

# Management Discussion & Analysis

**2022 Full Year Financial Results**









Abu Dhabi, UAE – 30 January 2023

# ADIB Achieves Record Breaking Performance for Full Year 2022 with AED 3.62 Billion in Net Profit & 55% y-o-y Growth

**Proposed dividend<sup>(1)</sup> increased to 49 fils per share equivalent to 49% of net profit**

(1) Proposed dividends are subject to shareholders approval at the annual general meeting

## FY 2022 compared to the FY 2021

<p><b>6.8bn</b> Revenues</p> <p><b>+23%</b> </p>	<p><b>2.4bn</b> Expenses</p> <p><b>+6%</b> </p>	<p><b>769mn</b> Impairments</p> <p><b>-19%</b> </p>	<p><b>3.6bn</b> Net Income</p> <p><b>+55%</b> </p>
<p><b>169bn</b> Total Assets</p> <p><b>+23%</b> </p>	<p><b>113bn</b> Gross Customer Financing</p> <p><b>+22%</b> </p>	<p><b>138bn</b> Deposits</p> <p><b>+26%</b> </p>	<p><b>21.4%</b> ROE</p> <p><b>+7.1 pts</b> </p>

## Full year Key highlights

- ▶ 55% y-o-y increase in Net Profit to AED 3.62 billion for 2022 versus AED 2.33 billion in 2021
- ▶ Q4'22 net profit was AED 1.2 billion compared to AED 1 billion in Q3'22, reflecting a consistent trend of strong growth
- ▶ ROE improving 7.1 percentage points to reach 21.4% versus 14.3% last year
- ▶ Revenue up 23% y-o-y to AED 6.8 billion versus AED 5.6 billion last year
- ▶ Funded income grew by 24% to AED 4.2 billion vs AED 3.3 billion last year driven by higher volumes and better margins
- ▶ Fees and commissions grew by 43% to reach AED 1.4 billion versus AED 958 million last year
- ▶ Cost to income ratio improved 5.7 percentage points to 34.9% versus 40.7% last year driven by revenue growth
- ▶ Improved economic outlook drives 19% impairment decline, despite improved coverage on non-performing financing
- ▶ 22% growth customer financing to reach AED 113 billion versus AED 93 billion at the end of 2021
- ▶ Deposits grew 26% y-o-y to reach AED 138 billion vs AED 110 billion in 2021, despite rising rates, CASA balances grew 14% y-o-y
- ▶ 126,000 new customers joined ADIB in 2022 with 40% of them opening an account digitally
- ▶ Strong liquidity and funding profile with advances to stable fund ratio of 82.1%
- ▶ NPA ratio improving to 7.7%
- ▶ Robust capital position with a common equity tier 1 ratio of 12.08%
- ▶ ADIB's Board of Directors recommend cash dividends per share of 49 fils amounting to AED 1.779 billion for FY'22, compared to 31 fils cash dividends distributed in the prior year

Abu Dhabi Islamic Bank achieved a **record net profit of AED 3.62 billion** for the full year of 2022, **up 55% from the previous year**, suggesting a consistent trend of strong growth and profitability in 2022. ADIB also reported the **highest quarterly net profit of AED 1.2 billion** in Q4 2022 versus AED 728 million in Q4 2021, **marking a 60% growth** versus the same period last year.

In 2022, **ADIB's revenue improved by 23% to AED 6,835 million** compared to AED 5,560 million last year. This was driven by a **43% increase in fees and commissions** and **24% growth in funded income** to AED 4,151 million, achieved from the growth in customer financing and higher margins.

Cost to income ratio was managed down with an improvement of 5.7 percentage points to 34.9%. This was achieved despite slightly higher cost that increased 6% year-on-year to AED 2,387 million reflecting ongoing investments in strategic and digital initiatives.

**Impairments declined 19%** year-on-year to AED 769 million for 2022, reflecting an overall improvement in economic conditions. This reduction was achieved **while improving the provision coverage of non-performing financing** (including collaterals) by 7.9 percentage points **to 127.9%**.

**Total assets increased 23% year-on-year to reach AED 169 billion**, driven by **22% growth in gross financing** and 42% growth in investments. **Customer deposits rose 26%** year-on-year **to reach AED 138 billion** driven mainly by a **14% growth in Current and Savings Accounts (CASA)** despite the high rate environment. ADIB maintained a robust capital position with a **Common Equity Tier 1 ratio of 12.08%** and a **total Capital Adequacy Ratio of 17.17%**, after adjusting for proposed dividend for 2022. The bank's liquidity position was healthy and comfortably within regulatory requirements, with the **advances to stable funding ratio at 82.1% and the eligible liquid asset ratio at 18.9%**.



### **H.E. JAWAAN AWAIDAH AL KHALI**

CHAIRMAN

“2022 was an unprecedented year for ADIB as we delivered a record performance of AED 3.62 billion for the first time in our history. Our team’s relentless efforts and unwavering commitment to excellence helped us achieve these results, setting a new standard for success. Our initiatives to diversify our income, expand into new segments while managing asset quality served us well to deliver a ROE of 21.4%. This has allowed the Board to recommend a dividend of 49 fils per share compared to 31 fils in 2021.

We have seen the consolidation of ADIB Egypt during Q4 2022. Our investment in Egypt reflects our confidence in the future economic prospects of Egypt.

Our efforts this year have led us to be recognized as the Best Bank in the UAE by Financial Times, a testament to our robust financial performance and pioneering approach to innovation in digital banking.

We are also committed to embedding sustainability and ESG into our 5-year plan and we are seeing a true integration of sustainability into our businesses. We look forward to working with UAE organisations and our peers to develop innovative solutions as the UAE marked this year as the Sustainability Year. This will allow us to drive environmental and economic progress.

These results, along with our positive outlook for the local economy, will enable us to accelerate our investments and lay the foundation for our next stage of growth. We will continue to support the national economy and look forward to playing an important role in the UAE’s sustainability agenda.”



### **NASSER AL AWADHI**

GROUP CHIEF EXECUTIVE OFFICER

“This has been an extraordinary year for ADIB as we delivered record-breaking performance across all matrix, extending the robust operational performance that ADIB has delivered throughout this year. We have seen a broad-based income

momentum across all of our operating businesses where we continue to gain market share which has put us in good stead to deliver one of the highest returns on equity in the market of 21.4%.

We had broad-based customer finance growth of 22% for the year, growing both our retail and corporate book, and driving a funded income growth of 24%. This demonstrates our leading origination capabilities and our continued focus on growing our market share through specialised offerings and innovative solutions. The positive drivers we witnessed in business over the last few quarters have converted into a solid fee income growth of 43%.

Our cost to income ratio experienced an improvement of 5.7 percentage points to 34.9%. This was achieved despite slightly higher costs that increased 6% year-on-year to AED 2,387 million, reflecting ongoing investments in strategic and digital initiatives.

We have made good progress on our 2025 commitments, both strategically and financially. We have exceeded all our expectations in terms of revenue growth, and achieving a higher ROE. In light of this, we will be updating our stakeholders on our next phase of growth and how we will continue to enhance this positive momentum.

Our franchise has been enhanced with the consolidation of ADIB Egypt. This will help us to further extend our operations in Egypt — one of the most promising strategic markets in the region and highlights our firm confidence in the Egyptian economy.

Looking ahead and while the global economic outlook remains uncertain, marked by inflationary pressures, we are confident that our strong balance sheet, capital levels and liquidity combined with our innovative and agile spirit will position us well to capture new opportunities and continue to support our customers, businesses and the UAE economy to thrive. We will continue to identify new growth areas and invest our resources to deliver sustainable shareholder returns and pursue our growth and transformation plans.”



**MOHAMED ABDELBARY**

GROUP CHIEF FINANCIAL OFFICER

“ADIB delivered a record performance in 2022 as net profit increased by 55% versus last year underpinned by 23% growth in revenues. Margins widened by 47 bps in 2022 as rate rises impacted our finance portfolio, offsetting an increase in funding costs. The bank witnessed significant growth across all business segments with fee income growing 43% versus last year. Our customer financing growth of 22% was record-breaking while we maintained a healthy balance sheet with strong liquidity and good asset quality with our NPA ratio improving by 1.2% versus the same period last year.

We made significant progress in advancing our digital agenda and are pleased that we have expanded our digital services to business banking.”

## = Group Financial Review

### ► Income statement

AED (mn)	FYR 2022	FYR 2021	Δ%	Q4 2022	Q4 2021	Δ%
Gross revenue from funds	5,042	3,675	+37%	1,922	882	+118%
Distribution to depositors	(891)	(330)	+170%	(573)	(82)	+596%
<b>Net revenue from funds</b>	<b>4,151</b>	<b>3,345</b>	<b>+24%</b>	<b>1,349</b>	<b>800</b>	<b>+69%</b>
Investment income	1,471	994	+48%	869	328	+165%
Fees, commissions income, net	1,368	958	+43%	529	269	+97%
Foreign exchange income, net	(168)	248	-167%	(435)	65	-770%
Other income	12	14	-14%	7	6	+19%
<b>Non-funded income</b>	<b>2,684</b>	<b>2,215</b>	<b>+21%</b>	<b>970</b>	<b>667</b>	<b>+45%</b>
<b>Total operating income</b>	<b>6,835</b>	<b>5,560</b>	<b>+23%</b>	<b>2,319</b>	<b>1,467</b>	<b>+58%</b>
Total operating expenses before impairment charge	(2,387)	(2,260)	+6%	(688)	(531)	+30%
Provision for impairment	(769)	(954)	-19%	(416)	(203)	+105%
<b>Profit before zakat and tax</b>	<b>3,680</b>	<b>2,345</b>	<b>+57%</b>	<b>1,215</b>	<b>733</b>	<b>+66%</b>
Zakat and tax	(60)	(15)	+302%	(48)	(4)	+1028%
<b>Profit after zakat and tax</b>	<b>3,619</b>	<b>2,330</b>	<b>+55%</b>	<b>1,167</b>	<b>728</b>	<b>+60%</b>
Non-controllable interest	(32)	(1)	+2245%	(31)	(1)	+4503%
<b>Profit attributable to equity holders of the bank</b>	<b>3,587</b>	<b>2,329</b>	<b>+54%</b>	<b>1,137</b>	<b>728</b>	<b>+56%</b>
EPS	0.91	0.57	+60%	0.30	0.19	+56%
Net profit margin – YTD	3.56%	3.09%	+47bps			
Cost to income ratio	34.9%	40.7%	-5.7ppts	29.7%	36.2%	-6.5ppts
Cost of risk – YTD	0.58%	0.99%	-40bps			
ROAE – YTD	21.4%	14.3%	+7.1ppts			
ROAA – YTD	2.37%	1.76%	+61bps			

- **Group net profit** grew 55% in 2022 to AED 3.62 billion compared to AED 2.33 billion in the corresponding year. This was driven by solid growth in revenues, improved operating efficiency and lower overall impairments compared to the previous year.
- **Revenues:** Revenues increased by 23% in 2022 to AED 6,835 million versus AED 5,560 million in the previous year, primarily driven by higher fees and commissions income and impacts of higher rates and the strong finance growth.
- **Funded income** rose 24% year-on-year to reach AED 4,151 million with 11% growth in average earning assets thereby increasing the net profit margin to 3.56% as compared to 3.09% in 2021, despite an increase in the cost of funding. ADIB preserves one of the highest margins in the market, supported by one of the lowest cost of funds in the market.
- **Non-funded income** increased by 21% year-on-year to AED 2,684 million for 2022, resulting from 43% growth in fees and commission income, and a 48% growth in investment income.

- Overall revenues were supported by growth in **new customers** of approximately 126,000 during 2022, evidencing ADIB's long-term commitment to its customers and continuous efforts to deliver superior customer service.
- **Strategic and transformation investments and volume-related expenses**, resulted in a relatively small increase of 6% in **operating expenses** to AED 2,387 million compared to 2021 that was partially offset by the benefit of productivity savings. Despite this, there was an overall improvement in the **cost-to-income ratio** of 5.7 percentage points year-on-year to 34.9%.
- The **net impairment charge** for the year decreased by 19% year-on-year to AED 769 million, lowering the **cost of risk** by 40 basis points year-on-year to 0.58%. This reflected improvements in the micro and macro-economic environment and was achieved while improving the **provision coverage** of non-performing financing (including collaterals) by 7.9 percentage points to 127.9%.

## ► Balance Sheet

AED (mn)	Dec 2022	Dec 2021	Δ%
Cash and balances with central banks	24,229	21,699	+12%
Due from financial institutions	7,441	4,530	+64%
Customer financing, net	107,717	88,252	+22%
Investments	19,432	13,691	+42%
Investment in associates	776	1,604	-52%
Investment and development properties	1,992	2,003	-1%
Other assets	6,930	5,089	+36%
<b>Total assets</b>	<b>168,517</b>	<b>136,868</b>	<b>+23%</b>
Due to financial institutions	2,834	3,536	-20%
Depositors' accounts	138,137	109,611	+26%
Other liabilities	4,086	3,162	+29%
<b>Total liabilities</b>	<b>145,056</b>	<b>116,309</b>	<b>+25%</b>
Share capital	3,632	3,632	-
Retained earnings	8,642	6,741	+28%
Other reserves	5,452	5,420	+1%
<b>Equity attributable to shareholders of the bank</b>	<b>17,726</b>	<b>15,793</b>	<b>+12%</b>
Tier 1 sukuk	4,754	4,754	-
Non - controlling interest	980	12	+8374%
<b>Equity attributable to equity holders of the bank</b>	<b>23,461</b>	<b>20,559</b>	<b>+14%</b>
Customer financing, gross	113,367	93,129	+22%
Non-performing financing	8,705	8,286	+5%
NPA ratio	7.7%	8.9%	-1.2ppts
NPA coverage ratio	71.8%	66.8%	+5.0ppts
NPA coverage ratio with collaterals	127.9%	120.0%	+7.9ppts
Risk weighted assets	119,857	104,443	+15%
Common Equity Tier 1 Ratio	12.08%	12.93%	-85bps
Tier 1 Ratio	16.05%	17.48%	-1.4ppts

Capital Adequacy Ratio	17.17%	18.57%	-1.4ppts
Financing to deposit ratio	78.0%	80.5%	-2.5ppts
Advances to stable fund ratio (ASFR)	82.1%	84.1%	-2.1ppts
Eligible Liquid Asset Ratio (ELAR)	18.9%	19.7%	-77bps

- **Total assets** reached AED 168.5 billion as of 31 December 2022, an increase of 23% from 31 December 2021, driven mainly by a growth in net financing and growth of the investment portfolio.
- Gross customer **financing** increased 22% year-on-year to AED 113.4 billion from 20% growth in wholesale financing across government and public sector enterprises, corporates and financial institutions while retail financing portfolios grew by 10%.
- The bank's **investment** portfolio increased 42% at 31 December 2022 to AED 19.4 billion.
- Customer **deposits** amounted to AED 138 billion as of 31 December 2022, up 26% from 31 December 2021 as CASA deposits increased by 14% to AED 94 billion comprising 68% of total customer deposits.
- **Non-performing financing** totaled AED 8.7 billion as of 31 December 2022 compared to AED 8.3 billion as of 31 December 2021 while the non-performing financing ratio improved to 7.7% versus 8.9% as of 31 December 2021.
- ADIB continued to maintain a healthy liquidity position with an advances to stable funding ratio at 82.1% compared with 84.1% at 31 December 2021, while the eligible liquid asset ratio was 18.9% as of 31 December 2022 versus 19.7% at 31 December 2021.
- The bank further maintained a robust **capital position** with the Common Equity Tier 1 ratio at 12.08%, a tier 1 ratio of 16.05% and capital adequacy ratio of 17.17% as at 31 December 2022 after adjusting for proposed dividend for 2022, exceeding regulatory requirements prescribed by the UAE Central Bank.



## = Segmental Performance Review

### ▶ Retail Banking Group

#### Income statement

AED (mn)	FYR 2022	FYR 2021	Δ%
Funded income	3,016	2,482	+22%
Non-funded income	524	574	-9%
<b>Total operating income</b>	<b>3,540</b>	<b>3,056</b>	<b>+16%</b>
Operating expenses excluding impairments	(1,809)	(1,805)	+0.2%
Impairment charge	(125)	(45)	+178%
<b>Profit before zakat and tax</b>	<b>1,607</b>	<b>1,206</b>	<b>+33%</b>
Tax and Zakat	-	-	-
<b>Profit after zakat and tax</b>	<b>1,607</b>	<b>1,206</b>	<b>+33%</b>
Cost to income ratio	51.1%	59.1%	-8.0ppts
Cost of risk	0.23%	0.09%	+14bps

#### Balance Sheet

AED (mn)	Dec 2022	Dec 2021	Δ%
Financing, gross	53,743	48,853	+10%
Depositors' accounts	81,868	75,279	+9%

- ADIB's Retail Banking Group ('Retail Banking'), is the leading bank for UAE nationals and a critical growth engine for ADIB. Retail Banking delivered a strong performance, generating AED 1,607 million of **net profit** in 2022, a 33% increase over last year.
- In addition, Retail Banking continued strengthening their customer propositions and improving channel productivity, resulting in improved sales momentum for cards and 10% year-on-year growth in gross **financing** to AED 53.7 billion as of 31 December 2022.
- Based on encouraging financing growth, revenue for Retail Banking increased 16% year-on-year to AED 3,540 million, on the back of higher fees and commissions on cards and wealth management products.
- **Operating expenses** in 2022 remained stable year-on-year, reflecting cost optimisation initiatives, and continued focus on process simplification and automation to improve efficiency and deliver better customer experiences.
- The strategic focus on delivering excellent customer experience enabled Retail Banking to expand its customer base by approximately 126,000 customers in 2022.
- **Deposits** also grew by 9% year-on-year. This is a testament to the Bank's strong UAE national and Emirati-focused strategy, which is at the core of the Retail Banking business. This was driven by CASA growth of 14%.
- **Customer financing grew 10% to AED 53.7 billion led by growth in personal finance, home finance and auto finance.**
- On digital, the Bank continued to introduce industry-leading digital capabilities, redesign the client experience, and enabled its customers to bank anytime, anywhere, on their preferred channels. The provision of the new digital remote sales platform allowed customers to interact remotely, driving significant sales across consumer finance products. Over 40% of new accounts are opened through digital channels.

## ► Wholesale Banking Group

### Income statement

AED (mn)	FYR 2022	FYR 2021	Δ%
Funded income	730	598	+22%
Non-funded income	308	277	+11%
<b>Total operating income</b>	<b>1,038</b>	875	+19%
Operating expenses excluding impairments	(275)	(279)	-1%
Impairment charge	(290)	(680)	-57%
<b>Profit before zakat and tax</b>	<b>473</b>	(84)	+662%
Tax and Zakat	(12)	(10)	+29%
<b>Profit after zakat and tax</b>	<b>460</b>	(94)	+591%
Cost to income ratio	26.5%	31.9%	-5.4ppts
Cost of risk	0.66%	1.84%	-1.2ppts

### Balance Sheet

AED (mn)	Dec 2022	Dec 2021	Δ%
Financing, gross	44,092	36,884	+20%
Depositors' accounts	24,506	23,139	+6%

- The Wholesale Banking Group ('WBG') saw an increase in **net profit** of 591% driven by higher volume and the benefit of rising rates.
- Total operating income grew 19% year-on-year reflecting an economic rebound and improvements in non funded income.
- Gross customer **financing** grew by 20% year-on-year to AED 44.1 billion, as a result of a rebound in economic activity and market sentiment, as well as strong momentum in deal execution. This was driven by demand from existing large corporates as well as new to bank clients.
- The Global Transaction Banking (GTB) team continued to make progress on its transformation journey, offering digitally enabled and innovative solutions to clients.
- **Revenues** for WBG for 2022 increased 19% year-on-year to reach AED 1 billion.
- WBG's **impairment charge** for the year amounted to AED 290 million, a 57% decrease relative to 2021.

## ► Treasury

### Income statement

AED (mn)	FYR 2022	FYR 2021	Δ%
Funded income	(282)	(140)	-102%
Non-funded income	923	901	+2%
<b>Total operating income</b>	<b>641</b>	<b>761</b>	<b>-16%</b>
Operating expenses excluding impairments	(43)	(41)	+3%
Impairment charge	(26)	3	-950%
<b>Profit before zakat and tax</b>	<b>573</b>	<b>723</b>	<b>-21%</b>
Tax and Zakat	-	-	-
<b>Profit after zakat and tax</b>	<b>573</b>	<b>723</b>	<b>-21%</b>
Cost to income ratio	6.6%	5.4%	+1.2ppts
Investment Yield	2.7%	4.7%	-2.0ppts

### Balance Sheet

AED (mn)	Dec 2022	Dec 2021	Δ%
Investments	19,432	13,691	+42%
Depositors' accounts	3,027	2,926	+3%

ADIB's Treasury department saw a decline of 21% in **net profit** to AED 573 million year-on-year due to a reduction in the revenue for the period by 16% year-on-year to AED 641 million. This was primarily due to adverse market conditions in 2022, partially offset by fee income generation from customers' activities.

## = Strategy and Outlook

### ► Strategy

ADIB conducted its 5-year strategic review in 2021, which defined the bank's renewed purpose of becoming a lifelong partner for our clients, community and colleagues. Furthermore, ADIB's vision was revamped to be the world's most innovative Islamic bank.

The bank has delivered the below strategic initiatives under the 4 strategic pillars:

#### Continuous Innovation

ADIB launched various products that enabled a growth in market share:

- **Yusr for salary advance** allows customers to avail their pay cheque in advance instantly with a Murabaha structure-based fee. The new feature can be accessed through the mobile banking app and branches across the UAE. 'Yusr' is designed to help existing ADIB salary transfer customers, both UAE Nationals and expatriates, to manage their financials and fulfil their short-term funding needs. This product aims to provide convenience and assist customers to access up to 50% of their salaries.
- **New finance plan to support SME:** ADIB unveiled a new offering 'Small Business Finance (SBF)' that is aimed at small and medium-sized businesses (SMEs) in the UAE. The new product offers a complete financial solution for up to AED 1.5 million to support the short and long term goals of SMEs. ADIB's SBF is designed to offer a bespoke financial solution for small and medium businesses in the UAE catering to their business objectives.

#### Segment Focused

ADIB continued to build on its existing strength in the Emirati retail segment while attracting and developing new business segments where the bank can grow profitably. In this respect, ADIB launched propositions that support Emirati customers across all financial stages in their lives.

- 'Amwali' by ADIB registered more than 10,000 accounts opening with 74% of customers being Emiratis, with a ratio of 61% male, 39% female.
- ADIB onboarded new to bank customers in the corporate and commercial segment
- ADIB expanded beyond UAE by capitalising on Selected GREs in GCC markets

#### Digital Excellence

**Digital** remains at the heart of the 2025 strategy and the bank strives to become a digital-first financial institution. ADIB is building a modern technology foundation and new digital tools and capabilities.

- **IPOs:** ADIB enables its retail customers to conveniently participate in the subscription to initial public offerings (IPOs) that were issued this year through its mobile app. 80% of ADIB clients subscribed to IPOs that were issued in 2022 through ADIB Mobile app.
- **ADIB Pay:** the region's first tokenised, contactless payment method through the options of clasp and ring. ADIB Visa cardholders can now make contactless payments using their favourite watch or bracelet, without the need to carry a physical plastic card. The new tokenised contactless payment clasp from ADIB can be attached to a multitude of wrist wearables, instantly turning that wearable, ring, or watch into a smart payment device. ADIB Pay will be initially offered to select customers.
- **Digital command centres,** which allows the bank to utilise the power of data and artificial intelligence to drive greater efficiencies, optimize performance, enhance its preventive controls and be even more responsive to the ever-changing market dynamics. The centre includes a 22-meter-long video wall which provides complete coverage of ADIB activities, supporting senior management as well as all relevant employees in the organisation to make timely informed decisions by displaying up to 25 dashboards simultaneously on the video wall. The state-of-the-art facility places AI and analytics at the forefront of ADIB's banking operations to enable greater resilience, agility, and vigilance in the ever-evolving market landscape. By reviewing performance real time and with a highly intelligent machine-triggered alert system customised to specific roles in the organisation, the bank can effectively collaborate across divisions and enhance the ability to become even more proactive in decisions made and actions taken.

- **Payment:** ADIB launched a new service which allows customers to transfer funds instantly from the UAE to recipients in India as part of the bank's commitment to innovation and introducing the next-generation of payments and remittance services. The service is available 24/7 and allows customers to use their mobile application or internet banking to make transfers without the need to withdraw cash or visit a transfer office. Customers also receive updates and notifications, including an optional receipt for confirming delivery of the funds.

### Sustainable future

- ADIB is a regional sustainability leader (MSCI ESG rating of 'A'), and a constituent of MSCI ESG Leaders index
- ADIB finalized its sustainability and ESG frameworks and will be announcing its Group sustainability strategy and roadmap
- ADIB continued to play a crucial role in helping to deliver the region's sustainable finance agenda facilitating around USD 2 Billion worth of sustainable projects
- ADIB leads the way in Emiratisation by significantly investing in upskilling, reskilling and developing Emiratis through international training and development programs.

### ▶ Digital and Innovation

ADIB's focus on continuous innovation and digital excellence are core tenets of the revamped 2025 strategy. The number of digitally active customers has increased steadily over the past year. Currently, the bank has 76% of its customers digitally active.

Additional highlights of ADIB's progress on digitalization and innovation include the following:

- ADIB's mobile app was top-ranked in the UAE App store.
- ADIB had 76% digital usage
- 50% of new to bank customers open their account using the app
- Digital finance applications increased with 40% of personal finance applications taking place digitally
- New features were added to the Mobile app to help increase customer usage and adoption – these include IPO subscription, push notification, Consumer Protection Rights and additional security features for transfers. These enhancements helped maintain overall Consumer Bank NPS (net promoter score) at 60%

### ▶ Outlook

The outlook for the GCC remains positive despite ongoing concerns over a global economic slowdown. Higher oil prices in 2022 have pushed GCC budgets into surplus with expectation for the UAE GDP to grow by 3% in 2023. Liquidity in the UAE remains strong, with higher oil prices expected in 2023 which will help in deposit inflows.

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**About ADIB:**

ADIB is a leading bank in the UAE with more than AED 169 billion in assets. The bank also offers world-class online, mobile and phone banking services, providing clients with seamless digital access to their accounts 24 hours a day. ADIB provides retail, corporate, business, private banking and wealth management solutions. The bank was established in 1997 and its shares are traded on the Abu Dhabi Securities Exchange (ADX).

ADIB has presence in six strategic markets: Egypt, where it has 70 branches, the Kingdom of Saudi Arabia, the United Kingdom, Sudan, Qatar and Iraq.

Named World's Best Islamic Bank by The Financial Times' The Banker publication, ADIB has a rich track record of innovation, including introducing the award-winning Ghina savings account, award-winning co-branded cards with Emirates airlines, Etihad and Etisalat and a wide range of financing products.

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