



ANNUAL  
REPORT 2021





His Highness Sheikh Khalifa Bin Zayed Al Nahyan  
President of the United Arab Emirates and Ruler of Abu Dhabi



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







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# BOARD OF DIRECTORS

## Chairman

- H.E. Abdul Aziz Abdulla Al Ghurair

## Vice-Chairman

- Ali Rashed Ahmad Lootah

## Directors

- Rashed Saif Saeed Al Jarwan Al Shamsi
- Rashed Saif Ahmed Al Ghurair
- John Gregory Iossifidis
- Iyad Mazher Saleh Malas
- Saeed Saif Ahmed Majid Al Ghurair





# CHAIRMAN'S MESSAGE

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Mashreq closed 2021 by delivering one of the highest operational revenue in its history. Through the application of robust growth strategy across all business verticals, strict cost controls and a prudent approach to risk management, the Bank has been also able to achieve healthy results in terms of operating income, net profit, and enhance its overall credit profile.

The year-end strength of the Bank's overall fiscal position is due in part to the rollout of new digital and operational strategies and an impressive increase in customer deposits. These – alongside growth in total assets – reflect the success of a customer-centric strategy defined by the highest levels of service and industry-leading digital solutions.

These achievements are indicative of the Bank's hard-earned position as a market leader in digital banking and as an innovator of platform banking solutions within the wider challenger space.

The core driver of our success has been the

creative and enduring contribution that every one of our colleagues made in 2021. Their commitment and ability to innovate in a highly competitive environment have allowed Mashreq to flourish and provide an exciting suite of digital products for all customer segments. An empowered pool of diverse human capital is – and will continue to be – our most important differentiator.

Complementing the development of skills and careers, we will continue to unleash opportunities by deploying innovative AI and smart analytics. Throughout 2021, these newly adopted technologies have allowed us to develop high-quality feedback systems that enable us to respond rapidly to customer needs while also helping to mitigate risk through compliance and governance protocols.

By responding quickly and understanding what our customers need, we were able to deliver exceptional financial results within the Retail Banking and International Banking Groups in 2021.

I am also pleased that our cross-border operations hubs performed well in 2021, with each Center of Excellence in Egypt, India and Pakistan contributing to enhance straight through processing and overall customer experience while growing and increasingly gender-balanced workforce.

The scale and pace of change within the digital economy demand that we continue to focus on what matters most in 2022: delivering exceptional customer experiences through the provision of comprehensive and exciting digital solutions.

We have established a fund to make direct investments into the fintech ecosystem to



support this. We will continue to empower our diverse and inclusive workforce by developing digital and 21st-century workplace skills. We have also developed a roadmap for our CX strategy for the next three years, identifying strategic initiatives that will help us create mutual value for clients across segments.

As always, I'd like to thank our staff, our customers, and shareholders for their loyalty, support and hard work in helping us to maintain focus on our core ideals and in helping make this transformation possible.

I also want to express my thanks to the Central Bank, regulators, and the UAE government for their continued support and trust as we emerge from the pandemic and look ahead to shared prosperity in the months ahead.

H.E. Abdul Aziz Abdulla Al Ghurair  
**Chairman**

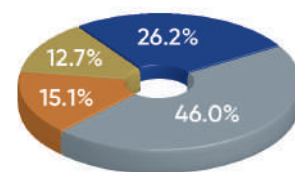




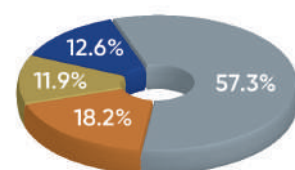
KEY INDICATORS	2017	2018	2019	2020	2021
ADVANCES TO CUSTOMER DEPOSITS	82.5%	83.2%	83.7%	81.0%	<b>80.3%</b>
EQUITY TO TOTAL ASSETS	16.9%	14.6%	14.0%	12.7%	<b>11.9%</b>
RETURN ON AVERAGE EQUITY	10.5%	10.2%	9.9%	(6.2%)	<b>5.2%</b>
RETURN ON AVERAGE ASSETS	1.8%	1.6%	1.5%	(0.9%)	<b>0.7%</b>
EFFICIENCY RATIOS	39.2%	44.1%	43.8%	57.2%	<b>45.2%</b>
CAPITAL ADEQUACY RATIO	17.2%	16.5%	16.3%	16.0%	<b>14.5%</b>

## CLASSIFICATION OF ASSETS AND LIABILITIES - DECEMBER 31

ASSETS	2017	2018	2019	2020	2021
CASH AND BANK BALANCES	29.6%	30.3%	29.8%	29.1%	<b>26.2%</b>
ADVANCES	50.1%	48.6%	47.8%	45.1%	<b>46.0%</b>
INVESTMENTS	11.3%	9.4%	9.6%	12.3%	<b>15.1%</b>
OTHER ASSETS	9.0%	11.7%	12.8%	13.5%	<b>12.7%</b>



LIABILITIES & EQUITY	2017	2018	2019	2020	2021
BANK DEPOSITS	7.9%	7.8%	7.7%	10.8%	<b>12.6%</b>
CUSTOMER DEPOSITS	60.7%	58.4%	57.1%	55.7%	<b>57.3%</b>
MEDIUM TERM & OTHER LIABILITIES	14.5%	19.2%	21.2%	20.8%	<b>18.2%</b>
TOTAL EQUITY (Including NCI)	16.9%	14.6%	14.0%	12.7%	<b>11.9%</b>





# CEO's MESSAGE

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This has been a significant year for Mashreq, with much of the Bank's progress underpinned by strong asset growth and the acquisition of clients through the successful leveraging of our advanced digital transformation.

Through strict cost controls and the deployment of new digital channels, we were able to not only deliver value for our customers in 2021 but also entrench the Bank's fiscal resilience through asset and market diversification. The Bank's position and overall resilience were further buoyed in 2021 by its market-leading proportion of non-funded income, reflecting the diverse nature of Mashreq's revenue engines. By year-end, the Bank had recorded significant improvements in operating income, driven in part by robust growth across the loan portfolio in an improved credit environment characterized by reduced impairments and a slight reduction in our non-performing-to-gross loan ratio.

Deposits crossed AED 100 billion for the first time in our history, and our loans and advances (including FI loans) grew by over 18%. Across every division, the Bank achieved significant improvements in revenue generation in both the UAE and the international markets where we operate. In the face of stiff competition, the Corporate and Investment Banking Group (CIBG and FI) grew its assets book by AED 10.6 billion, nearly 18% in the year.

Notably, the Retail Banking Group (RBG) brought in nearly AED 500 million in net profit in 2021, thanks in no small part to a 21% YoY surge in consolidated assets and the success of NEOBiz, our digital bank for SMEs and start-ups. We also saw the Bank's mortgage business grow by 18% and a 27% uptick in wealth assets.

Our flagship digital products, which include the consumer platform Neo, our SME platform NEOBiz and our Corporate platform for Global Transaction banking, have all been scaled up to provide more support for our customers and growing businesses than ever before. Our book-running standing continued to improve, and we are now ranked second among the top GCC banks in syndicated loans for Global Loans.

As we look to securing sustained growth in 2022 and beyond, we will continue to invest in expanding our international footprint, particularly in improving investment flows between the UAE and China, and through the formulation of an effective Hong Kong / Asia strategy. More broadly, the Bank's corporate strategy will continue to focus on leveraging and widening our digital capabilities and on the integration of AI and advanced analytics in both front and backend solutions.

In the near term, Mashreq Bank will maintain a conservative risk appetite and continue to build a robust infrastructure and a compliance strategy aligned to the central government policies for each geography where Mashreq is present.

I am proud to note that our investments in our employees' well-being – our most important assets – and in improving diversity in the workplace are paying off. Feedback from employees across the business indicates that we have successfully implemented our hybrid working model, creating one of the industry's most engaged and motivated workforces. I am incredibly proud of how our workforce has handled itself.

Finally, I would like to thank our customers for their loyalty, our shareholders for their enduring support, and our regulators for their unwavering guidance.

Ahmed Abdelaal  
**Group CEO**







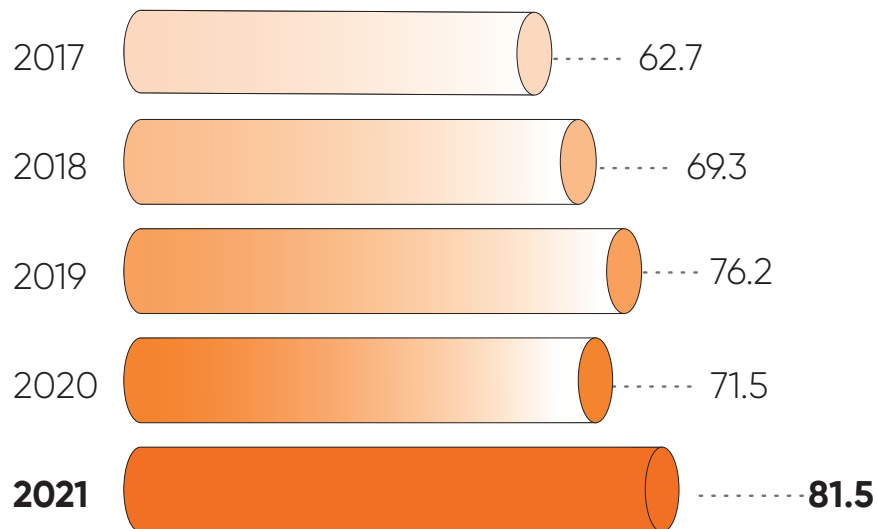


# FINANCIAL HIGHLIGHTS

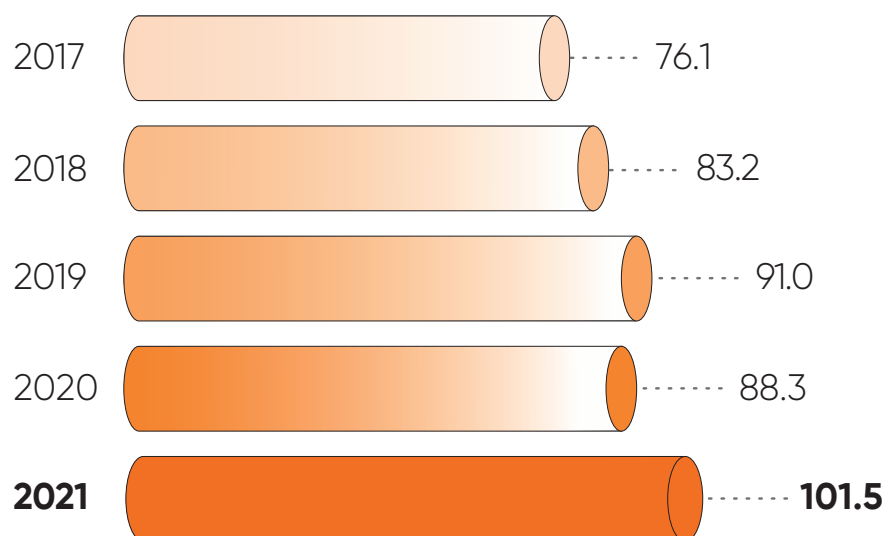
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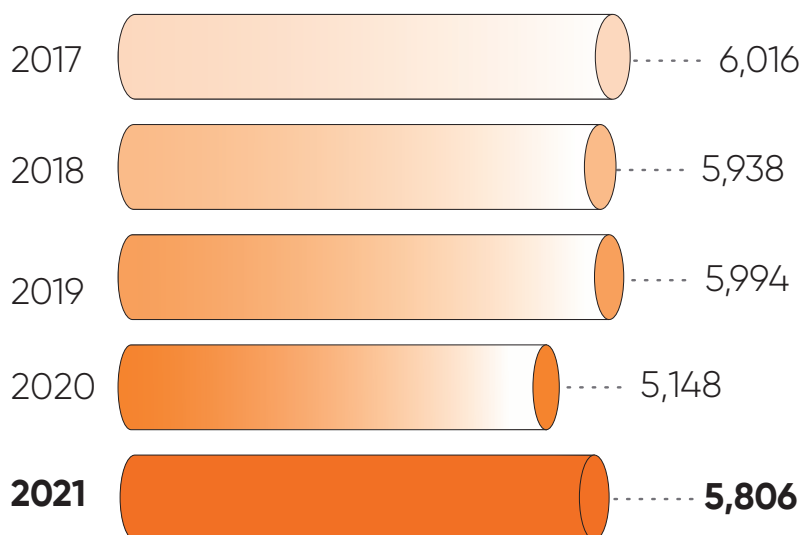
## LOANS AND ADVANCES [AED billion]



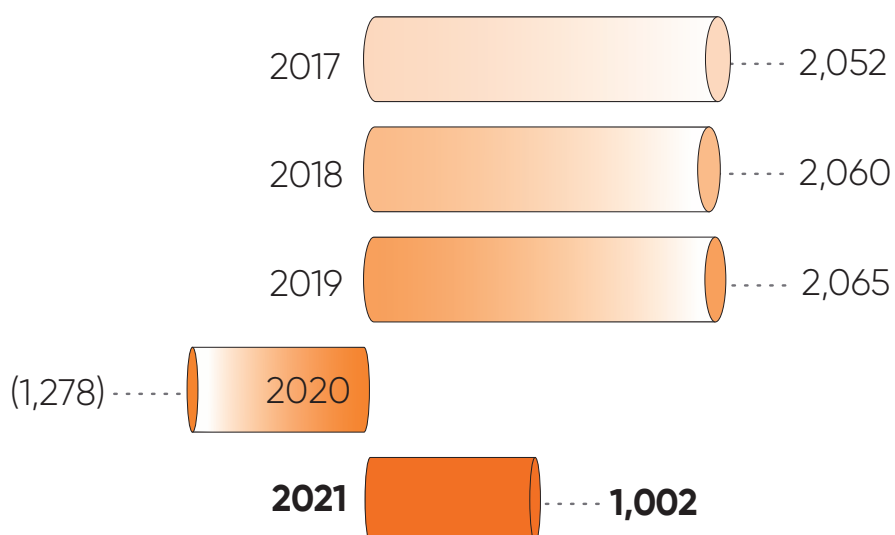
## CUSTOMER DEPOSITS [AED billion]



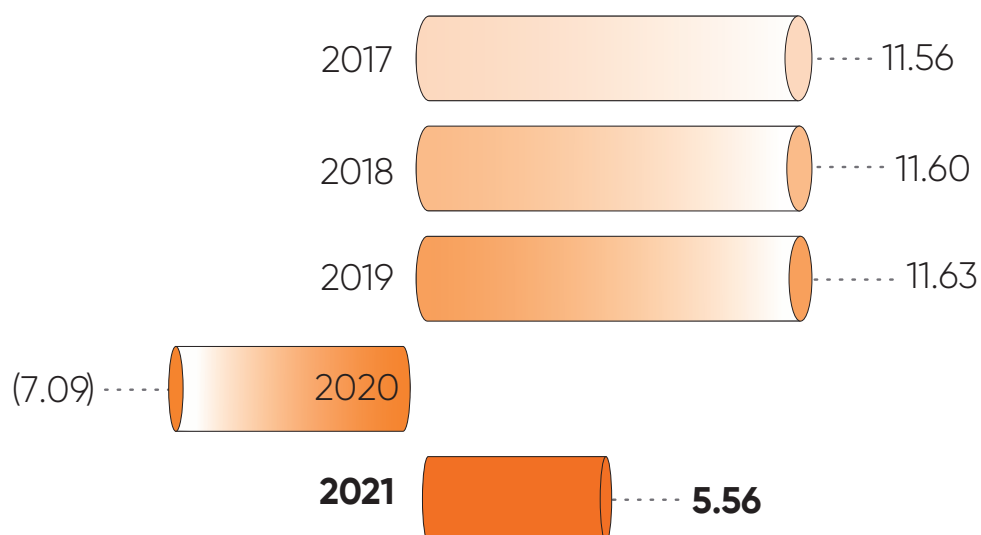
## OPERATING INCOME [AED million]



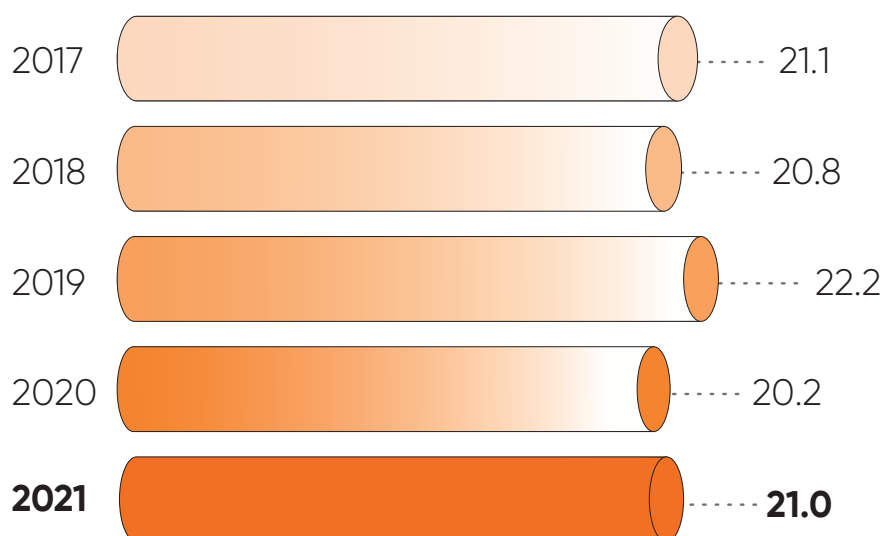
## NET PROFIT / ( LOSS ) [AED million]



## EARNINGS / ( LOSS ) PER SHARE [AED]

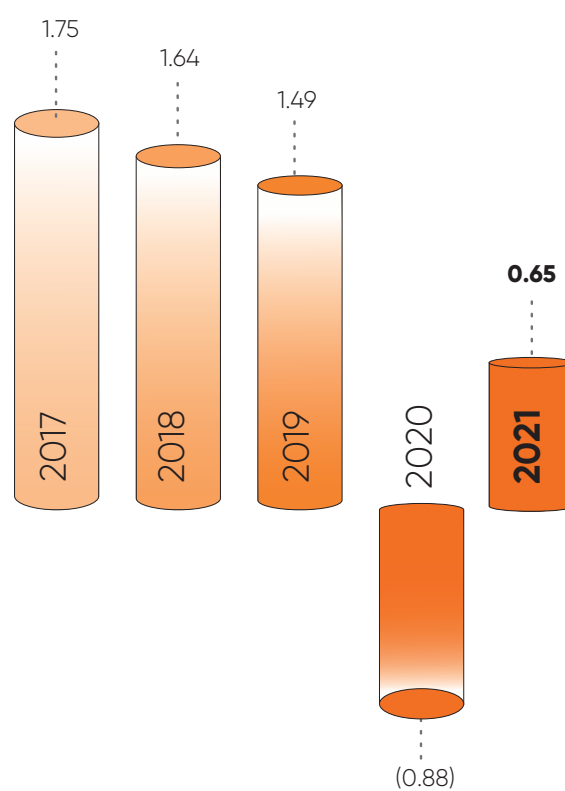


## TOTAL EQUITY [AED billion]

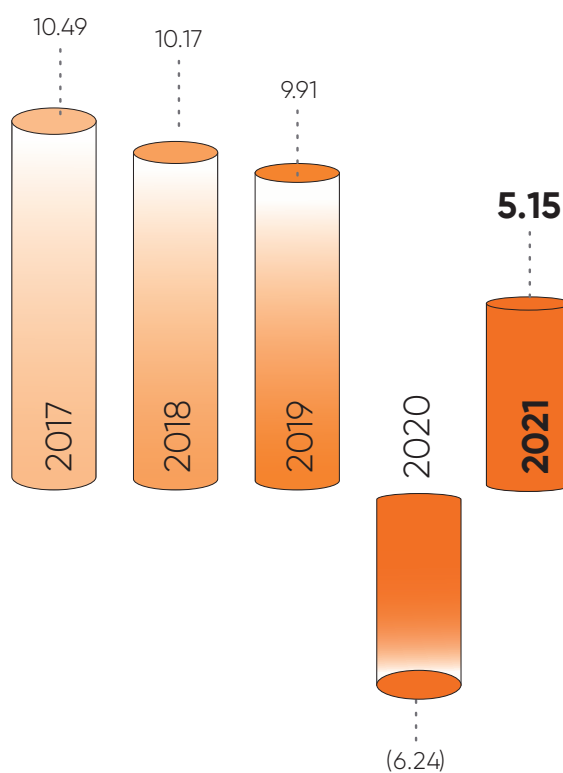




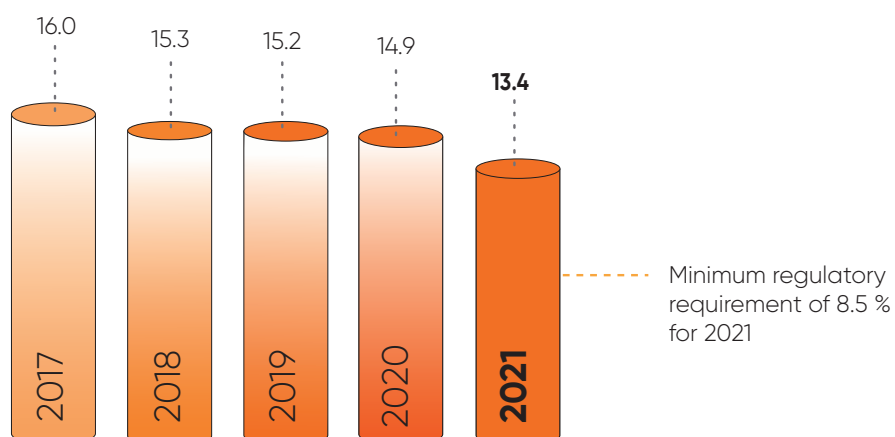
## RETURN ON ASSET [%]



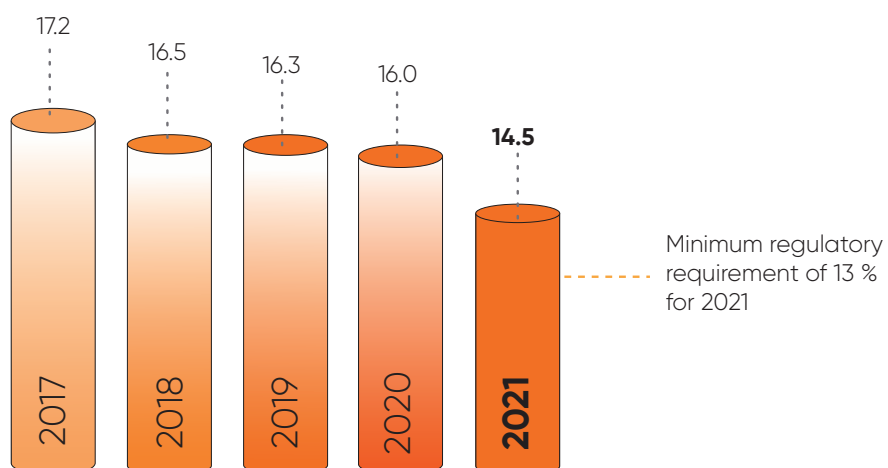
## RETURN ON EQUITY [%]



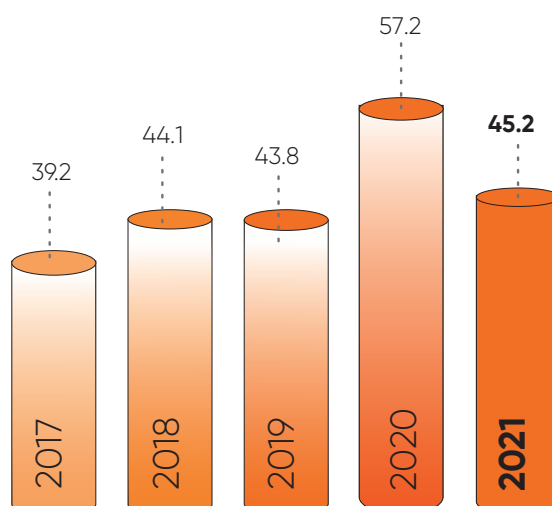
## TIER 1 RATIO [%]



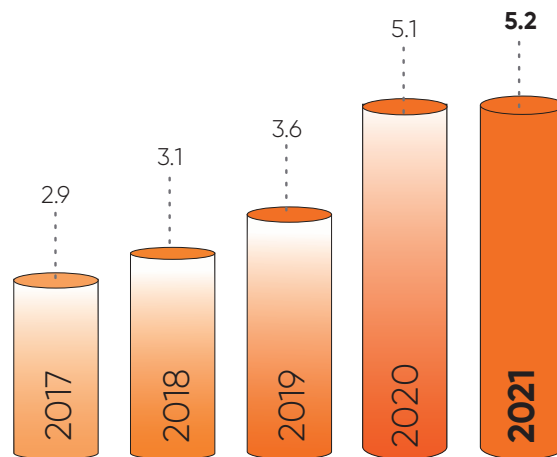
## CAPITAL ADEQUACY RATIO [%]



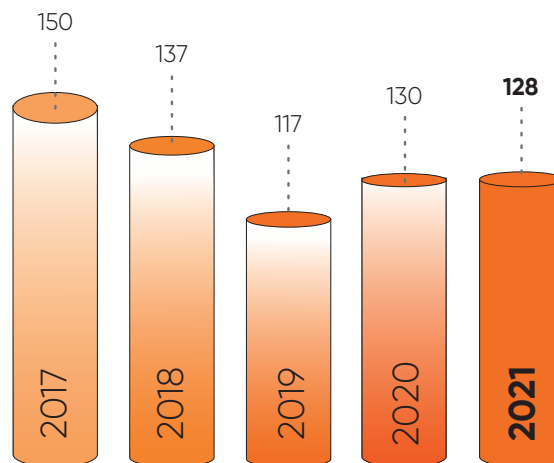
## COST EFFICIENCY [%]



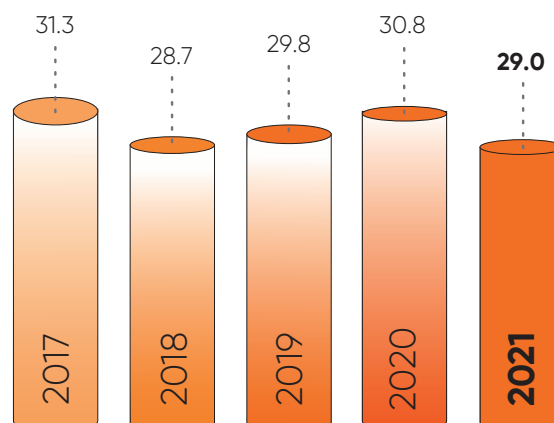
## NPL TO GROSS LOANS [%]



## NPL COVERAGE [%]



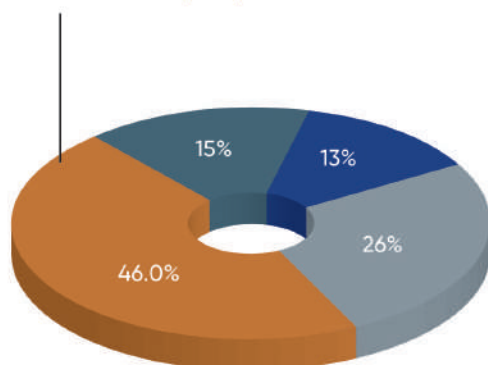
## LIQUID ASSETS TO TOTAL ASSETS [%]



## 2021 ASSET MIX (AED 177 billion)

### COMPOSITION

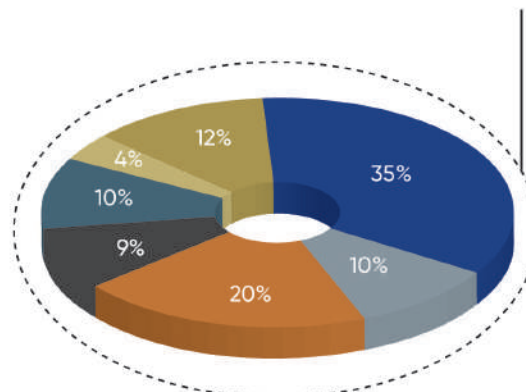
Advances (46%)



- CASH AND BANK BALANCES
- ADVANCES
- INVESTMENTS
- OTHER ASSETS

### SEGMENTS

Diversified Portfolio

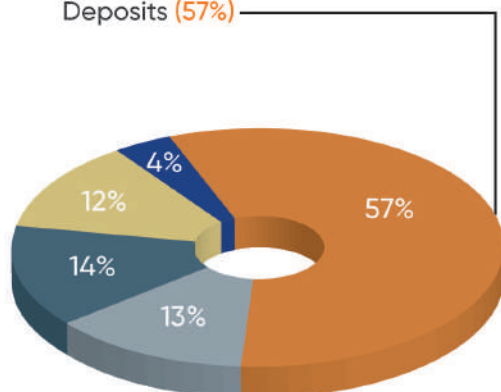


- CORPORATE
- RETAIL
- TREASURY & CAPITAL MARKETS
- ISLAMIC
- INTERNATIONAL
- INSURANCE
- OTHERS

## 2021 LIABILITIES AND EQUITY MIX

### LIABILITIES & EQUITY (AED 177 billion)

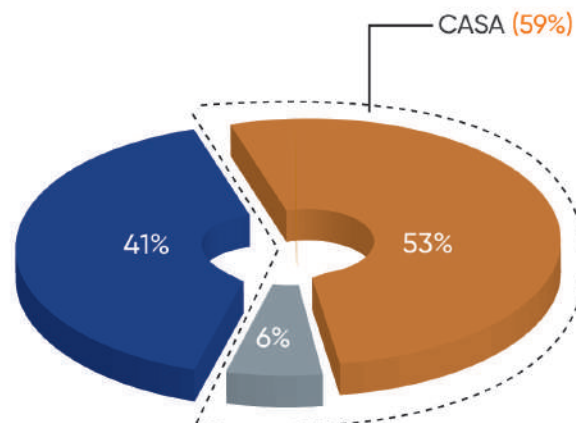
Deposits (57%)



- MEDIUM TERM LOANS
- CUSTOMER DEPOSITS
- BANK DEPOSITS
- OTHER LIABILITIES
- SHAREHOLDERS' EQUITY (INCLUDING NCI)

### DEPOSITS (AED 101 billion)

CASA (59%)



- CURRENT ACCOUNTS
- SAVING ACCOUNTS
- TERM DEPOSITS

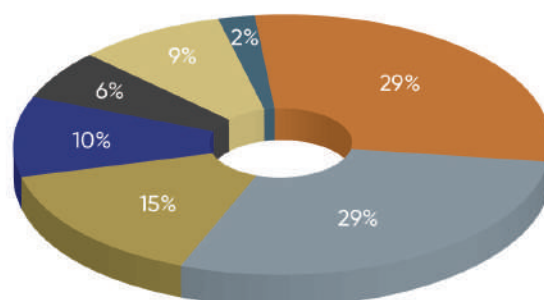




## 2021 OPERATING INCOME (AED 5,806 million)

### SEGMENTS

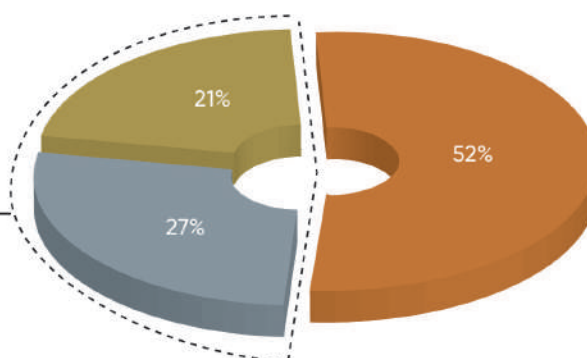
- CORPORATE
- RETAIL
- TREASURY & CAPITAL MARKETS
- INTERNATIONAL
- ISLAMIC
- INSURANCE
- OTHERS



### COMPOSITION

Non-Interest Income (48%)

- NET INTEREST / PROFIT INCOME
- NET FEE & COMMISSION
- INVESTMENT & OTHERS



## CREDIT RATINGS

FITCH



CI



S&P



MOODY'S







# WORLDWIDE PRESENCE

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## UAE Branches / EBSU

Sr.No	Branch / EBSU	Location	Tel
1	DIC	Dubai	04-42444444
2	MOE	Dubai	04-42444444
3	Dubai Mall	Dubai	04-42444444
4	Burjuman	Dubai	04-42444444
5	Qusais	Dubai	04-42444444
6	Muraqabat	Dubai	04-42444444
7	Al Riqqa	Dubai	04-42444444
8	Mirdiff City Center	Dubai	04-42444444
9	Dubai Festival City	Dubai	04-42444444
10	Al Manal Mall	Dubai	04-42444444
11	Al Quoz	Dubai	04-42444444
12	ADH Main	Abu Dhabi	04-42444444
13	Mussaffah	Abu Dhabi	04-42444444
14	Al Ain Main	Abu Dhabi	04-42444444
15	Shj. K.A.A	Sharjah	04-42444444
16	Shj- Industrial Area	Sharjah	04-42444444
17	Sahara Mall	Sharjah	04-42444444
18	Al Nakheel	Ras Al Khaimah	04-42444444
19	Ajman	Ajman	04-42444444
20	Fujairah	Fujairah	04-42444444

## Subsidiaries

### UAE-DUBAI

Oman Insurance Company P.S.C	04-2337777
Mindscape FZ LLC	04-4246000
Mashreq Securities LLC	04-3632222
Injaz Services FZ LLC	04-4244444
Mashreq Al Islami Finance Co. (PJSC)	04 -2223333
Mashreq Capital (DIFC) Ltd.	04-4244618
Al Kafaat Employment Services One Person Company LLC	04-5168350
Al Taqania Employment Services One Person Company LLC	04-5168350
Shorouq Commodities Trading DMCC	04-6083648
IDFAA Payment Services LLC	04-2937564
Osool - A Finance Company (PJSC)*	04-2223333
*Under Liquidation	

### Tel

### Egypt

Mashreq for Business  
Process Support (Sole Person Company)

### Pakistan

Mashreq Global  
Services (SMC Private) Limited

### CAYMAN ISLANDS

Invictus Limited

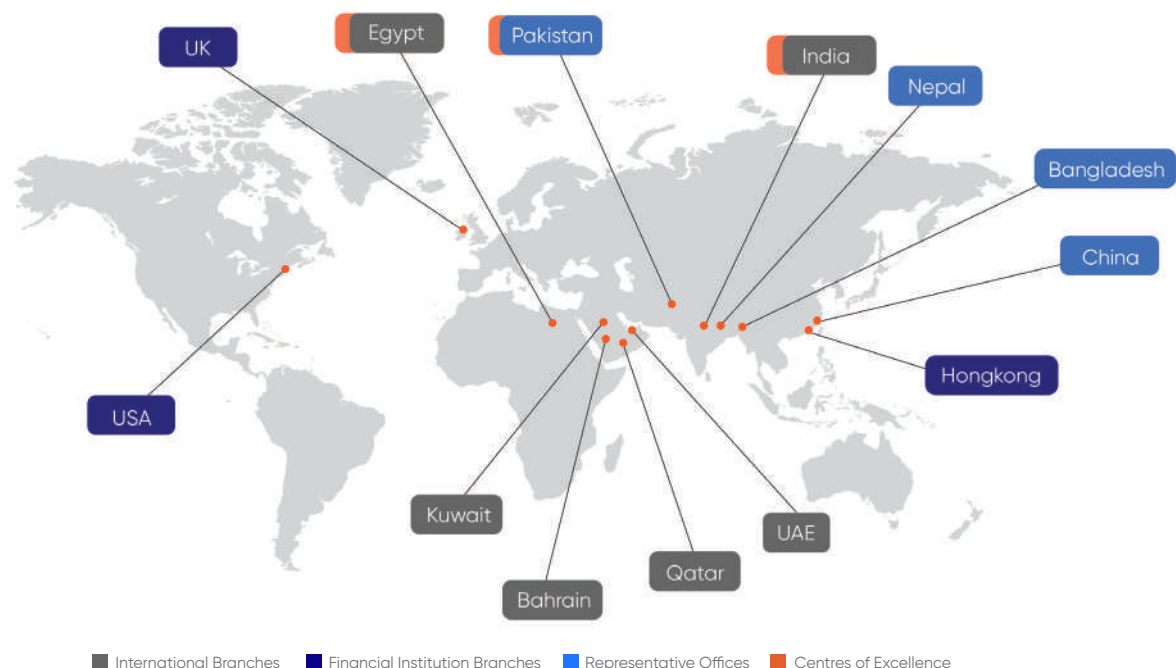
## Associate and Joint Venture

### UAE

Emirates Digital Wallet LLC  
Noon Digital Pay LLC







## Overseas Branches

### AFRICA

#### Egypt

##### Alexandria

74 (A) Albert Al Awal St.  
Semouha  
Tel: (203) 419 6901

##### Dokki

15 El Messaha St.  
El Messaha Sq.  
Tel: (202) 3332 7524

##### Down Town

21 Dareeh Saad St.  
Off Kasr El Eini St.  
Tel: (202) 2791 8555

##### Heliopolis

21 Ismail el falaky  
Tel: (202) 2456 1011

##### Kattameya

101 Building, 902 St,  
5th Settlement, New Cairo  
Tel: (202) 2598 9408

##### Maadi

2/4 El Laselky St.  
Tel: (202) 2755 6153

##### Mohandseen

32 Al Riad St., off Shebab St.  
Tel: (202) 3308 3701

##### Nasr City

37 Abbas El Akkad St.  
Tel: (202) 2400 8910

##### 10th Ramadan Branch

Plot 3, City Center,  
Downtown Mall  
Tel: (205) 5439 2901

##### Zamalek

9, Elgabalaya St.  
EL Tonsy Tower  
Tel: (202) 2128 8822

##### Elshak Zayed

Plot 33, Unit G1, Gezira Towar  
Crazy Water Axis  
Beside Arkan Tower  
Tel: (202) 3854 6009

##### Thawra

103 Thawra St.  
Tel: (202) 2463 9151

##### Head Office (New Cairo)

77 South 90 Road, 5th  
Settlement, New Cairo  
Tel: (202) 2452 9303

##### Namaa (Nasr City Head Office)

Rames Extension 6th  
District, Nasar City  
Plot 15 A, Industrial Zone  
Tel: (202) 2400 4990

##### Beverly

Plot 9,10 Beverly Hills,  
SODIC Garden City Dev &  
Investment, Sheikh Zayed City  
Tel: (202) 2672 8176

##### Rehab

Shop 103 unit G 34 East Court  
Tel: (022) 672 8000

### MIDDLE EAST

#### Bahrain - Retail

##### Manama

Sanabis  
Building 472, Road 1010,  
block 410  
Tel: (973) 1750 4444

#### Bahrain - Wholesale

##### Manama

Sanabis  
Building 472, Road 1010,  
block 410  
Tel: (973) 1750 4444

#### Qatar

##### Doha

C Ring Road- Main  
Al Emadi Bulding  
Opposite Gulf Times  
Tel: (974) 4408 3171

#### Ramada

Commercial Center  
Area 24, Salwa Road-340  
Near Radisson Blue Hotel  
Tel: (974) 4408 3277

#### Kuwait

##### Al Qibla

Sharq, Arabian Gulf st, Ahmed  
Tower, Bulding 1, Block 3.  
Arabian Gulf st, Sharq  
Tel: (965) 2495 4899

### EUROPE

#### London

Tel: (44) 207 3824000  
SWIFT: MSHQ GB 2L

### AMERICA

#### New York

Tel: (1) 212 545 8200  
(1) 212 824 2800  
SWIFT: MSHQ US 33

### ASIA

#### Hong Kong

Tel: (852) 2521 2938  
SWIFT: MSHQ HK HH

#### India

##### Mumbai

TEL: (91) 22 6632 7200  
SWIFT : MSHQ IN BB

### REPRESENTATIVES OFFICES

#### Bangladesh

##### Dhaka

South Breeze Square,  
12 Floor, Plot no 52(Old) &  
90(New), Block CES(A),  
Gulshan Avenue.  
Tel: (88) 02 55068867  
(88) 02 55068868  
(88) 02 55068870  
(88) 02 55068871

#### Pakistan

##### Karachi

29, G Floor Sidco Avenue  
Centre, 264 R.A.Lines  
Tel: (92) 21 3565 6830/2

#### Nepal

##### Kathmandu

New Baneshwor  
Santosh Marg,  
Thapagaun Ward No.10  
Tel: (977) 1 524 4010  
(977) 1 524 4011

#### China

##### Shanghai

Unit 08-141, 8/F,  
Hang Seng Bank Tower,  
1000 Lujiazui Ring Road,  
Pudong New Area,  
Shanghai.







# CORPORATE GOVERNANCE REPORT

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## GOVERNANCE REPORT FOR 2021

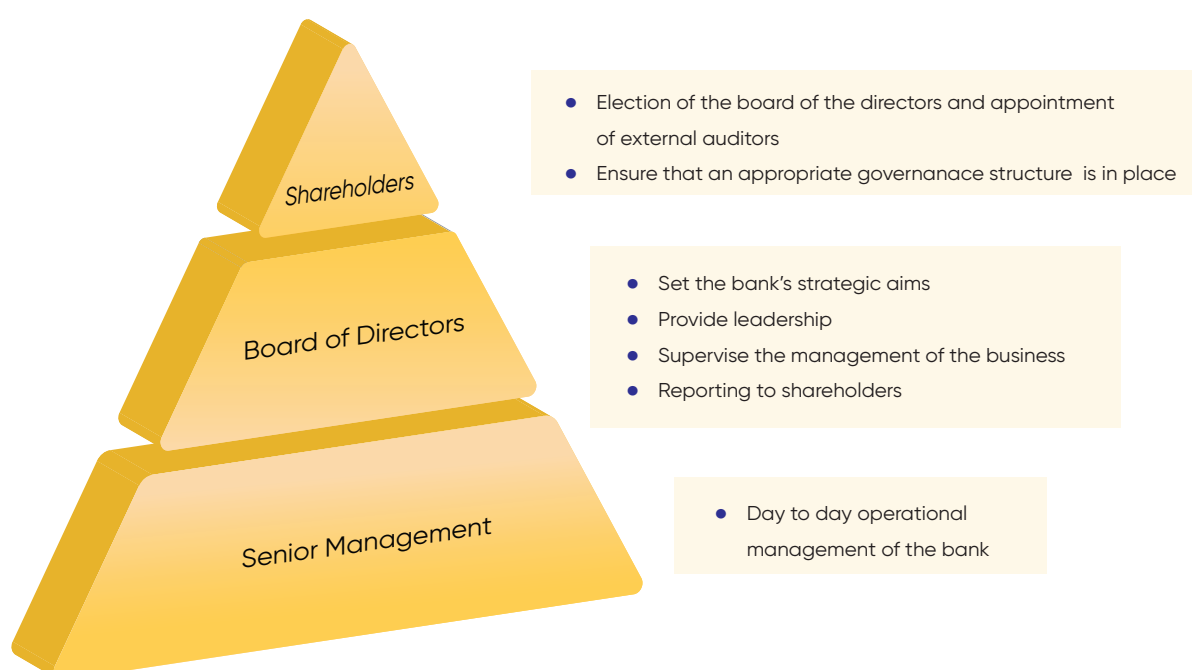
### 1. Statement of procedures taken to complete the corporate governance system, during 2021 and method of implementing thereof.

Mashreqbank psc ("**Mashreq**" or "**Bank**") has in place corporate governance rules based on: industry best practices; the UAE Commercial Companies Law No. 2 of 2015 as amended ("**Companies Law**"); regulations of the Central Bank of the United Arab Emirates ("**UAE**"); and the UAE Securities and Commodities Authority..

Corporate governance is globally recognized as an effective mechanism to control and direct an organization. With the transparency it brings, it strengthens the bonds with the stakeholders and improves the decision-making process. Mashreq balances its operational performance and financial success with the controls, transparency and accountability a good corporate governance structure brings. Mashreq is regulated by the Central Bank of the UAE and subject to the applicable laws and regulations of the UAE. For our international locations, including subsidiaries, branch offices, and representative offices we are compliant with the applicable regulations issued by the respective regulators and the applicable laws of the jurisdiction.

Mashreq has adopted a strong corporate governance infrastructure with clear roles and responsibilities articulated at different levels. Mashreq is operated through the structure and mechanism adopted in the corporate governance system. The Board of Directors (the "**Board**") is responsible for the corporate governance of the Bank. The shareholders' role in corporate governance includes, but is not limited to, election of the Board, selection of External Auditors and ensuring that an appropriate governance structure is in place. The responsibility of the Board includes, setting the Bank's strategic aims, providing the leadership to put them into effect, supervising the management of the business and reporting to shareholders on their stewardship. The Board is also responsible for protecting the rights and interests of the minority shareholders of the Bank. The Board's actions are subject to the UAE laws and regulations as well as the Memorandum & Articles of Association of the Bank.

### Governance Structure and Roles



The Bank's senior management acts based on clear delegation of authority on administrative, financial and operational matters based on appropriate policies and manuals. The delegation of authority is judiciously provided based on experience, performance, track record and the position of individuals. Any misuse of authority or acts of negligence is highlighted through regular audits and reviews which are escalated up to the Board level depending upon the seriousness of the issue. The Bank's reporting lines are also an important part of its governance structure and support good governance in the following ways:

- The Chief Risk Officer and the Head of Compliance are independent and reports to the Risk Committee of the Board;
- The Head of Internal Audit and the Head of Shariah Audit are independent and reports to the Audit Committee of the Board; and
- The Board Secretary is independent and reports to the Board.

**2. Statement of ownership and trading in the company' shares by Board of Directors (Board) members and their spouses and children during 2021, according to the following table:**

Ser.	Name	Position/ Kinship	Owned shares as on 31/12/2021	Total sale	Total purchase
1	Mr. Ali Rashed Ahmad Lootah	Board Member	229,003	0	0
2	Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi	Board Member	1,130	0	0
3	Mr. Mansoor Abdul Aziz Abdulla Al Ghurair	Son of Chairman	1,543	0	0



### 3. BOARD FORMATION\*

A. Statement of the current Board formation (along with the names of both the resigned and appointed Board members) according to the following table:

S. No	Name	Category (executive, non-executive, & independent)	Experiences & qualifications	Period spent as a Board member from the date of his first election	Membership and positions at any other joint- stock companies	Positions in any other important regulatory, government or commercial positions.
1.	H.E. Abdul Aziz Abdulla Al Ghurair	Chairman	30+ years of experience in banking & finance  Honors' Degree in Industrial Engineering from the California Polytechnic State University.	Chairman since 2019 and Board member over 25 years.	Chairman, Oman Insurance Company PJSC.  Board Member of National Cement Company PJSC.	Chairman - Dubai Chamber of Commerce & Industry. <ul style="list-style-type: none"> <li>Chairman - UAE Banks Federation.</li> <li>Board Member - Emirates Foundation.</li> <li>Governing Council Member - Global Muslim Philanthropy Fund for Children in partnership with UNICEF and Islamic Development Bank.</li> <li>Chairman - Abdul Aziz Al Ghurair Refugee Education Fund.</li> <li>Chairman - Masafi LLC</li> <li>Chairman of Abdullah Al Ghurair Education Foundation.</li> <li>Chairman of Abdul Aziz Al Ghurair Refugee Education Fund</li> <li>Emeritus Chairman and Board member of Family Business Council-Gulf.</li> <li>Vice Chairman - Al Ghurair Holding Limited.</li> <li>Vice Chairman - Al Ghurair Investment Co. LLC.</li> </ul>
2.	Mr. Ali Rashed Ahmad Lootah	Non-Executive/ Vice Chairman	Finance & Real Estate.  Civil engineering graduate from Clarkson University in the United States	Board member of Mashreq since 1996	Board Member, Dubai World. <ul style="list-style-type: none"> <li>Vice Chairman, Oman Insurance Co.</li> <li>Chairman, Osool Finance Company PJSC.</li> <li>Vice Chairman, Mashreq Al Islami Finance Company PJSC.</li> </ul>	UAE Civil Engineers Society - Member





3.	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	Independent	40 years of experience in the oil & gas industry.  B.Sc. degree in petroleum and natural gas engineering from the Pennsylvania State University, USA	Board member of Mashreq since 2013	<ul style="list-style-type: none"> <li>• Vice Chairman of Dana Gas PJSC.</li> <li>• Board Member, Oman Insurance Co. PJSC.</li> </ul>	<ul style="list-style-type: none"> <li>• Al Ghurair Holding Ltd. – Board Member.</li> <li>• Board Member – Emirates General Petroleum Corporation (Emarat),</li> </ul>
4.	Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi	-Non Executive		Board member of Mashreq Bank since 2013	National Cement Company PJSC – Chairman	<ul style="list-style-type: none"> <li>• Taghleef Industries (LLC) – Chairman</li> <li>• Al Jazeera Petrochemicals – Managing Director</li> <li>• The Initial Badger – Member of the Board of Directors</li> <li>• Saif Al Ghurair Investment – Member of the Board of Directors</li> <li>• Al Ghurair Iron and Steel AGIS – Member of the Board of Directors</li> <li>• Gulf Clouds (for aluminum) Gul Ex – Member of the Board of Directors</li> <li>• Taweelah Aluminum Company, TALEX – Member of the Board of Directors</li> <li>• Arab Packaging Company – Member of the Board of Directors</li> <li>• Atheer Real Estate Company – Member of the Board of Directors</li> </ul>



5.	Mr. John Gregory Iossifidis	Independent	Over 35 years of experience in banking and financial sector.  MBA from Monash University, Australia	Board member of Mashreq since 2021	NIL	<ul style="list-style-type: none"> <li>• Al Ghurair Investment LLC - Chief Executive Officer</li> <li>• Australian Institute of Company Directors - (Member 2019 to Present)</li> <li>• Australian Business Council - (Member 2015 to Present)</li> <li>• Australian Institute of Bankers - (Fellow 1988 - Present)</li> </ul>
6.	Mr. Iyad Mazher Saleh Malas	Non-Executive	Over 30 years of experience in financial services, investments, real estate, retail, leisure & entertainment.  MBA from George Washington University, USA	Board member of Mashreq since 2021	Board Member of National Cement Company PJSC.	<ul style="list-style-type: none"> <li>• Al Ghurair Group - Chief Executive Officer</li> </ul>
7.	Mr. Saeed Saif Ahmed Majid Al Ghurair.	-Non Executive	Experience in venture capital, private equity and risk and asset management, product and project management, trading and valuation and mergers and acquisitions.  Degree in Mechanical Engineering from Engineering School of Northeastern, Boston, USA.  Certificate in Finance - London Business School	Board member of Mashreq since 2021	NIL	<ul style="list-style-type: none"> <li>• Director - Dubai Chamber of Commerce &amp; Industry.</li> <li>• CEO - Al Ghurair Commodities</li> <li>• Director - Saif Al Ghurair Group</li> <li>• Director - Al Ghurair Group LLC.</li> <li>• Director - Gulf Extrusions</li> </ul>

\*Above stated Board members are newly elected by the AGM held on 19<sup>th</sup> April 2021.



**B. Statement of the percentage of female representation in the Board for 2021 (In case of non-representation, please state that there is no representation).**

In the current Board appointed by the AGM held on 19/04/2021, there is no female representation. Mashreq acknowledges the importance of female representation, encourages gender diversity and support equal opportunities in the Board. The Board shall ensure at least 20% of candidates for consideration in future elections are female.

**C. Statement of the reasons for the absence of any female candidate for the Board membership. (Explanatory example: No female candidate is nominated in the Board elections).**

The current Board of Directors elected by the AGM held on 19/4/2021 did not include any female candidates as no female candidate was nominated in the Board election of 2021.

**D. Statement of the following:**

1- The total remunerations paid to the Board members for the 2020.  
NIL

2- The total remunerations of the Board members, which are proposed for 2021, and will be presented in the annual general assembly meeting for approval.

The proposed remuneration of the Board members which will be presented in the AGM for approval is:

- a) Chairman - AED 550,000.00
- b) Board Members each - AED 450,000.00

3- Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2021 fiscal year, according to the following table:

No allowance is paid to Board members for attending either the Board or Committee meetings.

4- Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons.

No additional allowance, salaries or fees is paid to Board members for attending the committee meetings.

**E. Number of the Board meetings held during 2021 fiscal year along with their convening dates, personal attendance times of all members, and members attending by proxy (The Board members names must match those stated in the Clause (3A) above).**



Ser.	Date of meeting	Number of attendees	Number of attendees by proxy	Names of absent members
1.	10 February 2021	6	NIL	Mr. Abdullah Ahmed Al Ghurair
2.	29 April 2021	7	NIL	NIL
3.	14 July 2021	6	1	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi
4.	09 Nov 2021	5	1	H.E. Abdul Aziz Abdulla Al Ghurair  Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi
5.	19 Dec 2021	6	1	Mr. Ali Rashed Ahmad Lootah

	Name of Board Member	Board Meetings held in 2021				
		Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5
		10 Feb 2021	29 April 2021	14 July 2021	9th Nov 2021	19 Dec 2021
1.	H.E. Abdul Aziz Abdulla Al Ghurair	*√	√	√	*A	√
2	Mr. Ali Rashed Ahmad Lootah	√	√	√	√	
3	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	√	√	Proxy	√	√
4	Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi	√	√	√	Proxy	√
5.	Mr. John Gregory Iossifidis	*N/A	√	√	√	√
6.	Mr. Iyad Mazher Saleh Malas	N/A	√	√	√	√



7.	Mr. Saeed Saif Ahmed Majid Al Ghurair	N/A	✓	✓	✓	✓
8.	Mr. Abdullah Ahmed Al Ghurair	A	N/A	N/A	N/A	N/A
9.	Mr. Mohamed Saif Al Ghurair	✓	N/A	N/A	N/A	N/A
10.	Mr. Sultan Abdulla Al Ghurair	✓	N/A	N/A	N/A	N/A

\*✓: Present in person, A: Absent with valid reason, N/A: Not a Board member at the date of the meeting

**F. Number of the Board resolutions passed during the 2021 fiscal year, along with its meeting convening dates.**

- 1) Board Resolution dated 10/2/2021 to approve execution of ISDA, Global Master Securities Lending Agreement, Global Master Repurchase Agreement, Clearing Agreement, Islamic ISDA document, ISDA Tahawat Master Agreement and IIFM Master Collateralized Murabaha Agreement.
  - 2) Resolution dated 10/2/2021 to approve issuing guarantee cover arising from Security financing for derivative transaction in Invictus Limited (Subsidiary of the Bank).
- Since the above resolutions are not relating to major matters that affect the share price of the Company and it is within the scope of the Companies objects, they were not subjected to disclosure of DFM website.



**G. Statement of Board duties and powers exercised by Board members or the executive management members during 2021 based on an authorization from the Board, specifying the duration and validity of the authorization according to the following table:**

Ser.	Name of the authorized person	Power of authorization	Duration of authorization
1.	Mr. Ahmed Abdelaal Group Chief Executive Officer (CEO)	To represent the Bank in performing its objects before all govt and private corporations, agencies, customers and executed agreements, contacts and transactions.	Unlimited duration unless cancelled
2.	Senior Management Executive	To incorporate and set up two Centre of Excellence (COE) in Egypt and Pakistan.	Until the incorporation of legal entities completed

**H. Statement of the details of transactions made with the related parties (Stakeholders) during 2021, provided that it includes the following:**

Ser.	Nature of relationship	Type of transaction	Value of transaction
1	Major Shareholders	Loan and advances	2,810,150
		Letter of credit and guarantees	1,854,305
		Deposits / Financial instruments under lien	1,029,236
2	Directors	Loan and advances	99,139
		Letter of credit and guarantees	5,369
		Deposits / Financial instruments under lien	212,449

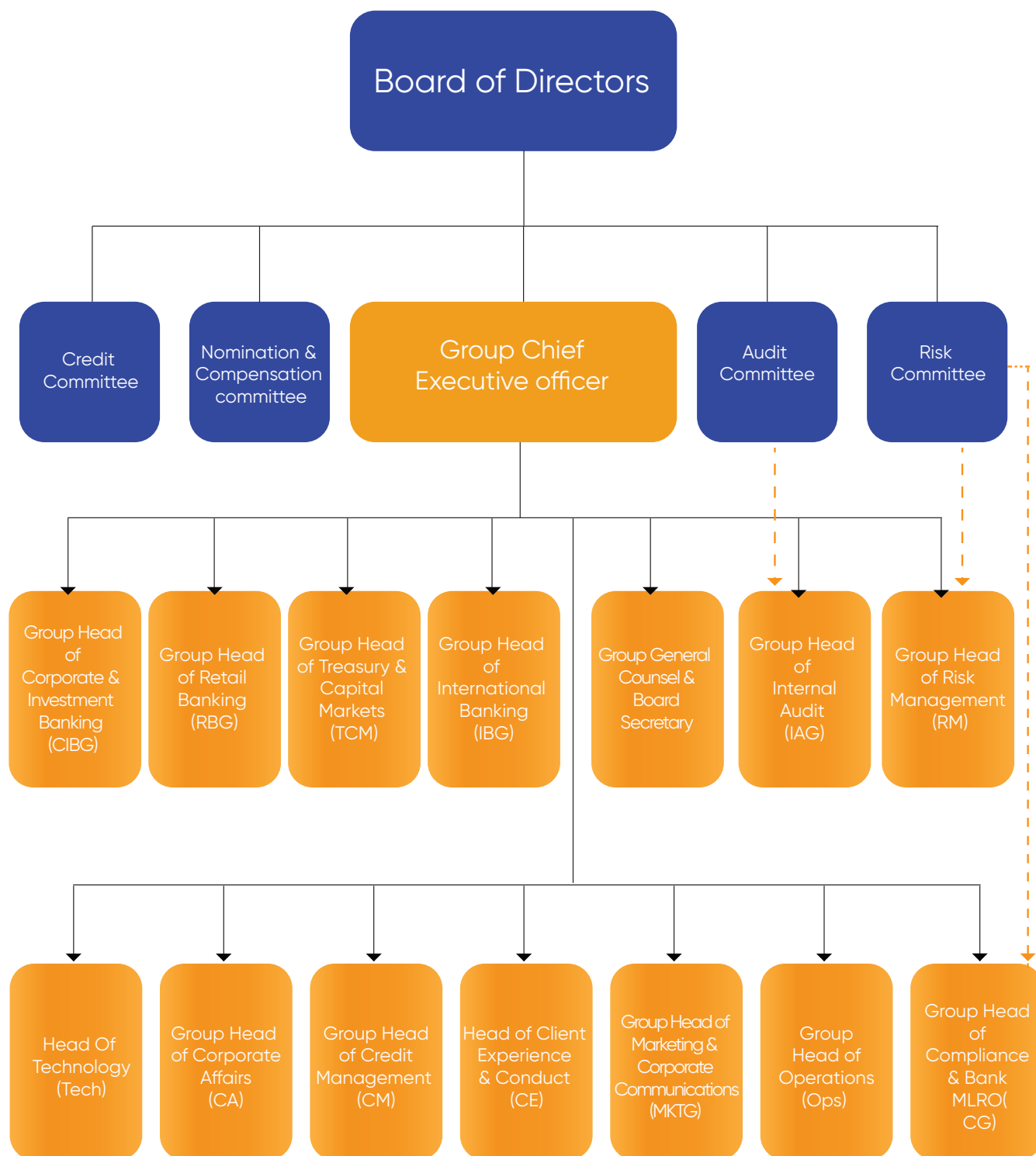
Note:- All amount in AED 000

**I. The complete organization structure of the company, provided that it includes the managing director, the general manager and / or CEO, the deputy general manager and the managers working at the company such as the finance manager.**





## Organization Structure



- J. A detailed statement of the senior executives in the first and second grade according to the company organizational structure (according to 3-I), their jobs and dates of their appointment, along with a statement of the total salaries and bonuses paid to them, according to the following table:

Ser.	Position	Appointment date
1	Group Chief Executive Officer	6-Nov-2017
2	Group Head of Corporate & Investment Banking	1-Mar-2020
3	Group Head of Retail Banking	12-Jul-2021
4	Group Head of Corporate Affairs	22-Jul-1980
5	Group Head of International Banking	19-Jan-2020
6	Group Head of Treasury and Capital Markets	11-May-1996
7	Group Chief Credit Officer & Head of Risk Management	5-Mar-2019
8	Group Head of Internal Audit	16-Oct-2004
9	Group Chief Risk Officer & Head of Credit Management	24-Mar-2019
10	Head of Technology, Transformation and Information	10-Mar-2020
11	Group General Counsel	21-Mar-2021
12	Client Experience & Conduct Officer	18-Feb-2018
13	Group Head of Operations	18-Mar-2020
14	Group Head of Compliance & Bank MLRO	28-Jun-2020
15	Group Head of Marketing & Corporate Communications	13-Jul-2020

### Management's remuneration

The total salaries and benefits paid in 2021 to the senior management of the Bank is AED 28,282,961.00. The Bank has not paid any bonus in the year 2021.



#### 4. EXTERNAL AUDITOR:

A. External auditors overview	PriceWaterhouseCooopers ("PwC") has operated in the Middle East region for more than 40 years. Collectively, their Middle East network employs more than 7,000 people in the region including over 300 partners working from 23 offices (in 22 locations) across 12 countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates.
<b>B. Statement of fees and costs for 2021</b>	
Name of the external auditor	PricewaterhouseCooopers (Dubai Branch)
Number of years served as external auditor	4 years
Name of the external audit partner	Stuart Scoular
Number of years audit partner has served in this role	3 years
Total audit fees for 2021	AED 815,000
Fees and costs of other services other than auditing the financial statements for 2021	AED 1,830,000
Details and nature of other services provided by the external auditor	<ol style="list-style-type: none"> <li>1. Agreed upon procedures in respect of the XBRL filing requirements</li> <li>2. Agreed upon procedures in respect of the schedule of unclaimed dividends</li> <li>3. Long form report for overseas branches of the Bank as required by Central Bank of UAE</li> </ol>
C. Auditor reservations	The auditor's report did not provide any qualified opinion regarding the interim or annual financial statements for the year 2021



## 5. AUDIT COMMITTEE:

### A. The Audit Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

The Board has established Board Audit Committee to assist the Board in carrying out its functions. The Board Audit Committee is responsible for reviewing the financial reporting process as well as oversight of the activities and effectiveness of the Bank's internal and external auditors while assisting the Board in fulfilling its oversight responsibilities including the following:

- a. to review the financial reporting process and establishment of significant accounting policies and practices;
- b. make recommendations to the Board, for it to be put to the shareholders for their approval at General Assembly Meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and Terms of Engagement of the external auditor;
- c. to certify the external auditor's qualifications and independence;
- d. to review and approve a comprehensive internal audit plan and quarterly report prepared by the internal audit team;
- e. to ensure that the internal audit function independently evaluates - compliance with laws, regulations, standards, and the instructions issued by the UAE Central Bank.

The Chairman of the Board Audit Committee hereby acknowledge his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.



**B. Names of the Audit Committee members and their competences and tasks assigned to them.**

S . No.	Name	Position	Competences	Tasks assigned
1.	John Gregory Iossifidis	Chairman	MBA from Monash University, Australia  Over 35 years of experience in banking and financial sector.	General task of the Committee
2.	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	Member	B.Sc. degree in petroleum and natural gas engineering from the Pennsylvania State University, USA  40 years of experience in the oil & gas industry.	General task of the Committee
3.	Iyad Mazher Saleh Malas	Member	MBA from George Washington University, USA  Over 30 years of experience in financial services, investments, real estate, retail, leisure & entertainment.	General task of the Committee



**C. Number of meetings held by the Audit Committee during 2021 and their dates to discuss the matters related to financial statements and any other matters, while stating the members' personal attendance times at the held meetings.**

	Name of BAC Member	BAC Meetings held in 2021			
		Meeting 1	Meeting 2	Meeting 3	Meeting 4
		9th Feb 2021	6th June 2021	14th July 2021	9th Nov 2021
	Mr. John Gregory Iossifidis	*N/A	✓	✓	✓
	Mr. Iyad Mazher Saleh Malas	N/A	✓	✓	✓
	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	*✓	✓	✓	✓
	Mr. Sultan Abdulla Al Ghurair	✓	N/A	N/A	N/A
	Mr. Rashid Saif Al Ghurair	✓	N/A	N/A	N/A

\* ✓ - Present in person, N/A - Not a BAC member at the date of the meeting.

## 6. NOMINATION AND REMUNERATION COMMITTEE:

**A. The Nomination and Compensation Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, his review of its work mechanism and ensuring its effectiveness.**

The Board have constituted a Board Nomination and Compensation Committee in accordance with the laws, regulations and standards issued by the UAE Central Bank. The Board Nomination and Compensation Committee is responsible to ensure that there is an adequate composition of the Board, Senior Management and staff for the ongoing functioning of the Bank operations; to have plans in place for orderly succession to both the Board and Senior Management positions; to evaluate the performance on the Board; and also to satisfy itself that the remuneration framework is in line with the risk appetite, business strategy, culture and values, and long-term interests of the Bank as well as in compliance with the laws and regulations issued by the UAE Central Bank.

The Chairman of the Board Nomination and Compensation Committee hereby acknowledge his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.





**B. Names of the Nomination and Compensation Committee members and their competences and tasks assigned to them.**

S. No.	Name	Position	Competences	Tasks assigned
1.	Mr. Saeed Saif Ahmed Majid Al Ghurair	Chair-man	<p>Degree in Mechanical Engineering from Northeastern, Boston, USA.</p> <p>Certificate in Finance - London Business School.</p> <p>Experience in venture capital, private equity and risk and asset management, product and project management, trading and valuation and mergers and acquisitions.</p>	General task of the Committee
2.	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	Member	<p>B.Sc. degree in petroleum and natural gas engineering from the Pennsylvania State University, USA</p> <p>40 years of experience in the oil &amp; gas industry.</p>	General task of the Committee
3.	Mr. Ali Rashed Ahmad Lootah	Member	<p>Civil engineering graduate from Clarkson University in the United States</p> <p>Over 30 years of experience in Finance &amp; Real Estate.</p>	General task of the Committee



**D. Statement of number of meetings held by the Committee during 2021 and their dates, and statement of all Committee members' personal attendance times.**

	Name of BNCC Member	BNCC Meetings held in 2021	
		Meeting 1	Meeting 2
		29th March 2021	16th December 2021
1.	Mr. Saeed Saif Ahmed Majid Al Ghurair	*N/A	*√
2.	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	√	√
3.	Mr. Ali Rashed Ahmad Lootah	√	√
4.	Mr. Mohamed Saif Al Al Ghurair	√	N/A

√ – Present in person, N/A – Not a BNCC member at the date of the meeting.

**7. THE SUPERVISION AND FOLLOW-UP COMMITTEE OF INSIDERS' TRANSACTIONS.**

Mashreq has developed an 'Insider Trading Policy' intended to prevent the improper conduct by insiders and to prevent insider trading. The policy applies globally regardless of the country in which the insider is employed/based.

**8. ANY OTHER COMMITTEE(S) APPROVED BY THE BOARD.**

**I) BOARD RISK COMMITTEE – ("BRC")**

**A. The Board Risk Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.**

The Board has constituted the Board Risk Committee to assist the Board in carrying out its functions. The Board Risk Committee is responsible for exercising oversight of key risk and compliance and making appropriate recommendations to the Board on the compliance status of the group and on the risk appetite framework as recommended by the Enterprise Risk Committee (ERC). Responsibilities of the Committee include (but are not limited to) the following:



- to review and approve, on behalf of the Board, the Bank's risk appetite statement and in doing so, satisfy itself that the risk appetite is aligned to the Group's strategy;
- to make recommendations as it may deem necessary on any risk management related matters including but not limited to Bank's risk appetite;
- to safeguard the independence of, and oversee the performance of, risk functions; and
- to approve stress test framework, ICAAP and other policies and procedures as recommended by ERC.

The Chairman of the Board Risk Committee hereby acknowledge his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

**B. Name of Committee(s). BOARD RISK COMMITTEE ("BRC")**

**C. Names of each committee members, their competences and tasks assigned thereto.**

S. No.	Name	Position	Competences	Tasks assigned
1.	Mr. Ali Rashed Ahmad Lootah	Chairman	Civil engineering graduate from Clarkson University in the United States  Over 30 years of experience in Finance & Real Estate.	General task of the Committee
2.	Mr. John Gregory Iossifidis	Member	MBA from Monash University, Australia  Over 35 years of experience in banking and financial sector.	General task of the Committee
3.	Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi	Member	Board member of Mashreq Bank since 2013; National Cement Company PJSC – Chairman and holding key positions in many reputed commercial organizations.	General task of the Committee



**D. Statement of number of meetings held by the Committee during 2021 and their dates, and all Committee members' personal attendance times.**

	Name of BRC Member	BRC Meetings held in 2021			
		Meeting 1	Meeting 2	Meeting 3	Meeting 4
		11th March 2021	5th April 2021	3rd Aug 2021	14th Dec. 2021
	Mr. Ali Rashed Ahmad Lootah	*√	√	√	√
	Mr. John Gregory Iossifidis	*N/A	N/A	√	√
	Mr. Rashed Saif Ahmad Al Ghurair Al Suwaidi	N/A	N/A	√	√
	Mr. Mohamed Saif Al Al Ghurair	√	√	N/A	N/A
	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	√	√	N/A	N/A

\* √ – Present in person, N/A – Not a BAC member at the date of the meeting.

## **II) BOARD CREDIT COMMITTEE – ("BCC")**

**A. The Board Credit Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.**

The Board has constituted the Board Credit Committee to assist the Board in carrying out its functions. The Board Credit Committee is responsible for exercising oversight of the credit approvals of the Bank and making appropriate credit decisions and/or recommendations to the Board based on the Bank's credit risk appetite. Responsibilities of the Committee include (but are not limited to) the following:

- approval of all credit proposals which exceed the Chairman's delegated authority;
- review of the credit risk portfolio of the Bank;
- providing guidance to the Credit Risk Management Team in terms of forward-looking view of the market; and
- any other credit or credit risk related matter as deemed appropriate.

The Chairman of the Board Risk Committee hereby acknowledges his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.



**B) Name of Committee(s). BOARD CREDIT COMMITTEE**

**C) Names of each committee members, their competences and tasks assigned thereto.**

S. No.	Name	Position	Competences	Tasks assigned
1.	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	Chairman	B.Sc. degree in petroleum and natural gas engineering from the Pennsylvania State University, USA  40 years of experience in the oil & gas industry.	General task of the Committee
2.	Mr. Ali Rashed Ahmad Lootah	Member	Civil engineering graduate from Clarkson University in the United States  Over 30 years of experience in Finance & Real Estate.	General task of the Committee
3.	Iyad Mazher Saleh Malas	Member	MBA from George Washington University, USA  Over 30 years of experience in financial services, investments, real estate, retail, leisure & entertainment.	General task of the Committee



**D) Statement of number of meetings held by the Committee during 2021 and their dates, and all Committee members' personal attendance times.**

	Name of BCC Member	BCC Meetings held in 2021	
		Meeting 1	Meeting 2
		18th May 2021	4th Nov 2021
	Mr. Rashed Saif Saeed Al Jarwan Al Shamsi	√	√
	Mr. Ali Rashed Ahmad Lootah	√	√
	Iyad Mazher Saleh Malas	√	√

**9) INTERNAL CONTROL SYSTEM:**

**A. Acknowledgment by the Board of its responsibility for the Company internal control system, review of its work mechanism and ensuring its effectiveness.**

The Board of Directors acknowledges its responsibility for the Bank's internal oversight system and for checking the same and ensuring its effectiveness through the Internal Audit Group.

**B. Name of the department director, his qualifications and date of appointment.**

Name of Head of Internal Audit Group: Mr. Nasser A. Paracha, Group Head of Internal Audit, is responsible for overseeing the Internal Audit activities. He has been with the Bank since 2004 and appointed as Group Head of Internal Audit since 2019. He holds a BSc from the University of Leeds and a Certificate in Corporate Governance from INSEAD.

**C. Name of Compliance Officer, his qualifications and date of appointment.**

Name of the Compliance Officer: Mr. Scott Ramsay. Mr. Scott holds a Master's Degree in Law from Victoria University of Wellington and was admitted as a Barrister and Solicitor of the High Court of New Zealand. Date of joining Mashreq: 29th June 2020.





- D. **How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts (in case of the absence of major problems, it must be mentioned that the Company did not face any problems).**

Internal Audit Group is primarily providing the independent assurance to shareholders, stakeholders and regulators, with some scope for limited consultancy as and when required/possible (without impact on independence). Board Audit Committee (BAC) is the ultimate organ in the Bank where the audit results are presented. The issues raised in the audits are recorded in a system, tracked for closure and reported to the management and BAC regularly. In 2021, no issue with major impact has been detected.

- E. **Number of reports issued by the Internal Control Department to the Company's Board of Directors.**

Internal Audit issued 58 reports during the year 2021. The reports are provided to the Board Audit Committee and the details of the relevant issues are discussed in the quarterly BAC meetings. The reports are available upon request.

10. **Details of the violations committed during 2021, explaining their causes, how to address them and avoid their recurrence in the future.**

The UAE Securities and Commodities Authority (SCA) enforcement department issued a warning to Mashreq Bank dated 3rd Aug'21, in its capacity as a licensed Promoter for failing to submit the Annual P/L report for the FY-2020 within the given timelines. All necessary action taken into consideration by the concerned unit for future compliance.

11. **Statement of the cash and in-kind contributions made by the Company during 2021 in developing the local community and preserving the environment. (In case of the absence of contributions, it must be mentioned that the Company has not made any contributions.)**

The Bank collected the donations via digital channels from the customers to contribute for the following 2 goals;

(a) Educate 50 Students via Bait Al Khair (AED 306,127/-)

(b) Water Extension provided in Ethiopia (AED 464,449/-) via Dar AL Ber Society.



## 12. GENERAL INFORMATION:

### A. Statement of the company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2021.

	Jan	Feb	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
High	71	67.5	65	65	65	67	67	60.2	70	72.5	80	79.5
Low	67.5	64.1	65	65	61	60	60.2	60	61	70	66.4	75
Close	67.5	65	65	65	61	67	60.2	60	70	72.5	75	79.5

### B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2021.

	Jan	Febr	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Mashreq Share Price	67.5	65	65	65	61	67	60.2	60	70	72.5	75	79.5
% Growth		-3.85%	0.00%	0.00%	-6.56%	8.96%	-11.30%	-0.33%	14.29%	3.45%	3.33%	5.66%
DFM Index	2,654.1	2,551.5	2,550.2	2,605.4	2,797.5	2,857.1	2,765.7	2,903.0	2,845.5	2,864.2	3,170.3	3,195.9
% Growth		-4.02%	-0.05%	2.12%	6.87%	2.09%	-3.30%	4.73%	-2.02%	0.65%	9.65%	0.80%

	Jan	Feb	Mar	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Mashreq Share Price	67.5	65	65	65	61	67	60.2	60	70	72.5	75	79.5
% Growth		-3.85%	0.00%	0.00%	-6.56%	8.96%	-11.30%	-0.33%	14.29%	3.45%	3.33%	5.66%
Banking Index	2,485.8	2,402.5	2,386.9	2,452.1	2,651.8	2,621.2	2,628.5	2,732.9	2,745.8	2,749.1	2,765.1	2,861.2
% Growth		-3.47%	-0.65%	2.66%	7.53%	-1.17%	0.28%	3.82%	0.47%	0.12%	0.58%	3.36%



C. Statement of the shareholders ownership distribution as on 31/12/2021 (individuals, companies, governments) classified as follows: local, Gulf, Arab and foreign.

Ser.	Shareholder classification	Percentage of owned shares			
		Individuals	Companies	Government	Total
	Local	4.3	92.6		96.9
	Arab	0.8	0.3		1.1
	Foreign	0.8	1.3		2.0
	<b>Total</b>	<b>5.9</b>	<b>94.1</b>		<b>100.0</b>

Note: Arab countries include Kuwait, Bahrain, Saudi Arabia, Oman, Qatar, Lebanon, Syria and Egypt.

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2021 according to the following table:

Ser.	Name	Number of owned shares	Percentage of owned shares of the company's capital
1	Saif Al Ghurair Investment Group Company LLC	79,237,557	39.5
2	Abdulla Ahmed Al Ghurair Investment Co	62,389,304	31.1
3	Massar Capital	25,574,961	12.7



**E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2021 according to the following table:**

Ser.	Share(s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of the capital
1	Less than 50,000	99	768,897	0.38
2	From 50,000 to less than 500,000	32	6,810,447	3.39
3	From 500,000 to less than 5,000,000	10	11,501,969	5.73
4	More than 5,000,000	6	181,528,517	90.49

**F. Statement of measures taken regarding the controls of investor relationships and an indication of the following: -**

- Name of the investor relationships officer: **Ali Zaigham Agha**
- Contact details of the investor relationships (e-mail- phone- mobile- fax):  
aliagha@mashreq.com - **+971554348679 - +97142077543**
- The link of investor relationships page on the Company's website:  
<https://www.mashreqbank.com/en/uae/about-us/Investors/shareholder-tool-kit/shareholder-structure>

**G. Statement of the special resolutions presented in the General assembly held during 2021 and the procedures taken in their regard.**

- 1) Special resolution approved by the AGM held on 19/4/2021 with regards to the renewal of the Board of Directors authorities for issuance of non-equity securities by the Bank with maximum limit of USD5 Billion in accordance with UAE Central Bank regulations, SCA and the Articles of Association of the Bank.
- 2) Special Resolution approved by the General Assembly meeting held on 9/11/2021 to increase Bank's share capital to AED 2,006,098,300 by issuing 13% of bonus shares totalling 23,079,007 units based on the existing face value of AED 10 per share and is hereby approved.



- 3) Special Resolution approved by the General Assembly meeting held on 9/11/2021 to amend Article 5 (Chapter two) of the Articles of Association with regards to the capital increase and Article 31 and 54.4 relating to remuneration of the Board of Directors.

**H. Name of the Rapporteur of the Board meetings and his appointment date.**

**Mr. Marouf Shweikeh**, the Group General Counsel of the Bank was appointed as the Rapporteur of the Board of Directors' Meeting and Company Secretary on 29<sup>th</sup> April 2021 pursuant to the applicable provisions/articles stated in the Corporate Governance Regulations and Standards 83/2019 issued by the Central Bank, Securities and Commodities Authorities Board Resolution No. (03/R.M) of 2020 concerning adopting the Corporate Governance Guide for Public Joint-Stock Companies, Commercial Companies Law 2015 and its amendment thereto, and the constitutional documents of the Bank.

**I. Detailed statement of major events and important disclosures that the Company encountered during 2021:**

None

**J. Statement of the transactions that the company made with the related parties during 2021, which worth 5% or more of the company's capital.**

Ser.	Nature of relationship	Type of transaction	Value of transaction
1	Major Shareholder	Loan and advances	2,631,235
		Letter of credit and guarantees	1,847,618
		Deposits / Financial instruments under lien	617,145
Note: All amount in AED 000			

**K. Statement of Emiratization percentage in the Company at the end of 2019, 2020, 2021 (workers are excluded for companies working in the field of contracting).**

Emiratization % age doesn't apply to the Bank, however, below is the achieved points as per the Central Bank's pointing system.

2019	2020	2021
1,598	1,623	1817.5

**L. Statement of innovative projects and initiatives carried out by the company or being developed during 2021.**



## Digital Initiatives:

- **Mashreq Wholesale Digital Program:** The Wholesale Digital Program has four pillars under which it is driving its digital & innovation strategy:
  - Disruptive coverage
  - Advanced analytics
  - Digital customer journeys
  - Next generation products.
- Mashreq launched a fully secured encrypted and **automated customer deposit refund platform** at Sharjah Electricity & Water Authority (SEWA)
- Mashreq partnered with **Sharjah Research, Technology and Innovation Park** to support companies located within the techno-hub zone and hosted a series of hackathons to offer start-up founders and SMEs with any key advice. Mashreq and SRTI Park will also collaborate in a range of areas to meet the banking & financing needs of SMEs and explore developing expedited account opening solutions for start-ups through deeper integration with SRTI Park.

## HR Initiatives

- Mashreq Advance Certificate of Excellence (ACE) program was launched for Emiratization to provide the specialised training courses with an aim to build future Bankers
- Employee Welfare: Covid-19 Vaccination Drive was organized for all employees & their family members in Mashreq Premises.
- Mashreq Participated & won the Future Workplace Award 2021 in the **Best Employee Wellbeing Program** category.
- Mashreq launched the HR Digitization project to further automate HR processes & have upgraded our HR systems to enhance the employee experience with Mobile enabled HR apps.
- We established new Centre of Excellence (COEs) in different regions to attract Global Talent & enable Remote Working (work from anywhere)

## Environmental, Social and Governance (ESG) & Corporate Social Responsibility (CSR Initiatives) Initiatives

- Mashreq Launched a **Digital Charity Platform "Ahsen"** to empower charity & donations digitally.
- Sponsored meals and welfare support for labourer's during Ramadan
- Organized Blood donation drives by Mashreq employees
- Donated Laptops to "Sheikh Mohammed Centre for Cultural and Social Understanding" for further distribution to children in need.





# INTERNAL SHARIAH SUPERVISION COMMITTEE REPORT

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# Annual Report of the Internal Shari'ah Supervision Committee of Mashreq Al Islami (Islamic Window of Mashreqbank PSC)

**Issued on:** 24th February 2022

**To: Shareholders of Mashreqbank PSC ("the Institution")**

After greetings,

Pursuant to requirements stipulated in the relevant laws, regulations and standards ("the Regulatory Requirements"), the Internal Shari'ah Supervision Committee of the Institution ("ISSC") presents to you the ISSC's Annual Report regarding Shari'ah compliant businesses and operations of the Institution for the financial year ending on 31 December 2021 ("Financial Year").

## 1. Responsibility of the ISSC

In accordance with the Regulatory Requirements and the ISSC's charter, the ISSC's responsibility is stipulated as to:

- a. undertake Shari'ah supervision of all businesses, activities, products, services, contracts, documents and business charters of the Institution; and the Institution's policies, accounting standards, operations and activities in general, memorandum of association, charter, financial statements, allocation of expenditures and costs, and distribution of profits between holders of investment accounts and shareholders ("Institution's Activities") and issue Shari'ah resolutions in this regard, and
- b. determine Shari'ah parameters necessary for the Institution's Activities, and the Institution's compliance with Islamic Shari'ah within the framework of the rules, principles, and standards set by the Higher Shari'ah Authority ("HSA") to ascertain compliance of the Institution with Islamic Shari'ah.

The senior management is responsible for compliance of the Institution with Islamic Shari'ah in accordance with the HSA's resolutions, fatwas, and opinions, and the ISSC's resolutions within the framework of the rules, principles, and standards set by the HSA ("Compliance with Islamic Shari'ah") in all Institution's Activities, and the Board bears the ultimate responsibility in this regard.

## 2. Shari'ah Standards

In accordance with the HSA's resolution (No. 18/3/2018), and with effect from 01/09/2018, the ISSC has abided by the Shari'ah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as minimum Shari'ah requirements, in all fatwas, approvals, endorsements and recommendations, relating to the Institution's Activities without exception.

## 3. Duties Fulfilled by the ISSC During the Financial Year

The ISSC conducted Shari'ah supervision of the Institution's activities by reviewing those activities, and monitoring them through the internal Shari'ah control division and the internal Shari'ah audit division, in accordance with the ISSC's authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. The ISSC's activities included the following:



- a. Convening 04 meetings during the year 2021.
- b. Issuing fatwas, resolutions and opinions on matters presented to the ISSC in relation to the Institution's Activities.
- c. Monitoring compliance of policies, procedures, accounting standards, product structures, contracts, documentation, and other documentation submitted by the Institution to the ISSC for approval. Ascertaining the level of compliance of allocation of expenditures and costs, and distribution of profits between investment accounts holders and shareholders with parameters set by the ISSC.
- d. Supervision through the internal Shari'ah controls division and the internal Shari'ah audit division, of the Institution's Activities including supervision of executed transactions and adopted procedures on the basis of random samples selected from executed transactions, and reviewing reports submitted in this regard. Providing guidance to relevant parties in the Institution – to rectify (where rectification was necessary) incidents cited in the reports prepared by the internal Shari'ah control division and the internal Shari'ah audit division – during the year, there were no such instances of non-compliance identified, and hence it was not required to set aside revenue from any transaction during the current year. The ISSC approved the amount collected from delaying customers due to late payment to be disposed towards charitable purposes along with the recipient of charity.
- e. Approving corrective and preventive measures related to identified incidents to preclude their reoccurrence in the future.
- f. The responsibility of paying Zakah rests with the shareholders. The per share Zakah amount will be shared in the AGM.

The ISSC sought to obtain all information and interpretations deemed necessary in order to reach a reasonable degree of certainty that the Institution is compliant with Islamic Shari'ah.

#### 4. Independence of the ISSC

The ISSC acknowledges that it has carried out all of its duties independently and with the support and cooperation of the senior management and the Board of the Institution. The ISSC received the required assistance to access all documents and data, and to discuss all amendments and Shari'ah requirements.

#### 5. The ISSC's Opinion on the Shari'ah Compliance Status of the Institution

Premised on information and explanations that were provided to us with the aim of ascertaining compliance with Islamic Shari'ah, the ISSC has concluded with a reasonable level of confidence, that the Institution's Activities are in compliance with Islamic Shari'ah, except for the incidents of non-compliance observed, as highlighted in the relevant reports. The ISSC also provided directions to take appropriate measure in this regard.

The ISSC formed its opinion, as outlined above, based on information presented by Internal Shari'ah Audit and Internal Shari'ah Controls to the ISSC during the financial year.



# Annual Report of the Internal Shari'ah Supervision Committee of Mashreq Al Islami Finance Company PJSC

**Issued on:** 24th February 2022

**To: Shareholders of Mashreq Al Islami Finance Company PJSC ("the Institution")**

After greetings,

Pursuant to requirements stipulated in the relevant laws, regulations and standards ("the Regulatory Requirements"), the Internal Shari'ah Supervision Committee of the Institution ("ISSC") presents to you the ISSC's Annual Report regarding Shari'ah compliant businesses and operations of the Institution for the financial year ending on 31 December 2021 ("Financial Year").

## 1. Responsibility of the ISSC

In accordance with the Regulatory Requirements and the ISSC's charter, the ISSC's responsibility is stipulated as to:

- a. undertake Shari'ah supervision of all businesses, activities, products, services, contracts, documents and business charters of the Institution; and the Institution's policies, accounting standards, operations and activities in general, memorandum of association, charter, financial statements, allocation of expenditures and costs, and distribution of profits between holders of investment accounts and shareholders ("Institution's Activities") and issue Shari'ah resolutions in this regard, and
- b. determine Shari'ah parameters necessary for the Institution's Activities, and the Institution's compliance with Islamic Shari'ah within the framework of the rules, principles, and standards set by the Higher Shari'ah Authority ("HSA") to ascertain compliance of the Institution with Islamic Shari'ah.

The senior management is responsible for compliance of the Institution with Islamic Shari'ah in accordance with the HSA's resolutions, fatwas, and opinions, and the ISSC's resolutions within the framework of the rules, principles, and standards set by the HSA ("Compliance with Islamic Shari'ah") in all Institution's Activities, and the Board bears the ultimate responsibility in this regard.

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## 3. Duties Fulfilled by the ISSC During the Financial Year

The ISSC conducted Shari'ah supervision of the Institution's activities by reviewing those activities, and monitoring them through the internal Shari'ah control division and the internal Shari'ah audit division, in accordance with the ISSC's authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. The ISSC's activities included the following:



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The ISSC formed its opinion, as outlined above, based on information presented by Internal Shari'ah Audit and Internal Shari'ah Controls to the ISSC during the financial year.





# AWARDS & ACCOLADES

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## 2021

- **Future Workplace Award 2021**  
Best Employee Wellbeing Programme category
- **EMEA Gartner Eye on Innovation Award for Financial Services – Pulse**
- **Global Banking & Finance Awards**  
Banking CEO of the Year UAE 2021 – Ahmed Abdelaal, Group Chief Executive Officer, Mashreq Bank  
Best Bank for Digital Banking Services MENA 2021  
Most Innovative Private Bank for Digital Client Solutions UAE 2021
- **Pan Finance Award**  
Neo Bank of the Year  
Outstanding CEO of the Year – Ahmed Abdelaal – MENA 2021
- **Global Business Magazine Award**  
Best Corporate Bank Qatar 2021
- **IBSi FinTech Innovation Awards**  
Best Fraud Risk Management Implementation category for the Fraud Risk Implementation of its Enterprise Transaction Monitoring system – Clari5.
- **World Business Awards**  
Best Digital Bank – UAE 2021  
Most Innovative Islamic Banking Solutions Provider – UAE 2021
- **EMEA Finance – Middle East Banking Awards**  
Best local bank
- **Asian Banker MEA Risk Management Award 2021**  
Achievement in Operational Risk Management in the UAE  
Fraud Prevention Technology Implementation of the Year in the UAE
- **2021 Euromoney Cash Management Survey for Financial Institutions**  
Market Leader in Africa – All currency  
Market Leader in Middle East – All currency  
Market Leader in Middle East – UAE Dirham
- **2021 Euromoney Cash Management Survey for non-Financial Institutions**  
Market Leader in United Arab Emirates
- **2nd Open Banking Forum**  
Innovation In Digital Banking Award



- **Future Workplace Award 2021**  
Best Employee Wellbeing Programme
- **Asiamoney**  
Best Digital Bank in the Middle East  
Best Transaction Bank in the Middle East  
Best Digital Bank in Dubai
- **EMEA Finance's Treasury Services Awards:**  
Best Factoring Services in the Middle East  
Best Payment Services in the Middle East  
Best Treasury Services in the Middle East
- **Global Private Banking Awards**  
Best Private Bank in the UAE
- **Global Islamic Finance Awards (GIFA) 2021**  
Best New Sukuk – Bahrain – Mashreq  
Most Innovative Deal – Saudi Arabia – Mashreq Al Islami  
Deal of the Year – UAE – Mashreq
- **Private Banker International Global Wealth awards**  
Outstanding Private Bank Middle East
- **Finnovex Middle East Awards 2021**  
CTO OF THE YEAR  
EXCELLENCE IN NEOBANK
- **Global Finance – Best Digital Banks 2021**  
Best Consumer Digital Bank  
Best Corporate/Institutional Digital Bank in UAE  
Best Trade Finance Services in UAE  
Best Online Portal in UAE  
Most Innovative Digital Bank in UAE
- **Asian Banking & Finance – Corporate & Investment Banking Awards 2021**  
Debt deal of the year – VIP Investments  
Syndicated deal of the year – Gargash Investments
- **Euromoney Regional Awards for Excellence**  
Middle East's Best Digital Bank
- **MEA Finance**  
Digital Banking Innovation of the Year  
Best Cybersecurity and Risk Management Implementation  
Best Branch Digitisation Implementation





- **Finance Derivative**  
Best Smart Retail Bank Middle East 2021
- **Global Finance**  
Innovation in Cash Management – Collateral Cheque Management Solution  
Innovation in Islamic Finance – Personal Finance Application
- **World Economic Magazine**  
Best Digital Bank UAE 2021
- **E-Business Awards 2021**  
Digital SME Bank of the Year
- **DFM Brokers Excellence Rating Model Award**  
5 Stars DFM Brokers Excellence Rating for 2020
- **World Business Outlook Awards 2021**  
Best Digital Bank of the Year UAE 2021
- **Euromoney Trade Finance Survey**  
Market Leader in United Arab Emirates  
Market Leader in Middle East  
Best Service in Africa – Digital offering  
Best Service in Africa – Support & Advisory  
Best Service in Africa – All trade finance related services
- **2020 Euromoney Cash Management Survey for Financial Institutions**  
Market Leader in Africa – All currency  
Market Leader in Africa – US Dollar  
Market Leader in Middle East – All currency  
Market Leader in Middle East – US Dollar  
Market Leader in Middle East – Euro  
Best Service in Africa – All currency  
Best Service in Africa – Business functions  
Best Service in Africa – Financial facilities
- **21st annual World's Best Trade Finance Providers review**  
Best Trade Finance Provider in UAE.  
Best Use of Artificial Intelligence in Trade Finance
- **Global Finance – Best Investment Bank 2021**  
Best Bank for Crisis Finance Solutions – Regional Category for Middle East
- **International Business Magazine Award**  
Best Retail Bank UAE 2021  
Ahmed Abdelaal – Banking CEO of the Year UAE 2021





# MILESTONE

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# AT THE FOREFRONT

We spotlight Mashreq's trailblazing role in the UAE over the past five decades

**1967**

- Al Ghurair family establishes Bank of Oman in Deira
- Second branch opens in Bur Dubai



**1977**

- Inauguration of Head Office building in Deira



**1981**

- First local bank to issue credit cards
- New York branch opened
- Telebanking service launched

**1984**

- First bank to launch traveller cheques



**1971**



- Third branch opens in Al Ain (then independent emirate of Abu Dhabi)

**1973**

- First Overseas branch opens in Qatar



**1978**

- Expansion into international markets, with branch openings in Egypt, Pakistan, London and Hong Kong.
- First local bank to have presence in all 7 emirates
- First bank to launch Training Centre for staff development

**1983**

- First ATM dispenser in the UAE



**1987**

- Bank's assets cross **DH100 million**

**BUILDING  
THE NATION**

MASHREQ HAS SUPPORTED  
MORE THAN 2,000+  
PROJECTS VALUED AT  
MORE THAN  
**\$1 TRILLION**  
TO DATE

**1999**

Burj Al Arab

**2000**

Emirates Tower



# ONT OF INNOVATION



**1989**

- Telebanking service launched
- New York branch opened

**1991**

- Launch of new management strategy



**1992**

- First bank to centralise operations
- Assets cross **Dh10 billion** mark



**1993**

- Name changed from Bank of Oman to Mashreq bank, with a new logo

**1994**

- Wins the first Dubai Quality Award from the government of Dubai



**1996**

- Euromoney Awards: Best bank in the UAE

**1995**

- First 24x7 bilingual call centre in the GCC

**2004**

- Mashreq Brand Positioning: The Sun never sets for you

**2003**

Palm Island

**2007**

Yas Island development

**2009**

Dubai Metro





# N IN BANKING



First use of  
Robotics and  
Artificial  
Intelligence



**2017**

- Marks **50th anniversary**
- UAE's first full - fledged digital bank - Mashreq Neo



**2019**

- Region's first Blockchain KYC data sharing consortium
- Lead arranger of the first ever pilot Fintech Sukuk on Wethaq Securities
- NEOBiz - first digital bank for SME's in the UAE

**2021**

- Partnership with Oracle to Develop Future-Ready Global Transaction Banking Platform
- Market Leader in the UAE and the Middle East region in the Euromoney
- Trade Finance Survey Inauguration of representative office in Shanghai

**2016**

- First chatbot for customer interface (Mashreq Bot)



**2018**

- First bank to implement Buyer Led Supplier Financing



**2020**

- Market Leader in the UAE in the Euromoney Cash Management Survey
- New Global HQ, a new landmark on Dubai's skyline located in Downtown Dubai

**2019**

Expo 2021 Thematic District

**2020**

Mashreq Bank's headquarters, a new landmark on Dubai's skyline

**2021**

Museum of the Future







[www.mashreqbank.com](http://www.mashreqbank.com)