

Our

Strategy

EDB's Strategic Objectives and Focus Sectors:

1.



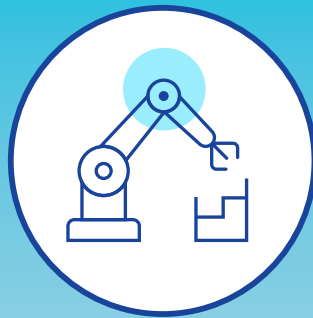
A key financial engine to enable & empower the country's implementation of industrial development strategy

2.



Focuses on five priority industrial sectors

5 Key Sectors



Manufacturing

Illustrative list of sub-sectors (non-exhaustive)

- Petrochemicals
- Plastics
- Metal fabrication
- Machinery
- Electrical equipment



Food Security

- Agriculture
- Fisheries & aquaculture

2023 Strategy Update

The year 2023 was the second year in the Bank’s five-year strategy to focus its work as a key financial engine of economic development and industrial advancement across the UAE. The Bank recorded a net profit of AED 329 million, partly attributable to the addition of over 600 new customers. During the year, total industrial financing reached AED 8.9 billion, marking an impressive 88% increase compared to 2022. This contributed to an 89% year-on-year increase in industrial GDP impact, while industrial job creation experienced an 85% increase.

3.



Raise the Bank’s contribution to the national GDP by AED 10bn+ in 2026 from AED 950mn in 2020

4.

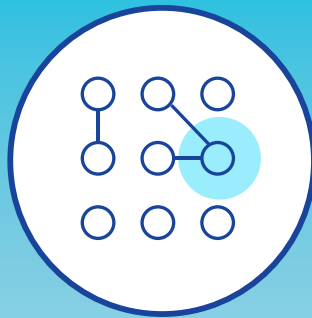


Position the UAE as a key industrial hub for local and global businesses looking to set or expand their operations



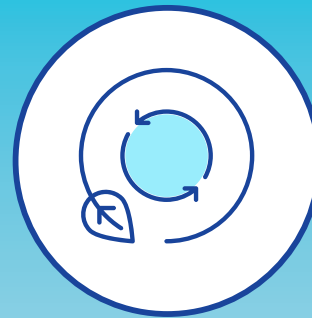
Healthcare

- Pharmaceuticals
- Biotechnology
- Medical equipment
- Hospital services



Technology

- Software
- IT Services
- Hardware, storage & peripheral
- Semiconductors
- Education tech



Renewables

- Power Renewables
- Solar, wind, tidal energy, hydroelectric
- Bio-fuel energy
- Renewable energy equipment
- Renewable energy technology

Our Strategy (continued)

Strong progress was made across all its core goals, while new changes introduced during the year reinforce progress toward the 2026 objectives. During 2023, the Bank identified and acted on four strategic initiatives: 1) focus on the private sector, 2) expand collaboration with banks and other entities, 3) serve customers with new products, and 4) add renewable energy as one of the Bank's five priority sectors.

Private sector

The Bank set an ambitious target for private sector lending, particularly industrial finance. By working closely with customers to understand their requirements, the Bank successfully approved AED 3.7 billion in financing across both Wholesale and Institutional Banking (WIB), and Micro, Small and Medium Enterprise (mSME) Banking during 2023. This focus on the private sector included joint venture companies with a mix of private and government-related entity ownership.

AED 8.9 billion

More broadly, total bank-wide cumulative financing rose to nearly AED 8.9 billion during 2022 and 2023, including AED 3.5 billion to mSME customers, AED 4.0 billion to WIB customers, and AED 1.3 billion via partner banks through the credit guarantee scheme. What's more, the fourth quarter was the strongest of the year, with financing reaching above AED 2 billion, 115% of the quarter's target and creating momentum for a strong 2024.

A new focus on renewables

In 2023, the bank's strategic sectors were updated with the addition of renewables. Implemented to support this strategic sector, the addition of renewables aligns with EDB's industrial priorities and those of the UAE government. The full range of renewable technologies, including solar, wind, tidal, and hydroelectric, as well as the development of biofuel energy and the procurement, production, and development of all types of renewable energy equipment and technologies, will be eligible for financing.

New products

Reflecting not only the Bank's deep understanding of market requirements and its commitment to addressing key priorities of UAE industrial strategy, five products across the spectrum were introduced, including two directly relevant to sustainability. Together, these five represent more than AED 500 million in lending.

Solar Energy Financing product supports the renewable energy sector, particularly solar power by offering medium- and long-term loans and working capital of up to AED 5 million to micro, small, and medium enterprises (mSMEs) looking to install solar energy infrastructure. This includes capital expense financing for solar panels, and greenfield and brownfield structured project financing for other renewable energy sources, enabling the development of larger-scale clean energy initiatives. As well, approved solar panel contractors can access EDB's receivable finance solution.

On another hand, the introduction of the AgriTech Loans Program – the first loan product targeted to the agriculture sector in the UAE – not only fosters a more sustainable food supply chain through domestic production, but it also supports the National Food Security Strategy 2051, which seeks to put the UAE at the top of the Global Food Security Index by 2051.

The program is designed for farmers, technology and equipment providers, and others involved in agricultural fields. It provides both greenfield and brownfield project financing, working capital, capital expenditure financing, and medium-term loans of up to AED 5 million and tenors up to 10 years.

The Bank also launched three additional products, including AED 300 million in co-lending, AED 100 million in portfolio guarantees, and AED 10 million in supply chain financing.



Collaboration

The Bank's second priority area, collaboration, delivered key results, particularly via indirect financing through its credit guarantee scheme. During 2022 and 2023, indirect loans reached nearly 1.3 billion, up 65% from last year, resulting in the Bank crossing a key milestone – with more than AED 1 billion in indirect financing deployed since inception of the credit guarantee program. The Bank signed agreements with several additional banks, expanding its list of strategic partners.

The Bank also launched its syndication desk, opening the way to faster deployment and access to a much larger market through participation in deals that often are led by other banks.

Other areas of collaboration included the signing of a number of memoranda of understanding with industrial zones, chambers of commerce and economic departments across the UAE. By the end of 2023, EDB had successfully forged partnerships with 24 entities. It also organized 32 roadshows and CEO roundtables, and participated in more than 48 industry events.

EDB Connect

The Bank also launched a new series of forums called "EDB Connect." To be held across all seven emirates on a regular basis, the initiative aims to foster collaboration among government entities and private sector companies in support of the UAE's national economic growth and diversification goals.

The inaugural event was held in Dubai in collaboration with the "Make it in the Emirates" initiative of the Ministry of Industry and Advanced Technology (MoIAT). Under the theme: "Financing for Development: Enabling Dubai's D33 Ambitions," the one-day event brought together government representatives, industry stakeholders and prominent business leaders from the banking sector to discuss the latest industry trends and opportunities undertaken for sustainable economic development in Dubai.

This extensive series of agreements and events supports the Bank's deployment goals by raising awareness of its offerings among SMEs and large corporates operating in these industrial zones or participating in chambers of commerce or economic department events and platforms. In fact, more than AED 600 million in loans came through partner referrals.

Strategic Partners

Ministry of Industry & Advanced Technology
 Ministry of Economy
 Ministry of Climate & Environment
 Abu Dhabi Department of Economic Development
 Abu Dhabi Industrial Department Bureau
 Department of Agriculture & Livestock
 Ajman Department of Economic Development
 Fujairah Department of Industry & Economy
 Dubai Municipality
 Fujairah Municipality
 Abu Dhabi Exports Office
 Abu Dhabi Fund for Development
 Abu Dhabi Investment Office
 Sharjah Investment and Development Authority
 Dubai Healthcare City Authority
 Dubai Silicon Oasis Authority
 Expo City Dubai
 Abu Dhabi Port (KEZAD / Zonecorp)
 Abu Dhabi Global Market
 Masdar City Free Zone
 Abu Dhabi Airport Free Zone Authority
 Dubai Airport Free Zone Authority
 JAFZA
 Jebel Ali Free Zone
 Ajman Freezone
 Hamriyah FZA
 RAK Economic Zone
 Umm Al Quwain Free Trade Zone
 Fujairah Free Zone
 Abu Dhabi Chamber of Commerce & Industry
 Ajman Chamber of Commerce & Industry
 Sharjah Chamber of Commerce & Industry
 RAK Chamber
 Dubai Industrial City
 Dubai Science Park
 Tawazun Industrial Park
 National Industries Park
 Sharjah Research Technology and Innovation Park
 Abu Dhabi Waste Management Company
 ADNOC- ICV
 Abu Dhabi Businesswomen Council
 Khalifa Fund
 Dubai Industries & Exports
 Sharjah Entrepreneurship Center
 Invest in Sharjah
 Food Tech Valley
 Hub71
 Ruwad

Our Strategy (continued)

Awards and Recognitions



The Year Ahead

Following a deep market review, the Bank is entering 2024 with a clear agenda that both build on the accomplishments of 2023 and move the bank forward toward its five-year goals. This includes setting a high target for financing of AED 7.5 billion. Four strategic initiatives will guide EDB's actions during the year: 1) build cash management solutions, 2) enhance trade finance offerings, 3) ramp up private sector lending, and 4) attract an increasing volume of foreign direct investment (FDI).

Several approaches will be taken to enhance cash management. These include building and enhancing the Bank's digital infrastructure that will support an enhanced customer experience through platforms such as internet banking, a new debit card facility, and international payment solutions. Other cash management developments coming in 2024 include



introducing more solutions such as overdraft facilities. To provide a more complete end-to-end customer offering, the Bank will expand its trade finance suite of products, including various letters of credit products and trust receipts. Additionally, EDB will continue to deepen its private sector penetration by adding several new products that are particularly attractive to these customers.

To encourage further Foreign Direct Investment inflows, the Bank is developing a range of offerings specialized to address the needs of both established

companies with a demonstrable UAE or regional track record, and those that are new to the market. In alignment with EDB's sustainability commitments and the UAE's sustainability goals, the Bank will build on the partnership announced in May with the International Renewable Energy Agency (IRENA) and the Energy Transition Accelerator Financing (ETAF) platform the Bank joined in November 2023. During 2024, EDB will begin to deploy the up to AED 1.3 billion it committed to finance renewable energy projects recommended by IRENA.

Key Priorities for EDB's Development Financing Solutions

UAE Operations	Contribution to UAE Economy	Positioned within EDB Financing
<p>Financing investments located in the UAE</p>	<p>High-skill job creation</p> <p>Local content</p> <p>Import substitution</p> <p>Export promotion</p> <p>Investment in advanced technology</p>	<p>Emphasis on business expansion and investments in productive assets (e.g., Capex financing)</p> <p>Enhancing the bankability of underbanked SMEs</p>

