ANNUAL
REPORT
2024

بنــك أبـوظبــي الأول
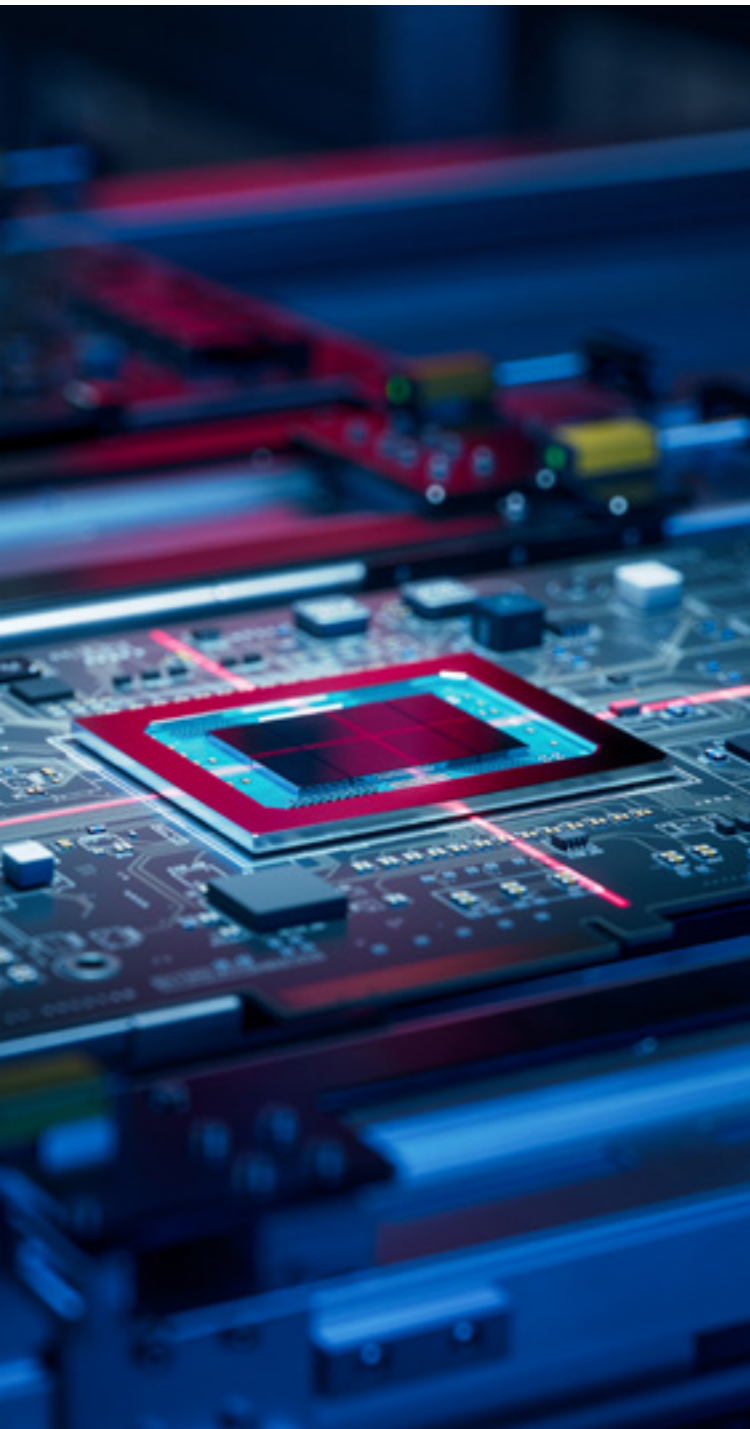**FAB**
First Abu Dhabi Bank

GLOBAL CONNECTIONS
FOR SUSTAINABLE GROWTH

FAB Technology

FAB is at the forefront of digital innovation and consistently provides 'best-in-class' technology for its customers.

FAB Technology is committed to transforming everyday banking, focussing on customer-centricity, creating value, and speed to market to ensure the bank remains competitive, innovative, and responsive to evolving market demands.

FAB has begun a comprehensive modernisation journey, spanning both infrastructure and applications. The bank's primary objective is to consolidate its technological resources and focus on end-to-end modernisation, which will be facilitated by expanding digital infrastructure and increasing the adoption of cloud technologies. This ambitious vision is driven by a meticulously planned five-year roadmap to ensure the seamless alignment of business and technology priorities.

Our strategy is focused on five key pillars:

Financial efficiency

Modernisation and service improvements

Talent and employee engagement

Risk remediation and regulatory compliance

Business and Technology collaboration

Key digital achievements in 2024

FABeAccess for corporate banking customers

This one-stop shop solution addresses all corporate banking needs, offering comprehensive account services, payments, collections, and trade solutions. **By the end of 2024, approximately 60% of our customers have been migrated from the legacy platform to FABeAccess**, with the remaining 40% currently in the migration process, which is targeted to be completed by the third quarter of 2025.

FAB Business digitalisation

We digitised the onboarding process for commercial banking customers and **creating a dedicated channel for Small and Medium Enterprises (SMEs)**, offering tailored services. Key developments include:

- Know Your Customer (KYC) improvements
- SME ecosystem enhancements
- Enhanced portal features

Website digital journey

We developed an in-house credit card on SharePoint, designed to offer a smooth and consistent experience across different devices. Key features include:

- Omnichannel support, allowing customers to access the website seamlessly on desktops, tables, and smartphones
- Fast launch of co-branded credit cards, enabling quicker and easier promotion of joint products with partners
- Campaign tracking and behavioural analytics, helping us understand customer actions and optimise marketing efforts

Document management system

In 2024, we completely revamped our document management system to enable future growth. Key upgrades include:

- Application Programming Interface (API) gateway and interface migration
- New licenses for document archiving
- Captiva API for Optical Character Recognition (OCR) usable across the company
- Improved storage using Elastic File System (EFS) to Simple Storage Service (S3)

Fintechs engagement

Over 60% of our fintech projects are past or at the **Proof-of-Concept (POC)** stage, with many now live or in production.

HR next

Employee-centric processes are key to evolving our HR functions, through **simple, intuitive, user-friendly**, and anytime, anywhere self-service capabilities.

Implementing advanced functionalities in the Oracle Fusion Human Capital Management (HCM) System facilitates a Simplify, Automate and Centralise approach. The automation of processes includes **empowering employees and managers with advanced self-service functionalities,** while ensuring checks and balances are in place. This solution will reduce time spent on HR administration services, enabling the HR team to focus more on value added strategic services.

Strategic roadmap

Infrastructure consolidation

A core component of FAB's vision is the consolidation of existing infrastructure. By streamlining our technological assets, we aim to reduce redundancies and enhance operational efficiency. This will involve the closure of legacy data centres, the migration of workloads to more advanced platforms, and the adoption of innovative storage solutions.

End-to-end modernisation

End-to-end modernisation is at the heart of FAB's vision. This means upgrading our entire technological ecosystem, from the foundational infrastructure to the applications that drive our business processes. This will create a more agile, responsive, and resilient IT environment that can support our long-term strategic goals.

Digital infrastructure expansion

Expanding FAB's digital infrastructure is crucial to remain competitive in today's fast-paced technological landscape. We plan to invest heavily in cutting-edge technologies that will enhance our digital capabilities. This includes expanding our cloud infrastructure, which will give FAB the scalability and flexibility required to adapt to future challenges and opportunities.

Cloud adoption

Cloud adoption is a key pillar of FAB's modernisation strategy. By harnessing cloud technologies, we can achieve greater efficiency, reduce costs, and improve the overall performance of our IT systems. Our goal is to transition most of our workloads to cloud platforms, enabling us to take full advantage of the numerous benefits cloud computing has to offer.

Infrastructure consolidation

Infrastructure enhancement and digital transformation

In 2024 all business applications have been successfully migrated out of the Khubeirah and Khalifa data centres which are currently being decommissioned. Both data centres are expected to close in January 2025. By 2026, the Al Qurm data centre will also close with plans to operate only two data centres, Kizad and Trade Center (TCN), from 2027 onwards to manage all Group IT infrastructure.

Storage has been moved to an operating expenses (OPEX) model to eliminate the need for costly hardware refreshes every five years. Network and security appliances are currently being evaluated with potential vendors. The last remaining infrastructure component is expected to transition to an OPEX model by mid-2025.

Improving operational efficiency

In 2024, two new systems, OSTTRA STP (straight-through processing) and GoldenSource were introduced as part of FAB's Open Architecture strategy, targeting post-trade flow from external trading platforms and market data consumption. Through the implementation of real-time automation for reconciliations, these systems have significantly enhanced operational efficiency by reducing manual operations and establishing systemic controls as a foundational standard.

This has been particularly key within FAB's market risk management control oversight function, with substantial reduction in the time and effort required to manually reconcile transactions between trading platforms and Murex, and validate the end-of-day market data import for revaluation.

These technological advancements have effectively eradicated operational incidents resulting from the delayed identification of booking discrepancies, while significantly enhancing overall data quality and the reliability of third-party data sourcing. This has given FAB the confidence to explore further integration with state-of-the-art trading platforms, unlocking opportunities for increased revenue.

End-to-end modernisation
Artificial intelligence and customer centricity

Enhanced security measures:

FAB has implemented advanced security protocols to ensure the integrity and confidentiality of data exchanged through our APIs. This includes Financial-grade API (FAPI) standards and robust encryption.

Increased scalability and performance:

FAB's API infrastructure has been upgraded to manage higher volumes of requests with improved response time. This enhancement supports the growing demand for seamless and efficient data integration across various platforms.

Expanded API catalogue:

FAB has significantly expanded the bank's API catalogue, offering a wider range of services and functionalities. This includes new APIs for financial transactions, customer data management and real-time analytics.

Improved developer experience:

FAB has introduced a comprehensive developer portal that provides detailed documentation, code samples and interactive tools. This portal is designed to ease integration and facilitate the rapid deployment of our APIs.

Integration with emerging technologies:

FAB's API infrastructure now supports integration with emerging technologies such as artificial intelligence (AI), machine learning (ML) and blockchain. This enables innovative solutions and enhances the overall capabilities of our services.

	Internal	External
Benefits	■ **Operational efficiency:** The enhanced API infrastructure streamlines internal processes, reducing manual intervention and operational costs. ■ **Innovation:** By leveraging the expanded API catalogue and integration with emerging technologies, our teams can develop innovative solutions to meet evolving business needs. ■ **Data-driven decision making:** Real-time access to data through APIs empowers our teams to make informed decisions, quickly and accurately.	■ **UAE open finance:** The enhanced platform positions FAB as a driving force in the adoption of open finance across the UAE market. ■ **Improved customer experience:** Our clients benefit from faster and more reliable services, leading to higher satisfaction and loyalty. Open APIs allow for the creation of omni-channel experiences, where customers can start a transaction on one device and complete it on another. For example, a customer might begin applying for a loan on their smartphone and finish the process on their laptop without any disruption. ■ **Seamless integration:** Partners and third-party developers can easily integrate with our systems, enabling a more cohesive and collaborative ecosystem. ■ **Enhanced security:** The advanced security measures ensure that our clients' data is protected, fostering trust and confidence in our services.

Establishing a business aligned target state architecture

Over the past two years, FAB consolidated all data related to business capabilities and the IT landscape. This involved defining a business-aligned target state architecture for FAB Consumer Banking, Corporate and Commercial Banking, Investment Banking, Global Markets, Enterprise Platforms, and enablement and control functions. Achieving this clear visibility into the bank's enterprise architecture, while linking applications and projects to business capabilities, allows FAB to make informed decisions about technology investments.

As part of this work, we have identified opportunities to reduce the application landscape by 25%, through consolidation and decommissioning. In 2024, over 80% of projects reviewed by FAB's Architecture Review Board are aligned with our target state architecture, with the remaining investments required to meet regulatory requirements or mitigate risks.

As the modernisation journey progresses, FAB will be able to offer even more digitally-enabled services to our customers rapidly, and at a lower cost. Our architecture is also becoming more open so that API-based integration with partners and customers (particularly corporate customers) is easily possible. FAB is also investing in embedding Generative AI (GenAI) in multiple applications, starting with the adoption of staff facing journeys.

FAB Research and Innovation Centre

The FAB Research and Innovation Centre (FABRIC) continues to play a key role within the Group, fostering innovation in response to rapid technological change and shifting customer expectations.

2024 highlights:

↳ **FAB Mobile app:** Redesigned the FAB Mobile app based on comprehensive user research, prototyping and testing. The updated design improves user experience and is now poised for launch, with ongoing user feedback integrated into future iterations.

↳ **Blockchain and crypto exploration:** Collaborated with Hub 71 (Abu Dhabi-based global tech ecosystem/ accelerator) to evaluate blockchain and crypto use cases in the UAE, a partnership that has yielded actionable insights, enabling FAB to explore potential blockchain and crypto applications, with next steps focused on pilot testing and integration.

↳ **Fintech Ecosystem:** Strengthened FAB's position within the fintech ecosystem by connecting with key internal stakeholders and attending major industry events like the Singapore and Global fintech festivals. These engagements have led to new collaboration opportunities, which will be formalised into new strategic partnerships.

↳ **Service banking:** Explored growth opportunities by evaluating high-value propositions and engaging potential partners. Three viable opportunities were identified for FAB, which will forge new strategic partnerships.

↳ **Staff banking:** Identified three key customer journeys to be digitised, based on the structured analysis of existing journeys, pain points and cross-team collaboration, which will be actioned in 2025.

Cloud adoption

2025 outlook

In 2025 and beyond, FAB will accelerate the usage of cloud-native architectures. These allow FAB to scale solutions based on customer demand, ensuring we meet their needs without overspending. Examples of new cloud-based functionalities coming online in 2025 include FAB's platform to support the Central Bank of UAE's open finance regulation. Once launched, open finance will have a somewhat unknown scalability requirement. By using the cloud, FAB is building a

scale and cost-effective solution. FAB is also using the cloud to launch new Generative AI-based capabilities, such as a GenAI-powered advisory portal for the relationship managers serving our private banking customers.

The bank is also using the cloud for fast experimentation with fintech partners. Thanks to our cloud-based sandbox, we can conduct proof-of-concepts in weeks rather than months when we select a fintech partner.

Digital infrastructure expansion
Responding to evolving customer needs

The adoption of continuous integration and delivery (CI/CD) has transformed FAB's ability to deliver high-quality services that align with the rapidly evolving needs of our customers. One of the biggest gains has been the speed and accuracy of our code scanning capabilities. Manually checking code could previously take days, sometimes weeks, to ensure compliance and quality standards. With CI/CD, we can scan and verify code within minutes, allowing us to identify and resolve potential issues quickly. Our in-house governance tool, TransparenSee, further strengthens this process by giving us instant insights into pipeline compliance with Group Security Office (GSO) standards, ensuring that security and performance requirements are met immediately.

Flagship applications like Murex and Temenos T24 have exemplified this enhanced delivery

model, and we are continuously onboarding new applications, such as Corp-Mobile, SME and Internet Banking / Mobile Banking (IBMB), to mention a few. They benefit from a complete development and testing cycle that's now covered by CI/CD, allowing for weekly releases with flawless deployment to production. This has enabled us to not only provide a faster time-to-market but also a level of quality that fosters customer trust, as demonstrated by our zero-incident rate in production. The agility and precision enabled by CI/CD allow us to consistently meet customer expectations, solidifying our position as a market leader. By providing reliable, continuous updates tailored to client needs, FAB maintains its market leadership and stays ahead in a highly competitive landscape.
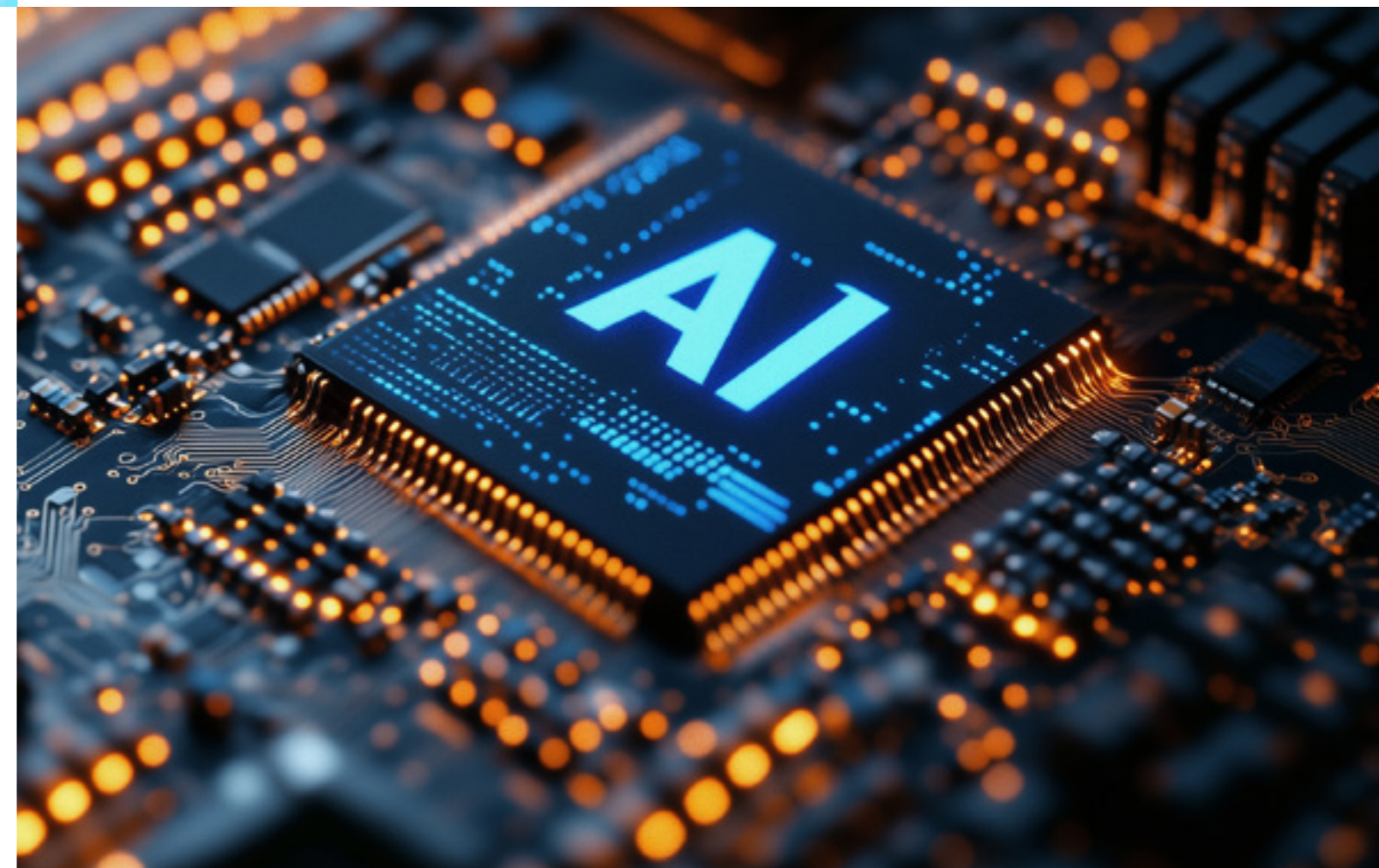
Case Study

Infrastructure managed services programme

The infrastructure managed services programme was a strategic direction adopted by the bank to implement outcome-oriented managed services for Infrastructure to an offshore development centre (ODC). Our objectives were to:

- Ensure high-quality service delivery with reduced risk and improved compliance
- Integrate technology services seamlessly with business operations, enhancing speed and agility through automation

- Establish scalable and flexible service frameworks
- Forge industry-focused partnerships and maintain business-focused decision-making and accountability within the FAB Technology leadership team
- Drive higher efficiencies and productivity

IT infrastructure managed service
Objectives and outcomes

De-risked transition with POC embedded

Hyper automation at core

Compliance mindset and orientation

Engineering-led cost reduction

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Partnership for resilience

Re-hire options if feasible

Global + local workforce

Shared ownership commercials

Executive sponsorship and governance

Key operational outcomes

>**60**%	>**60**%	>**80**%
Reduction in Infrastructure audit non-compliance	Reduction in unscheduled outage	Reduction in Infrastructure provisioning times
>**60**%	~**99**%	>**20**%
Automation of manual tasks	Patch compliance	Improved CSAT