

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited consolidated financial statements of Emirates NBD Bank P.J.S.C. ("the Bank") and its subsidiaries (collectively known as "the Group") for the year ended 31 December 2021.

The Bank was incorporated in the United Arab Emirates (the UAE) on 16 July 2007, pursuant to the approval from the Central Bank of the UAE on 3 July 2007 to grant the Bank a banking license.

Basis of Preparation of Financial Statements

The Group consolidated financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board (IASB) and applicable requirements of the laws of the UAE.

Financial Commentary

The Group reported a consolidated profit (attributable to equity holders) of AED 9,298 million for the year 2021, which represent an increase of 34 percent over 2020. The Group has continued to focus on:

- Maintaining strong capital, liquidity and funding positions;
- Delivering long term sustainable value for shareholders;
- Growing international operations
- Maintaining a strong risk oversight whilst effectively managing cost of risk;
- Investment in people with a focus on developing and deploying National talent in key senior and executive positions;
- Investment in IT transformation with a focus on innovation, analytics and digitalization;
- Continued operational resilience in providing full banking services during the global pandemic;

The diversified balance sheet and solid capital base remains a core strength of the Group. The Group used this strength to support its customers, empowering them to benefit from the growing economy as Expo 2020 Dubai begins. This strength is reflected in Moody's recent affirmation of Emirates NBD's ratings and improved 'Stable' Outlook, combined with the upgrade in DenizBank's credit ratings. International expansion continues with additional branches in the Kingdom of Saudi Arabia, approval for further branches in India and strong results in Turkey. The Group continues to diversify with 38% of income now coming from international operations.

Interest rates remain at record low levels, yet underlying business momentum is strong coupled with effective cost management and a significant reduction in the cost of risk reflecting improved business sentiment. The Group's strong results demonstrate financial resiliency and the success of its diversified business model. The Group's balance sheet strengthened with further improvements in deposit mix, credit quality, capital and liquidity. Emirates NBD continues to support businesses and customers recovering from the global pandemic, while investing in its digital platform and its international network to drive future growth.

The outlook for the UAE economy is positive, with Expo 2020 Dubai predicted to boost domestic demand and the easing of travel restrictions in key markets expected to support the recovery in tourism and hospitality. The UAE economy has remained open thanks to the speed and success of the UAE's vaccination programme. With most of the population fully vaccinated, and with one of the highest testing rates globally, the UAE continues to be a safe and attractive destination for residents and visitors.

Group adjusted Earnings per Share was AED 1.38 (2020: AED 1.00).

The Group achieved a return on average tangible equity of 12.8 percent (2020: 9.5 percent) and a return on average total assets of 1.3 percent (2020: 1.0 percent).

Equity and Note Holders' Funds

Total equity and note holders' funds as at the end of 2021 stands at AED 83,580 million (2020: AED 84,618 million).

Proposed Appropriations

The Directors also propose the following appropriations from retained earnings:

	AED million

Retained earnings as at 1 January 2021	47,014.8
Group profit for the year (attributable to equity holders)	9,297.5
Other comprehensive income / (loss) for the year	(34.9)

Retained earnings available for appropriation	56,277.4
(a) 2020 Cash dividend paid during 2021	(2,524.3)
(b) Interest on Tier 1 Capital Notes	(592.2)
(c) Directors' fees for 2021	(31.0)
(d) Zakat	(41.7)

Balance of retained earnings as at 31 December 2021	53,088.2

Board and Board Committee meetings during 2021

Emirates NBD Board of Directors

H.H. Shaikh Ahmad Bin Saeed Al Maktoum	Chairman
Mr. Hesham Abdulla Al Qassim	Vice Chairman
Mr. Salem Mohammed Obaidalla	Director
Mr. Hussain Hassan Mirza Al Sayegh	Director
Mr. Buti Obaid Buti Al Mulla	Director
Mr. Shoaib Mir Hashim Khoory	Director
Mr. Mohamed Hamad Obaid Khamis Al Shehi	Director
H.E. Mohamed Hadi Ahmad Al Hussaini	Director
Mr. Ali Humaid Ali Al Owais	Director

Total number of Emirates NBD Board meetings: 6

Emirates NBD Board Executive Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
Mr. Shoaib Mir Hashem Khoory	Member
Mr. Mohamed Hamad Obaid Al Shehi	Member
H.E. Mohamed Hadi Ahmed Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member

Total number of meetings: 20

Emirates NBD Board Audit Committee

Mr. Hussain Hassan Mirza Al Sayegh	Chairman of the Committee
Mr. Shoaib Mir Hashem Khoory	Member
Mr. Mohamed Hamad Obaid Al Shehi	Member
H.E. Mohamed Hadi Ahmed Al Hussaini	Member (Resigned on 27.9.2021)
Mr. Salem Mohammed Obaidalla	Member

Total number of meetings: 5

Emirates NBD Board Nomination & Remuneration Committee

Mr. Buti Obaid Buti Al Mulla	Chairman of the Committee
Mr. Mohamed Hamad Obaid Al Shehi	Member
H.E. Mohamed Hadi Ahmad Al Hussaini	Member (Resigned on 27.9.2021)
Mr. Ali Humaid Ali Al Owais	Member
Mr. Hesham Abdulla Al Qassim	Member (appointed on 27.9.2021)

Total number of meetings: 4

Emirates NBD Board Risk Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
Mr. Hussain Hassan Mirza Al Sayegh	Member
Mr. Buti Obaid Buti Al Mulla	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total number of meetings: 4

Emirates NBD Board Credit and Investment Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
Mr. Shoaib Mir Hashem Khoory	Member
H.E. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total number of meetings: 48

Auditors:

Deloitte and Touche (M.E.) were appointed as auditors of the Emirates NBD Group for the 2021 financial year at the Annual General Meeting held on 24 February 2021.

On behalf of the Board



Chairman

Dubai, UAE

25 January 2022