# A people-driven journey to success

الإمارات الإسلامي
EMIRATES ISLAMIC

February 2016

# 2015: A milestone year for EI

4th Record year in **operating revenue** and profitability

Majority of growth has come from **core business,** CWM & Corporate

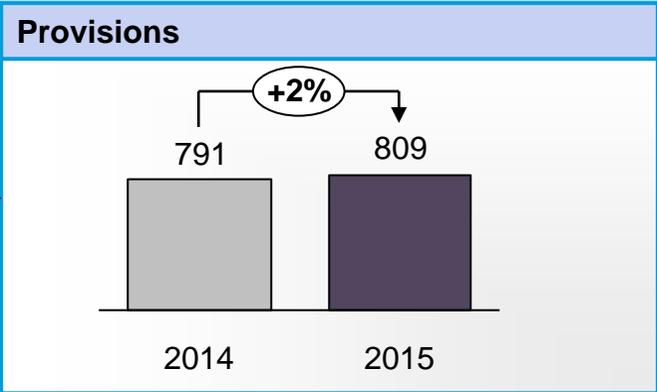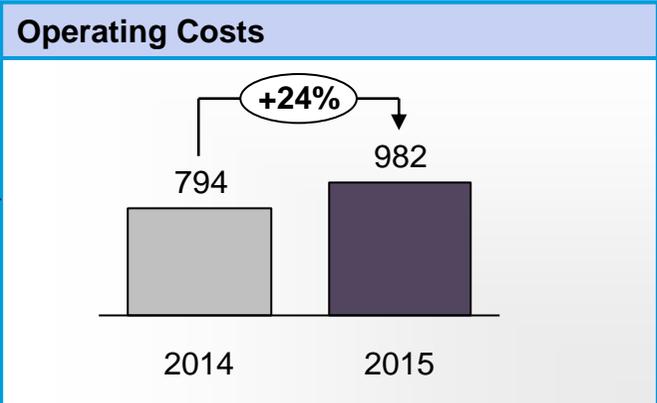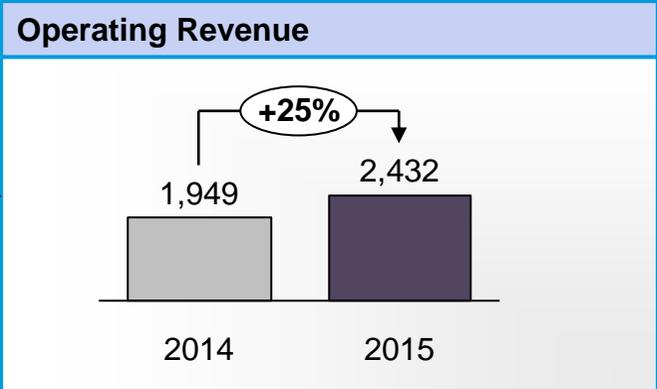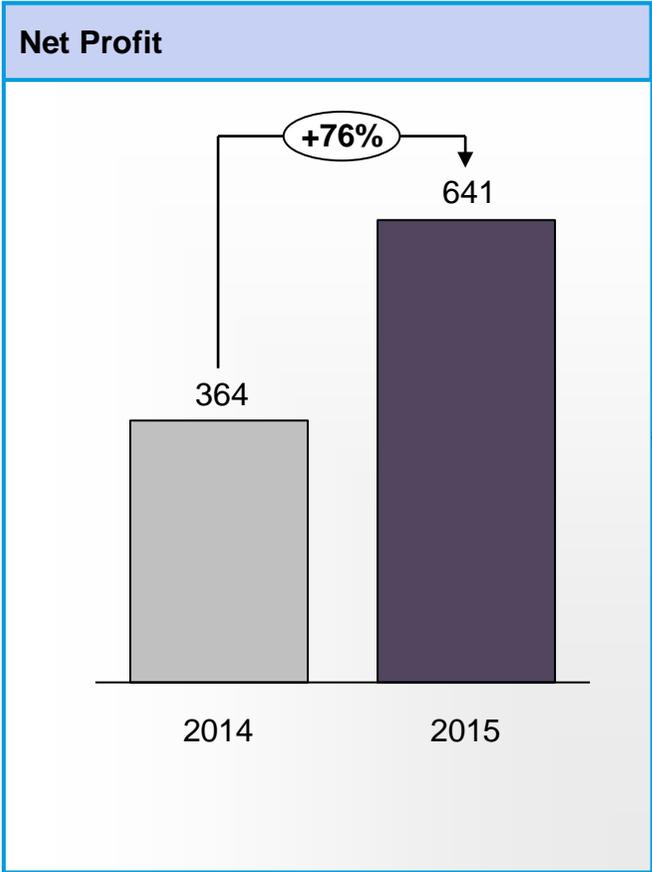Solid steps to the big leap – **16th quarter growth**

Key transformations – **Branch model & core banking**

Continued the **award sweeping** – Best Domestic Retail Bank, Best Corporate Islamic Bank, Best Card, Best products

Continue to hold the title of **Fastest Growing Bank** in the UAE

# For full year, EI delivered a record AED 641 mn in bottom-line

**EI full year forecast,** AED Mn

**Net Profit**

| | |
|---|---|
| 364 | 641 |
| 2014 | 2015 |

**+76%**

**Operating Revenue**

| | |
|---|---|
| 1,949 | 2,432 |
| 2014 | 2015 |

**+25%**

**Operating Costs**

| | |
|---|---|
| 794 | 982 |
| 2014 | 2015 |

**+24%**

**Provisions**

| | |
|---|---|
| 791 | 809 |
| 2014 | 2015 |

**+2%**

# The revenue growth continues for the 16th consecutive quarter

AED mn

**Revenues**

| Quarter | Revenue |
|---------|---------|
| Q4 2015 | 631 |
| Q3 2015 | 593 |
| Q2 2015 | 579 |
| Q1 2015 | 666 |
| Q4 2014 | 528 |
| Q3 2014 | 504 |
| Q2 2014 | 498 |
| Q1 2014 | 420 |
| Q4 2013 | 403 |
| Q3 2013 | 403 |
| Q2 2013 | 386 |
| Q1 2013 | 331 |
| Q4 2012 | 260 |
| Q3 2012 | 253 |
| Q2 2012 | 226 |
| Q1 2012 | 228 |
| Q4 2011 | 203 |

+211%
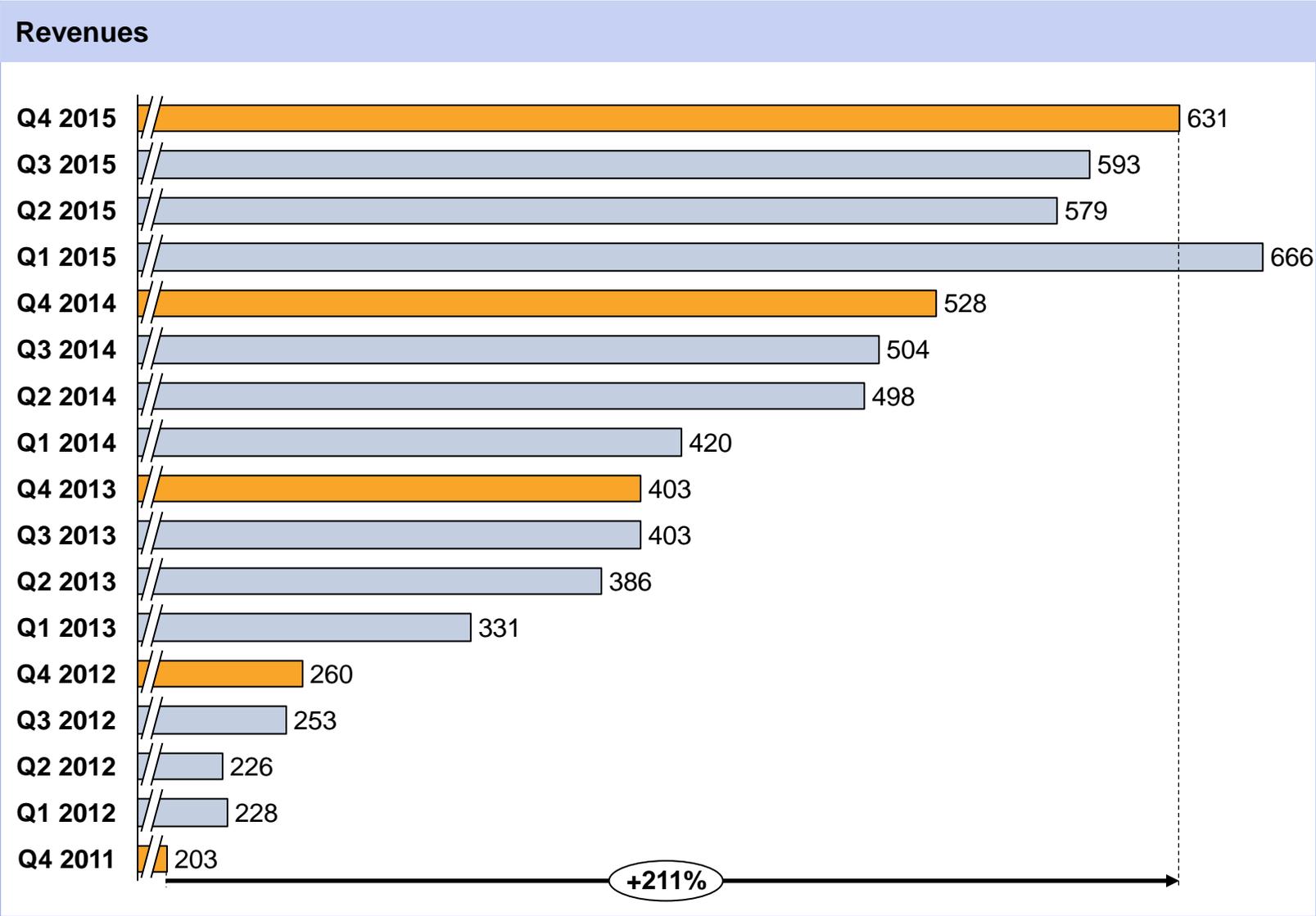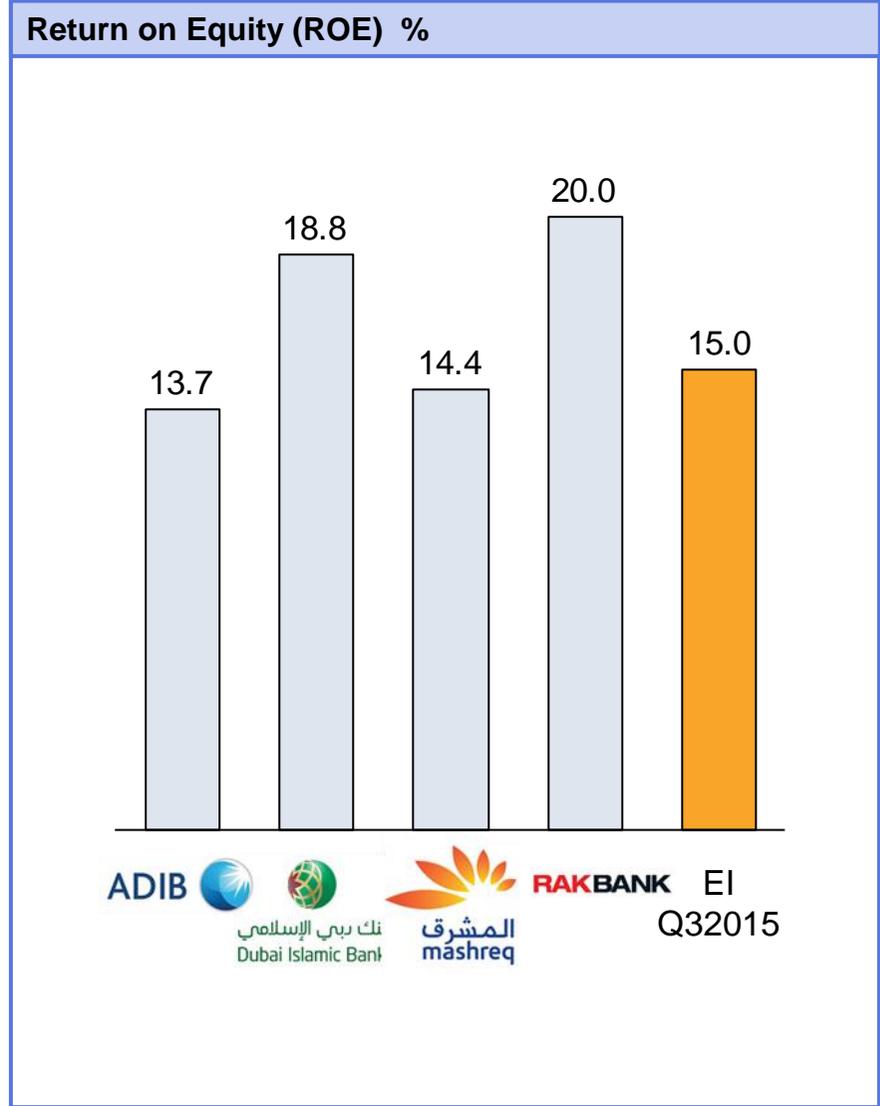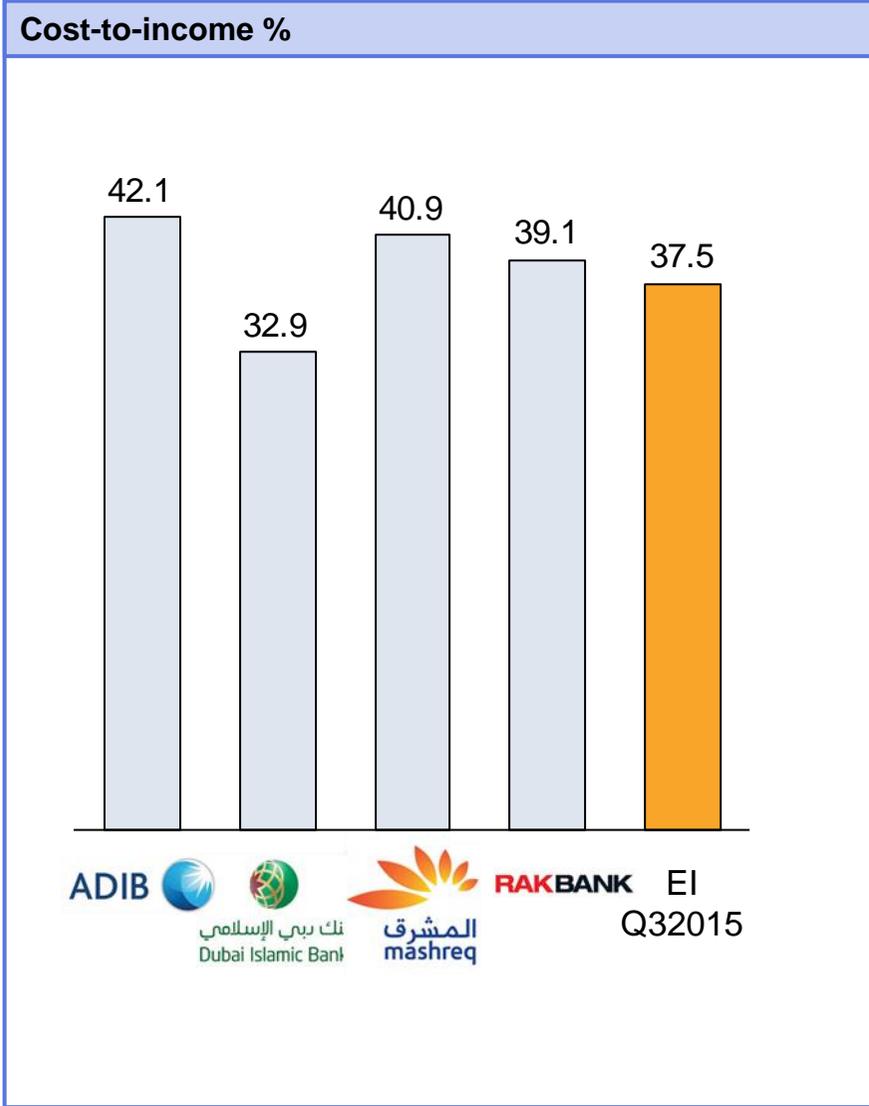
# EI has been the best performing bank on Asset and Deposit growth in the UAE
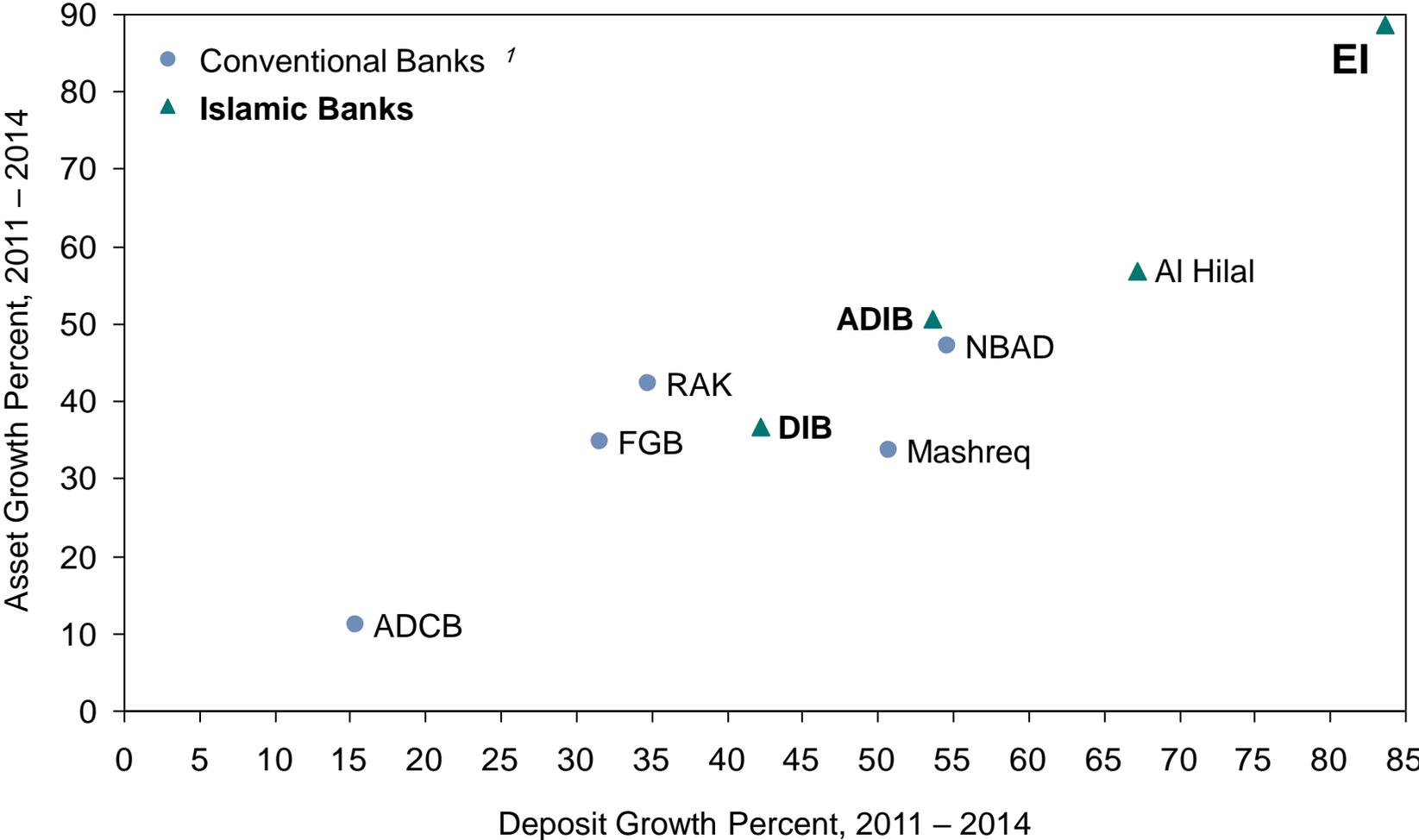


Source: EI Strategy analysis
1) Islamic windows counted as part of conventional banks

# EI is already catching-up/ surpassing competitors across most indicators
## Q3 2015

### Cost-to-income %



42.1 — ADIB
32.9 — Dubai Islamic Bank
40.9 — mashreq
39.1 — RAKBANK
37.5 — EI Q32015

### Return on Equity (ROE) %



13.7 — ADIB
18.8 — Dubai Islamic Bank
14.4 — mashreq
20.0 — RAKBANK
15.0 — EI Q32015

# A big HR agenda has been the driver of this growth… and we're just getting started!

# Recruitment - More controls introduced in recruitment process

## COMPLETED

- ☑ Centralised recruitment & CV management

- ☑ Establish certification framework for approved interview panel

- ☑ Improve assessment tools

- ☑ Workforce Plan

## WORK IN PROGRESS

- ➡ Standardise JD for common roles

- ➡ Recruitment cost ratio

- ➡ Proactive management of turnover recruitment hire

- ➡ Active monitoring of vacancies

# Rewards – improve framework to influence behaviour

## COMPLETED

- ☑ Establish Job Evaluation committee (JEC) governance and framework

- ☑ Train JEC committee with Hay Methodology

- ☑ Introduce GEMS / Long Service Performance Award

## WORK IN PROGRESS

- ➡ Introduce industry benchmark

- ➡ Re-alignment of incentive and reward framework with EI's bankwide objective

- ➡ Employee reward & recognition awards

# Productivity - Re-align KPI with Rewards and Consequence Management

## COMPLETED

☑ Re-align KPI and targets to include Customer Service matrices

☑ Enhanced consequence management

## WORK IN PROGRESS

➤ Enhance HR performance tracking

➤ Monitoring of Return on Investment

➤ Enrich MIS to improve decision making process

# L&D enhancements to improve quality of workforce

## COMPLETED

- ☑ Introduce Corporate Training Framework

- ☑ Specialised certification (BB, IBSales, FX)

- ☑ Own-Up training to re-affirm corporate values

- ☑ Full year training calendar by role

- ☑ Knowledge assessment to gauge staff competency

## WORK IN PROGRESS

- ➡ Differentiate learning & recognition reward schemes for Talents

- ➡ Set up career path and progression plans

- ➡ Regular meeting with Business Heads on Talent progress

- ➡ Enhance on-boarding training

# All of that while nationalization grew to 31%... Next stop: 40%

**40% by 2017**

| | |
|---|---|
| **Retention** | Retention strategies by enriching Nationals' career path in the organisation\ |
| **Requisite KPI** | Divisional Head enforced with a KPI to attain minimum Nationalisation percentage within their workforce |
| **Trainee programs** | Mustaqbal and UniGrad Trainees for high school and graduate students are inducted into main workforce upon completion of intensive orientation program |
| **Career progression** | Leadership development programs to groom existing UAE nationals for higher positions |
| **Talent pipeline** | Building steady supply of National talents through participation of UAE Nationals career fairs and referral incentive programs |