

**ANNUAL
REPORT
2024**

بنك أبوظبي الأول

FAB

First Abu Dhabi Bank



**GLOBAL
CONNECTIONS
FOR SUSTAINABLE
GROWTH**

Sustainability Review

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Overview of 2024

First Abu Dhabi Bank (FAB), a recognised leader in sustainability, is committed to a sustainable future for the UAE, the region, and the planet.

In line with the UAE's vision to promote sustainable economic growth, FAB recognises the banking industry's critical role in enabling the transition to a low-carbon and equitable economy.

In 2024, we made significant strides towards our target to lend, invest and facilitate AED 500 billion (USD 136 billion) in sustainable and transition financing by 2030, achieving 53% of this goal by the end of the year.

At FAB, we embed environmental, social and governance (ESG) principles in our culture, operations, and risk management practice. Reflecting our commitment to global best practice, we advanced our ESG agenda in 2024 by introducing a comprehensive Group Climate Risk Policy and Group Climate Risk Framework. We also developed a climate risk scoring and climate stress testing framework.

We engage with a diverse range of partners through events and initiatives to drive positive change for all stakeholders – ranging from employees, clients, large corporations, small and medium-sized enterprises (SMEs), and the wider communities in which we operate. As a part of this work, we co-hosted SME Day with Masdar at the World Future Energy Summit, where we engaged in vital conversations with SMEs and stakeholders about their net-zero journeys, and financing options for SME decarbonisation. This event continued our support for the COP28 SME Climate Hub initiative. Furthermore, FAB supported SMEs with AED 4.3 billion in new financing in 2024, a 30% increase from the previous year. We also hosted the Real Estate and Construction Sectorial Summit, a flagship initiative designed to convene net zero industry stakeholders on action acceleration.

We support thriving local communities. Our employees and their family members contributed a total of 25,177 volunteer hours in 2024, supporting a wide range of social and environmental programmes. We engaged the future workforce on sustainability through the FAB Future Business Leaders Initiative, a competition focused on university students, and our staff contributed to restoration of coral reef ecosystems in Abu Dhabi.

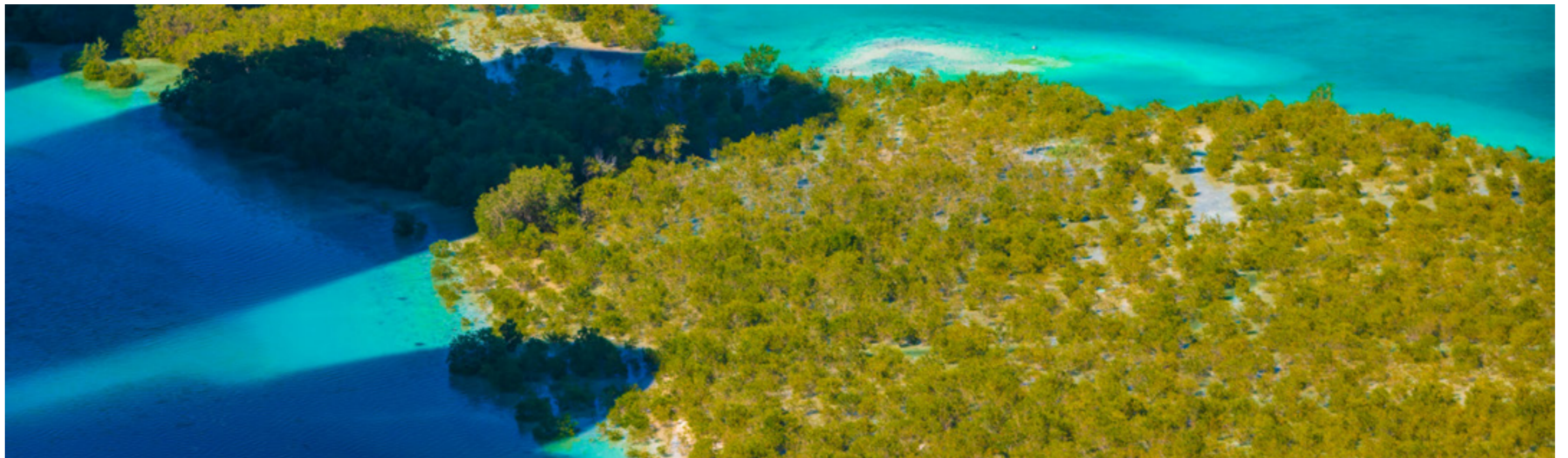
In 2024, FAB reinforced its position as a regional leader in sustainability. FAB was elected as the Chair of the NZBA Steering Group and selected as the co-chair of the Middle East and North Africa (MENA) chapter for the Partnership for Carbon Accounting Financials (PCAF). FAB was also recognised as the most sustainable company in the Middle East and Africa and among the World's 500 Most Sustainable Companies of 2024 by TIME magazine and Statista. Our efforts and commitments have been recognised, with

FAB receiving multiple awards, such as the ESG Excellence award in Banking and Finance from the 2024 MEA Business Achievement Awards and the Best ESG and Sustainability Report in the Middle East (Large Cap category) from MEIRA IR Awards.

FAB's strong ESG credentials include an AA rating from MSCI ESG. The bank is also recognised as the best bank in the Middle East based on its LSEG ESG score and it is among the top 5% of performers in the global banking industry.

This report highlights our achievements and progress against key targets and commitments, demonstrating our continued dedication to supporting the UAE's transition towards a resilient, net zero economy.

Looking ahead, we remain dedicated to using our presence across the region to champion the transition towards a more sustainable, diversified, and equitable future for all.



2024 Highlights

Transitioning to a low-carbon future	Capitalising on our social responsibility	Transforming our governance model
Sustainable and transition finance	Financial inclusion	ESG risk and ratings
<p>Facilitated AED 267 bn in sustainable and transition finance by 2024, reaching 53% of the AED 500 bn target set for 2030</p>	<p>Supported SMEs with AED 4.3 bn a 30% increase from 2023</p>	<p>Best Refinitiv ESG Score Top 5% worldwide</p>
<p>Facilitated AED 140 bn (USD 38 bn) of sustainable finance in 2024</p>	<p>Co-hosted SME Day at the World Future Energy Summit and gold sponsor of Make it in the Emirates</p>	<p>Among highest rated MENA banks by MSCI with AA ESG rating, placing FAB within ESG leader category</p>
<p>Total green bond outstanding at AED 13.4 bn</p> <p>Total green sukuk outstanding at AED 1.3 bn</p>	<p>FAB has issued three social bonds worth AED 301 mn</p>	<p>Constituent of the FTSE4Good Index Series</p>
<p>Launched green mortgages with AED 57 mn outstanding</p>		

Transition planning	Empowering an inclusive workplace	ESG and climate risk policy
<p>Joined PCAF MENA chapter as Co-Chair to promote the transition in MENA region</p>	<p>Emiratization rate of 47% progressing towards our target of 50% by 2026</p>	<p>Implemented a Climate Risk Framework and a Climate Risk Policy</p>
<p>Hosted the Sectorial Summit 2024 on sustainability for the real estate and construction industries</p>	<p>16% of senior leadership positions held by women, up from 9% in 2021</p>	
<p>Assessed transition maturity of our corporate loan book, accounting for > 95% of financed emissions across our eight priority sectors to develop a client engagement framework for net zero transition planning</p>		
Nature	Social responsibility	Recognition
<p>FAB partnered with Archireef to support coral reef restoration and conservation in Abu Dhabi waters. The first deployment was done in October 2024, placing 227 reef tiles in a location identified by the Environment Agency Abu Dhabi</p>	<p>Reduced working hours from 40 to 32 per week</p>	<p>FAB was elected Chair of the NZBA Steering Group</p>
<p>Participated in the COP16 Convention to Combat Desertification in Riyadh and launched a whitepaper on water titled "Nature-positive pathways in MENA: Enhancing water sustainability and resilience". FAB also represented the UAE's transition journey at COP29.</p>	<p>Total volunteering hours: 25,177</p> <p>Signatory to the UN Women Empowerment Principles</p>	<p>Ranked as the most sustainable company in the Middle East and Africa and among the World's 500 most Sustainable Companies by the TIME Magazine and Statista</p>

Our ESG Strategy

Paving the way towards a sustainable, resilient, and inclusive economy

In line with our commitment to support the UAE’s vision to promote sustainable economic growth, FAB remains committed to implementing its ESG strategy and achieving meaningful progress in collaboration with our stakeholders.

FAB's ESG strategy focuses on three pillars

We have set KPIs in each of the three pillars to achieve our ESG ambitions.

Transitioning to a low carbon future	Capitalising on our social responsibility	Transforming our governance model
<p>To become the model sustainable FI in the MENA region.</p> <p>To act in partnership with our stakeholders to accelerate the transition to a net zero society and economy.</p>	<p>To expand access to financial services for all – in particular, underbanked groups.</p> <p>To foster a diverse, inclusive, and equitable organisation.</p>	<p>We are committed to the highest standards for ESG accountability, transparency, and risk management.</p>
		
<p>This pillar outlines FAB’s approach to net zero transition, climate resilience, and a circular economy:</p> <ul style="list-style-type: none"> UAE’s regional leader in sustainable finance. Embedding ESG as part of vendor sourcing. Carbon intensity reduction. Support our clients in their transition towards a low carbon future. 	<p>This pillar outlines FAB’s approach to social responsibility, including diversity, women’s empowerment, education, and financial inclusion:</p> <ul style="list-style-type: none"> Diversity, equity, and inclusion across the bank. Gender diversity embedment. Emiratisation focus. Strategic focus on financial inclusion. Drive social responsibility efforts. 	<p>This pillar outlines FAB’s approach to ESG governance, including identifying incentives linked to ESG and the responsible use of data:</p> <ul style="list-style-type: none"> ESG KPIs and performance disclosure. Remuneration incentives linked to ESG. Whistleblower policies and processes. ESG-driven governance structures. Embed ESG risk framework.

Transitioning to a Low-carbon Future

FAB has implemented a range of key initiatives and commitments to deliver on its decarbonisation ambitions, including supporting renewable energy, energy efficiency, and other environmentally and socially conscious projects.

To ensure accountability, we have published net zero targets for both our operations and portfolio. Furthermore, we continue to monitor and measure our progress towards achieving these targets.

As a signatory to the NZBA and PCAF, we are committed to industry collaboration. To support our transition journey, we actively engage with our clients and use insights from outreach efforts, along with guidance from the Glasgow Finance Alliance for Net Zero (GFANZ), NZBA, climate related regulatory and best practice

frameworks to enhance our bank-wide Climate Transition Plan. Our commitments and actions are aligned with the UAE’s Net Zero by 2050 strategic initiative and the Paris Agreement.

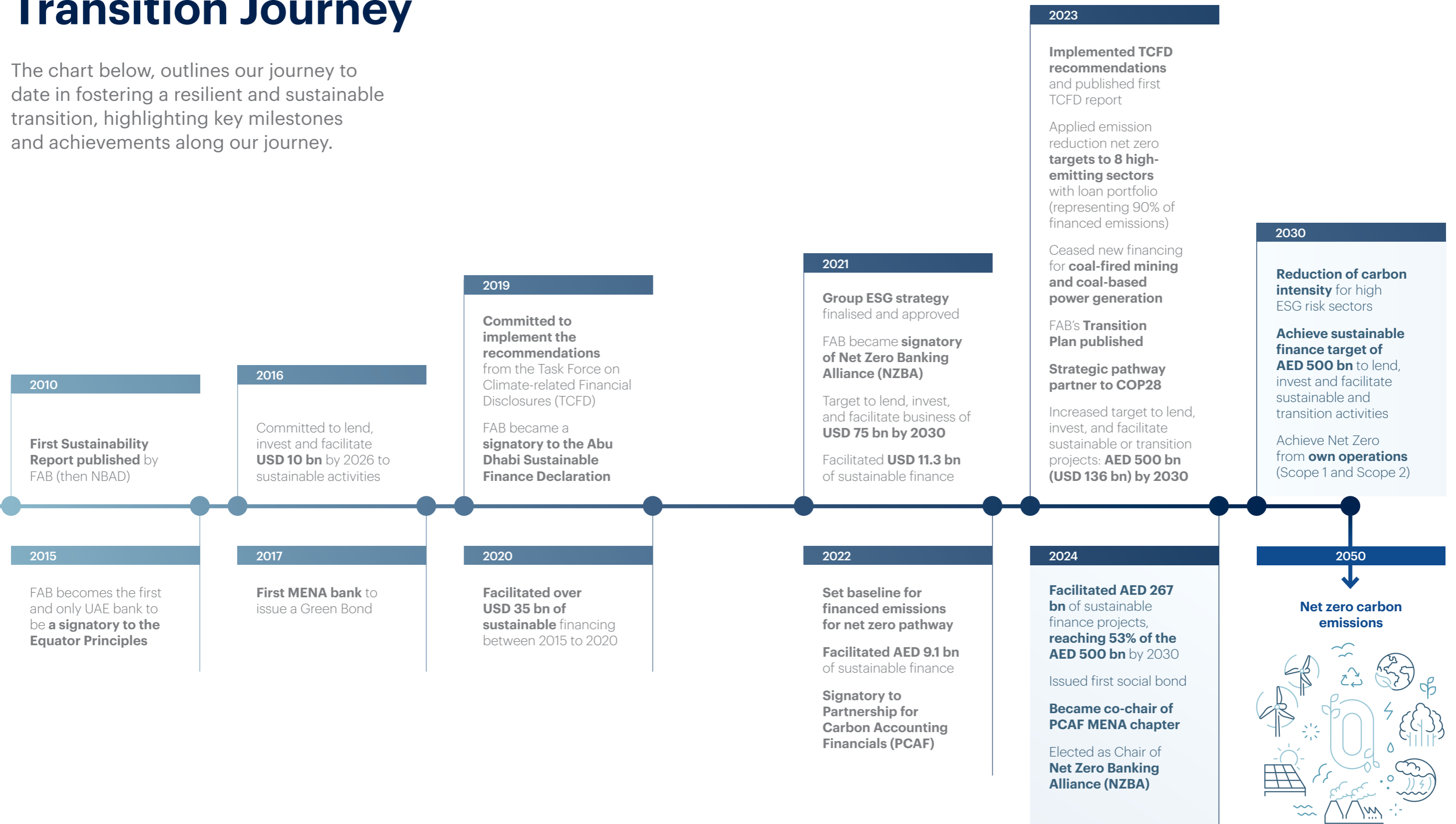
To advance the low carbon agenda, we actively engage with regional stakeholder to push forward the carbon transition agenda. We play an active role in initiatives promoting sustainable finance, such as the United Nations Principles for Responsible Banking.

In 2024, we expanded our work to help our clients transition to a low-carbon and nature-conscious future. These commitments are detailed in FAB’s inaugural report on nature, aligned with recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD).



Our Sustainable Transition Journey

The chart below, outlines our journey to date in fostering a resilient and sustainable transition, highlighting key milestones and achievements along our journey.



Financing the low-carbon transition

In support of the UAE’s ambition to become net zero by 2050, we are committed to supporting the green transition, using sustainable finance as a key tool for fostering positive change, as well as a unique opportunity to unlock new business avenues, innovative products and meaningful client relationships.

To accelerate decarbonisation efforts and support critical transition initiatives, FAB has pledged to lend, invest, and facilitate AED 500 billion (USD 136 billion) in sustainable and transition financing by 2030. By the end of 2024, we achieved 53% of the target.

Our net zero journey: A focus on financed emissions and transition planning

In March 2023, FAB announced emissions reduction targets for the highest-emitting sectors within our portfolio. Detailed updates on progress against interim targets at a sector level will be published in our 2024 ESG report.

As part of our 2030 financed emissions reduction target, we are developing a transition strategy focused on supporting clients in their decarbonisation journeys. Client engagement will form a core component of the strategy, assessing client progress and readiness to decarbonise. In 2024, we conducted a thorough review of sustainability disclosures and public decarbonisation commitments for our highest-emitting clients. These clients account for over 90% of our financed emissions across the eight priority sectors.

This evaluation enables us to build a bespoke approach to engage with each client, ensuring that our advisory and financing solutions are aligned with their decarbonisation maturity and specific sectoral dynamics, to accelerate the pace of our portfolio transition.

Further detail on the progress of our financed emission intensities for 2023 will be made available in the 2024 ESG Report.

Sustainable finance highlights



FAB issued its first social bond, and an additional two were issued in 2024, bringing the total outstanding amount to AED 300.9 mn.



Leading the transactions in the green bond and green sukuk market with **AED 15 bn (USD 4 bn)** outstanding across 14 green bond and 1 green sukuk issuances, across 6 currencies.



Launched new green mortgages.



Issued a **USD 800 mn** green Formosa bond in 2024.



Our net zero journey: Operational emissions

FAB’s Net Zero Carbon Roadmap, detailed in our 2023 year [TCFD report](#), provides information on our pathway to net zero emissions from our operations. The report outlines the four key levers that will guide our efforts to achieve net zero from our operations by 2030.

Our net zero carbon roadmap

Energy efficiency	Adopting efficient solutions for data centre cooling systems will be key to reducing our refrigerant fugitive emissions.
Renewable energy	We will source renewable electricity through clean energy certificates once available in our main markets of operation (UAE and Egypt). At our UAE sites, we are targeting 100% renewable electricity by 2030.
Fleet electrification	We plan to launch a fleet electrification initiative, transitioning up to 100% of our leased and owned company cars in UAE and Egypt to electric vehicles.
Carbon offsetting	To address emissions that are not abatable, we will source carbon credits from reliable organisations to support high-integrity sustainable projects.

To decarbonise our operational emissions, we measure our greenhouse (GHG) emissions across scopes 1, 2 and 3, tracking our progress towards achieving net zero corporate emissions by 2030.

We also monitor evolving international guidelines and emissions calculation methodologies, continuously refining our data collection processes and GHG accounting practices to improve the accuracy of emission

factors, as well as the operational and organisational boundaries of our input data.

In 2024, our methodology did not change, however, we updated our emissions inventory as more data became available. This in return enables us to be better aligned with the GHG Protocol and supports a more accurate performance measurement.

Operational emissions performance

Emissions performance summary

In 2024, a series of initiatives were implemented across our UAE and Egypt operations to reduce our environmental impact. These included the replacement of existing chillers, obtaining LEED and ISO14001 certifications, and enhancing the efficiency of heating, ventilation, and air conditioning (HVAC) systems.

As a result, our GHG emission intensity per FTE (a representative metric we used to reflect emissions generation, relative to the scale of our organisation) decreased by 36% against our baseline year of 2019, alongside a 10% decrease relative to 2023.

Scope 1

Our absolute scope 1 emissions decreased (36%*) in comparison to our 2019, baseline, with 5,813 tCO₂e* in 2024. Comparatively to 2023, our estimated Scope 1 emissions for 2024 was 11% lower due to reduced levels of fuel consumption and refrigerant usage.

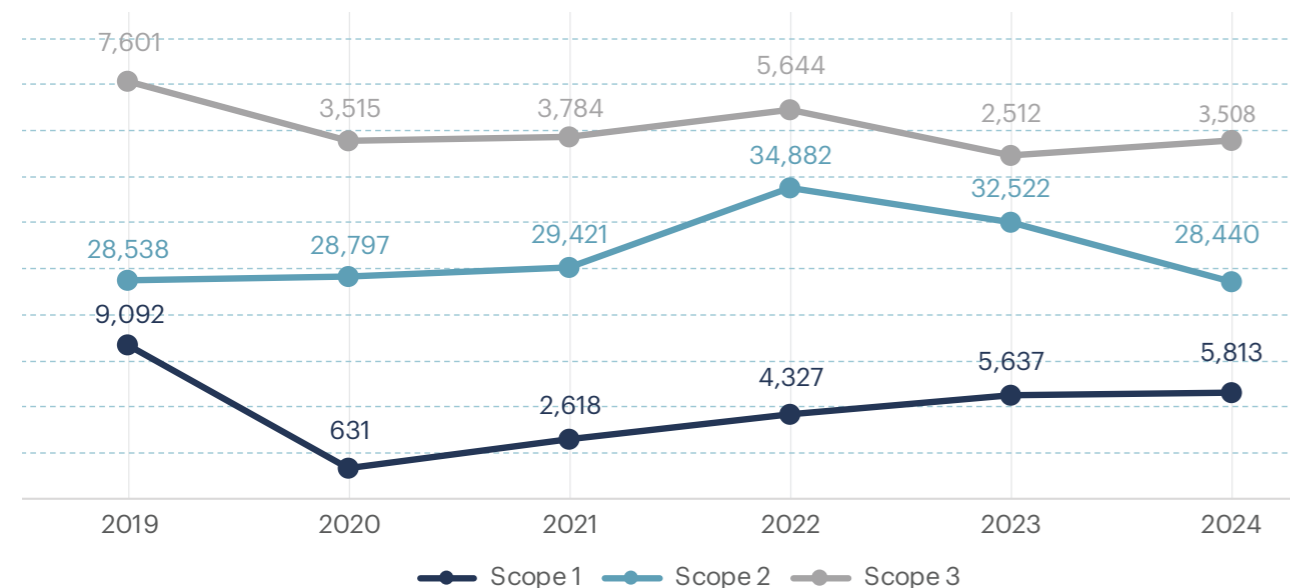
Scope 2 and 3

With the sustainability initiatives implemented, we note a reduction of Scope 2 emissions of 13%* in 2024 from 2023.

Total Scope 3 emissions for 2024 were higher* than 2023 values as result of increased business travel.

Emissions	Unit	Scope	2019	2020	2021	2022	2023	2024 (Estimate)
Scope 1	tCO ₂ e	UAE and Egypt	9,092	631	2,618	4,327	5,637	5,813
Scope 2	tCO ₂ e	UAE and Egypt	28,538	28,797	29,421	34,882	32,522	28,440
Scope 3	tCO ₂ e	UAE and Egypt	7,601	3,515	3,784	5,644	2,512	3,508
Total GHG Emissions	tCO ₂ e	UAE and Egypt	45,231	32,943	35,823	44,853	40,671	37,761
GHG Emissions Intensity (Scope 1 and Scope 2)	tCO ₂ e/FTE	UAE and Egypt	6.90	5.82	6.3	5.75	5.49	5.29

Scope 1, 2 and 3 GHG emissions, 2019 – 2024



* Estimated figures have been used for 2024 as the final figures were not available at the time of preparing this report. Furthermore, these numbers are subject to limited assurance.

Engaging and collaborating with stakeholders

As we work towards unlocking the opportunities of a sustainable transition, collaborating with stakeholders to understand value chains, address challenges, build capabilities and foster consensus on critical actions to drive progress has never been more important.

In 2024, we continued to engage with clients and assess their sector value chains through a decarbonisation lens during the FAB Sectorial Summit Initiative, which brought stakeholders from across the region's real estate and construction sectors together.

FAB continued to build capacity through the 2024 cohort of the 'Sustainability Frontiers' programme – a bank initiative developed in collaboration with the Emirates Foundation and International Institute for Management Development (IMD). The programme is designed to improve corporate leaders' understanding of sustainability issues as a fundamental part of business transformation. We also engaged with university students through our FAB Future Business Leaders competition, and hosted three university roadshows to encourage students to consider the role of sustainability in their chosen area of study and future career.

We represented the UAE's transition journey on global stages, including at COP29 in Baku and COP16 in Riyadh. In August 2024, FAB was appointed the chair of the Net Zero Banking Alliance Steering Group with the Group CEO as principal and Group Chief Sustainability Officer as representative.

This was followed by FAB's appointment as co-chair of PCAF's newly established MENA chapter. PCAF's goal is to enable financial institutions to assess and disclose greenhouse gas emissions associated with financial activities. Through these leadership roles, FAB aims to represent the region's capabilities and ambitions in supporting the global transition to net zero.

Addressing climate change

Our Group Climate Risk Framework (the Framework) and Group Climate Risk Policy, outline the bank's approach to climate risk management – particularly the Framework's risk driver analysis, which identifies climate risk drivers and their potential impacts in other risk categories within FAB's enterprise management.

Our climate risk measurement approach, contained in the Framework, is supported by scoring and stress testing frameworks that collectively enable FAB to capture climate risk profile developments and assess our exposure under various climate scenario pathways.

As part of our evolving effort to address climate change, FAB has enhanced its governance structure, clearly defining roles and responsibilities for climate-related risks with a robust framework in place to identify, measure and monitor climate-related risks.

In 2024, the bank successfully completed its stress testing for the Hong Kong Monetary Authority. Going forward, we will utilise the new framework for the UAE Central Banks annual bank stress test exercise. The implementation of our scoring and stress-testing frameworks initiated in 2024 will roll over into 2025, expanding in scope as we further enhance our methodologies and integrate relevant tools into our business and risk strategy.

FAB's approach to nature

We understand that for communities and economies to thrive, nature is essential. As such, organisations across all sectors, including our own, have a responsibility to restore and protect it. At FAB, this responsibility includes supporting clients in the implementation of nature-based approaches, while engaging with all stakeholders to align economic and financial systems with the pursuit of a net zero, nature-positive, and equitable future.

Our commitments to nature are detailed in our [TNFD report](#).

Capitalising on our social responsibility

At FAB, enhancing the wellbeing of our customers, employees and the broader community is a core focus. For our clients and customers, we strive to support their transition to a sustainable future by offering accessible financial services to all segments of the population in a fair and transparent manner.

Internally, we are committed to fostering a supportive, diverse, and inclusive workplace for our employees. On a community level, we actively invest in programmes that contribute to societal development and environmental restoration, to support building resilient communities.

Financial inclusion: the vital role of SMEs

SMEs are key contributors to job creation, innovation, and overall economic growth, as emphasised by the UAE National Agenda for Entrepreneurship and SMEs. Accordingly, the financial services sector is taking note and launching programmes to support these businesses, aligning with the UAE's vision of economic diversification.

At FAB, our commitment to financial inclusion includes providing tailored products and services, along with the necessary support and advice that empowers SMEs to thrive and achieve their long-term goals. In 2024, FAB supported SMEs with AED 4.3 billion in new financing, a 30% increase from 2023.

FAB is also committed to supporting SMEs as the world transitions towards a low-carbon economy. In 2024, FAB entered a pilot programme partnership with UAE-based SME CarbonSifr to

support corporate and SME clients with their Scope 1, 2, 3 GHG emissions measurement and provide guidance on emission reduction methods.

FAB uses various opportunities to support SMEs including, hosting client gatherings, and maintaining a strong presence at key summits, such as the World Future Energy Summit's SME day, through which FAB continued to promote the COP28 and SME Climate Hub for MENA. FAB also hosted client gatherings and events such as the recent Real Estate and Construction Sectorial Summit.

FAB concluded a successful Make it in the Emirates 2024 Forum, where the bank reaffirmed its commitment to Ministry of Industry and Advanced Technology's visionary mandate to 'Invest. Innovate. Grow.', propelling the UAE's economic and industrial future.

Diversity and inclusion in the workplace

FAB takes pride in being a diverse and inclusive employer, fostering an environment where every staff member feels valued and empowered to thrive. Our employees represent 95 nationalities, and we are advancing our efforts towards the Gender Equality Acceleration Pledge made with the UAE's Gender Balance Council in 2022 and the UN Women Empowerment Principles in 2024, with a goal of increasing female representation in senior leadership roles to 40% by 2030. At a Group level, FAB female employees represent 43% of permanent employees, of which eight are in senior leadership roles.

Our efforts to achieve gender balance include, but are not limited to, ensuring fair hiring practices with equal male and female candidate representation for all senior roles, providing equal opportunities for training and development, promoting fair and balanced promotions, reporting on pay parity, providing increased flexibility for work-life balance and offering parental leave benefits that go beyond regulatory requirements. We also have measures in place to tackle any form of discrimination.



Emiratization

FAB offers a wide range of dynamic growth and development opportunities for UAE nationals, actively supporting the UAE's Emiratization agenda.

In 2024, FAB achieved an Emiratization rate of 47% and remains dedicated to improving representation throughout the bank as part of its Emiratization strategy. Additionally, female UAE national employees represent 74% of our overall Emirati workforce.

To support the growth and development of UAE nationals, FAB organises leading development centres to identify skill gaps and tailored development programmes to align with business or role-specific needs. The bank also sponsors UAE nationals to pursue higher education qualifications through the bank's Education Assistance Scheme.

UAE nationals can benefit from exposure to international experiences as part of FAB's Global Mobility programme. The programme provides UAE nationals with the opportunity to work across FAB's international offices, broadening their skills and building relationships with colleagues from different backgrounds and cultures.

FAB also offers the Ethraa programme in partnership with the Emirates Institute of Finance (EIF), a programme designed to attract and develop young Emirati talent by building their knowledge of banking products and services.

Our new Bedaya programme dedicated to UAE national students in their second or third year of university, offering them exposure to the banking sector and an opportunity to explore potential career paths at FAB after graduation.

In 2024, FAB launched three new programmes tailored for mid and senior-level UAE nationals, providing targeted learning and development support to accelerate their career growth at FAB. These programmes include:

1. Al Qyadah programme – designed to fast-track Emirati talent to senior management levels at FAB
2. Al Reyadah programme – developed to help talent from other industries transition into the banking sector within business development roles
3. The International Business Relations programme – developed to attract talent into FAB to represent our brand globally

These initiatives are the building blocks of a transformative journey in a work environment that fosters innovation, engagement, and a sense of belonging – ensuring FAB continues to represent opportunity and growth for every member of our team.



Engaging our employees

We recognise that employee wellbeing is directly linked to their engagement and satisfaction. As such, we are committed to nurturing employee engagement through a variety of programmes and initiatives, including:

- **The Engagement Ambassador programme**, acts as catalysts for organisational change, spanning across 13 divisions with varying themes, such as culture, wellness, and youth.
- **The Youth Council (YC)** was established as a subset of the FAB Engagement Ambassadors programme. The YC will represent FAB in external young professional engagements and act as a voice for their constituents with the FAB leadership team.
- **Reduced working hours**, in addition to flexible work arrangements such as a work-from-home Fridays, flexible working days, and increased leave provisions, FAB has permanently reduced working hours from 40 to 32, both locally and internationally, enhancing our work-life balance.

At FAB, we continuously enhance our systems, to streamline interactions and processes. FAB has embarked on a HR transformation journey, with key highlights for 2024 including the introduction of an AI-powered HR Digital Assistant, capable of answering all administrative HR enquiries. Updates have also been made to the UFIRST app (FAB's global HR app for managing HR needs), with a focus on self-service features that enable staff and managers to action HR requests instantly and on the go.

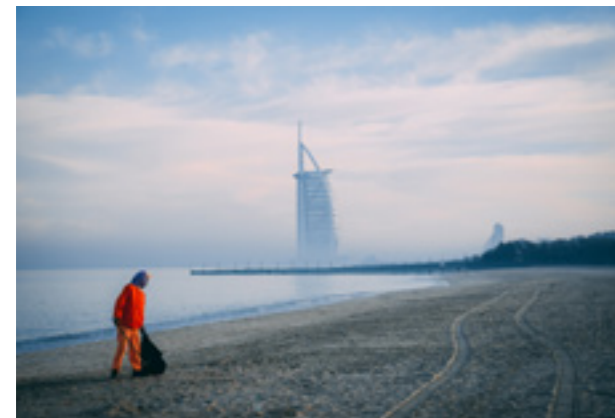


Investing in our communities and community engagement

Corporate social responsibility

FAB invests in a wide range of corporate social responsibility (CSR) programmes to address pressing social challenges, foster education and opportunity, and champion environmental stewardship. By collaborating with partners and stakeholders, we amplify our impact, creating long-term value for both people and planet.

In 2024, FAB continued to drive positive change by gathering volunteers, fostering meaningful partnerships, and supporting communities in need, both locally and internationally. Throughout the year, 9,223 FAB volunteers and their families dedicated 25,177 hours to a variety of environmental and social programmes across the UAE, collaborating with 45 organisations and participating in 60 unique initiatives.



Highlights of our 2024 CSR activity included:

Supporting biodiversity and driving climate action

In alignment with the UAE's second 'Year of Sustainability' and legacy as the host of COP28, FAB implemented a range of environmental initiatives throughout 2024, including the deployment of artificial coral reefs and hosting community gardening workshops, to reinforce a commitment to biodiversity and climate action.

<p>The Green Journey</p>	<p>FAB's Green Journey initiative, created to introduce young minds to organic gardening and food sustainability, conducted five gardening and sustainability sessions across three emirates. More than 360 children and youth were reached through collaborations with community organisations including people of determination centres, schools, and women's clubs.</p>
<p>Archireef: Helping marine ecosystems recover</p>	<p>FAB's relationship with nature tech company Archireef continued in 2024, with dive-certified FAB staff visiting the artificial reef tiles installed in Abu Dhabi waters. FAB customers will be invited to witness these vital marine habitats in future phases, with awareness workshops also planned.</p>



Education and community awareness

Corporate education and community awareness initiatives remain at the heart of FAB's mission to foster a more knowledgeable, engaged, and resilient society.

<p>Executive Education programmes:</p> <ul style="list-style-type: none"> • Frontiers in Finance • Frontiers in Sustainability • Frontiers in Private Equity • Frontiers in Data Analytics and Artificial Intelligence • CAPM Hackathon 	<p>Since 2021, FAB has invested heavily in regional leadership development through its Executive Education programme, which connects regional talent to the world's best learning institutions including Yale University, the University of Oxford, the International Institute for Management Development and Khalifa University.</p> <p>In 2024, more than 120 senior executives and leaders from 50+ local, regional and global organisations participated in five programmes over 35 days: Frontiers in Finance, Frontiers in Sustainability, Frontiers in Private Equity, Frontiers in Data Analytics and Artificial Intelligence, and the CAPM Hackathon.</p>
<p>Darb Al Salama – Road safety</p>	<p>FAB and Abu Dhabi Police collaborated on a road safety conference and awareness campaign.</p>
<p>Sheikha Fatima Fund for women</p> <p>Refugees resilience and renewal: women refugee health in a changing climate conference</p>	<p>FAB sponsored the Sheikha Fatima Fund for Women Refugees initiative's 'Resilience and Renewal: Women Refugee Health in a Changing Climate' conference in October 2024. The conference, held at Abu Dhabi University, focused on the impact of climate change, conflict and a lack of healthcare on refugee women and their families, as well as solutions to these challenges.</p>



Social impact

FAB implemented a range of social initiatives during the year to foster solidarity, compassion, and support for those in need. By promoting inclusion and kindness, our aim is to strengthen the social fabric of local communities.

<p>Pre-Ramadan campaign: Minutes of Giving</p>	<p>More than 300 FAB employees dedicated 1,500 hours to packing and distributing essential items to needy families through the Zayed Charitable and Humanitarian Foundation in Abu Dhabi.</p>
<p>Ramadan campaign: Aftir</p>	<p>Throughout the holy month, 7,000 volunteers dedicated 10,500 hours to prepare and distribute over 55,500 meals to families in need, reaching more than 200,000 individuals across all seven emirates. FAB's flagship Ramadan campaign was organised in collaboration with multiple charities, including Al Itihad Charity Foundation, Beit Al Khair and the Zayed Charitable and Humanitarian Foundation.</p>
<p>Orphan care</p>	<p>Kiswat Yatim, an Eid initiative sponsored by FAB, brought joy to 50 orphans in the form of new Eid clothes and shoes. In collaboration with the Watani Al Emarat Foundation, 25 FAB volunteers dedicated over 75 hours to accompany the children.</p> <p>FAB also provided 150 orphans with school supplies to help them start the school year with renewed confidence.</p>
<p>Celebrating elders</p>	<p>To mark International Day for Older Persons, more than 55 FAB volunteers travelled across the UAE to celebrate the nation's elders, partnering with Abu Dhabi Police, Sharjah's Home for the Elderly and its Social Services Department and Dubai Police, Dubai Municipality and the Emirates Society for Parents' Care and Relief.</p> <p>For UAE Flag Day, FAB visited the homes of 100 senior Emiratis across Dubai to install new flags and help them celebrate the nation.</p>
<p>UAE Nationals group wedding</p>	<p>FAB sponsored an Emirati group wedding in collaboration with Parents Care.</p>
<p>UAE stands with Lebanon</p>	<p>In October 2024, more than 90 FAB volunteers contributed 450 hours to pack aid supplies destined for more than 10,000 individuals affected by the crisis in Lebanon as part of the national 'UAE Stands with Lebanon' relief drive.</p>

Sports

Aligned with the National Sports Strategy, FAB is advancing the UAE's vision of greater participation in sports and physical activity. Our efforts focus on expanding access to diverse sports, developing skilled professionals,

nurturing young talent and enhancing the UAE's presence in regional and international arenas.

A more in-depth look at FAB's CSR activities is included in the [Corporate Governance section](#).

<p>Baniyas Fun Run</p>	<p>Alongside the Abu Dhabi Sports Council and Abu Dhabi Municipality, FAB sponsored the Baniyas Fun Run in 2024. The event drew 1,000 participants from the community, with FAB volunteers rewarding the winners.</p>
<p>Cycle for a Cause</p>	<p>More than 160 amateur cyclists contributed 192,293km to raise funds for various charity organisations across the UAE.</p>
<p>UAE Jiu-Jitsu Federation</p>	<p>Through FAB's sponsorship and active involvement, the FAB Jiu-Jitsu Academy at Zayed Sports City has become a thriving hub for youth development, providing over 1,000 students aged 4 to 16 with daily, high-quality jiu-jitsu training.</p>



Transforming our Governance Model

It is widely recognised that financial institutions have an important role to play in effectively addressing ESG challenges – for their businesses, customers, the wider industry, and society at large.

At FAB, ESG principles have been fully integrated into our core governance framework, with dedicated committees overseeing the development and implementation of the Group’s ESG strategy, frameworks, and policies. We are cultivating a corporate culture that reflects the significance of ESG matters in business, fostering collaboration and capacity building across various business lines.

The Board of Directors directs our ESG ambitions in an ethical and transparent way to ensure long-term performance and sustainability. The Board’s strategic direction for ESG is communicated to the wider Group through the Board Risk and ESG Committee (BRESGC), with support

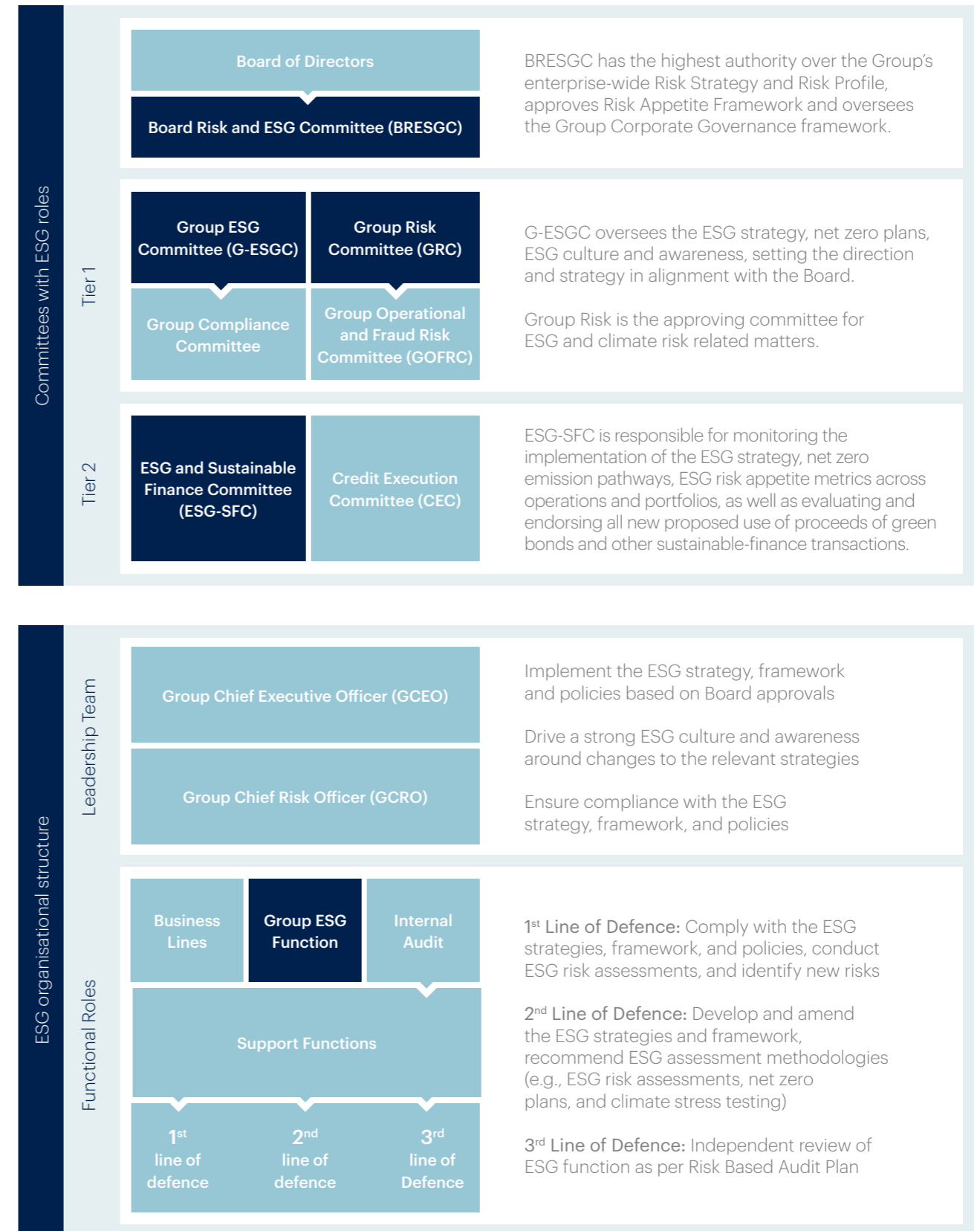
from the Group ESG Committee (G-ESGC) in overseeing ESG strategy, culture, and awareness, and shaping FAB’s net zero pathway plans.

G-ESGC represents the highest authority at management level for all ESG decision-making across the Group. It is supported by the ESG and Sustainable Finance Committee (ESG-SFC), which monitors the implementation of the ESG strategy, policies, and Sustainable Finance Framework.

FAB’s ESG direction is disseminated across the organisation through a group-wide ESG Framework, alongside policies and strategies developed by the Group ESG team and implemented by FAB senior management.



Structural overview of ESG governance



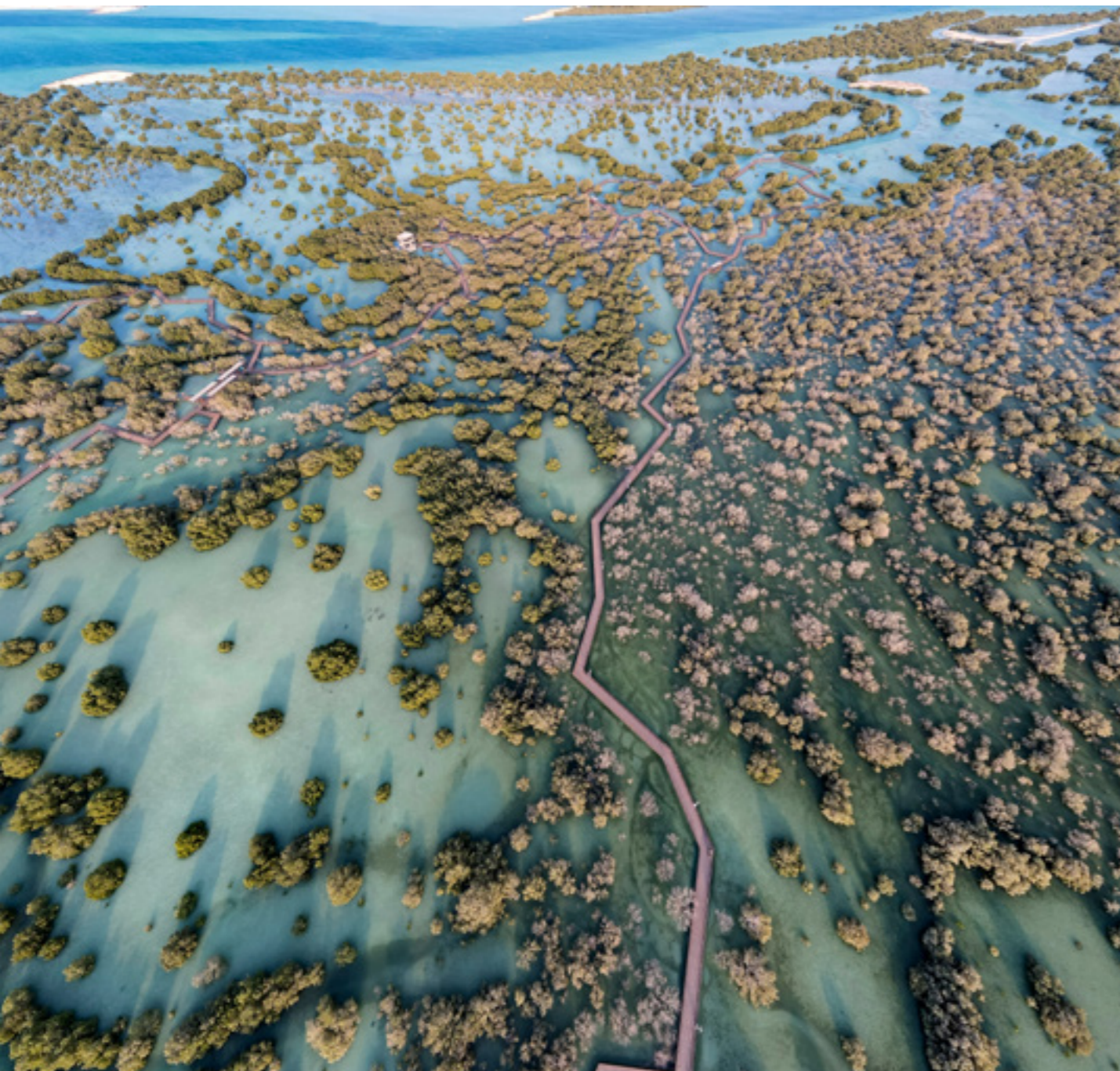
ESG and climate risk

FAB's E&S Risk Policy and Framework define the bank's principles and governance structure for identifying, assessing, mitigating, and reporting ESG risks. Both documents were updated in 2024 following an ESG risk driver analysis exercise to assess the impact and materiality of ESG risks on traditional risk categories.

A bespoke Climate Risk Framework and Policy were developed in 2024 to define FAB's approach, governance structure, and methodology to effectively manage climate risks in line with

regulatory guidance. The Climate Risk Framework is being implemented with the development of a climate scoring and climate stress testing frameworks. The climate score will enrich the ESG risk assessment with climate specific factors and drive targeted climate risk and strategy.

The stress testing framework is aimed at assessing FAB's vulnerabilities under different climate scenarios. Further updates will be published in FAB's 2024 Climate Report.



ESG ratings

FAB has been consistently recognised as a top performer in the MENA region by leading ESG rating agencies. FAB's strong ESG credentials include the best MSCI ESG rating among MENA banks, at AA. FAB ranks as the best bank in the Middle East according to its LSEG/

Refinitiv ESG score and is among the best 5% performers of the global banking industry. In 2024, FAB also obtained a Low ESG Risk Rating from Sustainalytics, the best ESG risk ranking among Middle Eastern banks.



ESG focused learning and development

We are dedicated to cultivating an organisational culture that empowers individuals to make informed decisions in line with the ESG risk-management principles articulated within our policy. To support this, our annual ESG risk awareness training is mandatory for all employees. Additionally, tailored training programmes are conducted throughout the year, with the Board of Directors receiving an annual compliance training update. This year's Board education materials featured a strong risk focus, including climate risk.

We also provide training for all Group FAB on the latest ESG regulatory developments and assessment methodologies, to maintain compliance across all jurisdictions the bank operates in. For example, we developed bespoke sustainable finance training in 2024 to ensure that our colleagues in Kuwait are aligned with new regulatory requirements from the Central Bank of Kuwait.

Abiding by labour laws

FAB aligns its strategies and operations with the United Nations Global Compact, encompassing human rights, labour, the environment, and anti-corruption, as well as the UN Sustainability Development Goals, UN Resolution 55/15 November 2000 – Prevention of Human Trafficking Act (1 March 2015) and UN TIP Protocol.


The use of involuntary labour and human trafficking in any form is strictly prohibited in FAB's direct business and supply chain. As a financial services organisation with a professional

workforce, FAB considers the risk of modern slavery within its direct business operations to be low. However, we recognise that through our supply chain, clients, customers and even employees, the bank can be exposed to modern slavery risks. To mitigate these risks, FAB performs due diligence across its stakeholder groups. This includes assessing the compliance of employees with requisite labour laws, the ESG metrics of potential suppliers and client activities to prevent money laundering and other financial crimes linked with modern slavery.

FAB's sustainability commitment and alignment with local and global strategies

Alignment with local and global frameworks and goals

Reporting frameworks

 <p>Global Reporting Initiative (GRI)</p>	 <p>Equator Principles (EP)</p>	 <p>Carbon Disclosure Project (CDP)</p>
 <p>Net Zero Banking Alliance (NZBA)</p>	 <p>Principles for Responsible Banking (PRB)</p>	 <p>Green bond ICMA Principles (ICMA)</p>
 <p>Task Force on Climate-Related Financial Disclosures (TCFD)</p>	<p>Abu Dhabi Securities Exchange (ADX) ESG Guide for Listed Companies</p>	 <p>Partnership for Carbon Accounting Financials</p>

Focus area

<p>Abu Dhabi Securities Exchange (ADX) ESG Guide for Listed Companies</p>	<p>Abu Dhabi Vision</p>	<p>UAE Vision 2021</p>
<p>UAE Green Agenda 2015-2030</p>	<p>UAE Net Zero by 2050</p>	<p>UAE Private Sector Pledge to Accelerate Gender Balance</p>
<p>Abu Dhabi Global Markets (ADGM) Sustainable Finance Consultative Working Group</p>	<p>The Private Sector Advisory Council to the UAE National Committee on the SDGs</p>	<p>The UAE Council for Climate Change and Environment</p>

International

 <p>UN Sustainable Development Goals (SDGs)</p>	 <p>UN Global Compact</p>	 <p>UN Women</p>
 <p>COP28 Net-Zero Transition Charter: Accountability Mobilization for the Private Sector</p>		 <p>Sustainable Markets Initiative Circularity Task Force</p>

ADX metric	ADX calculation	Unit	Scope	2019	2020	2021	2022	2023	2024 ¹
E1. GHG emissions	E1.1: Total amount in CO ₂ equivalents, for Scope 1	tCO ₂ e	Group	9,092	631	2,618	4,327	5,637	5,813
	E1.2: Total amount, in CO ₂ equivalents, for Scope 2	tCO ₂ e	Group	28,538	28,797	29,421	34,882	32,522	28,440
	E1.3: Total amount, in CO ₂ equivalents, for Scope 3	tCO ₂ e	Group	7,601	3,515	3,784	5,644	2,512	3,508
E2. Emissions intensity	E2.1: Total GHG emissions per FTE (Full Time Employees)	tCO ₂ e	Group	8.3	6.52	7.1	6.6	5.9	5.29
	E2.2: Total non-GHG emissions per FTE (Full Time Employees)	tCO ₂ e	Group	N/A	N/A	N/A	N/A	N/A	NA
E3. Energy usage	E3.1: Total amount of energy directly consumed	GJ	Group	10,212	2,390	4,182	22,105 ²	23,668	27,922
	E3.2: Total amount of energy indirectly consumed	GJ	Group	234,422	234,723	231,762	269,036	253,311	222,123
E4. Energy intensity	Total direct energy usage per FTE (Full Time Employee)	GJ/FTE	Group	1.9	0.5	0.8	3.3	3.4	3.7
E5. Energy mix	Energy usage by generation type	%	Group	NA	NA	NA	NA	NA	NA
E6. Water usage	E6.1: Total amount of water consumed	M3	Group	205,133	187,454	221,329	286,971	169,898	168,246
	E6.2: Total amount of water reclaimed	M3	Group	NA	NA	NA	NA	NA	NA
E7. Environmental operations	E7.1: Does your company follow a formal Environmental Policy?	Y/N	Group	Y	Y	Y	Y	Y	Y
	E7.2: Does your company follow specific waste, water, energy, and/or recycling policies?	Y/N	Group	Y	Y	Y	Y	Y	Y
	E7.3: Does your company use a recognized energy management system?	Y/N	Group	N	N	N	N	N	N
E8. Environmental oversight	E8.1: Does your Management Team oversee and/or manage sustainability issues?	Y/N	Group	Y	Y	Y	Y	Y	Y
E9. Environmental oversight	E9.1: Does your Board oversee and/or manage sustainability issues?	Y/N	Group	Y	Y	Y	Y	Y	Y
E10. Climate risk mitigation	E10: Total amount invested, annually, in climate-related infrastructure, resilience, and product development	AED	Group	NA	NA	NA	NA	16.8 Billion	23.9 Billion

¹ Environment data scope covers our locations in UAE and Egypt only, and FAB's GHG emissions are on an estimate basis and subject to limited assurance.

² Increase from previous year is due to Bank Audi in Egypt's inclusion.

ADX metric	ADX calculation	Unit	Scope	2020	2021	2022	2023	2024
S1. CEO pay ratio	S1.1: CEO total compensation to median Full Time Equivalent (FTE) total compensation	Ratio	Group	NA	NA	NA	NA	NA
	S1.2: Does your company report this metric in regulatory filings?	Y/N	Group	NA	NA	NA	NA	NA
S2. Gender pay ratio	Median total compensation for female compared to median total compensation for male	Ratio	Group	1.4	1.6	1.2	1.0	1.3
	Senior Management	Ratio	Group	1.1	1.4	1.3	1.3	1.1
	Middle Management	Ratio	Group	0.9	0.9	0.8	0.8	0.8
	Staff (Professional, Operational and Administrative)	Ratio	Group	1.5	1.4	1.2	1.3	1.7
S3. Employee turnover	S3.1: Year-over-year change for full-time employees	%	Group	-7%	1%	33%	2%	8%
	S3.2: Year-over-year change for part-time employees	%	Group	NA	NA	NA	-7%	814% ¹
	S3.2: Year-over-year change for contractors/consultants	%	Group	-13%	-2%	22%	-2%	2%
S4. Gender diversity	S4.1: Percentage: Total enterprise headcount held by men	%	Group	60%	58%	59%	58%	57%
	S4.1: Percentage: Total enterprise headcount held by women	%	Group	40%	42%	41%	42%	43%
	S4.2: Entry and mid-level positions held by men	%	Group	60%	58%	58%	58%	57%
	S4.2: Entry and mid-level positions held by women	%	Group	40%	42%	42%	42%	43%
	S4.3: Percentage: Senior and executive level positions held by men	%	Group	90%	87%	79%	80%	84%
	S4.3: Percentage: Senior and executive level positions held by women	%	Group	10%	13%	21%	20%	16%

¹ In 2024, FAB's part-time workforce increased significantly from its Bedaya internship programme for UAE nationals. Part-time employees at FAB still represent less than 1.2% of the total workforce.

ADX metric	ADX calculation	Unit	Scope	2020	2021	2022	2023	2024
S5. Temporary worker ratio	S5.1: Total enterprise headcount held by part-time employees	%	Group	NA	NA	NA	0.1%	1.1%
	S5.2: Total enterprise headcount held by contractors and/or consultants	%	Group	37%	36%	34%	33%	32%
S6. Non-discrimination	Does your company follow non-discrimination policy?	Y/N	Group	Y	Y	Y	Y	Y
S7. Injury rate	Frequency of injury events relative to total workforce time	%	Group	0%	0%	0%	0%	0%
E8. Global health and safety	Does your company follow an occupational health and/or global health and safety policy?	Y/N	Group	Y	Y	Y	Y	Y
S9. Child and forced labor	S9.1: Does your company follow a child and/or forced labor policy?	Y/N	Group	Y	Y	Y	Y	Y
	S9.2: If yes, does your child and/or forced labor policy also cover suppliers and vendors?	Y/N	Group	Y	Y	Y	Y	Y
S10. Human rights	S10.1: Does your company follow a human rights policy?	Y/N	Group	Y	Y	Y	Y	Y
	S10.2: If yes, does your human rights policy also cover suppliers and vendors?	Y/N	Group					
S11. Nationalisation	S11.1: Percentage of national employees (Emiratization)	%	UAE	24%	42%	45%	44%	47%
S12. Community investment	S12.1: Amount invested in the community, as a percentage of company revenues	%	Group	0.64%	0.46%	0.32%	0.60%	0.29%

ADX metric	ADX calculation	Unit	Scope	2020	2021	2022	2023	2024
G5. Ethics and prevention of corruption	G5.1: Does your company follow an Ethics and/or Prevention of Corruption policy?	Y/N	Group	Y	Y	Y	Y	Y
	G5.2: What percentage of your workforce has formally certified its compliance with the Ethics and Prevention of Corruption Policy?	%	Group	99.9%	99.0%	98.4%	100%	99.2%
G6. Data privacy	G6.1: Does your company follow a Data Privacy policy?	Y/N	Group	Y	Y	Y	Y	Y
	G6.2: Has your company taken steps to comply with GDPR rules?	Y/N	Group	Y	Y	Y	Y	Y
G7. Sustainability reporting	G7.1: Does your company publish a sustainability report?	Y/N	Group	Y	Y	Y	Y	Y
G8. Disclosure practices	G8.1: Does your company provide sustainability data to sustainability reporting frameworks?	Y/N	Group	Y	Y	Y	Y	Y
	G8.2: Does your company focus on specific UN Sustainable Development Goals (SDGs)?	Y/N	Group	Y	Y	Y	Y	Y
	G8.3: Does your company set targets and report progress on the UN SDGs?	Y/N	Group	N	N	Y	Y	Y
G9. External assurance	G9.1: Are your sustainability disclosures assured or verified by a third-party audit firm?	Y/N	Group	Y	Y	Y	Y	Y