



NBAD  
Corporate Social  
Responsibility Report

During the year we celebrated NBAD's 40th anniversary and reflected on our past growth and achievements. Whilst reflecting on past achievements and lessons learned, we also planned our future, concentrating on areas where innovative leadership and change management would add value to the bank. As the global crisis deepened, we looked at the short and long term risks and impacts to our business with a view to identifying new opportunities and overcoming the challenges resulting from the upheaval in the global capital markets.

As a responsible financial institution, we strive to be a leading role model, in terms of our economic, social and environmental responsibilities. We are determined to lead by example as we remain committed to learning more about how we can contribute positively to the markets in which we operate whilst delivering earnings to our shareholders achieved through responsible business practices.

This is our third Corporate Social Responsibility (CSR) report covering our business in the UAE. It is a transitional report as we prepare for our first sustainability report in 2009, which will form part of the 2009 Annual Report.

Our CSR approach throughout 2008, involved:

- A strategy supporting economic growth through continued development and provision of reliable and accessible products and services to meet the needs of our existing and prospective customers.
- Ongoing investment in our employees, built upon recognition, respect, empowerment, a safe and healthy working environment, opportunities for learning and career development and a strategic plan of development for UAE nationals.
- Increasing our knowledge of climate change and working towards minimising our impact on the environment.
- Dialogue with peers, members of civil society and government agencies to share ideas and knowledge.
- Interaction with our community involved contributing to raising awareness of community issues involving health, learning opportunities, knowledge sharing, sponsorships and financial donations.

## Recognition for NBAD

Our key areas of focus are broad, exceeding beyond just our profitability, performance and delivery of innovative and

accessible products and services. Equally important and vital to our overall success are our strategic relationships, levels of customer service, strong corporate governance as well as the technology we use to help us execute our business. NBAD was the proud recipient of several prestigious awards during 2008. The awards listed below reflect the success of our ongoing efforts to set ourselves apart from our competitors.

1. **Middle East Banking Award for Best Local Bank**  
**emeafinance's** 2008 awards sought to recognise the best banks, teams, and deals in the EMEA region.
2. **The UAE Bank Corporate Governance Award**  
Launched in 2008 by Hawkamah – The Institute for Corporate Governance and Emirates Bankers' Forum – the UAE Bank Corporate Governance Award identifies and honours banks that show leadership and initiative in enhancing good corporate governance.
3. **Arab Technology Award - Winner of the Banking and Finance Implementation of the Year**  
The awards honour the region's finest vertical projects, vendors, individuals, integrators and service providers. Chief Information Officer (CIO) of the Year was awarded to NBAD.
4. **The Banker Middle East Product Awards – Personal Loan category**  
The winners of Banker Middle East Product Awards are selected through a process of review, assessment, and public participation.
5. **Emirates Institute of Banking & Finance Studies (EIBFS) – Human Resources Development Award**  
The Human Resources Development Award, the most prestigious UAE Emiratisation Award for organisations in the banking and financial sector, has been developed by the National Human Resources Development Committee in the banking sector, which is run by the Emirates Institute for Banking and Financial Studies (EIBFS). The criteria set by the award organisers cover key areas including Emiratisation, development and training, career planning, communication processes, recruiting effectiveness and internship programmes.
6. **ISO 9001:2000 Accreditation of Quality Management System for Elite Banking.**

## Commitment to the future

The leaders of Abu Dhabi Emirate have identified sustainability as key to future competitiveness. NBAD's management has made an ongoing commitment to be a strong advocate of CSR and sustainable business in the United Arab Emirates (UAE). We considered how, as a leading UAE bank, we could make a positive impact within our sphere of influence through implementing CSR and sustainability management into our business. We began to assess where our involvement in projects and initiatives would make an impact.

### 1. Abu Dhabi Sustainability Group

NBAD joined forces with 15 of Abu Dhabi's leading government entities, private companies and non-profit organisations and signed the Abu Dhabi Sustainability Group Declaration (ADSG). As a founding member of the ADSG, the National Bank of Abu Dhabi committed to help realise the vision of HH Sheikh Khalifa Bin Zayed Al Nahyan, President of the UAE, by supporting the uptake of sustainability management within the Bank, and to issue our first sustainability report, which we expect to publish with our 2009 Annual Report.

### 2. OECD MENA Regional Taskforce on Responsible Business Conduct

At a regional level, NBAD is a member of the OECD MENA Regional Taskforce on Responsible Business Conduct. We participated in the first meeting held in 2008, which was organised in response to the Ministerial Declaration of the MENA OECD Investment Programme (November 2007) wherein MENA countries called 'for a regional dialogue on responsible business conduct and encouraged effective support to businesses in fighting corruption, improving corporate governance and engaging in responsible business practices'.

### 3. ISO 26000 – a new CSR standard

NBAD agreed, at the end of last year, to participate in the beta test of ISO 26000, a new standard for social responsibility. The standard was developed in a multi-stakeholder process involving experts from over 70 countries covering six different stakeholder groups. NBAD is one of four banks globally to test the committee draft of the standard on behalf of the banking and financial sector. Our involvement in the beta test of ISO 26000

will be to measure its practical implementation by a bank, the relevance to the banking sector and any strengths and weaknesses. Our findings will be reported back to the ISO committee responsible for developing the standard.

## Commitment to our people

We recognise the value of our people as our most significant assets. They are the new generation of employees and we recognise the long term value of meeting their expectations. NBAD's vision is to be 'The Number One Arab Bank' and to provide the best financial services in our markets. With the ongoing global 'war for talent', we improved our Human Resources strategy and support structure to enable us to gain competitive advantage. We expect the changes we have implemented to successfully attract and retain highly motivated, skilled professionals. We will pursue our policy of training and developing existing high achievers who are already members of the NBAD team.

## Engaging our people

It is important that NBAD continues to be a place where our people feel valued and have a sense of belonging; a company they believe in, support its values and goals and as a result 'go the extra mile'. We carry out employee engagement surveys annually to assess in which areas we are performing well and where we need to improve. We are becoming increasingly aware of the importance of recognising and rewarding values-based behaviour, which in turn should result in increased employee loyalty, commitment and higher levels of performance and retention rates.

## Learning and development

It is important that our employees have both the access to and opportunities for refining their skills and acquiring new knowledge throughout their career with NBAD.

Employees are encouraged to discuss their training needs during their annual performance appraisal, with the aim of choosing at least three training courses annually. Employees are also encouraged to further their studies in higher education relevant to their field of work and they are provided study leave and reimbursement of costs to support them.

What we did in 2008

Customers	Employees
<ul style="list-style-type: none"> <li>✓ NBAD's branch network increased from 73 to 84 branches</li> <li>✓ ATM network increased from 193 to 256</li> <li>✓ Increased our cash and cheque deposit machines (CDM) to 48</li> <li>✓ Internet kiosks installed in 11 branches</li> <li>✓ Ongoing campaign to educate customers on the convenience of online banking.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Held the NBAD Employee Wellness Day to raise awareness of healthy lifestyles and give our employees opportunities to experience different aspects of wellness</li> <li>✓ Significant changes were made to employees' benefit packages and are set out below on a separate table.</li> <li>✓ Greater gender equality for benefits entitlement were introduced to provide airfare, housing and furniture allowance to female staff</li> <li>✓ Enhancement to UAE National Pension Scheme and introduction of UAE National Education Allowance</li> <li>✓ Enhancement to medical insurance and life insurance coverage</li> </ul>
Community	Environment
<ul style="list-style-type: none"> <li>✓ Finalised the evaluation criteria for sponsorship and donation requests evaluation</li> <li>✓ ASK Lecture Q1 – Q&amp;A Session with Dr Alan Greenspan</li> <li>✓ ASK Lecture Q2 – Rationale and Benefits of the Clean Development Mechanism</li> <li>✓ Sponsorship of 25th Abu Dhabi Ladies Open Golf Championship</li> <li>✓ Sponsorship of NBAD Abu Dhabi Harlequins Rugby Club</li> <li>✓ 4th Annual NBAD Blood Drive, held outside our Head Office in Abu Dhabi with 335 donors and 161 people screened for Thalassaemia</li> <li>✓ Participated in the Bank Challenge for the 2008 Terry Fox Run</li> <li>✓ Entered into an agreement with the Ministry of Social Affairs to participate in the 'Dirham Wa Bas' campaign</li> </ul>	<ul style="list-style-type: none"> <li>✓ Installed 45 new recycling bins during 2008 in Abu Dhabi, Al Ain, Dubai and Sharjah. A regular collection schedule was also established</li> <li>✓ Entered into a service agreement with a local company to collect used toner cartridges</li> <li>✓ An agreement was signed with Envirofone to link the new mobile phone-based NBAD Arrow Service with collecting mobile phones for recycling</li> <li>✓ Proposals from toner re-manufacturers were received with a view to implementing tests of the products</li> </ul>

Diversity of the team

The diversity of our employees is our strength. In 2008, NBAD's complement comprised more than 52 nationalities. The value of such diversity is reflected in innovative and creative thinking and ways of doing business. At the same time, it provides us with a better understanding of our clients needs, enabling us to better serve them.

Development of UAE Nationals

Since 2006, the number of UAE nationals employed at NBAD increased by 39 per cent in real terms, and the number of expatriate employees increased by 34 per cent over the same period. We are working hard to meet the quota requirement of Emiratis who are under-represented in the UAE workforce. Whilst there are specific quotas set by the UAE Federal Government for banks to provide jobs for Emiratis, we implemented a strategic Emiratisation plan (SEP) which has allowed us to track our progress since 2006. The Compensation and Nomination Committee (CNC) of the Board of Directors was set up in 2006 and oversees the SEP.

UAE nationals - By Job Level and Gender								
Year	Senior Management				Middle Management			
	Male	%	Female	%	Male	%	Female	%
31/12/2006	17	94%	1	6%	36	60%	24	40%
31/12/2006	24	96%	1	4%	34	52%	31	48%
31/12/2006	23	96%	1	4%	42	50%	42	50%
Year	Others				Total			
	Male	%	Female	%	Male	%	Female	%
31/12/2006	124	29%	308	71%	177	35%	333	65%
31/12/2007	127	27%	349	73%	185	33%	381	67%
31/12/2008	172	29%	427	71%	237	34%	470	66%

Opportunities for women

We support and encourage women to develop and pursue careers within the bank. A significant number of our branch managers are UAE National females.

	2008	Male	Female
Total branch managers	78	49	29
Branch managers - UAE Nationals	53	25	28

### Employee wellbeing

The wellbeing of our employees became more significant last year. The Employee Wellness Day provided opportunities for our people to learn about different aspects of wellness. We used the bank's intranet to post fact sheets and short self assessments addressing areas such as emotional, financial, and occupational wellness. In addition to a range of basic health tests, short sessions on stress relief methods and first aid were conducted. Nutritionally balanced lunchboxes, Thalassaemia screening, stretching exercises and head massage were also amongst the activities offered. The aim was to give our employees access to information, advice and experiences to increase their overall wellbeing.

The Wellness Day was attended by 407 employees, a significant increase over the 164 employees who attended in 2007. We plan to expand this programme in 2009 with two events to provide more employees to participate.

Health Day 2006	Health Day 2007	Employee Wellness Day 2008
1 health service provider Health checks carried out: <ul style="list-style-type: none"> <li>Blood pressure</li> <li>Blood sugar</li> <li>BMI (Body Mass Index)</li> <li>Lipid profile</li> </ul>	1 health service provider Health checks carried out: <ul style="list-style-type: none"> <li>Blood pressure</li> <li>Blood sugar</li> <li>BMI</li> <li>Lipid profile</li> </ul>	3 health service providers Health checks carried out: <ul style="list-style-type: none"> <li>Genetic screening, for Thalassaemia, Sickle Cell anemia</li> <li>Blood sugar</li> <li>Blood pressure</li> <li>BMI</li> <li>Cholesterol indicator</li> </ul>
Raising awareness of the benefits of a healthy diet	Raising awareness of the benefits of a healthy diet	Information and awareness provided on: <ul style="list-style-type: none"> <li>Breast cancer</li> <li>First Aid</li> <li>Stress management through breathing exercises</li> <li>Scalp and hair analysis</li> <li>Benefits of exercise</li> <li>Healthy diet</li> </ul>
Health seminars <ul style="list-style-type: none"> <li>Diabetes</li> <li>Health Awareness for Women</li> </ul>	Health seminars <ul style="list-style-type: none"> <li>Good nutrition</li> <li>Cancer</li> <li>Cosmetic surgery</li> <li>Depression</li> </ul>	Additional activities and services: <ul style="list-style-type: none"> <li>Stretching exercises</li> <li>Head and shoulder massage</li> <li>Nutritionally balanced snack boxes</li> <li>Health and fitness publications</li> <li>Distribution of health care products</li> <li>Awareness campaign on intranet for one month prior to the event on different aspects of wellness</li> <li>Information and awareness material relating to healthy lifestyles</li> </ul>

### Facts and figures for the 2008 Blood Drive:

- A total of 335 blood donors
- 161 people screened for Thalassaemia
- 5 per cent increase in the number of Emiratis donating blood compared to 2007
- 27 per cent increase in donors overall compared to 2007

### NBAD customers

National Bank of Abu Dhabi established a Customer Care Unit (CCU), with the aim to take a quality assurance approach towards meeting the needs of our customers in our domestic banking group. We communicated with our customers through a range of channels.

How did we reach our customers?	WHAT DID WE DO?
Letter	The CCU took responsibility to monitor the data clean-up in branches to ensure that customers' personal details are kept up-to-date (particularly post office box and mobile telephone numbers which are key contact points).
Telephone	<ul style="list-style-type: none"> <li>Any feedback or complaint is directly transferred to the relevant team member</li> <li>Telephone surveys are conducted regularly to maintain regular contact with our customers.</li> <li>Retention planning is conducted by branches to gather information on the reasons for termination of customer relationship with NBAD.</li> </ul>
Email	<ul style="list-style-type: none"> <li>CCU handles all the feedback that is received through dedicated email addresses which are linked to the NBAD website</li> <li>Requests and queries are received from our NBADOnline customers and a response is sent to them through their online account</li> </ul>
Face-to-Face	<ul style="list-style-type: none"> <li>CCU handles all the feedback that is received through dedicated email addresses which are linked to the NBAD website</li> <li>Requests and queries are received from our NBADOnline customers and a response is sent to them through their online account</li> <li>Regular surveys on the service level skills of branches which also obtains feedback on the bank's product and service offerings</li> <li>Daily surveys in branches are conducted to allow customers to provide in-depth feedback and suggestions</li> </ul>
Surveys	Quick and short questionnaires are designed to determine our customers' opinion about the level of courtesy and staff behaviour in serving the customer, as well as the overall appearance of the branch. Feedback forms with suggestions boxes are placed in branches for customers to fill in. Forms are monitored monthly and results are tracked monthly and kept updated.
Surveys, focus groups, advisory groups, etc	Over 2,000 surveys were conducted in our branches relating to our customers' comments regarding: <ul style="list-style-type: none"> <li>Product knowledge</li> <li>Cross selling of other financial products or</li> <li>Services not provided by the front line officers.</li> </ul> Complaints were dealt on the spot to ensure that the matter was resolved effectively and any action is taken achieves full customer satisfaction.
Phone Hotlines	Most of NBAD branches are connected to our 24/7 Call Centre. Our staff receives high calibre training to ensure they are well versed with our products and services so that they can deal with all customer queries or complaints.
Developing our products	<p><b>The Arrow</b> is a SMS payment service that allows customers to access the money in their bank accounts via their mobile phone. It is a secure facility and customers are required to be users of our online banking service in order to access this facility. Arrow is also used as a tool for making donations to charity and non-profit organisations.</p> <p><b>Prepaid Visa Card</b> We launched a new pre-funded Visa Electron card to provide a safe alternative to carrying cash. The card was designed to provide customers with increased levels of financial control and spending and can be used for cash withdrawals and purchases within the UAE and globally. Both account and non-account holders and overseas visitors to the UAE can be cardholders.</p>
Key topics and concerns raised by stakeholders	The CCU received over 900 complaints during 2008 all of which were resolved. Our target is to respond and resolve complaints within two working days from the day the issue was raised and discussed with the customer, to the date the customer was advised of the solution or action taken to resolve the matter.

### Accessibility to our services

NBAD continued to expand domestic operations to meet the needs of our customers. This continuous expansion enables us to serve a broad customer base in both urban and rural locations. Additionally, a range of payment services are available through our ATM services and these facilities can be used by both our account and non-account holders to give greater levels of accessibility to financial services in the community.

NBAD cash offices have been set up within the premises of the major oil companies and military bases. NBAD tellers also visit remote offshore and onshore oil facilities to provide banking services to the people working at these sites.

Access points	Our branches are strategically located across the Emirates to reach all our customers and members of the community. We have branches strategically located across the emirates reaching low populated areas such as Ruwais, AlMirfa, Liwa, Madinat Zayed and soon opening in Gayathi and AISila'.
Access to financial services	We offer our clients a 24 /7 call centre along with online access to their bank accounts. From our ATMs and nbadOnline, services available include: <ul style="list-style-type: none"> <li>• Utility payments</li> <li>• Telephone account payments</li> <li>• Donations to charities</li> <li>• Other bills</li> <li>• Cable and satellite television account payments</li> <li>• Payments to Dubai and Abu Dhabi Traffic Departments</li> </ul>

### NBAD's Community

#### Building partnerships

As we transit to a more strategic CSR and sustainable business approach, we entered into new partnerships, whilst continuing to develop and strengthen existing relationships.

In addition to partnerships, we entered into a number of sponsorships and made financial donations to not-for-profit (NPO) organisations, community sports and cultural groups and activities, professional groups and charities. This support amounted to more than AED 7 million during 2008.

We engaged in discussion and dialogue with the government, private and non-profit sectors to share ideas and knowledge in areas relating to sustainability and CSR. We explored and identified issues of mutual concern relating to the implementation of sustainable business practices in the UAE and the region.

### Relationships and partnerships promoting dialogue and collaboration in CSR and sustainability issues

#### Organisation

- Emirates Environmental Group (EEG)
- Sheikh Khalifa Medical Centre, Abu Dhabi Blood Bank
- Emirates Wildlife Society-World Wildlife Fund (EWS-WWF)
- MENA-OECD Regional Taskforce on Responsible Business Conduct
- Dubai Chamber Centre for Responsible Business
- UAE Genetic Diseases Association
- Emirates Foundation
- Abu Dhabi Sustainability Group
- Regional Blood Centre Al Ain
- Ministry of Social Affairs
- Red Crescent Authority

We hold memberships and affiliations with UAE based professional and business groups. The memberships provide us with the opportunity to interact with and enter dialogue on current issues relating to the UAE business community as well as providing us with opportunities for learning and updating knowledge and skills. We also support the groups by making presentations related to our areas of business and influence. Memberships provide us with opportunities for learning and updating knowledge and skills.

#### Business Group memberships

- British Business Group
- Egyptian Businessmen's Board
- American Business Group
- International Business Women's Group
- French Business Group
- Italian Business Group

We signed a Memorandum of Understanding (MoU) with four UAE based universities to set up permanent offices in the Student Affairs sections. The purpose is to enable NBAD to work with various student bodies to increase awareness of career opportunities at the bank and the businesses within our group.

### Environment

We continued to learn about the increasing risks of global warming, especially as the debate and issues surrounding measuring and managing the environmental footprint of the UAE is increasingly important. We will continue to follow this closely to learn and better understand potential impacts to NBAD in the future.

### Reduce, Re-use, Recycle

The NBAD Reduce, Re-Use, Recycle initiative continued throughout 2008. We installed 45 new wastepaper recycle bins at our Head Office and branches in Abu Dhabi, Al Ain, Dubai and Sharjah, with a supporting awareness campaign. The awareness campaign is supported through our intranet and with the recruitment of Environment Champions representing

departments and branches. The number of Environment Champions reached 12 by the end of last year.

Collection of wastepaper for recycling has been ongoing for five years through Emirates Environmental Group, and 2008 saw a significant increase in the quantities of paper being collected for recycling.

### Energy, water and car fleet

We collected data on our usage of water and electricity with the intention of setting targets to reduce consumption. With regard to our electricity and fuel consumption for our fleet, we expect to calculate our carbon emissions in these two areas by the end of 2009 with the intention of setting reduction targets to lessen negative environmental impacts.

#### Waste paper collection 2006 (kg)

Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
240	370	320	340	440	620	1510	1910	1420	1690	1500	1320	11680

#### Waste paper collection 2007 (kg)

Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
1260	1300	1480	980	760	2400	2520	2790	880	1440	2320	1190	19320

#### Waste paper collection 2008 (kg)

Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
1150	2260	1730	4050	3100	3200	2280	3836	3358	2060	2810	3079	32913

As a caring and responsible corporate citizen, NBAD sponsors and donates to non-profit organisations, community activities, sport, cultural and professional groups and charities.



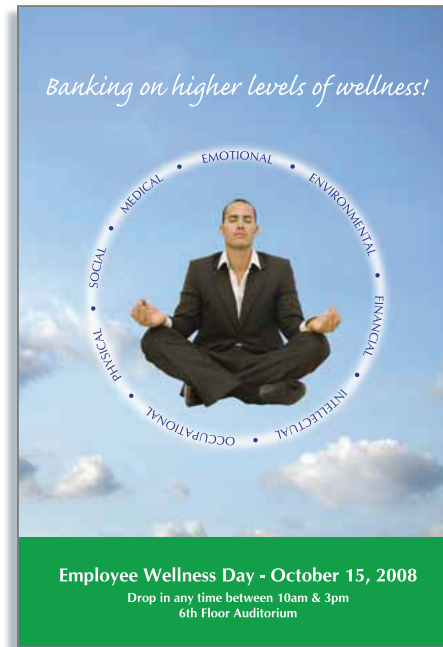
NBAD supported "Donate a Brick" campaign launched by Special Care Centre



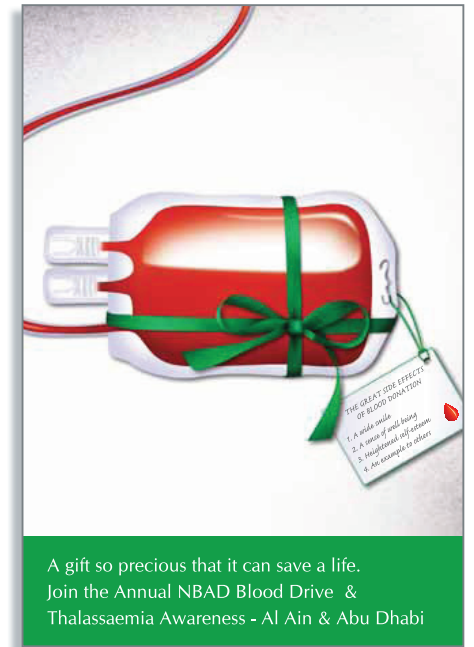
NBAD organised Employee Wellness Day



NBAD sponsored the 25th Abu Dhabi Ladies Open Golf Championship held at Al Ghazal Golf Club



**Employee Wellness Day - October 15, 2008**  
Drop in any time between 10am & 3pm  
6th Floor Auditorium



A gift so precious that it can save a life.  
Join the Annual NBAD Blood Drive & Thalassaemia Awareness - Al Ain & Abu Dhabi

The two campaigns for NBAD's successful Wellness Day and Blood Drive



Excellent response for blood donations in front of NBAD's head office