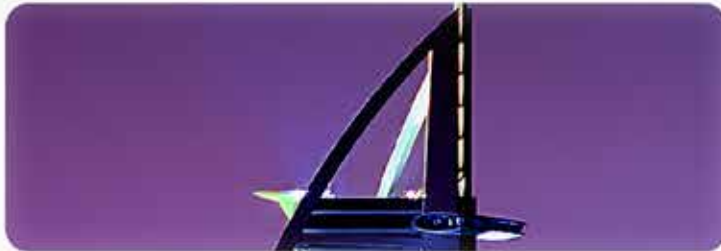


ANNUAL REPORT 2020



**IN THE NAME OF ALLAH,
THE MERCIFUL,
THE MOST MERCIFUL**



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Emirates Islamic Bank
(Public Joint Stock Company)

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Our Vision

To be the leading provider of high standard Shari'ah-compliant, innovative financial products, quality service and superior value for our customers, shareholders, employees and the community.

Our Mission

Providing innovative and high standard financial products and services governed by Islamic Shari'ah provision to enrich the society.



His Highness Sheikh Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates



His Highness Sheikh Mohammed Bin Rashid Al Maktoum
Vice President and Prime Minister
of the United Arab Emirates and Ruler of Dubai

**Board of
Directors**



Mr. Hesham Abdulla Al Qassim
Chairman



Mr. Buti Obaid Buti Al Mulla
Vice Chairman



Mr. Shoaib Mir Hashem Khoory
Director



**Mr. Mohamed Hadi Ahmad
Abdulla Al Hussaini**
Director



**Mr. Mohamed Hamad Obaid
Khamis Al Shehi**
Director



Mr. Ali Humaid Ali Al Owais
Director



Mr. Shayne Nelson
Director

Management
Team



Salah Amin
Chief Executive Officer



Wasim Saifi
Deputy CEO - Consumer Banking
& Wealth Management



Suhail Bin Tarraf
Chief Operating Officer



Huda Sabil
Chief Financial Officer



Meitha Al Hashemi
Chief Risk Officer



Marwan Al Mheiri
Chief Human Resources Officer



Mohamad Kamran
Head of Wholesale Banking



Ebrahim Khalil Kayed
Head of Treasury & Markets



Contents

Chairman's Message	17
CEO's Message	21
Corporate Social Responsibility	24
Economic Overview	26
Strategy 2021	27
Review of Performance	30
Board Committees	38
Financial Highlights	39
List of Branches	42
List of Offsite ATMs	44

Chairman's Message



Hesham Abdulla Al Qassim
Chairman, Emirates Islamic

The COVID-19 pandemic caused disruptions to all global economies, industries and individuals. As a result of the low profit rate environment coupled with a more challenging business environment due to the coronavirus, Emirates Islamic reported a total income of AED 2.1 billion, with a net loss of AED 482 million for 2020. The Bank's balance sheet remains strong with total assets growing by 9% during 2020 to reach AED 70.6 billion. We continued to maintain healthy liquidity and capital, demonstrating our resilience in navigating the crisis with relatively reduced impact.

We remain thankful to the UAE government and the leadership of our great country for their swift and remarkable response to the pandemic. As an Islamic bank, ensuring the wellbeing and greater good of the individual and community has always been our key priority and Emirates Islamic consistently stepped up to support the community throughout the challenging circumstances of the year. We offered payment deferrals to nearly 40,000 customers impacted by COVID-19 through job loss, unpaid leave or reduced salary. We were also among the first financial institutions to contribute to Dubai's Community Solidarity Fund, to provide support to the most vulnerable during this period. During the year, we distributed AED 78 million through the Emirates Islamic Charity Fund to a number of charitable institutions and deserving causes, both locally and internationally.

We continue to play a pivotal role in the growth of the Islamic banking sector in the UAE and supporting the vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice-President and Prime Minister of UAE and Ruler of Dubai, to make Dubai the global capital of Islamic economy. Through our product and service offerings as well as our support to customers during the COVID-19 pandemic, we strengthened our position as the Islamic banking partner of choice for UAE nationals and residents in 2020.

As we move ahead into 2021, the market expects economic growth to return and this, combined with the upcoming Expo and the UAE's golden jubilee, are expected to deliver a significant boost in economic activity. As the official Islamic banking partner of the Expo 2020 Dubai, we look forward to welcoming delegates and visitors from across the world and continue supporting the UAE's ambitious vision for the future. While this has no doubt been a difficult year for many, we are going into 2021 with a commitment to advance the Islamic banking sector and bring the benefits of Islamic banking solutions to even more individuals and institutions in the UAE.

In closing, I would like to extend my gratitude to our Board of Directors, our management team and all Emirates Islamic employees for their incredible dedication to our performance as we have worked through an extraordinary set of events. I would also like to thank our loyal and valued customers and shareholders for their continued trust in us as we look forward to a brighter year ahead.

Together we
create the future

Official Islamic Banking Partner for Expo 2020 Dubai

الإمارات الإسلامية
EMIRATES ISLAMIC



إكسبو 2020
دبي، الإمارات العربية المتحدة
DUBAI, UNITED ARAB EMIRATES

شريك لمجموعة بنك الإمارات دبي الوطني
EMIRATES NBD GROUP PARTNER



CEO's Message



Salah Amin
CEO, Emirates Islamic

2020 has been a challenging year for the global economy and the same is true for Emirates Islamic. As a truly responsible Islamic bank, we prioritized the health of our employees, operational stability and the financial well-being of our customers and the overall community all through the COVID-19 pandemic.

The Bank's balance sheet remains healthy and growth-oriented with the headline financing to deposits ratio at 87%, Tier 1 capital ratio at 18% and capital adequacy ratio at 19.2%. With an increase in business activity in the last quarter of 2020, we have accelerated our sales momentum across our Retail, Business and Wholesale segments. Our customer deposits grew 3% during 2020 to AED 46.9 billion, with current and saving account balances up by 14% during the same period.

A superior customer experience is at the heart of everything that we do at Emirates Islamic. The COVID-19 pandemic has completely altered the way we live, work and bank. We continued to adapt and strengthen our digital solutions, enabling customers to seamlessly and conveniently bank remotely in a secure environment, with over 70% of customers now banking securely through online and mobile banking channels.

We inaugurated our first digital branch with video personal tellers and self-service machines and launched our new digital business banking platform, businessONLINE, to help businesses in the UAE manage all their banking needs on a single, secure, intuitive platform, supporting the UAE's smart nation vision. During the year, we also launched a range of Emirates Islamic Etihad Guest Credit Cards in association with Etihad Airways, as well as our revamped Emarati Credit Card featuring the UAE Nation Brand logo.

Another key success for Emirates Islamic in 2020 has been the recruitment and development of UAE Nationals, as we implement the UAE Government's agenda to empower UAE nationals to build successful careers in the Islamic banking sector.

Our accomplishments continued to earn industry-wide recognition in 2020, including being named 'Most Innovative Islamic Bank' at the World Finance Islamic Finance Awards 2020, in addition to being named the 'Best Islamic Bank, UAE'. The Bank was also honoured with the global title of 'Most Innovative Islamic Bank' by Islamic Finance News, while The Banker, a monthly publication of the Financial Times, named Emirates Islamic 'Islamic Bank of the Year – UAE 2020'. New York-based Global Finance magazine recognised Emirates Islamic as the 'Best Islamic Financial Institution, UAE' for the second year in a row on its list of the 'World's Best Islamic Financial Institutions', commending the Bank's contribution to the growth of Islamic financing.

Going forward, Emirates Islamic remains committed to leading the way for the Islamic banking sector in developing innovative Shari'ah-compliant products and services to cater to the increasing demand for convenient, accessible solutions based on the highest standards of ethical banking. As the nation's preferred Islamic Bank and the official Islamic Banking Partner to Expo 2020 Dubai, we look forward to the showcase event, carrying forward the extraordinary vision of the nation's wise leadership.

I extend my appreciation to you, our Board of Directors for the constant support, especially during this unprecedented time. In what has been a year unlike any other, I would also like to thank our valued employees for their diligence in successfully meeting the exceptional challenges brought on by the pandemic and their commitment to our continued progress and development.

Together
we create
opportunities
for the future

From supporting those in need to fulfilling dreams of homeowners; from helping businesses prosper to creating child education plans, opportunity means a lot to us. Let's come together and help create opportunities for the future.



CORPORATE SOCIAL RESPONSIBILITY

As a leading Shari'ah-compliant bank, Emirates Islamic has always played an active role in supporting the communities we operate in. However, the challenges of this year further deepened our commitment to contributing to the upliftment and well-being of society.

As the COVID-19 crisis continues to impact individuals and businesses, we remain unwavering in our belief that empowering those around us to succeed is critical to our own success, and the economic fabric of our great nation.



Our commitment to the community is reflected in the way we run our business every day, the inclusive and supportive environment we foster for our employees, the products and services we offer our customers, and ultimately how we interact with all our stakeholders.

Anchored by our strong values, and as one of the country's largest Islamic banks, Emirates Islamic was the first Dubai financial institution to offer financial support from the Emirates Islamic Charity Fund to the 'Social Solidarity Fund Against COVID-19' initiative, launched by the Islamic Affairs and Charitable Activities Department in Dubai to mitigate the health, economic and social challenges posed by the coronavirus crisis. Emirates Islamic, under the umbrella of Emirates NBD Group, contributed AED 10 million to help provide support and care to disadvantaged members of our society. Emirates Islamic is a firm believer in making genuinely meaningful economic, social and environmental impact through our CSR activities, which is why when schools in the UAE had to shift to e-learning during the outbreak, the bank contributed AED 2 million to UAE Ministry of Education to supply laptops to students with little or no access to technology for learning, in order to enable them to continue receiving a quality education while classrooms stayed closed.

While the critical importance of our medical infrastructure has been amplified during the pandemic, as a homegrown bank Emirates Islamic has always believed in and extended support to projects that support the development of the country's healthcare sector in delivering world-class health services that exceed patient expectations in line with the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai, to position the UAE as a global healthcare hub of the wider Middle East region and beyond.

Even before COVID-19, Emirates Islamic contributed towards various government healthcare initiatives, including nearly AED 2 million to Mohammed Bin Rashid University of Medicine and Health Sciences (MBRU). In addition, the bank committed to AED 45 million to support various projects undertaken by Dubai Health Authority. In January, Emirates Islamic also contributed AED 5 million to Erada Center for Treatment and Rehab, an organisation tasked with treating substance abuse and addiction, to help equip new outpatient clinics and expand the center.



ECONOMIC OVERVIEW

The coronavirus pandemic of 2020 has been described as a black swan event: unpredictable and with severe consequences. While a global pandemic had been predicted by many scientists, the timing was not, and many governments were unprepared from a public health perspective. The consequences of the COVID-19 pandemic on the global economy have been severe and had it not been for unprecedented policy responses, could have been catastrophic. Even with exceptional fiscal and monetary policy support, the IMF estimates that global growth contracted by -4.5% in 2020, making it the worst recession since World War II. The only major economy that likely saw positive GDP growth last year is China, and even there, the estimated GDP growth of 1.9% would be the slowest in more than 40 years.

The UAE, like other Gulf Cooperation Council (GCC) countries, faced a double impact of sharply lower than expected oil revenue in 2020 in addition to the impact of COVID-19 on the non-oil sectors. Wider budget deficits limited the scope for additional fiscal stimulus in most of the GCC, but official data through September 2020 shows that the

UAE increased spending on wages, subsidies and investment, helping to mitigate some of the economic impact of the pandemic. The Central Bank of the UAE also provided additional liquidity to the banking system, which in turn allowed banks to provide relief for borrowers affected by the pandemic.

Despite these supportive policy measures, we estimate the UAE economy contracted by -6.9% in 2020 as both oil and non-oil sector GDP declined in real terms. Oil production cuts were necessary as global lockdowns in the second quarter of 2020 led to a collapse in the global demand for oil. Transport, logistics and hospitality sectors were among the most affected by the pandemic as borders were closed and the volume of global trade declined by an estimated 10% in 2020, according to the IMF, the most since the global financial crisis in 2009. International tourism was also severely impacted by border closures and other restrictions on movement in the second quarter of 2020 and the sector has been slow to recover. We saw an increase in visitor numbers once the lockdown was lifted in the second half of the year.

The loss of private sector jobs and uncertainty about the outlook has weighed on both consumption and investment in the private sector in the second half of 2020, even as the UAE economy reopened from June. The approval of several COVID-19 vaccines before the end of 2020 suggests that some of this uncertainty should be resolved in the coming months. While it will likely take several months for the vaccines to be rolled out to those who want it in the UAE and the rest of the world, global growth is expected to see some recoveries from the second quarter of 2021.

For the UAE, the improvement in the global growth outlook together with a weaker US dollar, record low interest rates and firmer oil prices should support the domestic recovery. Expo 2020 Dubai, which was postponed to October 2021, should help to boost tourism in the latter part of this year. Overall, we expect the non-oil sectors to grow 3.5% in 2021, although headline GDP growth will be slower at 1.9%.

STRATEGY 2021

Emirates Islamic has been one of the fastest growing banks in the region and is at the forefront of Islamic banking development. The Bank is also proud to be the Official Islamic Banking Partner of Expo 2020 Dubai and is strategically placed to provide banking solutions to residents and visitors alike as Dubai looks forward to host the World's Greatest Show this October.

Despite the challenging economic landscape, the Bank is well positioned for growth with a strong balance sheet, healthy liquidity and robust liability franchise. Emirates Islamic's investments over the last few years in setting up a solid digital infrastructure puts it in a very strong position to cater to its customers' evolving needs and bring them an enhanced banking experience to bank on the go, both for individuals and businesses.

In 2021, Emirates Islamic remains committed to achieve its aspirations through the following key strategic pillars:

Drive Sustainable Growth

Amidst challenging market conditions, the Bank will focus its growth efforts through optimization of its balance sheet from higher quality net financing growth, improving profitability and income source diversification.

Increasing share of wallet and clients' stickiness as well as non-funded income growth will be of key focus to deliver Emirates Islamic's financial aspirations.

On the Consumer and Wealth Management front, the Bank will continue with its journey to enhance its focus on the Emirati segment, unlock new opportunities from newly established Private Banking segment and increase acquisition through digital channels. Furthermore, the Bank's main strategic focus in the Wholesale Banking segment will be to strengthen origination and distribution capabilities, capitalize on newly launched state-of-the-art digital transaction banking solution, "businessONLINE", to deliver best-in-class customer experience for clients, and continue to scale up treasury and markets capabilities, and product offerings. Additionally, Emirates Islamic will also look to increase its participation in the global capital markets, both as an investor and as market player.

Digital and Analytics Advancement

The Bank will continue to invest in technology, digital infrastructure and analytics to provide seamless, customer centric and hyper-personalized offerings and experiences to its customers. Emirates Islamic aims to develop a unique digital banking proposition to further strengthen its market leading position in the Islamic Banking digital space. This will also include efforts to streamline and automate its services and processes, expand digital teller branch capabilities, leverage advanced analytics for portfolio management and promoting adoption of digital channels.

Customer Centricity

Emirates Islamic is constantly embarking on making a shift from just digitizing products to elevating the overall customer experience through customer-centric journeys. The Bank is continuously working on re-engineering its key processes, improving critical customer journeys, and instilling a "customer-first"

mindset among its people to ensure every customer interaction is seamless, contextual and intuitive. Amidst continuous and evolving industry and Shari'ah-specific regulatory obligations, the Bank is committed to continuously improve its processes and operating model in a manner that will enable it to continue to put its customers at the forefront of its focus.

Smart Risk Management

Significant rise in risks in the operating environment along with ambiguity and volatility in the market reinforces the need to strengthen control and governance framework to proactively manage risk.

Emirates Islamic will continue to develop advanced digital and analytics capabilities to ensure effective risk management and enable market-leading risk and control infrastructure and practices to ensure quick decision making and turnaround of credit and risk related matters.

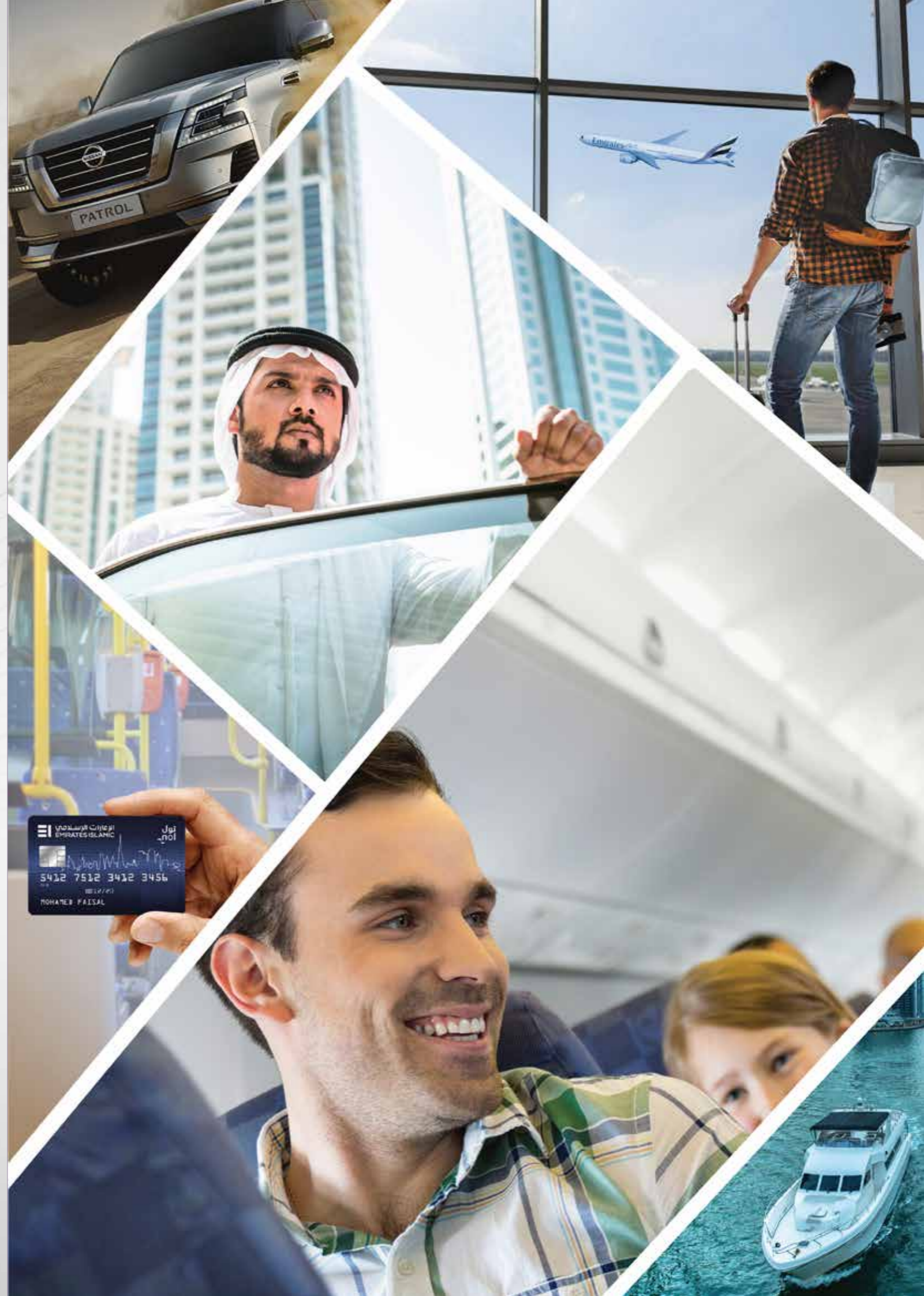
Enhance Human Capital Strength

The Bank's focus continues to be on developing a skilled and motivated workforce enabling it to acquire, serve and retain its customers. Emirates Islamic remains committed in supporting the UAE Government's Emiratization agenda through various initiatives. The Bank will further enhance its human capital through continuous training and development programmes including delivering comprehensive Shari'ah and regulatory development programs, promoting diversity and inclusion through various initiatives such as setting clear gender balance targets, implementing role specific learning paths as well as investing in human capital tools and predictive analytics that will support the Bank's strategic aspiration.

In addition to the Bank's focus on its strategic agendas and true to its core Shari'ah principles, Emirates Islamic has always endeavored to support the community and those in need. The Bank will continue to support charitable initiatives in areas such as health, food, education and shelter through the Emirates Islamic Charity Fund as well as support the community through the crisis.

Together we
create the future
of mobility

From encouraging public transportation through the use of the Emirates Islamic RTA Credit Card to our auto finance solutions and our partnerships with flagship airlines, mobility means a lot to us. Let's come together and help create the future of mobility.



CONSUMER BANKING & WEALTH MANAGEMENT

The Bank's Consumer Banking & Wealth Management Division (CWM) contributed 87% to Emirates Islamic's total income in 2020. CWM's focus on Customer Experience and innovation further enhanced customer satisfaction across segments. In addition to numerous digital initiatives launched, including the first digital branch, CWM continued to develop strong value propositions across its products and services. Looking ahead to 2021, CWM will maintain the focus around a Digital & Customer First strategy – key areas that have been integral to the Bank's growth, year on year.

Distribution

Emirates Islamic's extensive branch network includes 43 branches and spans strategic locations across all the seven emirates of the UAE. The Bank's branch network continued to be a strong customer acquisition channel for account, card and finance products.

The Bank strengthened its presence in the UAE by adding new branches in Al Warqa Mall, Ajman, Al Wasl Road and Jimi Mall.

As part of Emirates Islamic's digital first strategy, the Bank opened its branch in Mall of Emirates, making it the Bank's first 'Digital Only' Branch - Customers will experience interacting with a Digital Teller and enjoy

many services including cashing cheques & cheque deposit, cash deposit & withdrawal, payments & fees collection, inquiries on accounts and much more.

As part of the Bank's strategic focus to provide the best in banking services and innovations, and be easily accessible to customers, 3 branches were relocated to be more accessible to customers, whilst 15 branches underwent refurbishment.

The Bank expanded its ATM network to provide more convenience for its customers, having added 12 new ATMs across the UAE, taking the total ATMs/CDMs network to 177.



Business Banking

Despite the challenges of 2020 Emirates Islamic's Business Banking Division (BBD) grew overall deposits by 12%. Overall contribution of BBD to the Bank's total operating income stood at 33%. The foreign exchange & commission income saw upwards movement after the gradual reopening of the economy post lockdown. Tighter controls and monitoring of the financing portfolio resulted in a stable performance. Several initiatives were taken to support the SME sector including a tie-up with Abu Dhabi Department of Economic Development to promote industrial start-ups and the launch of the Business Banking Digital Package (minimum account balance of AED 10,000) to support the UAE's agenda of promoting start-ups and new entrepreneurs. The Bank also introduced "businessONLINE" - its all-new and state of the art comprehensive online banking platform and mobile App for SME & corporate clients.

Digital Banking

Emirates Islamic continued its digital transformation journey during 2020. The Bank remained dedicated to provide the latest digital banking solutions and an enhanced banking experience for its customers with a number of new initiatives and innovations.

The Bank's digital-first approach has been steadily gaining traction, with over 70% of customers now banking through Online and Mobile banking channels. The Bank recorded its highest ever Online and Mobile Banking usage, with total logins up 14% from the previous year, and digital banking transactions up 16% from 2019 levels.

Emirates Islamic launched its first digital branch in Mall of the Emirates in November 2020. The 'Digital Only' branch will enable customers to fulfill their financial needs via digital banking channels including an Interactive Teller Machine with remote tellers, offering services such as cheque encashment, transfers and bill payments.

Emirates Islamic became the first Islamic bank in the UAE to launch its award-winning Mobile Banking App on the HUAWEI AppGallery platform. The Bank also developed a new strong authentication feature called "Smartpass" to offer enhanced security to customers, in line with global best practices. Emirates Islamic Mobile App continues to be among the highest rated Apps in the financial industry, with an outstanding rating of 4.5/5 from more than 37,000 users on App Store. The App is also available on Google Play.

In addition, the Bank launched a paperless solution for its Branches and Sales Teams to source Current & Savings Accounts, with the solution helping reduce turnaround times and providing customers with an enhanced digital banking experience.



CUSTOMER EXPERIENCE

Providing a superior customer experience is a strategic core pillar of Emirates Islamic value proposition. The Bank is constantly innovating to enhance customer experience and the service culture across the organization, helping create memorable service experiences.

In 2020, Emirates Islamic launched several initiatives to further enhance and streamline its customer journeys, across products and segments. Moreover, the Bank launched a mobile-based knowledge tool and Customer Service Excellence certification for frontline staff members, and continued extending the Customer Happiness Score (an internal Customer Experience Scorecard) to cover additional functions and subdivisions.

In addition, Emirates Islamic put in place a number of initiatives to support customers facing the difficult challenges faced during the COVID-19 pandemic. The Bank ensured that customers facing financial constraints have access to relief measures whilst also encouraging customers to use banking services through digital banking channels. Following global standards and practices, the Bank set up a safe environment at its branches to ensure the safety of its staff and customers.

Emirates Islamic engages with leading global organizations to conduct research and capture customer feedback relating to process and products, as well as gauging the overall net promoter scores (NPS) and customer satisfaction (C-sat). The Bank also regularly conducts mystery-shopping surveys to ensure customers receive the best-in-class services across all touchpoints.

In 2021, the Bank will continue its focus on enhancing customer journeys and delivering more easy and convenient digital solutions to ensure a seamless and superior banking experience to all our customers.

WHOLESALE BANKING DIVISION

Wholesale Banking Division (WBD) comprises of Corporate Banking, Financial Institutions, Structured Finance & Syndication, Transaction Banking Services & Treasury Services.

Although 2020 was a challenging year, the WBD continued with its focus to maximize revenue generation through cross-selling of various banking products. WBD also implemented various measures and controls to support its clientele. Significant investments were made to enhance capabilities across technology & product offerings.

WBD also played a pivotal role in partnering with large and mid-size corporates, financial institutions, sovereigns and government-related entities with focus to grow in the under-penetrated markets.

Corporate Banking

Corporate Banking played its part by actively utilizing the UAECB TESS programme and providing the necessary financial assistance to its corporate customers. Despite challenging market conditions, the Corporate Banking book grew by 15% in 2020. However the funded income margins decreased due to low profit rate environment.

Growth in Corporate Banking primarily attributed to increasing presence in the under-penetrated target segments, acquiring new customers and increasing the overall wallet size from its corporate customers through cross-sell opportunities.

Corporate Banking's vision of delivering a superior customer service resulted in significant improvement of customer satisfaction in 2020.



Financial Institution

Financial Institutions registered a strong 134% growth in the core income and the asset book also grew by 101% in 2020. The division continued with its focus to support a wide array of clients ranging from banks, non-banking financial Institutions, sovereigns and multilateral counterparties by leveraging the team's expertise in providing Shari'ah-compliant financing and transactional solutions.

Financial Institutions witnessed the strong results on the back of its existing as well as new relationships in its core markets (the Middle East, Africa and Asia).

Syndication & Structured Finance

Despite the challenging business environment, Syndication and Structured Finance division delivered strong results in 2020 on the back of renewed focus in 2019. The division registered 140% growth in the syndication and structured finance portfolio.

The growth was registered across different segments including corporate, banks, non-bank financial institutions and sovereign relationships. Overall the team capitalized on its strong origination and distribution capabilities and completed a sizeable number of transactions for Corporates, Sovereign and Financial Institutions.

Transaction Banking

Transaction Banking is of strategic focus and Emirates Islamic continues to invest significantly in building its Transaction Banking proposition to offer market leading capabilities in Trade Finance & Cash Management to clients.

In 2020, Transaction Banking launched several new products and capabilities such as businessONLINE (smartBUSINESS 3.0), a next generation online banking platform delivering enhanced cash & liquidity management capabilities. Some of the new features launched in businessONLINE are:

- Mobile Banking
- Soft Token
- Virtual Accounts
- E-statement Download
- Cheque image download from Account statement
- Swift Copy download from Account statement

The new online banking platform puts EI ahead of its competitors in terms of digitization and innovating product offerings.

Over the coming 2 quarters of 2021, many new features are expected to be released which will facilitate online integration with the clients ERP system enabling seamless and straight through processing of transactions.

Treasury & Markets

Treasury & Markets delivered strong performance in Asset Liability Management (ALM) and Treasury sales businesses. The Asset Liability Management business managed to right-size the balance sheet in order to minimize impact of low profit rates & COVID-19 disruptions.

Treasury Sales witnessed higher volumes in derivatives due to enhanced product capability and good traction from wealth management and corporate clients taking advantage of low profit rate regime. The division also successfully raised USD 500 Million through public issuance of Sukuk with maturity of 5 years at very competitive pricing, which at the time was the lowest rate achieved by a UAE bank in the past ten years.

Global Markets & Treasury also successfully implemented ET Platform (FX White label platform), thus further enhancing its digital footprint.

AWARDS

Emirates Islamic was honoured with five prestigious global industry accolades this year, in recognition of its strong financial performance, commitment to service excellence and digitalisation, as well as its distinguished efforts in providing innovative Shari'ah-compliant products and services. The Bank won international acclaim as the 'Most Innovative Islamic Bank' at the World Finance Islamic Finance Awards 2020, in addition to being named the 'Best Islamic Bank, UAE'.

The Bank was also awarded the title of 'Most Innovative Islamic Bank' by Islamic Finance News, a leading publication in global Islamic capital markets. The Banker, a monthly publication of the Financial Times and one of the most trusted sources of banking information, named Emirates Islamic 'Islamic Bank of the Year – UAE 2020' for its strong financial performance together with an expanded product portfolio, enhanced service and technology investment. Additionally, New York-based Global Finance magazine recognized Emirates Islamic as the 'Best Islamic Financial Institution, UAE' for a second year in a row on its list of the 'World's Best Islamic Financial Institutions', commending the Bank's contribution to the growth of Islamic financing and successfully meeting customers' needs for Shari'ah-compliant products.



HUMAN RESOURCES



Emirates Islamic views its people as its strongest asset. The Bank strengthened organizational culture through upskilling of its staff, redesigning organization structure, roles and responsibilities, realigning KPIs, and investing in performance management infrastructure to enhance productivity and support the Bank's strategic aspirations. Emirates Islamic remains committed to the UAE's Emiratisation agenda by exceeding its Nationalization targets including a focus on increasing female representation at leadership levels. The Bank continues to invest heavily in the development of UAE National staff, particularly in critical and leadership roles by creating a holistic learning environment in which every staff member has access to the tools and resources needed to obtain core technical and managerial skills.

In 2020, the Bank demonstrated its commitment to diversity and inclusion by benchmarking itself against international standards with regards to gender balance and incorporating People of Determination into its workforce. Policies around inclusion have been developed, along with sensitivity training to ensure an inclusive and diverse environment at all levels within the organization.

The Bank navigated the COVID-19 crisis with a people first view, ensuring all interventions were built around staff and customer safety and wellbeing. Strong focus was given to areas of mental and emotional wellbeing, while creating accessibility to work from home, medical aid and lockdown assistance for all staff during the crisis.

In 2021, the Bank's Human Resources Department is committed to providing incredible experiences with recognized impact. It will do this by working as a strategic partner and adding value across four strategic priorities: Governance, Performance, Development and Talent Life Cycle. The Department will continue to advance the UAE National Value Proposition, while also strongly focusing on Diversity and Inclusion, to attract, retain and develop the best talent in the market- making Emirates Islamic a great place to work and grow.

RISK MANAGEMENT



The Risk Management Division (RMD) at Emirates Islamic operates within the overall ambit of regulations governed by the Central Bank of UAE, in compliance with Shari'ah Authority issued risk management standards & guidelines, in alignment with group risk governance & risk management framework, the Bank's strategy and the Board approved risk appetite statement. In 2020, RMD harnessed its various achievements and learnings to ensure that it focusses on enhanced optimal governance. In 2021 and beyond, in line with the evolving nature of various risks faced by the Bank, RMD will look to evolve its outlook and change the thinking of not just to view risk division as a control and mitigation team, but to use risk as a tool to create value and achieve higher levels of performance.

Risk Governance

Emirates Islamic has a well-established risk governance framework that can easily be applied based on nature, size and complexity of the Bank's business structure. In 2021, Emirates Islamic will look to enhance its governance framework to withstand changing regulatory expectations. Additionally, Risk Governance is also being enhanced to factor in the constant changing of business landscape, as a result of which new risks emerge, giving relatively less time for an organization to respond.

Credit Risk

The Credit Risk function of the Bank is commensurate with the scope and sophistication of the Bank's activities and also meeting all supervisory, regulatory and Shari'ah guidelines and requirements. The function has established a robust credit risk environment wherein the Bank's credit risk strategy is aligned to the revised Board approved risk appetite statement, and it continues robust monitoring which resulted in significant rationalization of exceptions. The function also maintains an effective credit administration, early alert process and

suitable information systems to efficiently monitor and mitigate various credit risks. The Bank also ensures that the best regional practices and supervisory guidelines are adopted and followed with regards to the assessment of asset quality, testing of remedial measures such as the adequacy of provisions & reserves and the transparent and clear disclosure of credit risk. In 2021, the function is further looking to enhance its risk infrastructure to support Emirates Islamic in its growth objective.

Operational Risk

The Operational Risk team works closely with the business lines and subsidiaries to raise Operational risk awareness. Key risks across business units are identified and discussed at the Operational Risk Committee (ORC). A process is in place for the collection and reporting of operational risk data. The practice of conducting a risk review, as part of the 'New Product and Process Approval' (NPPA), prior to the launch of any new or amended product/process and running the Operational Risk assessment workshops (ORCA), form a cornerstone of the Operational risk management activity. This embeds a risk culture across the organization. Key Risk Indicators (KRI) are used to monitor the level of operational risks across the Bank and subsidiaries.

Business continuity management framework is in place which allows quick reaction to any disruptive event to ensure continuity of operations. Business continuity plans are reviewed and tested at least annually across the Bank, ensuring seamless service to Emirates Islamic's customers and partners during any potential operational disruptions.

Market Risk

Market Risk is the risk of loss of income or market value of assets due to fluctuations in factors such as profit rates, foreign exchange rates, equity, commodity prices, or changes in volatility or correlations of market risk factors. The Bank is exposed to market risk from its client servicing and balance sheet management activities. Market risk framework and limits are approved by the Board of Directors and established within the Risk Appetite Statement (RAS) subject to regular review and consistent with the Bank's approach to strict compliance with Shari'ah rules and principles.

The Bank's Asset Liability Committee (ALCO), Group Risk Committee (GRC) and Board Risk Committee (BRC) are the Senior Management committees that support Emirates Islamic in managing market risk.

**Together
we create a
sustainable
future**

From creating an eco-friendly e-savings account to encouraging the purchase of electric cars and developing an award-winning mobile banking app, sustainability means a lot to us. Let's come together and help create a sustainable future.



BOARD COMMITTEES

Board Audit Committee

Mr. Mohamed Hamad Obaid Al Shehi	Chairman
Mr. Shoaib Mir Hashim Khoory	Member
Mr. Mohammad Hadi Ahmad Al Hussaini	Member
Mr. Shayne Nelson	Member

Board Risk Committee

Mr. Ali Humaid Al Owais	Chairman
Mr. Hesham Abdulla Al Qassim	Member
Mr. Buti Obaid Buti Al Mulla	Member
Mr. Shayne Nelson	Member

Board Nomination and Remuneration Committee

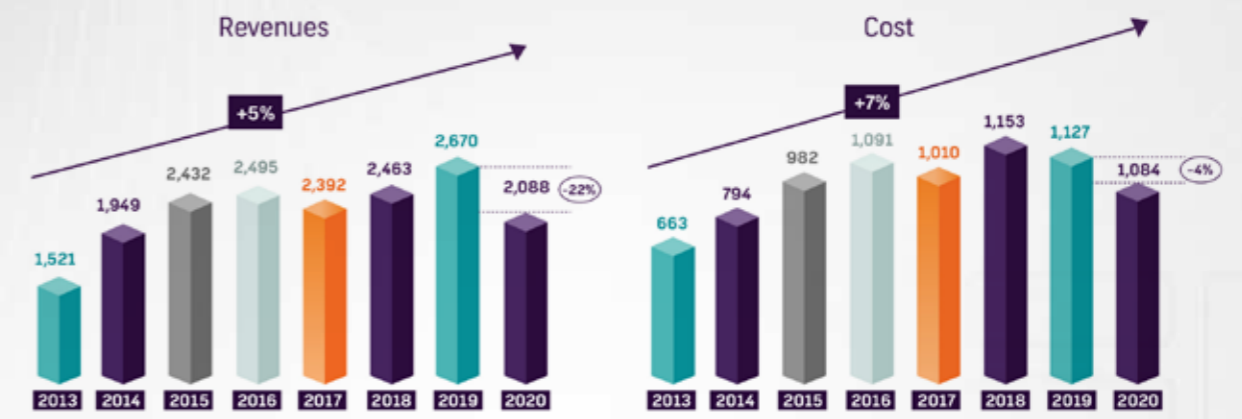
Mr. Buti Obaid Buti Al Mulla	Chairman
Mr. Mohammad Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Al Owais	Member
Mr. Shayne Nelson	Member

Board Credit and Investment Committee

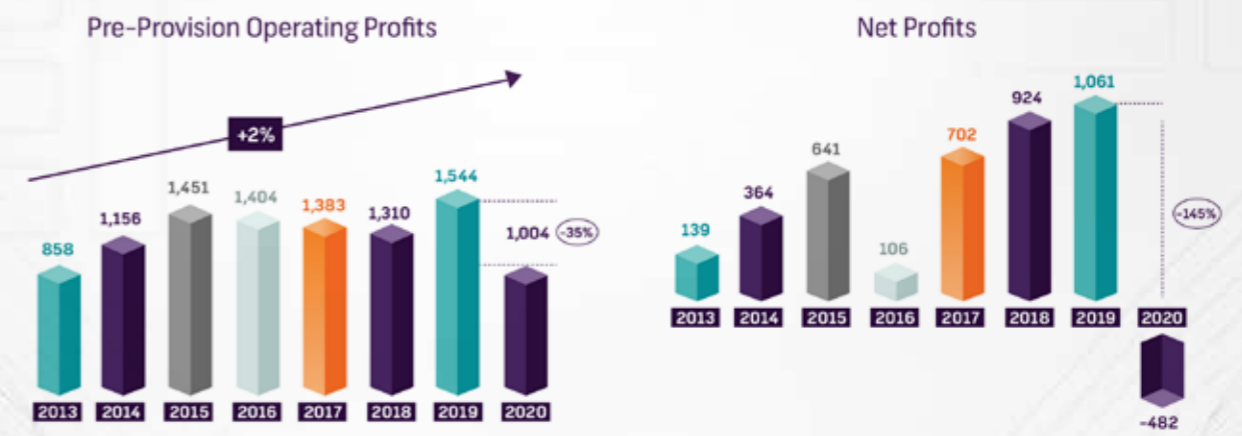
Mr. Shoaib Mir Hashem Khoory	Chairman
Mr. Hesham Abdulla Al Qassim	Member
Mr. Mohammad Hamad Obaid Al Shehi	Member
Mr. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Al Owais	Member
Mr. Shayne Nelson	Member

PROFIT AND BALANCE SHEET GROWTH IN HISTORY

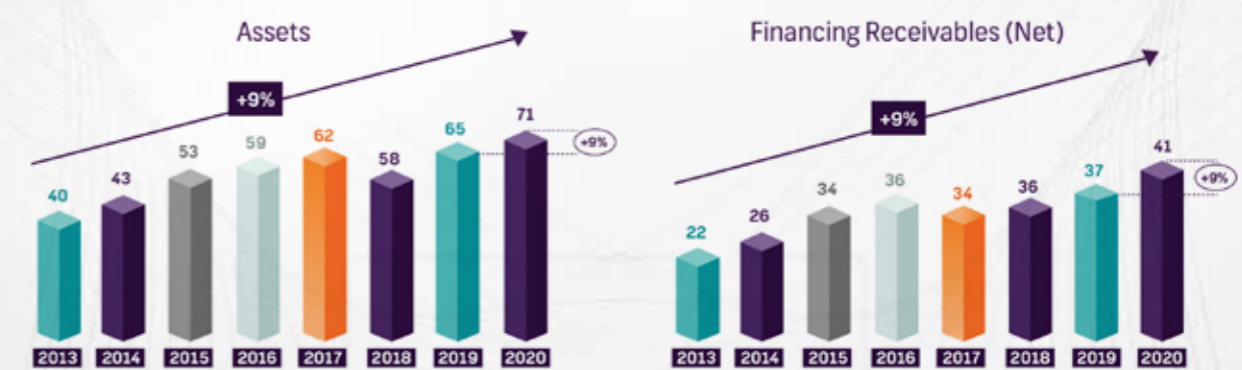
Revenues and Costs (AED Mn)



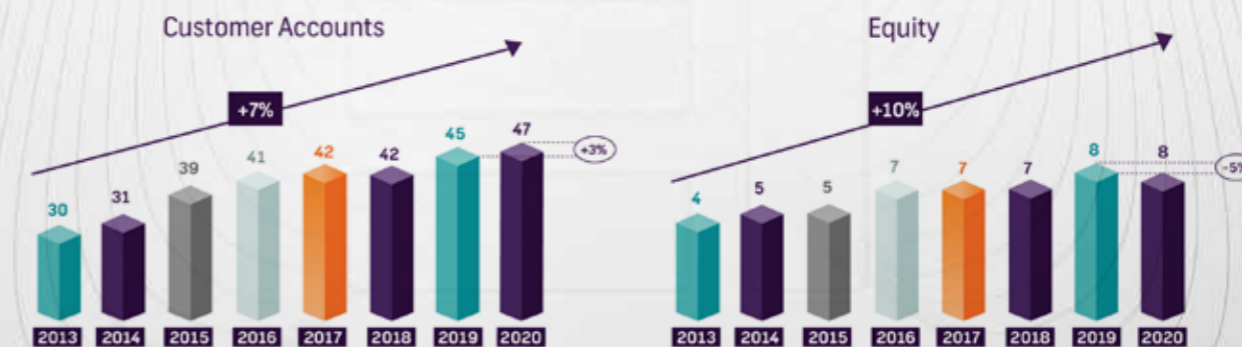
Profits (AED Mn)



Assets and Financing (AED Bn)

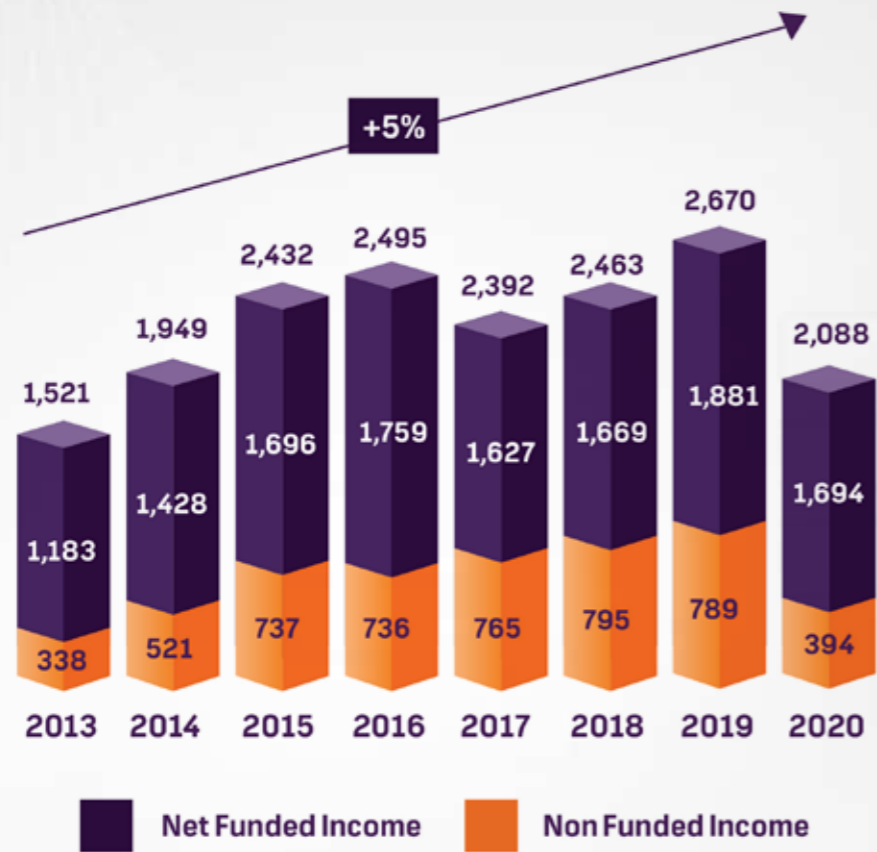


Customer Accounts and Equity (AED Bn)

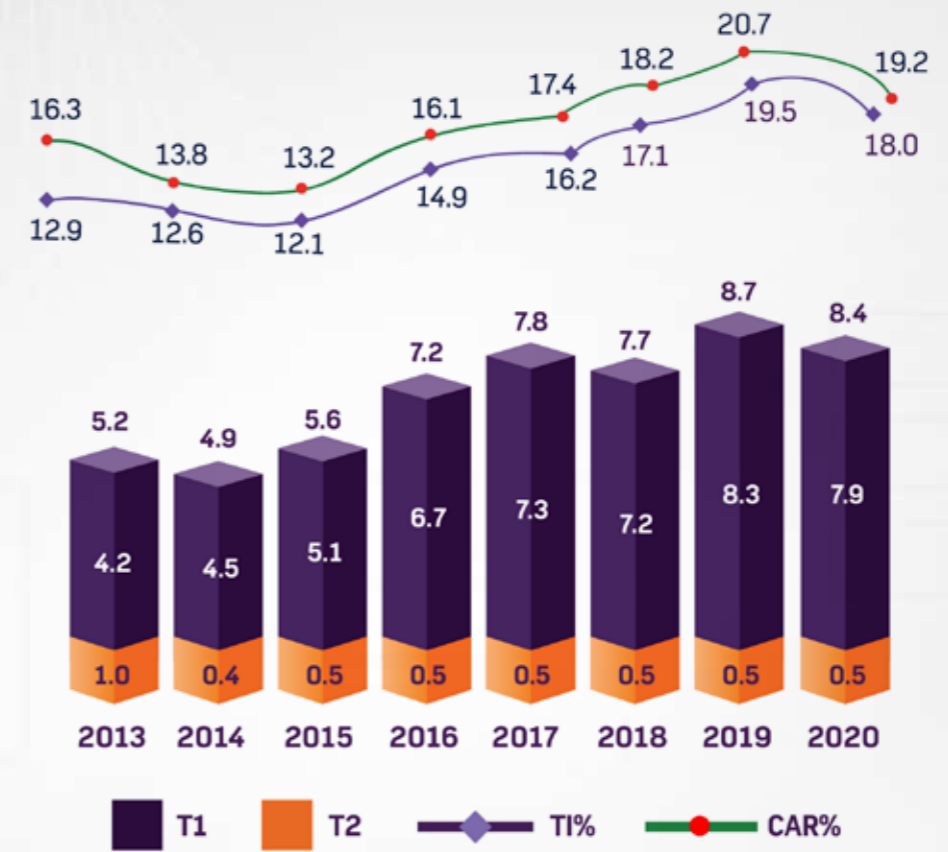


• Equity is Tangible Shareholder's Equity; All P&L numbers are YTD, all Balance Sheet numbers are at end of period
• Source: Financial Statements

Sources of Operating Income (AED Mn)



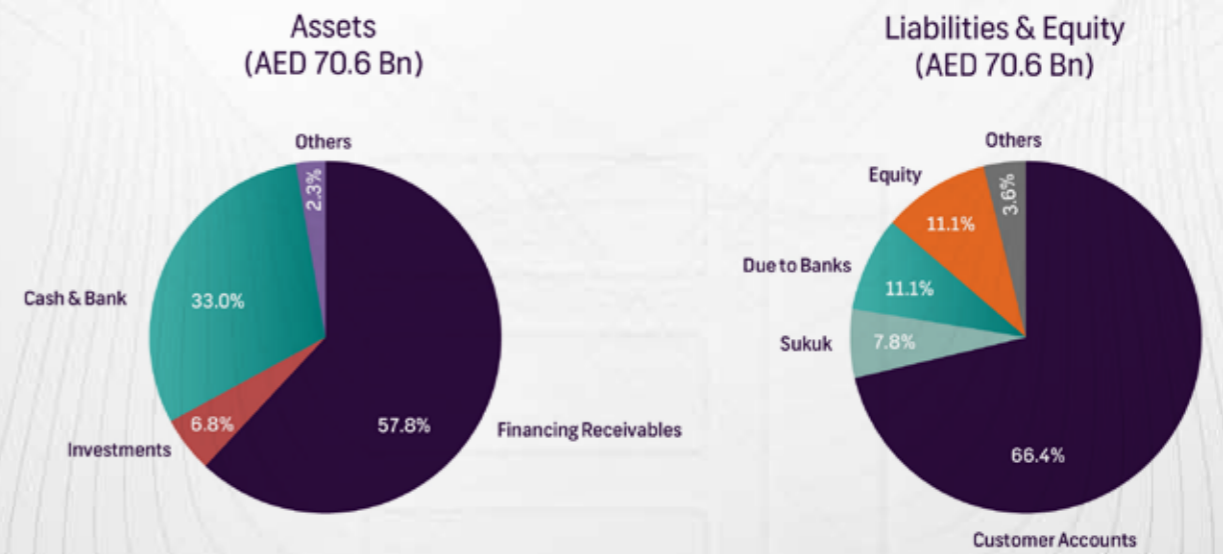
Capitalization (AED Bn)



Return on Tangible Equity (%)



Balance Sheet Analysis



LIST OF BRANCHES

Branch Name	Branch Location	P. O. Box	Branch Telephone Number
Abu Dhabi & Al Ain			
Abu Dhabi Main Branch	Khalidiyah Corniche Area, Wave Tower	46077 Abu Dhabi	02-6160888
Abu Dhabi Airport Road	Sheikh Rashid Bin Saeed Al Maktoum Street	46077 Abu Dhabi	02-4464000
Abu Dhabi Mall	Abu Dhabi Mall, Ground Floor, Next to Yateem Optician	46077 Abu Dhabi	02-6145194
Al Ain Main Branch	Jawazat Street, Near Sheikhha Salama Mosque	15095 Al Ain	03-7511159
Bawabat Al Sharq Mall	Bawabat Al Sharq Mall, Ground Floor, Baniyas	46077 Abu Dhabi	02-6134734
Boutik Mall	Sanaiyya - Khalid Ibn Sultan Street. Next to Etisalat - Beside LuLu	15095 Al Ain	03-7034590
Jimi Mall	Jimi Mall, Al Jimi	15095 Al Ain	03-7034520
Khalifa City	Villa No. 104, Sector SE-02, Khalifa City 'A'	46077 Abu Dhabi	02-6134711
Dubai - Bur Dubai			
Al Barsha Mall	Al Barsha Mall, Barsha	6564 Dubai	04-3733211
Al Diyafah	Diyafa Street, opp. Dune Centre, Satwa	6564 Dubai	04-3733205
Bur Dubai	Bank Street, Next to Sun & Sand Sports Shop, Atrium Centre	6564 Dubai	04-3597888
Dubai Health Care City	Building No.16, Ground Floor, Dubai Health Care City	6564 Dubai	04-3834726
The Dubai Mall	The Dubai Mall, Ground Floor	6564 Dubai	04-3828010
Dubai Souq	Al Souq Al Kabeer Area, Al Falah Street. Toronto Building, Bur Dubai	6564 Dubai	04-3192200
Al Wasl Road	Ferdous Center , Near Union Cooperative society	6564 Dubai	04-3733209
Dubai - Deira			
Al Garhoud	Sunshine Building, Next to Al Tayer Showroom, Garhoud	6564 Dubai	04-2822454
Al Mizhar	Aswaq Centre, Near Al Mizhar Mall, Al Mizhar 1	6564 Dubai	04-2845799
Al Twar	Dubai Municipality Building, Ground Level, opp Al Twar Centre	6564 Dubai	04-7023880
Baniyas	Baniyas Road, Al Sabkha Area, Al Sabkha Building	6564 Dubai	04-2023900
Warqaa Mall	Al Warqaa city Mall, Al Warqaa 1	6564 Dubai	04-2367878
Dubai Fesitval City	Dubai Festival Centre, opp Ikea, Level 1	6564 Dubai	04-3733201
Land Department	Dubai Land Dept Building, Ground Level, Baniyas Street, opp Dubai Chamber of Commerce	6564 Dubai	04-2215301/ 04-2212321
Mirdif City Centre	Level 1, Mirdif City Centre	6564 Dubai	04-3733055
Nad Al Hamar	Bel Rumaita Club Building, Al Rebat Street	6564 Dubai	04-2845999
Nakheel Road	Ahmed Abdul Rahim Hafez Building, Naif Street	6564 Dubai	04-3733278

LIST OF BRANCHES

Dubai - New Dubai			
Convention Centre	World Trade Centre, Exhibition Hall 1	6564 Dubai	04-3830020
Ibn Batutta Mall	China Court	6564 Dubai	04-3733080
Jebel Ali	Banking Complex, Jafza Main Gate, Jebel Ali	6564 Dubai	04-8811133
Jumeirah Lakes Towers	Almas Tower, First Floor	6564 Dubai	04-3733225
Mall of the Emirates	Mall of the Emirates - First Level - Entrance 4	6564 Dubai	
Media City	Business Central Towers, Dubai Media City, Sheikh Zayed Road	6564 Dubai	04-4380200
Sheikh Zayed Road	Al Wasl Tower	6564 Dubai	04-3312020
Palm Jumeirah	Palm Jumeirah - Nakheel Mall	6564 Dubai	04-3733275
Sharjah & Northern Emirates			
Ajman	Al Jurf 2, close to City Centre Ajman	6688 Ajman	06-5064012
Fujairah	Near Choithram Supermarket, Sheikh Hamad Bin Abdulla Street	1472 Fujairah	09-2235553
Halawan	Wasit Street, Sheikh Ismail Building	67621 Sharjah	06-5064009
Juriena Zero 6 Mall	Zero 6 Al Juraina Community Centre Mall, University City Road	5169 Sharjah	06-5064038
Khorfakkan	Corniche Street	18969 Khorfakkan	09-2371122
Nasseriya	My City Center, Nasseriya	67622 Sharjah	06-5064018
Qasimiyah	Al Otaiba Building, King Abdul Aziz Road, Sharjah	67622 Sharjah	06-5720002
Ras Al Khaimah	Emirates Islamic Bank Tower, Ground Floor, Al Muntaser Street, Al Nakheel Area	5198 Ras Al Khaimah	07-2260044
Sharjah	Al Bourj Avenue, Al Arooba Bank Street, Near Rolla Square	5169 Sharjah	06-5064015
Sharjah Court Pay Office	Al Meena Street	5169 Sharjah	06-5282248

LIST OF OFFSITE ATMS

Abu Dhabi
Awqaf Abu Dhabi
The Galleria Mall
Capital Mall
Yas Mall
HH Mohammed bin Zayed Pvt. Office
Ajman
Union Co-operative-Ajman
Ajman Police
Ajman City Center
FEWA Ajman
Last Chance Wholesale Market
Al Ain
Bawadi Mall ATM 1 – Near Carrefour
Bawadi Mall ATM 2 – Near Style Studio
Dubai
Union Co-operative - Jumeirah
Union Co-operative - Al Twar
Union Co-operative- Al Aweer
Dubai Airport Terminal 1
Souk Al Wasl
Sheikh Ahmed Mosque
Al Bustan Center
Union Co-operative Hamriya
Dubai Immigration
Lulu Hypermarket Al Qusais
Bin Sougat Center, Airport Road
Union Co-operative Al Wasl, Satwa
Dubai Taxi
Saudi German Hospital
Mirdiff City Centre near Etisalat
Etihad Mall
Dubai Municipality – Al Manara Centre
Mall of Emirates - Home Centre
Marina Mall
Deira City Center - Etisalat
Shindga Carrefour
Karama Centre
Emirates Lakes
Dubai Mall Near Costa Coffee GF
Dubai Mall Kidzania SF
Dubai Mall Ice Rink GF
Mega Mart Al Qusais
Aswaaq Super Market Umm Sequim
Dubai Mall – Food court SF
EI Head Office, Bldg 16
Sky Gardens DIFC
Al Ghurair Centre
Al Mulla Plaza

Dubai (Continues)
Union Co-operative - Umm Suqueim
Hyatt Creek Heights
Nawaes Madina Al Nahda
Mei'aisem City Centre
Dubai Taxi, Jebel Ali
RITAJ-DIRC
Mall of Emirates, near metro link
My City Center Barsha
DLD Rental Area
Dubai World Central
Hatta Hospital
Dewa Head Office
Dewa Al Quoz
Dubai Mall Fashion Avenue
Villagio Al Nahda
Meydan-P bldg
Belhoul Speciality Hospital
Union Co-operative - Abu Hail
Al Barsha Mall ATM 3
Falcon City Of Wonders
Emirates Auction
Dar Al Wasl
SIRA
Union Co-operative – Nad Al Sheba
Al Nasr Sports Club
Dubai Police Qusais ATM
Ras Al Khaima
Al Murjan Resort Ras Al Khaimah
FEWA RAK
Sharjah
Sharjah Pay Office
Ansar Mall
Rolla Mall
Sharjah International Airport
Mega Mart Sharjah
Sahara Center
FEWA-Dhaid
Pullman Hotel Sharjah
Umm Al Quawain
FEWA UAQ
Senan Hyper Market