation of the next sustainability report. We will also review our auditing procedures to assess the feasibility of integrating at least 10 of NBAD's sustainability key performance indicators.



Insight – One of the World’s 50 Safest Banks

While much of the financial world was experiencing the wear and tear of the global economic crisis, we continued to maintain our consistent approach to transparency and accountability, leading to continued steady growth and record-breaking profits.

Our strength and resilience can be attributed to the iron grip we have maintained on our risk exposure. For the second consecutive year, we have maintained our reign as one of the World’s 50 Safest Banks according to the leading US-based Global Finance magazine. The list has been published for 19 years, and is a recognised and trusted standard of creditworthiness in the global financial world.

We are the only UAE bank to make it onto the list, which includes just one other bank from the Middle East. The “Banks that have strengthened their liquidity positions and the quality and quantity of their capital are recognised in these rankings,” said Global Finance’s publisher Joseph D. Giarraputo. “More than ever, customers around the world are viewing long-term creditworthiness as the key feature of banks with which they do business.”

Global Finance takes credit ratings from Fitch, Moody’s and Standard & Poor’s and applies them to each bank to create composite scores. These scores are used to rank the banks according to safety. Banks with the same ranking are then rated according to asset size. The solid credit ratings assigned to NBAD by the most trusted credit rating agencies give us the strongest combined rating of any Middle Eastern financial institution.



NBAD’s long-term ratings are amongst the strongest combined ratings of any financial institution in the MENA region with ratings from Moody’s Aa3, Standard & Poor’s A+, Fitch AA-, RAM (Malaysia) AAA and R&I’s (Japan) rating of A+.

Credit Rating

	Fitch	Moody's	S&P
LT	AA-	Aa3	A+
ST	F1+	P-1	A-1
Outlook	Stable	Stable	Stable

“NBAD has once again qualified to join the league of the safest institutions in the world, by virtue of the prudence exercised in the conduct of its business. During the past two years of the global financial crisis, NBAD remained true to its principle of using balance sheets to support customers. NBAD’s financial strength has allowed us to continue doing business and expand.”

Abdulla M.S. Abdul Raheem
Senior General Manager & Group Chief Operating Officer

NBAD’s Sustainability Stakeholder Group

In 2010, we established the Sustainability Stakeholder Group. Made up of a diverse mix of members from across the business, and representing a wide spectrum of influence and expertise, the Group’s remit is to inform our ongoing Sustainability Strategy, and to ensure full penetration of knowledge and activities, from top management to operational functions. See the organisation chart on page 8 for more details.





Targeting a New Level of Transparency and Accountability

We have maintained a consistent approach to transparency and accountability even when trust in the banking system has been impacted by the practices that led to the global economic crisis. In 2009 we were the first bank to declare our financial exposure to Dubai World and emerged as the winners of the Best Investor Relations Company award. In 2010 we have kept pace by being the first UAE bank to release a sustainability report. Furthermore, we were recognised by Hallvarsson and Hallvarsson's for the Best Financial Information Website in the Gulf Cooperation Council. The ranking evaluated transparency and disclosure of our corporate website by launching a stakeholder survey in the region.

We expect our stakeholders to judge us on what we do, not on what we say, and we intend to use sustainability management and reporting as a vehicle for continuously strengthening trust, confidence and the loyalty of our stakeholders towards NBAD. We were able to accomplish a high success rate on the 2010 sustainability commitments made in the 2009 report. We are committing to improving our uptake of sustainability performance management by expanding this practice to three international markets by the end of 2011.

In 2011 We Are Committed

- To producing the 2011 sustainability report which is 3rd party assured via the creation of a multi-stakeholder committee
- To improving our process of understanding and enhancing our economic, social and environmental impacts
- To introducing sustainability performance management to three of our international markets
- To completing a self assessment against the ISO 26000 guidelines and to show GRI and ISO 26000 alignment in our 2011 report
- To reviewing our auditing procedures to integrate at least 10 of our sustainability KPIs
- To evaluating the United Nations Principles For Responsible Investment as a potential signatory

In 2010 We Said We Were Committed

To increase Emiratisation to 38%

Complete

We exceeded this target reaching a 39% Emiratisation rate in 2010

To increase sustainability training events provided for employees

Complete

We delivered sustainability training to 414 new employees

To enhance the training offered, specifically for our branch managers

Complete

Read about the Al Manara Project on page 46

To create a quality assurance team to optimise service for our employees and to provide an additional channel of communication

Complete

Read more on page 41

To consider an increase in the frequency of staff satisfaction surveys from every 18 months to once a year

Complete

We reviewed and considered increasing the frequency of staff satisfaction surveys. It was decided to maintain surveys at 18 month intervals to ensure enough time to respond to, implement and measure improvements based on employee concerns

To develop occupational health and safety policies and procedures

Complete

New policies have been developed and launched. Read more on page 48

INVESTING IN OUR PEOPLE

The Chief Human Resources Officer's Perspective on the Bank's Greatest Assets

I have often said that the key asset of any bank is its people. Some people think is the system, or the capital, or the brand, or the branches that are the key assets. Of course these are all important but by far the most important asset is the people who work in the branches, manage the systems, develop the brand, expand the network and lead the business.

When customers talk about their bank in glowing terms it is almost invariably after they have had a good experience in the bank. And more often than not that is because someone within the bank has gone out of his or her way to provide exceptional services. Exceptional service must become standard in successful organisations like NBAD.

The Group is investing in its people – hiring, developing, training, and retaining. Take hiring first: we were recently awarded a prize for the best Emiratisation programme. We want young professional Emiratis interested in developing a career in financial services to join NBAD, but hiring is not limited to UAE nationals – most of our people are in fact expatriates. We operate across the world and have 4500 staff in the Group today representing more than 60 nationalities.

Hiring someone is only the first step. We have a professional induction course to ensure new people joining the family are properly integrated and are able to contribute fully from an early stage.

Ehab Anis Hassan

Group Chief Human Resources Officer

We are proud of our NBAD Academy and, in particular, the AFAQ programme for the development of young Emirati graduates in financial services. In this and other activities we not only contribute to NBAD and its shareholders, but to the wider market.

Training is not limited to the Academy. All of us in banking should learn something new every day on the job, or on a professional course that the Bank sponsors for those who are truly committed to a career with us. Development is also part of our commitment to people. We want individuals who join the Bank for a long career to grow and develop their talents. Career planning is becoming an increasingly important part of the Group's HR function.

And in the face of all this competition we have to make sure that people are properly and fairly rewarded, which means a market related salary for a job properly done and market related bonuses to reward outstanding achievement. We proudly offer one of the most generous compensation packages of any financial institution in the UAE with opportunities for the best and brightest.

Above all, we have to make NBAD an exciting and fun place to work in or the best people will leave us, and soon after, so will our customers. People build the foundation which supports our vision to be recognised as the World's Best Arab Bank.

Wages and Benefits

We are committed to ensuring that salary packages remain in the upper quartile in the region and appropriately reflect the rising cost of living in the country. Salary levels are determined using a clear and transparent grading system, which reflects the level of work responsibility. Remuneration is independent of gender and salary packages are reviewed annually

Valuing Our Employees

Our people are our greatest asset. That's why we actively and systematically engage with our employees to ensure that we address their issues of highest priority. While all Human Resources Group employees are expected to be available to all employees, a Quality Assurance Team was set up in 2010 to provide an additional means of addressing employees' needs. Two full-time employees make up the team with the purpose of facilitating additional dialogue and feedback opportunities between the Human Resources Group and employees.

Examples of additional channels of communication established include a designated Quality Assurance Mailbox, and the Human Resource Group Intranet portal to be launched in 2011.



Fostering Engagement

"Employees are the drivers of change and their level of motivation, engagement and loyalty is vital to achieving NBAD's short- and long-term goals. At NBAD, the Human Resources Group fosters a culture of engagement by boosting channels of communication between and at all levels of the bank; establishing a clear vision of the desired behaviours and outcomes using tools such as our competency framework; and leveraging platforms that will give the opportunity for employees to be actively involved in NBAD's future plans."

Ruwaida S. Shahbal

Head of Employee Relations and Policies, Human Resources Group

To attract and retain the best and the brightest, we offer competitive compensation packages, personal and professional development, career advancement opportunities, an environment conducive to employee empowerment and innovation, and an atmosphere where we actively support employees' well-being. As part of our ongoing commitment to employee development and training, we have also introduced a secondment programme enabling our employees to gain international experience at our branches around the world.



Listening to Our Employees

"Given the importance of listening to our employees, the Business Excellence Department is rolling out a new staff suggestion scheme that is better aligned with global best practices and uses web-enabled technologies. It will allow employees to submit their suggestions and participate in driving innovation and improvement at the bank. The suggestion scheme will also enable NBAD to foster innovation and drive continuous improvement in our products and services."

This initiative is expected to improve employee engagement and suggestions will be evaluated by a special committee comprising experts from across the bank. Staff submitting winning suggestions will be awarded and recognised."

Anand Lobo

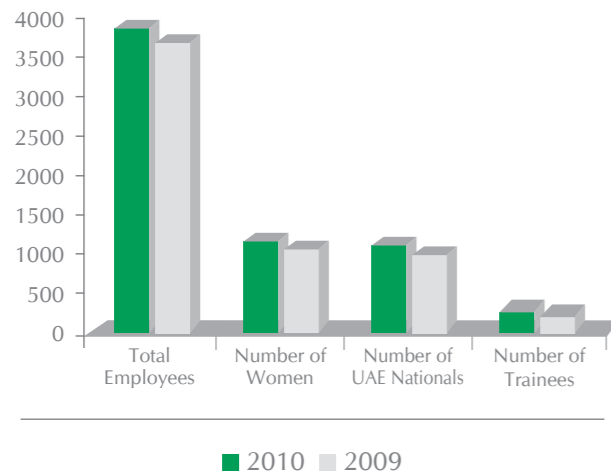
Senior Manager of Corporate Quality and Service Excellence, Business Planning & Strategy

Workforce Profile and Diversity

Since 2009, our UAE workforce has grown 11% to 3,950 people. We anticipate further growth as we continue to expand and open new branches, within our borders as well as abroad.

We are proud of the diversity reflected in our workforce, with 69 nationalities represented. In 2010, female employees represented 34% of our total workforce. Women were also well represented at branch manager level with 46% of our branch managers being female.

Workforce Profile



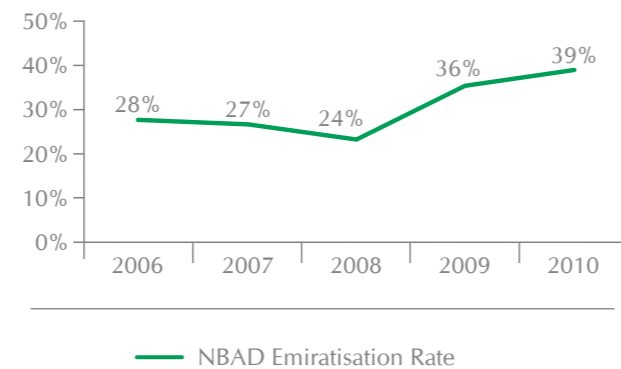
Emiratisation

Our commitment to Emiratisation is rooted in our corporate culture and includes offering NBAD sponsorships for higher education, flexible work hours to accommodate class schedules, mentorship programmes, career development programmes and training programmes.

During a tough year for banks, characterised by the tight job market conditions, we exceeded our commitment to reach 38% Emiratisation; we achieved 39% Emiratisation of NBAD's workforce in 2010, which has placed us in a position of achieving the longer term mandate set by the Government of the UAE to achieve 40% Emiratisation in the financial services sector by the end of 2011.

We have pledged to raise our Emiratisation figure to 42% whilst continuing to invest in these UAE nationals through ongoing professional and personal development. Thirty of the additional UAE nationals joining us in 2011 will be through the Derasatee Programme, which was launched in 2010. We also regularly participate in a number of career fairs across the UAE specifically organised to recruit UAE nationals.

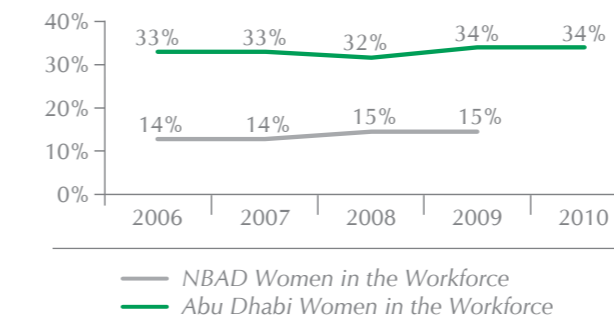
NBAD Emiratisation Rate



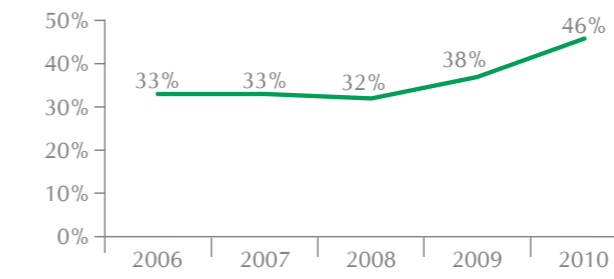
Insight – Providing Opportunities for Women

Women in Numbers

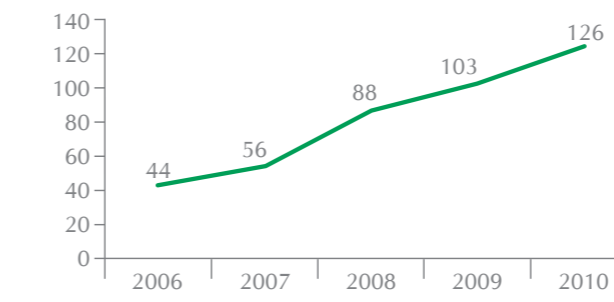
Women in the Workforce



Female Branch Managers at NBAD



Women in Management Positions



Female Emirati Employees



"The most profound change that I've seen at the Bank through the years is the elevation of the status of women. When I started, you could not find a single woman manager and unlike male employees we didn't receive housing allowance or any other compensation other than basic salary. Things are very different now. Women receive all the benefits that men receive. Today I am the Manager of Human Resources Information Systems and Vice President but that was unthinkable when I joined. I'm very happy and hope more women take advantage of the opportunities available."

Nabawia Osman

Manager of Human Resources Information Systems & VP

35 years at the bank

Insight – Attracting, Developing and Retaining the Brightest

Achieving the Vision

Our extensive and comprehensive educational and training programmes go a long way to keeping the status of being an employer of choice. Our vision is to build a culture of learning at NBAD that supports the delivery of our strategic business objectives whilst enabling the personal growth and career development of all our employees. All of our training programmes align with the NBAD Competency Framework, developing employees in 4 key areas: business leadership, personal effectiveness, managing others, and professional and technical expertise.

Working with external training providers, both locally and internationally the NBAD Academy delivers customised training programmes across the Bank and plays a key role in furnishing our people with the skills they need to enable us to achieve our vision of being the World's Best Arab Bank.

In 2010, 83% of our staff participated in 209,132 hours of training, an increase of 180% from the previous year.

Our focus is not just for today, but seeks to identify and build capabilities to ensure our delivery against our customers' requirements tomorrow, so that we build up a pipeline of talent for future leadership positions.



Watani: UAE National Development Programmes

We are proud to be a significant leader in the UAE National Development pool, playing a major role in developing future leaders, in turn benefitting the Bank and ultimately the UAE.

The Derasatee Programme is one such programme. It was launched in 2010 in partnership with the Abu Dhabi Tawteen Council (ADTC) and the Emirates Institute of Banking and Financial Studies (EIBFS) to hire and train UAE national jobseekers. We hired 30 UAE nationals through this programme during the year.

In 2010

Through the Derasatee Programme, NBAD hired 30 UAE national jobseekers. More than half of AFAQ trainees were women.

121,499 hours of training were delivered to 71 AFAQ trainees, of which 69 were placed in full-time positions. We sponsored 18 students, and provided summer work placement training for 23 students.

Equipping the Emirate's Youth to Enter the Workforce

We actively invest in the nation's youth through our UAE National Development Programmes. These include the AFAQ Management Trainee programme, Al Bedayah School Leavers' programme, Student Sponsorship, Summer Training and Work Experience programmes. The aim is to maximise the number of UAE nationals in our workforce and to provide them with the knowledge and capabilities to succeed and excel in their individual careers.

AFAQ

"Our investment in the AFAQ programme goes beyond attracting and retaining the best staff into the Bank, we want to develop the human resources of this country."

Abdulla M.S. Abdul Raheem
Senior General Manager & Group Chief Operating Officer

The AFAQ programme – a one-year management trainee programme for high potential university graduates – makes us a leading company for developing UAE nationals. We provide AFAQ trainees with the latest banking technologies and methods in a collegial atmosphere, helping them accelerate their careers toward management positions.



"When we are together in class, we are all helping each other. If someone is having difficulty understanding something, we help him or her and make sure they get it. We are like a family and that's why we go to our classes excited and motivated."

Abdulla Al Qayed
AFAQ Trainee

Al Bedayah

The provision of training for Emiratis is not limited to university graduates. Al Bedayah, which will be launched in 2011, will offer UAE national school leavers the opportunity to pursue a career in one of our branches, or within a corporate division, after they have completed the six-month training programme.

Attracting and Retaining Skilled Workers

Building on our strategy to enhance the Emiratisation of our workforce, we offer other training programmes through NBAD Academy to ensure those who join us stay with us.

Al Manara Project

Al Manara, which means lighthouse in Arabic, is a retail banking certification programme aligned to international best practices and introduces certification to five key roles within the Consumer Banking Group: Branch Manager, Retail Services Manager, Branch Operations Manager, Retail Sales Officer/Retail Sales Assistant and Teller.

The Al Manara Project was launched in 2010 and 958 branch staff have been enrolled in the training.

Sustainability Training

As we begin our transition to become a sustainable bank, we must ensure that our employees understand and embrace our commitment. In 2010, we provided sustainability training sessions to 414 employees as part of their orientation training.

Executive Development

NBAD Academy offers Executive Leadership Development to New Leaders through to Senior Leaders. Our Executive Leadership Development programmes include support for the development of coaching skills, leading change, development of clear and integrated personal and business visions and the management of high potential people.

Insight – Creating a Culture of Learning and Performance

To enable our people to achieve our vision of success we developed the NBAD Competency Framework throughout 2010 to identify the knowledge, skills and behaviours required for superior performance within the Bank. We trained over 80% of our employees on our competency framework enabling us to identify and communicate to our people exactly what is expected of them.

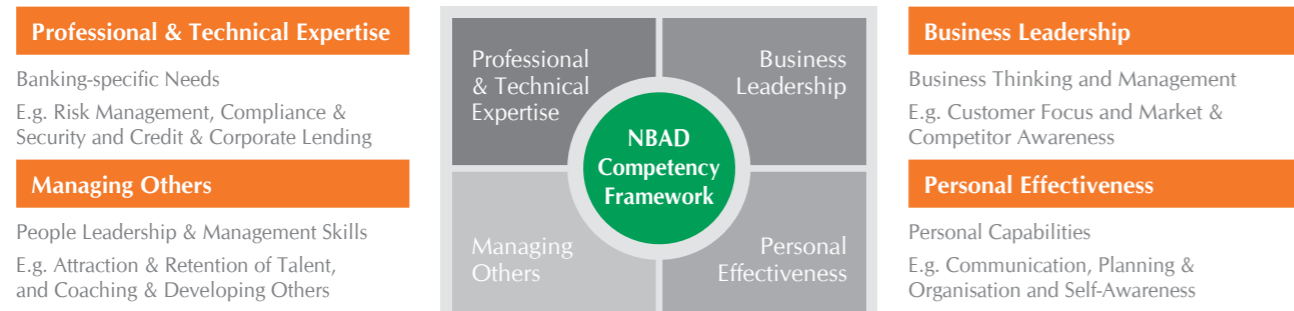
There are four competency areas that define our Performance Model and they are integrated into the cohesive NBAD Competency Framework: our vision for the success of our people.

We use these competencies to attract, retain, develop and deploy the right people, at the right time, with the right capabilities from recruitment and induction, to career development planning, talent management and assessment for promotion.

For example, we deliver Development Centres for our people at three levels, where participants join a range of business simulation exercises and assessments. As part of the process they receive one-to-one feedback on key Leadership Competencies and a personalised development plan.



We also provide many of our people with support to complete specific training and development activities to meet their individual requirements. Examples include English or Arabic language courses, professional qualifications, postgraduate studies or one-to-one coaching.



Security and Occupational Health⁶

Issues of health and safety are not typically associated with the service industry, but the reality is that these issues are significant material concerns.

In 2010, we developed and initiated security policies and procedures and also provided First Aid and Fire Warden training to 176 employees – a vital activity to ensure that we are prepared for emergencies.

In 2010, the average amount of sick leave taken per employee was six days, and four in 1000 employees reported an accident. In order to improve upon this, we intend to identify and address some of the key issues relating to employee well-being. Furthermore, we will assess the feasibility of developing a formal wellness strategy in 2011.

Our 2010 Annual Employee Wellness Day gathered over 900 staff to encourage adoption of healthier lifestyles. This event included workshops on diabetes, obesity and diet, methods of quitting smoking, and ergonomics. Participants were also offered medical check-ups to ensure a healthy body-mass, blood pressure, cholesterol and blood sugar levels and dental health.

In the long term, we intend to go beyond our Annual Employee Wellness Day and First Aid and Fire Warden training to ensure the health and safety of our employees and their well-being remains a top priority.

We will commit to establishing a working Health and Safety Committee within the bank in the future in order to drive continuous improvement.

Human Rights

We do not tolerate the breaching of human rights and therefore actively monitor performance to ensure alignment with internationally accepted human rights principles. Our personnel policy manual clearly outlines zero tolerance for discrimination, harassment,

child labour and forced labour. Furthermore, there is a disciplinary committee to which incidents and complaints can be reported.

Since we began monitoring and reporting on our human rights performance in 2009, no human-rights-related incidents have been reported. We are committed to influencing our suppliers to adopt similar human rights policies as our own.

Employee Satisfaction

We are committed to remaining an 'Employer of Choice'. In the pursuit for organisational excellence, we extended our employee engagement survey beyond the UAE to our entire global network in May 2010 and modified the survey methodology to accurately reflect this broader scope. Our 2010 employee satisfaction score of 71% is on par with the industry average. However, it is not comparable with the UAE 84% satisfaction rate found in the 2007-08 survey, which used a different set of questions. Our 'Global People Survey' is a tool to measure our progress toward recognising our people as our single-most important asset. It will help us to identify new and more focussed opportunities to engage with our employees.

We strive for continuous improvement and aim to exceed the global benchmark of 73% for employee engagement in the finance and insurance industry. In response to the survey results, we trained a total of 54 Business Coordinators in October to thoroughly analyse their team survey results and to plan improvement actions to enhance their team engagement score. Two key themes for improvement identified by the senior management team were "teamwork" and "communication". The Business Coordinators will report on the implementation of action plans addressing these themes quarterly to maintain the momentum of our commitment to enhance our employees' overall engagement.

⁶After reviewing the application of the Lost Time Injury Frequency Rate, NBAD has decided that it will not report on this in the medium-term. Instead, the Bank will continue tracking other relevant indicators: the average amount of sick leave taken and the average accident claims per capita.



Insight – Spotlight on Our AFAQ Trainees

As the UAE market began to improve in 2010, job changes were more frequent, resulting in an increase in the turnover rate by 4%. However, we continue to distinguish ourselves from our peers with a turnover rate at 12% – far below the national average of 21%. Notwithstanding the recent trend of increased job-hopping, a significant number of NBAD employees have stayed loyal to us for over 30 years – a number of whom have been profiled in this report.

We are committed to ensuring that our employees are here to stay. Since 2009, 100% of our full-time employees have received annual performance reviews. In 2009, 95% of appraised employees received a performance-based bonus. While the high percentage in 2009 demonstrated our strong performance in a relatively poor performing UAE banking sector, more than half of our employees responding to the ‘Global People Survey’ told us that performance reward was not well linked to individual performance. As a result, in 2010, only 85% of our appraised employees were rewarded with a performance bonus. We expect to continue reducing the percentage of employees eligible for rewards and enhancing our ability to link these directly to performance so that bonuses will help us promote a culture of superior performance.

	2010	2009
Total workforce turnover	12%	8%
Employees receiving annual performance reviews	100%	100%
Percentage of workforce receiving training	83%	70%
Percentage of employees receiving performance-based benefits	85%	91%
Employee satisfaction in 2010	73%	84%

The National Average Turnover Rate is 21%

Mohammed Ali Al-Qallaf (MQ)
Product Officer
Trade Finance

Mansoor Habib Mohd. Al Redha (MR)
Associate
Markets Division

Ghadeer Abdulla Al Khalsan (GK)
HR Officer
NBAD Group

We sat down with three of our AFAQ trainees who are currently in the AFAQ programme to explore why they chose to work at NBAD and their experiences in the AFAQ programme so far.

1. What attracted you to the AFAQ programme and NBAD?

MQ:

“NBAD is the largest banking institution in Abu Dhabi and the strongest in the UAE. Their outstanding performance throughout the global economic recession paired with their strong training programmes attracted me to NBAD. AFAQ is one of the best programmes out there for UAE nationals because it is specifically designed to train us to be prepared for management and executive positions, using a good mix of both internal and external training resources.”

MR:

“The AFAQ programme provided an amazing opportunity for my professional development. The courses offered arm us with the most relevant knowledge to apply to the practical financial world. The diploma received after successful completion of the programme will open many doors and opportunities for us in the financial world.”

GK:

“The lack of UAE nationals who work in this field encouraged me to join the financial services sector. Then I found out that NBAD offered a great opportunity through its highly attractive AFAQ programme. There were many elements of AFAQ that attracted me. Firstly, the intensive training leading to an internationally recognised



IFS Diploma from the IFS School in the UK played a big part in my choice. Secondly, we are treated as NBAD employees throughout, even to the extent of receiving a salary and allowances while studying and training. The high calibre of job opportunities offered to top performing AFAQ graduates has also been a significant source of motivation.”

2. What was your experience and knowledge of banking prior to joining the programme?

MQ:

“I had no work experience in the banking sector specifically but had worked in the Dubai Financial Market for almost 2 years prior to joining the programme. I was able to enhance my understanding of the financial services sector through the specific training offered in banking.”

In 2011 We Are Committed

- To increasing Emiratisation to 42%
- To introducing a formal sustainability training programme targeted at our employees
- To establishing a working Health, Safety and Security Committee
- To determining the key issues in employee well-being and assessing the feasibility of developing a wellness strategy
- To having AFAQ trainees developing and implementing a sustainability project as part of their training programme
- To training internal audit staff on sustainability reporting to better support the creation of the next sustainability report

MR:

"I was already working in the banking sector for one and a half years prior to joining the programme. Since joining, my knowledge of the sector has become increasingly specialised and I am looking forward to applying this knowledge in a practical setting."

GK:

"I had a Higher Diploma in Business Management and Finance Services prior to joining the AFAQ Programme. These prior studies have helped me immensely in excelling in the programme."

3. What were your 3 key learning outcomes?

MQ:

"Teamwork is the skill that I have most developed since I started the programme. Working in groups with people from different backgrounds and qualifications has allowed me to consider and learn from new and different perspectives. I have also learned how to monitor the many different kinds of risks that businesses face while also learning about the development and functionality of various financial products."

MR:

"The most important skill that I have acquired has been teamwork. Secondly, I have gained a broader knowledge of banking and finance, while simultaneously expanding my knowledge in Islamic Banking. This is an unmatched opportunity for me from which to learn how I would like to specialise in the banking sector."

4. You are now working at NBAD, are you putting what you learned into practice?

MQ:

"I am now working in the Trade Finance Department, and I believe that I have been fully armed with the appropriate skills and I was able to easily apply the relevant and practical knowledge that the AFAQ programme provided in my current role as a Product Officer."

5. Have you been able to transfer your learning and knowledge to your colleagues?

MR:

"Through variety and depth of conversations and discussions had with my colleagues, I have been able to learn from their experiences and build on my own knowledge. At the same time, I have been able to share my own experiences with my colleagues, especially when completing projects in teams."

GK:

"I have learned about different aspects of the Bank's operations and have been trained on specific practices. This has enabled me to coach my AFAQ colleagues at the Bank when they require support. The collaborative atmosphere at NBAD fosters a team approach to learning and development."

In 2010 We Said We Were Committed

To reduce energy consumption by 15%

In Progress

We are re-checking our data against primary sources and are re-stating our baseline

To reduce greenhouse gas emissions by 15%

In Progress

We are re-checking our data against primary sources to re-state our baseline in 2011

To reduce water consumption by 10%

Complete

We exceeded our targets – reducing water consumption by 35%

To reduce paper consumption by 25%

In Progress

We identified gaps in our paper usage tracking during 2009 and have recalculated data for 2009 and 2010

To double the percentage of paper recycled

In Progress

We maintained the same recycling rate as 2009

To implementing an Environmental Management System (EMS)

In Progress

The foundations to implementing an EMS have been undertaken and our efforts will be ongoing

ENVIRONMENTALLY SMARTER

Management Approach

At NBAD, we intend to 'Lead by Example' before asking others to join the pursuit for environmental sustainability. We aim to play a leading role in raising awareness about the environment and climate change, while realising our own sustainability ambitions. We will achieve this by integrating sustainability into our strategic and operational management.

In 2009, we committed to tracking the number of branches reporting environmental data to the corporate offices. By 2010, 100% of our UAE branches were reporting on their environmental data. Our sustainability initiatives will drive environmental and financial value concurrently, whether through savings from operational efficiencies, or creating additional revenue streams from new and innovative sustainable products and services.

We are transitioning the way we manage our environmental activities, from an activity-based approach to an integrated management system. By adopting a more systematic way of managing our data, we can better understand our impacts, identify our most important risks and opportunities and track our progress toward our targets.



"As a premier organisation in the UAE, I strongly believe NBAD is spearheading the effort in the region and can also do more towards contributing towards sustainability."

Mariah Khan
Senior Private Banker,
Private Banking Unit Dubai



Case Study: Integrating Sustainability Throughout the Business

The Business Process Management Department (BPM) is responsible for the creation of fit-for-purpose process documentation and procedural manuals, and re-engineering business processes for all business and support areas across the organisation. Our mandate is to protect and grow the Bank through the development of innovative, efficient and effective processes that will reduce the processing time for customer transactions while mitigating operational risks. Through these efforts, we have been successful in reducing the reliance on paper-based transactions. Not only have significant cost savings been realised, but transaction processing times have been decreased, data entry errors have reduced through the introduction of bar coded forms, and most importantly, paper forms have been replaced with electronic forms. BPM is closely aligned with the sustainability initiatives of the Bank and this partnership has resulted in great synergies.

Junaid Ward
Senior Business Process Manager
Business Planning and Strategy Department

Insight – Greener Office Programme

Until 2009 our environmental activities were relatively modest. We had implemented paper recycling, sponsored several clean up campaigns and engaged youth by developing a fact sheet for the schools who participated. As we began to understand the potential consequences of the UAE having the biggest ecological footprint in the world per capita, it became clear that we needed to take a proactive role in managing our own environmental impact. This change in mindset pushed us to look at our behaviour as a business rather than delivering 'nice to do' environmental activities. Moreover, our employees began to challenge us about our environmental performance.

In 2010 we developed the 'Greener Office Programme' as an integrated initiative to better manage the way we work and to measure the results. Our expectations were to reduce our energy and water consumption and improve our waste management whilst reducing our waste generation. We aimed to find and implement smarter ways of working by making better use of technology and to realise financial savings as a result.

The official launch of the Greener Office Programme took place on 26 October with 93 staff attending together with members from the Abu Dhabi Sustainability Group. We had invited the Emirates Wildlife Society and World Wide Fund (EWS-WWF) to open the event and explain to us how we could contribute towards reducing the ecological footprint of the UAE. They shared motivating tools and messages to inspire us to get things underway.

It has been very challenging to embed responsible working practices into all of our branches and departments. To help us with raising awareness and changing mindsets, we worked with 43 voluntary 'Green Champions', recruited from within NBAD, to promote the programme and act as role models. Initiatives range from paper and toner recycling to auto shutdown initiatives.



Looking forward, we will continue to develop the Greener Office with more internal campaigns, regular sharing of data, staff training and quarterly environmental events to motivate our employees. We will also share best practices with our AD SG colleagues to develop a model that the other members can utilise, add to and continuously improve.

In 2011, we will be participating in Earth Hour in March and Paperless Day in June. With the new campaign rolled out we will also engage with our overseas network to begin integrating the programme throughout NBAD by the end of the year.

What Our Green Champions Have to Say

"Every single thing we do everyday has an impact on the planet – good or bad. I realised that I, as an individual, have the power to control most of my choices and therefore, the impact I create is also determined by myself alone. Supporting the NBAD Greener Office came naturally to me as I believe that each one of us should think about how our actions stack up – if I can save trees and water by printing on both sides of the paper or if I can save energy by turning off my screen, then I am more than happy to do just that. I hope for all staff in NBAD to support the Greener Office programme and conserve nature in their own unique ways. Tiny drops of water make up an ocean. We have the power to save our planet even as we work from our desks! It really is simple to begin making a positive impact and when NBAD has given us that chance, we ought to make use of it."

Ashel Rodrigues

Assistant to Senior General Manager International
International Banking Division



"The UAE's government generously bestows upon its residents a lifestyle that is seldom matched by any other in the region, but this must come with a caveat: the abundant resources are ultimately finite. Having been ranked as the most water-consuming country, for example, is a scary statistic which ought to serve as a call to action and this is where NBAD comes into the picture. Given our name and financial might in the UAE, coupled with our aspirations to rise in rank, both regionally and internationally, we will come to bear responsibilities that far surpass our current standing as merely a banking institution. We will be expected to lead every strand of our conduct in an exemplary fashion and spare no effort in achieving sustainability in our everyday lives. This is why, I believe, we should grant the sustainability programme the momentum it needs in order to see that effort resonate throughout the nation and help us lead the UAE into a sustainable 21st century. "

Fadi Bou Dargham

Clearing & Settlement Officer
Abu Dhabi Financial Services Operations



"Our Business Planning and Strategy Department is leading a motivating initiative to transform our office environment into a visually appealing, safer, and cleaner environment. In 2010, we installed Watersavers in our washrooms, energy savers at all staff work stations, and recycling bins throughout the Dubai Dealing Room and Financial Markets Division (FMD) Trading Floor. We adopted a new power management system that helps efficiently manage energy use and switched to 100% recycled content paper. The FMD is proud to be the first division to integrate environmental management into a job description and will continue to challenge ourselves in improving our environmental performance."

Mohammed Zidany

Vice President, Operational Support & Administration
Financial Market Division



"I've discovered that the challenge of getting employees engaged in sustainability and 'green' issues requires far more than just strong will-power. It needs strategic, psychologically sophisticated insight and a deep understanding of what truly drives humans to change the way they behave. I think the two most important things that make an in-office programme successful are 'start with small wins' and 'make it fun'. Pick a specific behaviour first, like recycling, and create a targeted campaign to shift that particular behaviour. Once you've had some initial success, harness that momentum towards other critical projects and behaviours. A series of small measurable wins will add up to serious momentum over time, and do a lot more to change culture towards sustainability-mindedness than any feel good slogans or lofty rhetoric."

Making it fun really is important to get employees to listen. Let's face it, people would rather get a root canal than think about difficult, complex, systemic issues like climate change or their own impact on operational sustainability, so most will unconsciously resist or tune out messages. Fortunately there's a great antidote to all this – it's called 'fun'. Yes, when trying to inspire behaviour change, a little fun can go a long, long way."

Carla Abitria

Coordinator, Corporate Sustainability & Responsibility
Business Planning & Strategy Department



Water and Energy Consumption

Water scarcity is a known concern in the Middle East, being one of the most arid regions on Earth. It is an even more important issue in the UAE, where the per capita water consumption is now amongst the highest in the world due to the accelerating population growth, rising living standards and expansion of the agricultural and industrial sectors.

In partnership with the Government's Watersavers Programme, Watersaving devices were fixed to the taps in the two Head Office buildings, the NBAD Academy and one branch. Installation will continue to all branches and offices in Abu Dhabi in 2011 and all existing and new UAE branches and buildings in 2012. We will also attempt to measure the carbon footprint of our water consumption through our partnership with Masdar – Abu Dhabi Future Energy Company.

Power consumption as well as water is a major issue in the UAE, particularly given the need for cooling, and the heavy subsidies, making power relatively affordable to use in large quantities. In 2010 we focussed on reducing our water consumption but did not introduce automatic computer shut downs in October.

Despite the importance we place on reducing our resource use, maintaining reliable tracking systems has proved a significant challenge, hampering our ability to identify where and how to focus our activities. During the data collation process for 2010 we discovered that information published for previous years was likely significantly underestimating our power and water use⁷.

We are aware of recurring gaps and inconsistencies in the 2010 raw data and a plan is being put in place to ensure a comprehensive capture of information for 2011. We did, however, strengthen the 2010 information based on available information⁸. To provide comparable estimates of our resource use for years 2006-2009, we calculated the average cost per kWh/imperial gallon for 2010 and retrospectively applied these averages to the most reliable historical data points – overall cost in AED⁹.

⁷Raw data was missing and baseline costs (AED) per kWh/imperial gallon applied were higher than actual rates. This reduced the reported consumed units reported and/or did not include the application of slab tariffs in operation in some emirates.

⁸kWhs and, where available, imperial gallons, have been calculated per month/per branch, applying the correct cost per unit by Emirate (including slab tariffs where appropriate).

⁹Average costs applied are 0.178AED/kWh and 0.0108AED/imperial gallon.

According to the new estimates, we decreased our water consumption by 22% during 2010 despite adding 15 branches to our network and growing our workforce by 5%. This is the lowest consumption per employee since 2006 and far exceeded our 10% reduction target whilst saving us 61,412 AED.

Going Green, Profitably

Though saving the planet has many rewards in itself, the financial gains are enough to persuade any banker to pursue environmentally friendly initiatives...

Achieving our environmental targets in 2011 could mean total annual savings of AED 1,129,391

Reducing our UAE energy consumption by 15% would save AED 877,044 in 2011

We saved AED 61,248 in 2010 by reducing water consumption

Using remanufactured toners in printers could save 25% in costs. In 2010, that would have saved us AED 841,051

Unfortunately the opposite was true of our power consumption and greenhouse gas emissions which continued to increase by 15% overall, or 10% per employee. On a positive note, our per capita electricity consumption is still lower than 2008 and 2006.

We are committed to improving our performance in reducing power and water consumption and acting as a responsible role model in ensuring access to resources for future generations.

Air Travel

Our regional leadership in the financial sector, and subsequent presence within 12 countries, requires our employees to travel often. We have worked towards decreasing our amount of travel and have been testing our videoconferencing systems, to measure performance and effectiveness, with a view to promoting the system as a viable and valuable alternative to overseas travel. While the total number of overseas business trips in 2010 increased by 86 trips to a total of 495 trips to 40 countries, the total distance travelled decreased by 5%.

We have committed to calculating the GHG emissions from our business air travel in 2011.

Greening IT

Information Technology (IT) systems are often overlooked when thinking about sustainability. As much as 50% of the electricity most desktop computers use is already wasted via heat dispersion through its electrically-powered fans. However, 100% of the electricity used to power a computer is wasted when a computer is on after work hours. We see clear financial and environmental value in turning off computers after work hours to avoid this energy waste, and aim to reduce the impact of our computers and other IT equipment. We are committed to rolling out our Green IT Policy and Procedures during 2011, and to extending auto-shutdown procedures to three of our NBAD UAE subsidiaries.

We further intend to conduct a feasibility review to expand this initiative to our international branches.

The Successes and Challenges of Implementing Green IT

Given our commitment to social and environmental responsibility, we are striving to minimise our impact on the environment and reduce our energy consumption. One year ago we started a programme to automatically shut down computers in most UAE branches at the end of each working day. Eventually, the same policy was piloted at the NBAD head office on Khalifa Street for a few selected departments. A follow-up survey showed an overwhelming majority of users (91%) supporting the initiative, which further demonstrates that both our management and staff are fully committed to the environment. In light of this significant support, and to further contribute to our efforts to reducing GHG emissions and energy consumption, desktop computers at our Head Office and most UAE branches are now shutting down automatically at the end of each day. We initially faced some challenges with regards to certain users wanting to be excluded from the policy, so we implemented a rigorous exception handling process through which requests for exclusion must be accompanied by a strong business case and must get approval from the Bank's Sustainability Team. We are pleased to report that the same policy will be extended in 2011 to include at least two other NBAD business lines such as Abu Dhabi National Property and Abu Dhabi National Islamic Finance, and we will also investigate the possibility of applying this to our international network as well.

Walid El Masri

IT Governance Group Leader

Sustainability Stakeholder Group Member



Insight – Adopting Environmental Sustainability Management – Lights Out, Power Down

If you happened to be walking the streets of Abu Dhabi around 8:30 pm on March 26th, you may have noticed One NBAD Tower, the 30-storey landmark, completely dark. We had voluntarily turned out the lights in order to observe Earth Hour, a global movement creating awareness and promoting collective action towards climate change.

In support of our commitment to environmental sustainability, we have been carrying out energy-efficiency assessments and making changes which will directly lead to us reducing our overall energy consumption. In June, we implemented a “lights-out” period from 10 pm to 6 am each night in response to the concerns of employees. This action alone should, in principle, save approximately 30% of our Head Offices’ annual energy consumption; amounting to potential operational savings of AED 75,555 (equivalent to \$20,500 USD) over 12 months.

Affecting the Triple Bottom Line

This environmental initiative eventually became an initiative which truly embodied sustainability management, affecting all three areas of the triple bottom line: people, planet and profit.

Lowering our energy consumption; GHG emissions; and overall carbon footprint, took the ‘planet’ into consideration, while the decrease in consumption also led to significant operational savings which impact our profit. The bank will expand its auto shutdown programme in 2011 – centrally closing down desktop computers at the end of each working day.

An unexpected discovery

The automated lights-out period led to a significant discovery regarding the social well-being of our employees: it seemed that a number of people were staying beyond the lights-out time which has necessitated a greater emphasis on engaging employees in understanding how they are managing their work-life balance.



Though we have been running a very popular “Annual Employee Wellness Day”, we realise that we can improve further and take a more strategic approach towards truly committing to employee well-being.

Workplace wellness is a major global issue which has recently started to gain more momentum in business circles. In 2008, CEOs from 13 multinational corporations called on business leaders at the World Economic Forum to strengthen action on workplace wellness, and in 2010 the Workplace Wellness Alliance was launched. In 2011, we intend to review the resources and tools which are made available from platforms like The Alliance, so we can understand whether a strategic investment in employee well-being would bring a significant return in terms of employee health and productivity, and if so how what we will do to implement such a strategy and when.

Waste Minimisation

With an additional 15 branches opening this year, we must try to minimise the footprint of our annual waste, so that the impacts we are making in our areas of operation are positive, and not negatively contributing to our societies. In 2010, we used 99,595 reams of A4 photocopy paper which is equal to 49,797,500 sheets, a 17% increase from 2009¹⁰. The height of this amount of paper stacked would be equivalent to 29 NBAD Towers on top of each other. However, we successfully maintained our paper recycling rate just below the 2009 rate of 16% in 2010 and are committed to sourcing only recycled content paper.

We initiated e-waste recycling during 2010, diverting 1,295kg from landfill, most of which was sent to the UK to be responsibly recycled, while 170kg was re-traded into emerging markets.

As part of the Greener Office Programme, we began piloting a toner recycling programme, resulting in 554 toners being collected and recycled. The Business Planning and Strategy Department switched to purchasing only 100% remanufactured toner cartridges with the intention of expanding uptake of this practice to other departments. We expect to grow our waste reduction programme by committing to establish a waste management programme in 2011 and implementing our recycling policy.

“A further contribution to NBAD’s sustainability objectives involved the implementation of a programme to recycle old Information Technology equipment. The Bank identified The Green Foundation as the partner to work with in order to achieve our recycling targets. A process was developed to properly identify and collect equipment set for recycling. By the end of 2010, the programme was extended to include all e-waste categories ranging from old calculators, keyboards and modems to PCs, servers and printers.

A new Green IT Policy was drafted highlighting several environmentally friendly initiatives that the IT department will be adopting. The policy included a new equipment write-off procedure that specifically describes the interactions and touch points with the Green Foundation in order to streamline the equipment recycling process. Both the policy and the procedure are under review and final management approval is expected by Q2 2011.”

Walid El Masri

IT Governance Group Leader

Sustainability Stakeholder Group Member

“I was delighted when we received recycled photocopy paper from the Head Office store. My sincere thanks to management for this decision.”

Nidal Al Sayed

Head of Legal Department

Abu Dhabi National Islamic Finance (ADNIF)



¹⁰The 2009 report contained inaccurate estimates of our paper consumption for 2007-2009. We have resolved these inaccuracies and the adjusted values are reported in the section entitled “Summary of our Key Performance Indicators”.



In 2011 We Are Committed

- To achieving our greenhouse gas, energy and paper consumption reduction commitments
- To reducing water consumption by 10%
- To adopting an integrated environmental management system
- To implementing e-waste and recycling policies
- To participating in Paperless Day 2011
- To launching a pilot green-building project with one of the buildings managed by Abu Dhabi National Properties (ADNP)
- To expanding the Greener Office Programme to at least three overseas units

2011



In 2010 We Said We Were Committed

To adopt the Equator Principles for responsible project financing

In Progress

To launch two or more sustainability related products or services

Complete

Read more on page 68

To continue with the transformation of our branch network

Complete

To increase ISO 9001 certification of NBAD business units to 31% of the entire organisation

Complete

We met the 31% target in 2010

To assess our current products and services in terms of financial inclusion and financial literacy to determine priority objectives

In Progress

PRODUCT AND SERVICE QUALITY AND INNOVATION



How We Value Our Customers

Customers are our number one priority and we strive to be 100% customer-service oriented. We aim to provide unique and tailored solutions in meeting the needs of our customers globally by offering the most innovative, efficient and secure products.

In 2010, we launched various products and services with the goal of exceeding customer expectations. New products and services are outlined in the next page.

Beyond abiding by all international laws and regulations pertaining to responsible labelling of product and services, we have strict policies on IT and data security to ensure customer privacy.

Delivering Quality Services and Customer Satisfaction

We strive to deliver exceptional customer experience every time and ensure this through the pursuit of ISO 9001 certification for our bank departments. Since 2009, we have increased our percentage of ISO 9001 certified business units to 31%, meeting our 2010 commitment.

Our quality aspirations have earned a positive response from our customers. In 2010, 87% of our consumer banking customers reported that they were either 'extremely satisfied' or 'satisfied' with our performance in 2010 following a much broader satisfaction survey across our Consumer Banking services than had previously been conducted. Therefore, the 2010 results are incomparable to results from 2009 and earlier.

To ensure our customers' on-going satisfaction, we also initiated regular audits, conducted by external mystery shoppers at random intervals throughout the year, at all of our branches. Mystery shoppers evaluate our branches on the quality of customer service, knowledge of products and the branch appearance. In 2010, branches were audited three times on average and achieved an average score of 80%.

We launched our new state-of-the-art call centre in December 2009, offering a multi-lingual 24-hour service to customers. The team comprises 13% UAE nationals and are trained to provide specialist financial and non-financial services. We plan to expand the call centre service across the GCC, initially in Oman. Our call centres achieved an average performance of 86% from the mystery shopper audits in 2010. The service rating, speed of caller management and call management statistics all exceeded international industry averages leading to ISO 9001-2008 certification in March.

	2010	2009	2008	2007
Consumer Banking customer satisfaction (%)	87%	91%	82%	82%
Consumer Banking dissatisfied customers (%)	13%	1%	5%	5%
Call Centre satisfaction	86%	N/A	N/A	N/A
Online Banking customer satisfaction (%)	84%	84%	N/A	N/A
Percentage of business units that are ISO 9001 Certified (%)	31%	19%	17%	14%

Insight – Our New Products in 2010

The First Exchange Traded Fund in the Region

In March 2010, we launched the region's first Exchange Traded Fund (ETF), "NBAD OneShare Dow Jones UAE 25 ETF", and listed it on the Abu Dhabi Securities Exchange (ADX) under the ticker symbol "1UAE". The Fund can be traded as any listed share on ADX and offers investors exposure to 25 of the largest and most liquid equity securities trading in the UAE.

The Fund is UCITS ("Undertakings for Collective Investment in Transferable Securities") compliant. UCITS directives are a set of European Union directives that aim to allow open-ended funds investing to operate throughout the European Union on the basis of a single authorisation from one member state.

We decided to take the UCITS route for the various advantages it offers to investors such as added protection due to the stringent investment guidelines based on international best practice, higher diversification, increased liquidity and favourable tax treatment in the EU.

The creation of the Fund required extensive collaboration across many divisions to enable investors to invest in the UAE equity market with the liquidity, transparency and diversification needed in today's fast moving world. To provide comprehensive training on ETFs, we partnered with Abu Dhabi Stock Exchange (ADX) and Thomson Reuters.

Second Generation e-dirham Card

In partnership with the UAE Ministry of Finance, we launched the Second Generation e-dirham card. This card dramatically expands on the functionality of the earlier version of the card, which only allowed cardholders to pay for government services. The new card allows cardholders to pay for services from merchants that accept Visa cards.

It can conveniently be recharged at any of our branches or through any deposit machine. The innovative e-dirham system will also raise public service standards, while enhancing the efficiency, innovation and professionalism of Government services.



NBAD's First Malaysian ringgit Sukuk

We launched a groundbreaking issuance of the Bank's first Sukuk and Islamic bond denominated in Malaysian ringgit (MYR). The 500 million Malaysian ringgit Sukuk further diversifies our funding sources. It provides opportunities to invest to a new segment of investors, where their investment guidelines and currency restrictions previously prevented them from doing so. This transaction serves as a trendsetter as we have opened the door for other regional issuers to tap into this unique liquidity pool and further strengthen the links that have been established with the Asian investor base.

Stars Loyalty Programme

We strive to bring market innovative and pragmatic products that distinguish us in the market and meet customer expectations. In May 2010, we launched the Stars Loyalty Programme, which allows all NBAD Classic, Gold and Platinum cardholders to earn Star Points. The coalition model allows customers to accumulate points from us as well as participating partners, for redemption on a wide variety of rewards. Partners were selected upon careful analysis and exploration of customers' demands, demonstrating our commitment to customer service excellence.

Responsible Lending and Investing

We have always undertaken a cautious approach to lending and credit risk management, ensuring that appropriate risk assessments are embedded into each and every decision. Full affordability assessments are undertaken by staff for all consumer banking loans before any new loans or extensions are granted. We do not exercise the full credit limits set by the Central Bank of the UAE.

While we did not adopt the Equator Principles in 2010, as our commitments outlined we would in 2009, we have set the foundation to do so in 2011. We held training for 13 employees on these internationally recognised principles, and recommit to adopt the Equator Principles by the end of 2011.

The Equator Principles

The Equator Principles are a set of voluntary standards launched in 2003 to guide banks in determining, assessing, and managing social and environmental risks in the financing of projects with total capital costs of US\$10 million or more. These principles are modelled on International Finance Corporation (IFC) standards and World Bank guidelines.

We have recommitted to adopting the Equator Principles in 2011 and intend to use the Principles as a tool to support clients in the design of successful projects, and to improve our financial performance (through further improvements of our loan portfolio). At the same time, both the Bank and our clients will be able to better manage the credit and reputational risks associated with large projects.

Since its launch, 69 financial institutions from 28 countries across the globe have adopted the Principles, covering 85% of the global project financing market. We will join this prestigious group in the implementation of this well-tested, effective, and internationally accepted framework for enhancing sustainability.

Innovative Products and Services

Innovation and ingenuity are core criteria when developing new financial products and services. The adoption of sustainability provides a significant opportunity to create new and innovative products. We began reviewing an array of sustainability related products in 2010, and committed to developing at least two.

When we began this process, we realised that well designed financial products and services take significant time and resources to create. To ensure product quality was not compromised, only one sustainability related product was launched – the Global Fund against AIDS, Malaria and Tuberculosis, the first socially conscious Exchange-Traded Fund (ETF) in the UAE. The second sustainability related service was developed to its final stages but was not ready for release by the end of 2010. Solar-panelled ATMs will be released in 2011, with the aim of having 2 functioning in our domestic network by the end of the year.

At a time when investors are cautious about equities markets and real estate, the launch of a fixed income fund aims to address a need in the market.

Loans by Economic Sector 2010

- 18% Energy
- 17% Real Estate
- 12% Govt
- 11% Personal loans for consumption
- 10% Services
- 8% Bank & Financial institutions
- 6% Personal loans others
- 5% Construction
- 5% Manufacturing
- 4% Trading
- 4% Transport
- 0.4% Others

Insight – Innovating with Sustainability in Mind

Sustainability has been identified as a key driver of innovation, according to the Harvard Business Review*, and we can now concur. With the launch of the region's first socially conscious Exchange-Traded Fund (ETF), and the anticipated early 2011 launch of our first solar-panelled ATM, we are finding that sustainability is a good fit with business.

Socially Conscious Fund

A few short weeks after the inauguration of the region's first Exchange-Traded Fund, we launched another in partnership with The Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund). The fund provides a new choice for socially conscious investors, allowing them to direct their investment dollars towards financing programmes to fight AIDS, Tuberculosis and Malaria. A Memorandum of Understanding was signed between the Global Fund and Dow Jones to explore the creation of a series of indexes to be called the Dow Jones Global Fund 50 Index in early 2010. We signed the agreement with the Global Fund shortly after to create the socially conscious fund, which would provide the Global Fund with a portion of the licence and management fees generated by the ETF. The fund demonstrates our ongoing commitment to the economic, social and environmental development of the UAE and the countries in which it operates.

Solar Panel ATMs

In February 2010, we displayed messages about the UAE Free of Plastic Bags 2012 campaign and, we consider the ATM screen as a means to extend our sustainability influence into the public arena. We plan to increase the power of the ATM as a sustainability tool with the launch of an innovative and visible initiative – solar-powered ATMs.

The first ATMs, expected in early 2011, will be powered by solar panels on the roofs of the branches where the ATMs will be installed. The panels will be connected to a circuit breaker board, which feeds a power controller where part of the collected energy is stored for the ATM's night operation. "We are also investigating the feasibility of 'green' bank cards that have been sustainably produced."



"We are proud that we are aiming to be the first bank in the region to launch a green ATM. Going forward, we will evaluate the launch of many more environmentally friendly retail banking products and services. We are also privileged to be the partner bank to Masdar City and will be opening a branch in Masdar Institute in early 2011."

Suvo Sarkar
General Manager – Consumer & Elite Banking
Sustainability Stakeholder Group Member

*"Why Sustainability is Now the Key Driver of Innovation" Harvard Business Review - September 2009

Insight – Financial Inclusion

Ensuring access to the Emirate’s remote populations enhances economic efficiency and is a core component of our growth strategy. We continue to open more branches in both prime and remote locations to ensure that a broad range of products and services are available and easily accessible to all of our clients.

Our role in connecting the Emirate’s population to financial services is demonstrated through the 112 branches and 392 ATMs in the UAE, the largest network operated by any bank in the country, and our online banking services.

We are the only UAE bank to provide each of its customers with a PIN generating security device, which is required for login, making the online service very secure and safe. The Arrow Mobile phone banking service was used more frequently in 2010, with a 12% increase since 2009.

In 2010, we continued to develop the Ratibi payroll card, which currently has over 300,000 cardholders who work at over 2,400 companies in the UAE. The card allows businesses to streamline their compensation processes, while providing the Government of Abu Dhabi access to monitor fair and timely payment of wages in the Emirate. We also partnered with Lulu International Exchange (a division of EMKE Group), to launch ‘My Card’, the first co-branded payroll card in the UAE. ‘My Card’



gives employees from over 700 companies that have signed up, access to a number of services including bill payments and salary disbursements.

Building on our commitment to making our financial services more accessible to the diverse communities of the UAE, we believe that this also extends to raising levels of financial literacy. Financial literacy was reviewed as a material sustainability issue for us in 2010, and campaigns and programmes will be developed to work towards raising levels of financial literacy by connecting with communities across the UAE in 2011.

NBAD's Network and Reach

	2010	2009	2008	2007
Number of branches in the UAE	112	100	84	73
Number of ATMs in the UAE	392	300	251	189
Number of Cash Deposit Machines (CDMs)	100	68	46	27
Branches in low-population and economically disadvantaged areas ¹¹	17%	40%	N/A	N/A
ATMs in low-population and economically disadvantaged areas ¹²	23%	30%	N/A	N/A
Number of ‘talking ATMs’ for the illiterate and visually impaired	139	78	20	5
Number of Ratibi cards issued	187,398	206,356	37,564	N/A
Customers registered on online banking	107,575	94,081	60,589	44,238
Number of transactions made using Arrow Mobile Services	7,719	6,875	N/A	N/A

¹¹NBAD re-evaluated the parameters by which it classifies branches in 2010. The 2009 value has been modified to reflect this.

¹²NBAD re-evaluated the parameters by which it classifies ATMs in 2010. The 2009 value has been modified to reflect this.

In 2011 We Are Committed

- To launching 2 solar-powered ATMs
- To increasing ISO 9001 certification to 41% our base of 36 business units and supporting departments
- To increasing the number of Ratibi payroll cards issued to 500,000
- To developing and launching at least one financial literacy programme
- To launching our first SME centre

OUTSTANDING RELATIONSHIPS

In 2010 We Said We Were Committed

To improve the quality of our stakeholder engagement process with at least two stakeholder groups

Complete

We focused on building the SSG and enhancing employee relations

To conduct supplier surveys to assess their human rights policies and practices

Complete

We engaged 11 suppliers

To assess our suppliers' willingness to support our sustainable procurement endeavours

In Progress

We engaged 14 suppliers to procure certified sustainable materials for the Masdar Branch

To ensure 1% of pre-tax profits go towards community investments

0.08% off the mark

To review and enhance our community investment strategy

In Progress

We will focus on finalising this in 2011

"We will listen to you and we will understand your needs" are key messages of our customer pledge that we adopt to ensure two-way dialogue to deliver on our stakeholders' needs. Co-innovation provides mutual benefits in our adoption of sustainability. To capitalise on the potential of collaboration, we are working towards improving the quality of our stakeholder engagement process.

Our relationships with customers and employees are vital to our success. We monitor these relationships through regular satisfaction surveys; customers annually, and employees every 18 months. Yet there are other critical relationships including those with our suppliers, with communities as a whole and with key networks that collectively work to enhance overall quality of life for our customers and their communities.

Valuing and Engaging Our Suppliers

We believe in building partnerships that bring value to our customers, to our brand and to our employees. We strongly believe in supporting our local economy and since 2009, we have given priority to engaging suppliers with a local base. This means that we choose to purchase our goods and services through companies which have a presence in the UAE contributing to our local economy.

We continually challenge our suppliers to improve their performance as we create quality standards which our suppliers must meet. These requirements ensure that we purchase quality products that match the value of our brand and products. To ensure we work with superior suppliers, we conduct checks through face-to-face meetings and visits to their premises and facilities during the supplier registration process.

In 2010, 11 of our direct suppliers volunteered for a pilot engagement campaign to assess their willingness to support us and our human rights policies. These 11 suppliers signed declarations demonstrating their human rights policies and procedures relating to the avoidance of child and forced labour.

A Vision of Sustainable Procurement

"In support of our goal to minimise the impacts of NBAD's operations on the environment, we have begun considering the environmental impacts of our procurement practices. Doing so can have significant impacts, as it not only changes the way we do business, but supports our partners in the business community to do the same.

The procurement team at any organisation can carefully consider existing procurement practices in order to evaluate where the major environmental impacts lie. Methods can then be found to integrate environmental and social considerations into purchasing practices which can be designed to fit with existing procurement methods, and to act as a support tool for purchasing staff.

The policy, procedures, and practice should not be designed to prohibit the purchase of any goods merely to favour goods and suppliers that are environmentally friendly and socially conscientious; other factors of quality, price, and delivery still remain paramount in purchasing decisions.

Any organisation would want their suppliers to give them the best possible value for money and maximise innovation in terms

of the environmental impacts of goods and services. We can do this by outlining specific environmental criteria at the outset in our invitations to tender.

Costs can be controlled through bulk purchasing, competitive bid processes and life-cycle costing. An important cost that is often overlooked is that of disposal. What if we minimised those costs, while concurrently minimising waste generation?

Green procurement is not limited to buying recycled paper and toner cartridges, but should stretch across our operations to include furniture, IT equipment and other machinery. Sustainable procurement should reflect the sustainability ambitions of the company and the Nation as a whole incorporating Emiratisation rates and human rights policies and procedures in the screening process."



Izzaddin Mohamed
Manager of Administration
Sustainability Stakeholder Group Member

Valuing the Communities We Serve Education

We currently focus our community investment on social development, environment, health and education. In 2010, we donated AED 22.7 million to social sponsorships, registered charities and non-profit organisations. We have been supporting the Red Crescent Society for over four years, and provide an option for customers to make a one-dirham donation as part of their ATM transactions throughout our network.

In 2011, we are committed to evaluating our community investments (CI) and creating a CI strategy which is aligned to our sustainability strategy.

Every year in December, our Domestic Banking Division organises UAE National Day celebrations in branches throughout the country. We invite our customers, staff and members of the community to attend cultural music performances, henna painting activities, cooking demonstrations. Our aim is to engage with the communities where we operate and share with them the traditions and customs reflecting the heritage of the UAE people.

Social Development

In 2010, we endorsed 27 sponsorship activities to support social development causes. We continued our sponsorship, which started in 2009, as 'The Official Founding Partner of Yas Marina Circuit' and 'The Official Bank of Etihad Airways Formula 1 Abu Dhabi Grand Prix'.

This is the largest single sponsorship we have ever provided and we consider it part of our community investment in line with the Abu Dhabi Economic Vision 2030, whereby we support the creation of jobs and the development of the tourism industry, thereby contributing to diversifying the economy.

We aim to deliver value to our customers, investors and partners and go beyond only offering robust products and services; we strive to create innovative means and methods to enhance all of our stakeholders' experiences with us. Offering educational and learning opportunities, experiences and programmes are an important way of achieving this objective.

Since 2005, we have hosted Awareness Sharing Knowledge (ASK) sessions, providing valuable learning opportunities for our customers, the community and our staff.

The Global Financial Markets Workshop (GFMW) was established in 2009 by our Financial Markets Division and was organised in 2010 in partnership with two of our corporate partners, Bloomberg and Thomson Reuters. We consider the GFMW part of our contribution to the Abu Dhabi Economic Vision 2030 and the development of the global financial sector. It is also an important part of our corporate sustainability strategy. The key focus of the GFMW is to provide our investors and partners with access to learning opportunities and skill development through presentations, panel discussions and workshops on important financial topics.

At the 2010 event, responding to the surge in bond issuance by GCC-based companies we aimed to provide opportunities for our investors and partners to join with industry experts in the same room and discuss investment opportunities in the GCC.

With the growing significance and importance of Islamic Finance globally and to meet the levels of interest in areas such as Shari'ah-compliant financial products and services we added an extra day to the event. Sukuk are considered one of the most important tools of Islamic Finance and issues relating to Sukuk issuance were discussed at the 2010 event through panel discussions with Shari'ah scholars and experts.

Insight

NBAD's Greenest Branch

Engaging Suppliers in our Quest for Innovation

The growth of NBAD is reflected in our rapid branch expansion. Along with this expansion has come the need to ensure innovative programmes to drive continuous improvement in branch quality. Innovation is not limited to the way customer service is optimised in branches. We challenged ourselves to open a branch that was both sustainable and innovative physically. We will officially open our greenest and newest branch in early 2011.

The branch is located in Masdar City, the world's first truly sustainable city, and is furnished with recyclable furniture constructed from recycled materials, as well as energy efficient and resource optimising IT equipment.

Using our environmental criteria to engage with our suppliers, we screened for restricted materials such as toxic, unsustainably harvested, and environmentally harmful materials in furnishing the branch. While the concept of sourcing environmentally is a relatively new one in the region, most of our suppliers already had environmental policies or procedures in place.

The suppliers also submitted surveys and human rights declaration forms. However, it was difficult to find locally based suppliers offering certified products. In particular, certified raw materials were difficult to find and we ultimately had to import them. This also impacted supplier delivery time. As this initiative marked the first one of its kind in our history, we often worked collaboratively with suppliers to ensure project success.

The Results

Three suppliers provided 100% environmentally certified materials which made up 51% of the total material purchased. Six suppliers provided energy efficient equipment with the possibility of recycling most of the components through environmentally responsible sources and these items made up 28% of



the supplies purchased. The remaining items procured made up 21% of the total supplies and these were not from sustainable sources as we were unable to find any suitable products available at the time although these items can be recycled at the end of their life cycle. We also selected IT equipment to minimise the number of machines required and the amount of paper and toner consumed in their function, while maximising the energy efficiency and end-of-life recyclability.

While the prices and supplies for certified sustainable products are prohibitive for group wide adoption now, we will continue to encourage our suppliers to update their sustainability performance records. We will consider integrating environmental criteria into our procurement processes in the near future as we will be undergoing a re-engineering of our procurement system and process in 2011.

In the meantime, we hope that this experience has provided a clear signal to suppliers about the direction in which the market is heading, highlighting the need to expand their sustainable product inventory. Most importantly, we have improved the way we engage with suppliers towards increased collaboration, which we expect to produce mutual positive results far into the future.

What Our Stakeholders Have to Say

“Sustainability is not just the “right thing to do” anymore – our customers and prospects, here and abroad, are much more socially, environmentally and politically savvy. They are therefore more selective when making financial and investment decisions. Organisations not adopting sustainable practices in these areas will gradually fall behind in terms of market share and overall profitability.”

Walid El Masri

IT Governance Group Leader

Sustainability Stakeholder Group Member

“NBAD is a long term supporter of EWS-WWF and our initiatives. EWS-WWF seeks a future where corporations make a net positive contribution to the well-being of society and the planet. Increased awareness and concern for the environment has changed the way people, governments and the private sector look at the world and there is a strong demand for businesses to incorporate environmental and social responsibility into their core strategy. NBAD has throughout 2010 taken several initiatives to raise environmental awareness among their staff as well as supporting local environmental projects and organisations.”

Ida Tillisch

Acting General Director

Emirates Wildlife Society – World Wildlife Fund (EWS-WWF)

“In 2010, through NBAD’s blood donation drive, the amount of blood collected in Abu Dhabi was 415 units or 17.8% of the total collected by us for that entire month (2,336 units). Through the donations of NBAD employees, customers and members of the public who attended the event, they supported treatment of patients who are suffering from chronic disease. They also contributed to saving the lives of many road accident patients and cardiac surgery procedures. Every drop of blood counts. With one unit of blood we can treat 3 patients.”

Dr Naima Oumeziane

Specialist, Clinical Services

Abu Dhabi Blood Bank

“We are proud to be working with NBAD as they have been a pioneer in terms of sustainability reporting and best practice in the UAE. At Ecobility, we believe that it is time for all private sector companies to take the initiative and build on the positive foundations put in place by policymakers to enhance sustainability in the UAE. By working collectively, we can shift the way business is done in the foreseeable future as more companies will be encouraged to achieve a triple bottom line – people, planet, profit.”

Wadah Abusin

Co-founder & Commercial Director at Ecobility Energy Solutions

Activating Workplace Skills

We believe that partnerships with other organisations are critical to delivering quality training for our UAE nationals, and that developing sustainable training resources for the UAE is imperative to long term success. As part of this focus we are founding members of the Higher Colleges of Technology (HCT) Foundation’s 100 Club. Last year we signed a three-year agreement with HCT to fund two Deans in Banking and Finance based at HCT’s Abu Dhabi Women’s College and Al Ain Men’s College.

This support reinforces our commitment to equipping young Emiratis with the knowledge and skills to enter the workplace thereby supporting our contribution to the Abu Dhabi Economic Vision 2030.

More directly, since 2008, we have hosted six students, aged between 15-17 years old, from The British School Al Khubairat, Abu Dhabi to gain week-long work experience within the Sustainability Team as part of their school curriculum. We consider these work experience opportunities as a significant step in preparing young people for adult and working life. Our aim is to introduce them to areas of work undertaken by our Sustainability Team and show them what sustainability means to NBAD.

We are committed to supporting this programme again in 2011.

What Work Placement Students from The British School Al Khubairat, Abu Dhabi Have to Say

“During our time at NBAD, we were introduced to the lifestyle and environment of an office workplace. Overall, the experience was enlightening; it made us realise the different factors that go into running a business, and to keep it sustainable. Everybody was welcoming and helpful and made the experience even more enjoyable.”

Helen Ringrose

6th Form

“We learned that the world is not only affected by pollution, but also by politics and the economy. We learned that it all links together in changing the world. Being here has taught me a lot of new things about the working environment and has opened my eyes to how the world works today. I believe we worked well with the different members of the department, tackling any unresolved issues as a team, which made our experience at the bank a pleasant one.”

Rashid Al Zaabi

6th Form

“It has been a real experience learning how an office functions and what is expected of you from a working environment. As the department has involved us so much in their planning, strategy and helped us to contribute, we feel we have been very involved in generating company ideas.

Upon joining the Business Planning and Strategy department and working with the Sustainability Team, we learned that there is a lot more to this bank than being a bank. We hadn’t even considered that a sustainability department would exist nor the importance of it.

More than that, we were immensely impressed by many of the community projects that the bank is involved with: the Green Office Programme, the Age of Stupid screening, the company Wellness Day, and the joining of various sustainability leadership groups. We learned that the company works in six different areas of banking, and that the sustainability department is responsible for helping influence all of them in the right direction.”

Safiya Morshed

6th Form

Environment

Once again we participated in the 2010 Earth Hour – a global campaign to promote awareness and take collective action against climate change. With the official launch of our environmental programmes this year, we worked in conjunction with the Central Bank of the UAE to support the national UAE Free of Plastic Bags 2012 Campaign launched on UAE Environment Day 2010.

We displayed awareness raising messages on our ATM network and distributed jute bags and a supporting fact sheet to our customers to get them directly involved in the campaign. Plastic bags are the cause of nearly half of camel fatalities in the UAE, where ingested plastic results in calcified material weighing up to 60kg in the camel's stomach.

Plastic bags also pose a threat to the turtle population in the waters of the Gulf. In partnership with EWS-WWF we hosted an awareness session at the Head Office for our staff. We distributed jute shopping bags to all staff at the event and across all offices, branches and emirates. Employees attending the event made a voluntary donation towards the Environmental Wildlife Society (EWS) in association with the Worldwide Fund for Nature Satellite Turtle Tagging Project. As a result, AED 3,300 was raised by our employees to support this conservation project.

In July 2010, through our ASK sessions, we screened the drama-documentary 'The Age of Stupid' in collaboration with The British Council. We had 3 screenings, one in the Head Office to an audience made up of customers, employees and members of the community. We then took it to the AFAQ trainees in Abu Dhabi and Dubai to raise awareness of climate change.

Health

Health is a top priority in our community initiatives. For more than seven years, we have hosted blood donation drives which are keenly supported by our staff. In 2010 we set aside one day at our Head Office buildings and in our regional office in Dubai just for employees. A further three days were open to the public. We consider this event a great opportunity to engage with the community and raise awareness on the prevention of health issues which have been highlighted by the Government as particularly prevalent in the population in the country. It also involved pre-donation screening, which highlighted issues such as anaemia and low body weight in participants.

Last year, we combined forces with Abu Dhabi Blood Bank, which operates under Sheikh Khalifa Medical City, a SEHA Health System Facility, the Regional Blood Centre in Al Ain and the Ministry of Health Department of Blood Transfusion & Research Services to conduct the blood donation drives.

Sponsorship of the 2010 Abu Dhabi Classics Run, which promoted healthy and active lifestyles, also formed part of our community engagement during the year. We supported the event through a financial contribution and with more than 30 employee volunteers acting as starting line marshals, water distributors and crowd support. This year's Classics Run raised funds for the Abu Dhabi Classics music education programmes as well as the Sheikh Khalifa Medical City for diabetes prevention.

Valuing Leadership Networks

We believe in the value of engaging and collaborating with our peers and other organisations through leadership networks, whether local, regional or global.

Arab Sustainability Leadership Group (ASLG)

We joined the ASLG at the end of 2010 and are the first bank in the UAE to join. Our sustainability reports represent our commitment to adopting sustainability management and publicly reporting on our sustainability performance. We commit to regularly contributing to peer-to-peer collaboration and knowledge sharing sessions in 2011.

Abu Dhabi Sustainability Group (ADSG)

We are a founding signatory of the ADSG, established in 2008, and the only bank represented in the group. In 2010, we were elected on to the General Secretariat of the ADSG and will be playing a more significant role in the strategic development of the group and delivering sustainability initiatives such as the implementation of flagship programmes.

Throughout the last year, we have actively worked towards the uptake of sustainability management internally, which supports our commitment to the objectives agreed upon by ADSG members. We have been regular contributors to the Group through ongoing dialogue and participation in quarterly meetings, experience sharing, brainstorming and planning sessions. The NBAD Academy provided training and meeting facilities for some of the ADSG sustainability workshops and activities. In May, we attended the Global Reporting Initiative Conference as part of the ADSG delegation where we held an advisory session for attendees, presenting case studies from our companies and met with the GRI leadership.

Memberships

- Abu Dhabi Sustainability Group (ADSG)
- Arab Sustainability Leadership Group (ASLG)
- Arab Forum for Environment and Development
- International Standards Organisation (ISO)
- Emirates Wildlife Society – World Wildlife Fund
- Hawkamah, Institute for Corporate Governance



In 2011 We Are Committed

- To engaging the UAE and regional banking sector on sustainability dialogues
- To participating in at least 2 AD SG flagship programme taskforces and chairing one group

2011



Contact Information

If you require further details on any of the information in our report, or have any comments, feedback or enquiries, we can be contacted as follows:

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Appendix A: Summary of Our 2010 Key Performance Indicators

KPI	2010	2009	2008	2007	2006
ECONOMIC PERFORMANCE					
Global net profit (AED million)	3,683	3,020	3,019	2,505	2,106
Countries where we have a presence	12	12	10	N/A	N/A
Return on shareholders' funds (%)	19%	19%	25%	26%	27%
Number of shareholder engagements	New Indicator				
INVESTING IN OUR PEOPLE					
Total workforce*	3,950	3,753	2,981	2,599	2,144
Number of senior-level positions (grade 12+)	110	96	88	70	48
Number of middle-management positions (grade 9-11)	589	508	438	352	287
Number of employees (grade 5-8)	2,268	2,389	2,067	1,833	1,455
Number of employees (grade 1-4)	400	395	363	303	283
Number of trainees	192	155	25	41	71
Number of contract staff (incl. Retirees)	391	N/A	N/A	N/A	N/A
Total workforce by age					
18-30	1,719	1,551	1,140	892	558
31-40	1,419	1,080	946	803	701
41-50	476	511	474	464	436
51-60	298	364	376	385	381
Above 60	38	37	45	55	68
Number of nationalities	69	62	52	49	52
Women in the workforce (%)	34%	34%	32%	33%	33%
Female branch managers (%)	46%	38%	32%	33%	33%
Women in middle management (%)	17%	19%	19%	15%	15%
Women in senior management (%)	5%	5%	3%	3%	2%
Employee engagement and satisfaction ¹³	71%	N/A	84%		N/A
Total workforce turnover (%)	12%	8%	15%	13%	11%
Turnover in senior management	4%	5%	14%	14%	17%
Turnover in middle management	7%	5%	11%	11%	12%
Turnover in employees (grade 5-8)	7%	9%	16%	13%	10%
Turnover in employees (grade 1-4)	6%	5%	6%	5%	6%
Turnover in contract staff	53%	N/A	N/A	N/A	N/A
Employees trained (%)	83%	70%	64%	50%	59%
Number of employees trained on sustainability	414	New Indicator			
Number of employees trained on anti-money laundering	1,003	New Indicator			
Number of reported accidents per 1000 employees	4	New Indicator			
PRODUCT AND SERVICE QUALITY AND INNOVATIONS					
Very satisfied and satisfied customers (%)	87%	91%	82%	82%	86%
Very satisfied and satisfied merchants (%) ¹⁴	N/A	N/A	97%	N/A	N/A
Business units ISO 9001 (Quality and Performance) Standard Certified	31%	19%	17%	14%	3%
Average number of mystery shopper audits per branch	3	1-2	3-4	5	6
Total number of customer privacy breaches	0	1	3	2	0
Branches in our UAE network	112	100	84	73	N/A
ATMs in our UAE network	392	300	251	189	N/A
Number of new sustainability related products and services	In Progress	New Indicator			

KPI	2010	2009	2008	2007	2006
FINANCIAL INCLUSION					
Branches accessible in low-population and economically disadvantaged areas (%)	17%	40%	N/A		
ATMs accessible in low-population and economically disadvantaged areas (%) ¹⁵	23%	30%	N/A		
Number of 'talking ATMs'	139	78	20	5	0
Ratibi Cards issued	187,398	206,356	37,564	N/A	
Total registered online banking customers	107,575	94,081	60,589	44,238	34,430
Online banking satisfaction results ¹⁶	84%	84%	N/A		
Number of transactions made through Arrow Mobile Banking	7,719	6,875	N/A		
ENVIRONMENTALLY SMARTER					
Total GHG emissions (tonnes)	25,027.3 ¹⁷	21,689.3	19,380.6	16,336.2	14,759.4
Total GHG emissions per employee (tonnes)	6.3	6.1	6.5	6.3	6.9
Total electricity consumption (kWh)	32,848,098	28,471,910	25,438,202	21,438,202	19,365,972
Total water consumption (gallons)	20,632,128	26,388,889	18,333,333	19,629,630	8,793,796
Total paper consumption (kg)	248,987.5	213,162.5	198,212.5	174,812.5	160,825
Total paper recycled (kg)	38,842	36,917	62,692	71,640	11,680
Paper Recycling Rate	15.7%	17.3%	31.6%	41.0%	7.2%
Annual spending on photocopy paper (AED)	920,325	868,200	711,750	729,450	532,675
% of toners recycled (remanufactured)	6.0%	New Indicator			
Number of branches reporting their environmental data	110	New Indicator			
OUTSTANDING RELATIONSHIPS WITH OUR COMMUNITY					
Total community donations and charity (AED '000)	27,000	25,612	47,313	38,172	6,798
Community donations as a percentage of pre-tax profits	0.73%	0.83%	1.53%	1.49%	0.32%
OUTSTANDING RELATIONSHIPS WITH OUR SUPPLIERS					
Total spending on suppliers (AED '000)	51,263	35,208	N/A		
Spending on locally based suppliers (%)	99%	100%	N/A		
Suppliers who have undergone human rights screening (%)	7.4%	New Indicator			
Percentage of suppliers working specifically with the CSR events and activities who provide in-kind support(%)	57%	90%	70%	N/A	

*This number excludes sponsored students

¹³The employee satisfaction measurement methodology was modified in 2010 with the launch of the Global People Survey. Employee satisfaction is assessed every 18 months.

¹⁴Merchant satisfaction is assessed every two years. The next survey will be conducted in 2011.

¹⁵NBAD altered the parameters by which it classifies ATMs in 2010. The 2009 value has been modified to reflect this.

¹⁶Our online customer satisfaction measurement methodology was changed in 2010. The 2009 measurement was modified according to this methodology.

¹⁷Our 2010 GHG emissions calculations include the fuel consumption of our Consumer Banking Group fleet, whereas our 2006-2009 calculations do not, due to a lack of reliable data.

Appendix B: Summary of Our Commitments for 2011

Economic Performance
To achieving an average return on shareholder funds of 20%
To reporting back on how we linked the Bank's corporate strategy to the Abu Dhabi Economic Vision 2030
To increasing our global presence with four new international units
Embracing New Accountability Realities
To producing the 2011 sustainability report which is 3rd party assured via the creation of a multi-stakeholder committee
To improving our process of understanding and enhancing our economic, social and environmental impacts
To introducing sustainability performance management to three of our international markets
To completing a self assessment against the ISO 26000 guidelines and to show GRI and ISO 26000 alignment in our 2011 report
To reviewing our auditing procedures to integrate at least 10 of our sustainability KPIs
To evaluating the United Nations Principles For Responsible Investment as a potential signatory
Investing in Our People
To increasing Emiratisation to 42%
To introducing a formal sustainability training programme targeted at our employees
To establishing a working Health, Safety and Security Committee
To determining the key issues in employee well-being and assessing the feasibility of developing a wellness strategy
To having AFAQ trainees developing and implementing a CSR project as part of their training programme
To training internal audit staff on sustainability reporting to better support the creation of the next sustainability report
Environmentally Smarter
To achieving our greenhouse gas, energy and paper consumption reduction commitments
To reducing water consumption by 10%
To adopting an integrated environmental management system
To implementing e-waste and recycling policies
To participating in Paperless Day 2011
To launching a pilot green-building project with one of the buildings managed by Abu Dhabi National Properties (ADNP)
To expanding the Greener Office Programme to at least three overseas units
Product and Service Quality and Innovation
To launching 2 solar-powered ATMs
To increasing ISO 9001 certification to 41% our base of 36 business units and supporting departments
To increasing the number of Ratibi payroll cards issued to 500,000
To developing and launching at least one financial literacy programme
To launching our first SME centre
Outstanding Relationships
To engaging the UAE and regional banking sector on sustainability dialogues
To participating in at least 2 ADSC flagship programme taskforces and chairing one group

Appendix C: Report Parameters

Determining our priority issues: We have undertaken a systematic process for identifying the company's priority sustainability issues and have applied each of the principles for defining report content. Our process has resulted in the identification of six major sustainability issues that will drive our sustainability strategy. We report on each of these major issues in this report. These issues are all deemed essential to business success and are not prioritised. Prioritisation within each issue is defined in the form of a selected group of key performance indicators (KPIs) and related targets that we have determined as the best means of achieving progress towards sustainability.

Materiality: We considered and believe we have covered all topics (and included associated indicators) that reflect the organisation's significant economic, environmental and social impacts, or that would substantively influence the assessments and decisions of stakeholders. This includes main issues raised by stakeholders, issues reported on by our peers, and standards and guidelines including the GRI G3 Reporting Guidelines.

Stakeholder inclusiveness: We considered and believe we have identified all of our key stakeholders and have attempted to outline in each section of the report how we engage them, our understanding of their interests and expectations, and how we have responded.

Sustainability context: We considered our sustainability context, taking into account global trends towards sustainability, but also considering regional and local contexts in which we operate.

Memberships

Balance: We believe this report presents both the positive aspects of our performance and areas requiring significant improvement.

Comparability: Wherever possible we have provided year-on-year data and have attempted to follow the GRI Indicator Protocols in order to facilitate comparison of our report against industry peers and other companies practicing sustainability.

Clarity and accuracy: Sustainability is a relatively new concept to many regions where we operate, and we have made an effort to provide introductory information where useful to facilitate reader understanding of the report content. We have aimed for maximum accuracy. Where estimations or other limitations to the data are involved, this is identified.

Reliability and data measurement techniques: Where possible we have used existing systems to calculate data; in other cases we have returned to our records to manually collect required data. Where calculation or measurement methodologies have been modified in 2010, data has been restated where applicable, accompanied by specific explanations in the footnote. All data presented represents our best understanding of our impacts. In cases where we were uncertain of actual impacts, we chose to omit such data until more reliable tracking could be implemented. We are committed to the widespread improvement of our tracking in 2011.

Assurance: This report will not be assured by a third party.

Reporting Boundaries

Limitations: This report covers data and activities from NBAD's group businesses in the UAE. The bank does operate in other countries, and coverage of these countries will increase in future reporting.

Completeness and boundaries of report: NBAD has attempted to make this report as complete as possible. The report pertains to NBAD's 2010 performance including, in most cases, indicators reporting back to 2006. The report covers all UAE operations, but no overseas activity. Subsidiaries include Abu Dhabi Financial Services (ADFS), Abu Dhabi National Leasing LLC (ADNL), Abu Dhabi National Properties (ADNP) and Abu Dhabi National Islamic Finance (ADNIF).

Appendix D: GRI Index

GRI	Pages
1.1	3-4
1.2	3-4, 14-16
2.1	7
2.2	7
2.3	7, 9-11
2.4	7, Headquartered in Abu Dhabi
2.5	9-11
2.6	9-11, 28
2.7	9-11
2.8	7
2.9	7-11, 32
2.10	13
3.1	1
3.2	1
3.3	1
3.4	1
3.5	90
3.6	90
3.7	90
3.8	90
3.9	90
3.10	59, 62, 90
3.11	48-49, 59, 62, 90
3.12	91-92
3.13	No third party assurance
4.1	32
4.2	32
4.3	32
4.4	Shareholders and Employees communicate to the Board via the AGM and the Investor Relations Dept.
4.5	32
4.6	32-33
4.7	32-33
4.8	14
4.9	32-33

GRI	Pages
4.10	The Board's performance is not currently evaluated. Evaluation processes are being developed in 2011
4.11	14-16, 32-33
4.12	14, 61, 64, 82
4.13	82
4.14	15-16
4.15	15-16
4.16	15-16, 67, 75, 82
4.17	15-16, 89
Economic – Disclosure of Management Approach (21-22, 32-33)	
EC1	21, 87
EC2	3-4, 14
EC6	75-76. 99.91% of spending with UAE suppliers
EC7	43
EC8	45-46
EC9	22-27
Environment – Disclosure of Management Approach (33, 55-56)	
EN1	62, 88. We are committed to measuring our waste baseline in 2011
EN2	62, 88
EN3	59, 88
EN4	59, 88
EN5	59-60
EN6	53, 59-60
EN7	59-60
EN8	59, 88. From municipality-provided desalinated water
EN9	Desalinated Water
EN10	No recycled or reused water
EN11 - EN15	Not applicable as no branches or locations of the bank threaten biodiversity
EN16	59-60, 80. Using the GHG Protocol
EN17	We are committed to reporting on our air travel emissions in 2011
EN18	59-60

GRI	Pages
EN19	None identified
EN22	62, 88
EN23	No spills identified
EN24	Zero
EN25	None
EN26	55-62
EN27	None
EN28	No Fines
EN29	60
Labour – Disclosure of Management Approach (33, 41-43)	
LA1	43, 87
LA2	49, 87
LA3	41-42
LA4	No collective bargaining agreements in UAE
LA6	We are committed to establishing a health and safety committee in the future
LA7	48. Zero fatalities
LA8	48
LA9	None
LA10	45-46
LA11	45-47
LA12	49
LA13	32, 43-44
LA14	42
Human Rights – Disclosure of Management Approach (33, 48)	
HR1	None
HR2	7.40%
HR3	None
HR4	None
HR5-HR7	We do not operate in areas identified as high-risk for human rights, p.48
HR8	None
HR9	None

GRI	Pages
Society – Disclosure of Management Approach (33, 77)	
SO1	71, 77-81
SO4	No incidents reported
SO7	None
SO8	No significant fines or non-monetary sanctions
Product Responsibility – Disclosure Management Approach (33, 67, 69, 71, 77)	
PR2	No incidents
PR3	We abide by all federal laws and regulations
PR4	No incidents
PR5	67
PR6	We abide by federal laws and regulations
PR7	No incidents
PR8	87
PR9	No significant fines or monetary sanctions
Financial Services Sector Supplement	
FS2	69
FS4	69
FS6	21, 69-70
FS13	71
FS14	71
FS16	71



Appendix E: Glossary of Terms

Term	Definition
Abu Dhabi Economic Vision 2030	Based on the principles laid out in the Government's Policy Agenda published in August 2007, the Abu Dhabi Economic Vision 2030 is a roadmap for the emirate's socio-economic progress.
Abu Dhabi Sustainability Group (ADSG)	The group consists of representatives of key sectors in the Emirate of Abu Dhabi, including oil and gas, real estate, construction and banks. Members are committed to supporting the Abu Dhabi Environment Agency's efforts in the development and implementation of standards, exchanging experiences and identifying targets and training needs in key areas for the implementation of sustainability.
Arab Forum for Environment and Development (AFED)	A not-for-profit regional non-governmental organisation, grouping experts together with the civil society, business community and media to promote prudent environmental policies and programmes across the Arab region.
Arab Sustainability Leadership Group (ASLG)	A network of high profile companies, government entities and non-profit organisations committed to achieving the highest levels of sustainability management, performance and as well as quarterly experience sharing meetings and forums. Collectively, the members are dedicated to leading the region towards a more innovative and sustainable future.
Emirates Wildlife Society – World Wide Fund for Nature (EWS-WWF)	The EWS-WWF addresses such issues as protection of the area's rich biodiversity, combating climate change and reduction of the UAE's heavy ecological footprint. The group's actions include conservation measures, education and awareness outreach activities, and policy recommendations.
Emiratisation	An initiative by the government of the UAE to employ its citizens in a meaningful and efficient manner in the public and private sector.
Exchange-Traded Fund	An investment fund that can be traded as any listed share on a stock exchange.
Equator Principles	A voluntary standard which reviews the potential social and environmental impacts of projects the bank is looking to finance.
E-waste	A term used to describe electronic waste – discarded, surplus, obsolete or broken electrical or electronic devices.
Global Reporting Initiative	The Global Reporting Initiative is the steward of the most widely used reporting framework for performance on human rights, labour, environmental, anti-corruption and other corporate citizenship issues. The GRI framework is the most widely used standardised sustainability reporting framework in the world.
Greenhouse gas emissions	Gases in an atmosphere that absorb and emit radiation within the thermal infrared range. The main greenhouse gases in the Earth's atmosphere are water vapour, carbon dioxide, methane, nitrous oxide, and ozone.
Hawkamah – The Institute for Corporate Governance	An institute that supports institution building, corporate sector reform, good governance, financial market development, investment and growth in the Arab region.
ISO 9001	An international standard established by the International Organisation for Standardisation, which specifies requirements for a quality management system where an organisation: 1. Needs to demonstrate its ability to consistently provide product that meets customer and applicable statutory and regulatory requirements 2. Aims to enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements
ISO 26000	An international standard established by the International Organisation for Standardisation, which provides guidelines for social responsibility. In contrast to the ISO 9001, the ISO 26000 is not a management system standard and does not offer certification.
Know your customer	Due diligence and bank regulation that financial institutions and other regulated companies must perform to identify their clients and ascertain relevant information pertinent to doing financial business with them.
Mobile banking	Performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. (Also known as M-Banking, mbanking, SMS Banking etc.)
Money laundering	The illegal practice of engaging in financial transactions to conceal the identity, source or destination of money, often illegally obtained.
Online banking (Internet banking)	Allows customers to conduct financial transactions on a secure website operated by their retail bank.
Socially responsible investing	An investment strategy which seeks to maximise both financial return and social good.
Sukuk	An Islamic equivalent of a bond that complies with Islamic law and its investment principles.
Sustainability management	The integrated management of economic, social and environmental performance, with the aim of enhancing value for all stakeholders.
United Nations Principles for Responsible Investment (UNPRI)	A set of principles devised by members of the global investment community, which provides a framework for investors to incorporate environmental, social and corporate governance issues into their decision-making and ownership practices.
Watersaver	A device installed in taps to regulate water flow and to save on water and energy consumption.

The Top 20 Tips for Working Sustainably and Smarter

In response to many requests from our employees, we are including a new section on tips for adopting more sustainable behaviour in the office and at home.

Reduce Energy Consumption - Actions

1. Switch off your computer at the end of the day. (🏠 & 💻)
2. Turn off your screen monitor when you're not using it. Screens are the biggest consumers of energy using 10% of the total energy consumed by the computer even when on stand-by. (🏠 & 💻)
3. Switch off the photocopier at the end of the day. (🏠)
4. Pull out the plug on your mobile phone chargers when not in use. (🏠 & 💻)
5. Switch off extension power leads when not in use. (🏠 & 💻)
6. Switch off the lights when you leave the room where possible. (🏠 & 💻)
7. Turn up the airconditioning thermostat by 2 degrees. (🏠 & 💻)
8. Turn down the central heating thermostat by 2 degrees. (🏠 & 💻)

Reduce Water - Actions

9. Apply to sustainability@nbad.ae to have your offices included in the Watersavers project. (💻)
10. Install watersavers on all the taps in your home (refer to www.heroesoftheuae.ae). (🏠)
11. Report the drip in your offices immediately by contacting PMED on 02-611 1412 or dial extension 11412/11413. (💻)
12. Don't let the tap run when washing the dishes, shaving or brushing your teeth and save 9 litres of water. (🏠 & 💻)

Reduce Paper Consumption - Actions

13. Print less and only if you need to keep the document. (🏠 & 💻)
14. Read newspapers and magazines online. (🏠 & 💻)
15. Use and reuse internal mail envelopes; please use all the address spaces on internal mailing envelopes. (💻)
16. Print and photocopy on both sides. (🏠 & 💻)

Reduce Paper Consumption - Actions

17. Say 'NO' to plastic bags and take your own re-usable bags to the supermarket, ask sustainability@nbad.ae for one of the NBAD jute bags. (🏠 & 💻)
18. Share a ride to work or ask us to help you set up a car pool scheme. Email sustainability@nbad.ae. (💻)
19. Install energy saving light bulbs throughout your home. (🏠)
20. Reduce your consumption of bottled water and fit a water filter instead. (🏠 & 💻)

- Home 🏠
- Office 💻