



Sustainability Report

2022



Message from the Chairman of the Board of Directors



H.E. Ali Ahmed Al-Kuwari
Chairman of the Board of Directors

On behalf of the Board of Directors, I am delighted to introduce QNB Group's 2022 Sustainability Report, which documents the ongoing progress of our Environmental, Social and Governance (ESG) journey.

We believe that having a purpose justifies our existence and underpins our contribution to society. Our purpose is to promote prosperity and sustainable growth across the markets we serve. We have embedded our purpose into our vision, strategy, mission, values and behaviours.

Our 2025 vision is to be one of the leading MEASEA banks while aiming to be the number one bank in MEA. Our strategy is comprised of three elements. Focus on our core of being an international wholesale bank, whilst leveraging innovation as a strategic enabler and embedding sustainability into our business and operating model.

We consider innovation and sustainability as complementary. Innovation aims to create a meaningful contribution to our bottom line, while sustainability aims to address any ESG related risks and opportunities to ensure long term profitable growth. We also recognise that innovative tools and new technologies help to address a broad range of ESG topics in line with our purpose, such as increasing social inclusion, promoting environmentally friendly practices, and ultimately enhancing our customers' experience. Consequently, sustainability is not a trend but a strategic imperative that will contribute and support the goals of the Qatar National Vision 2030 (QNV2030), Qatar National Environment and Climate Change Strategy (QNE), United Nations Global Compact (UNGC), and the global United Nations Sustainable Development Goals (UNSDGs).

We at QNB continuously engage our key stakeholders to formulate and prioritise upon the sustainability topics most material to them. Based upon this approach, we have reviewed our comprehensive list of economic, ethical, social and environmental impact areas that confirm and enable our sustainability framework. Our sustainability strategy is a complement to our framework which consists of three pillars; Sustainable finance, Sustainable operations, and Beyond banking.

Our Board of Directors is responsible for ensuring the effective implementation of our sustainability approach, framework and strategy to guide our Group. We aim to identify any emerging and strategic trends relevant to this area and routinely assess how to integrate them into our Group-wide governance framework, strategy, enterprise risk management framework, value proposition, business and operating model. The Board remains at the forefront of driving a culture of transparency, accountability and collaboration across the organisation. In doing so, we promote the values and behaviours that are important in supporting the Bank's purpose and aspirations.

I want to express my enduring gratitude towards our customers, employees, partners, and wider stakeholders for their engagement, commitment and support. Together we can continue to make a positive impact and support the just transition towards a more environmentally friendly and socially equitable ecosystem.

Message from the Group Chief Executive Officer (GCEO)



Mr. Abdulla Mubarak Al-Khalifa
Group Chief Executive Officer

I am honoured to present our latest Sustainability Report showcasing our commitment to sustainability and responsible banking practices, and the progress that we have made on our ESG journey.

We as QNB Group and with our vision to be the largest bank in the Middle East and Africa have made it our purpose to promote prosperity and sustainable growth across the communities we serve. Our strategy is focused on our core as an international wholesale bank and is complemented by embedding sustainability into our business and operating model. I believe that it is key to understand the topics material to our business, our people, our stakeholders, and society to address the scope of ESG. Our sustainability framework addresses the broad spectrum of ESG that is most material to our stakeholders through three key pillars. Sustainable finance addresses how we do business and who we do business with. Sustainable operations examines how we manage our own footprint, people, and supply chain. Beyond banking is how we support the socio-economic development of the communities where we operate.

We recognize that one of the most impactful ways to address ESG is through our financing activities. We are proud to be recognised as a leader and pioneer in ESG financing, both in Qatar and the wider region. QNB's inaugural green bond, green

repurchase agreements, green mortgages, and electric vehicle loans are examples that contribute to, develop, and promote the domestic and regional sustainable financing ecosystem. This year, we launched our market-leading Sustainable Finance and Product Framework (SFPF). Externally assessed and validated through a Second Party Opinion, it confirms continued alignment with international sustainable financing principles. It enhances our approach to identify, capture, and support ESG-themed opportunities aimed at delivering positive impact to society and the environment.

As part of our commitment to mitigate environmental and social risks, we continued to enhance our Environmental and Social Risk Management (ESRM) policy framework and procedures. To limit the increase in the global average temperature to 1.5°C above pre-industrial levels, we are committed to address the topic of climate and the transition towards a more carbon neutral ecosystem. This year, we conducted scenario analyses of climate risk in our portfolio and recognise our limited exposure to date. Nevertheless, we remain vigilant and continue to monitor our portfolio and promote the just transition.

To embed sustainability into our business operations and culture, we have put continued emphasis on diversity, inclusion, equality, and nationalisation for our people and talent. To further promote the topic of human rights, improved governance and due diligence within our supply chain, we continued to roll out the code of conduct for our third-party suppliers. We also enhanced our Third Party Risk Management Framework (TPRM) through Vendor Worker Welfare Assessments. To address Green House Gas (GHG) emissions reduction in our own operations, we started to actively procure electricity from 100% renewable energy sources in Türkiye. To translate our efforts into measurable and meaningful impact, we have embedded internal ESG targets that are linked to performance evaluation and cascaded throughout our organisation.

In line with our purpose, our Corporate Social Responsibility (CSR) activities aim to make a positive contribution to the communities we serve. Our presence across the Middle East and Africa gives a prominent role and responsibility to support the overall goal of COP27 to develop and implement means for a sustainable transition. One of our highlights this year was the active participation in the COP27 event in Egypt.

Together with our strategic partners, the European Bank for Reconstruction & Development and the European Union, we showcased our commitment to take action via environmentally friendly solutions that address the goals of sustainability and climate change. Our long-established approach to sustainability ensures that we are well positioned to tackle key topics, embed sustainability in our culture, and create positive impact for generations to come. Through our initiatives and efforts, QNB Group continues to be recognised as a domestic champion and regional ESG leader through external ratings and awards. This includes, for example, receiving the highest S&P Global ESG Score amongst banks in the region, and being recipient of a number of Global Finance Awards, such as "Outstanding Leadership in Sustainable Finance" and "Best bank for Sustainable Finance", amongst others.

I would like to take this opportunity to express my gratitude to our customers, stakeholders, and most importantly our employees for their dedication and continued support towards our sustainability efforts. Finally, I extend my sincerest appreciation to the Chairman and the Board of directors for their unwavering support and guidance in our sustainability journey. Together, we will continue to strive towards a more sustainable and responsible future.



QNB Sustainability Report 2022

We are pleased to present the latest edition of the QNB Group Sustainability Report, which highlights our progress and developments in our sustainability journey. This report was developed in alignment with the following international and national standards and guidelines:

- > Global Reporting Initiative (GRI) Universal Standards 2021;
- > United Nations Sustainable Development Goals (UNSDGs);
- > United Nations Global Compact (UNGC) and Communication on Progress (COP);
- > Qatar Stock Exchange (QSE) Guidance on ESG reporting;
- > Sustainability Accounting Standards Board (SASB) Standards: Commercial Banks; and
- > Task Force on Climate-related Financial Disclosures (TCFD).



Contents

1 - Introduction and business overview	5
1.1 About this report	6
1.2 QNB at a glance	7
1.3 Our sustainability journey	10
1.4 2022 Sustainability at a glance	11
2 - QNB's approach to sustainability	12
2.1 Governance, compliance and risk management	13
2.2 QNB Group's strategy	16
2.3 QNB sustainability framework and strategy	17
2.4 Sustainability governance	18
2.5 Stakeholder engagement	19
2.6 Materiality assessment	20
2.7 External commitments	22
3 - Sustainable finance	25
3.1 ESG in financing	26
3.1.1 Corporate and Institutional Banking	31
3.1.2 SMEs and entrepreneurship	37
3.1.3 Retail, financial inclusion and accessibility	42
3.2 Customer experience and responsible engagement	46
3.3 Data security and privacy	50
4 - Sustainable operations	53
4.1 Employee value proposition	54
4.2 Diversity and inclusion	60
4.3 Climate action	61
4.4 Responsible procurement and supply chain	65
5 - Beyond banking	67
5.1 Community investment and socio-economic development	68
6 - ESG data and further information	72
6.1 QNB sustainability performance summary	73
6.2 GRI Standards Content Index	79
6.3 UNGC COP index	84
6.4 QSE ESG performance metrics	86
6.5 SASB index for commercial banks	87
6.6 Climate-related disclosure	88
6.7 QNB calculation methodology	89
6.8 Abbreviations	90
7 - Statement of assurance	91
7.1 Independent limited assurance report	92

[Introduction and business overview](#)[QNB's approach to sustainability](#)[Sustainable finance](#)[Sustainable operations](#)[Beyond banking](#)[ESG data and further information](#)[Statement of assurance](#)[About this report](#)[QNB at a glance](#)[Our sustainability journey](#)[2022 Sustainability at a glance](#)

1. Introduction and business overview

The 2022 Sustainability Report presents our ESG approach, activities, achievements, and ambitions across the Group. It focuses on the topics we and our stakeholders identify as material to QNB's performance and progress, and to a sustainable future for all.

Contents:

- 1.1 About this report
- 1.2 QNB at a glance
- 1.3 Our sustainability journey
- 1.4 2022 Sustainability at a glance

1.1 About this report

This report forms part of QNB Group's 2022 publications and complements the [QNB Annual Report 2022](#) and the [QNB Corporate Governance Report 2022](#).

Reporting period

This report covers the period from 1 January 2022 to 31 December 2022.

Publication date

This report was published in June 2023.

Currency

All financial data within this report is shown in Qatari Riyal (QAR) unless stated otherwise.

Report content and topic boundaries

In preparing our 2022 Sustainability Report, we have adhered to the 2021 GRI Reporting Principles, within the limitations and scope of the information currently available:

Stakeholder inclusiveness: Our stakeholder groups are listed in section 2.5. Over the course of 2022, the Sustainability team engaged directly with stakeholders as well as with internal champions representing key stakeholder groups. This engagement allowed us to determine the most material topics using the GRI process of identifying actual and potential impacts, assessing significance of impacts, and prioritisation.

Sustainability context: Our Group-wide approach to governance, compliance and risk management is included in section 2.1. In addition, our sustainability framework and strategy as well as supporting sustainability governance is captured in section 2.3 and 2.4. The messages from the Chairman of the Board of Directors and GCEO reflect our commitment

to sustainability and highlight our progress during the year.

Materiality: Directly and through champions, we engage key stakeholder groups to identify those issues that have greatest actual or potential impact to them. We review and reassess our material topics annually, to reflect the rapidly and dynamically evolving operating environment, as well as latest reporting standards.

The key changes this year are a consolidation and simplification of the material topics following consultation with key stakeholder groups to facilitate ease of understanding and reporting. As areas of impact are often interlinked and interdependent, material topics have been merged where deemed appropriate. No prior year topics were deprioritised and no new topics were qualified as material in this year's process. Please refer to section 2.6 Materiality assessment for further information including any changes to prioritisation.

The material topics remain aligned with the objectives of the UNSDGs, QNV 2030, the QSE Guidance on ESG Reporting, SASB, and TCFD.

Completeness: We have considered the results of our stakeholder engagement processes as well as market and societal expectations. The topics covered in the report reflect our contribution on a Group-wide basis to the topic of sustainability and ESG. More importantly, it also reflects the impact we make in line with our purpose.

Assurance of reporting

We continuously strive to enhance the level of disclosure in our reporting of sustainability

topics across the Group. This elevates the quality of our report to present relevant information in a transparent, accurate, and meaningful manner.

Deloitte & Touche Middle East (DTME) has provided an independent limited assurance opinion under ISAE 3000 (Revised) on the preparation of this report in accordance with the GRI Universal Standards. In addition, one specific sustainability Key Performance Indicator (KPI) has been prepared in accordance with QNB's own calculation methodology. The KPI "Female employment rate (%)" was selected for assurance based on materiality and relevance to our stakeholders.

DTME is independent from QNB at the point that the report is issued.

The outcomes of the assurance along with relevant recommendations are presented in the management report that is reviewed at senior level and circulated to data owners. For the scope of work and DTME's opinion, please refer to the [Independent limited assurance report](#).

Feedback

We welcome feedback on this report and on any aspect of our sustainability performance. Please address all feedback to QNB Group Sustainability at sustainability@qnb.com.

¹ QNB international branches are entities which are licensed to provide banking services. Through our international branches we are able to service our customers by leveraging the Group's global capabilities, products and services. The full listing of QNB international branches can be found on page 174 and 175 of the 2022 Annual Report.

² Includes QNB Suisse, which has its own Board of Directors.

Scope

This report is produced by Qatar National Bank (Q.P.S.C.) and covers Qatar, our international branches and major subsidiaries: QNB Finansbank (Türkiye), QNB ALAHLI (Egypt), QNB Indonesia, and QNB Tunisia. The data in this report covers the scope outlined below, unless stated otherwise. The data in this report covers a three-year period ranging from 2020 to 2022.

2020 - 2022

- > Qatar and International Branches^{1,2}
- > QNB ALAHLI (Egypt)
- > QNB Finansbank (Türkiye)
- > QNB Indonesia
- > QNB Tunisia

Limitations of scope

Reporting for each KPI is dependent on the data provided by our operations in Qatar, our international branches and major subsidiaries. In any instances where the KPI does not fully reflect the scope as outlined above, clarifying notes are included.

Restatements of information

In cases where indicators have been restated due to changes in calculation methodology, classification and/ or data correction, these are noted in the respective sections of the report.

1.2 QNB at a glance

QNB is a highly-rated bank with a significant international presence, serving more than 27 Mn customers across our network. We are proud of our Qatari heritage and of the continuing contribution we make to the region and beyond.

Our businesses



Wholesale and Commercial Banking

A comprehensive suite of wholesale, commercial and SME banking products and services. These include structured finance, project finance, sustainable finance, transaction banking, financial institutions, treasury, investment banking and advisory services.



Asset and Wealth Management

A broad collection of onshore and offshore private banking and asset management products, with a bespoke relationship-driven approach for our institutional, high net and ultra-high net worth clients. These offerings are complemented by brokerage and custody services in our major markets.



Retail Banking

A broad array of retail banking products and services across a multichannel network with nearly one thousand branches and an ATM network of more than 4,800 machines.¹ These include premium banking services through QNB First and QNB First Plus, designed for our affluent clients.



International Business

Leading the expansion of QNB's global presence and enabling international cooperation, consistency and unrivaled customer service by providing oversight and best practice sharing across our network.

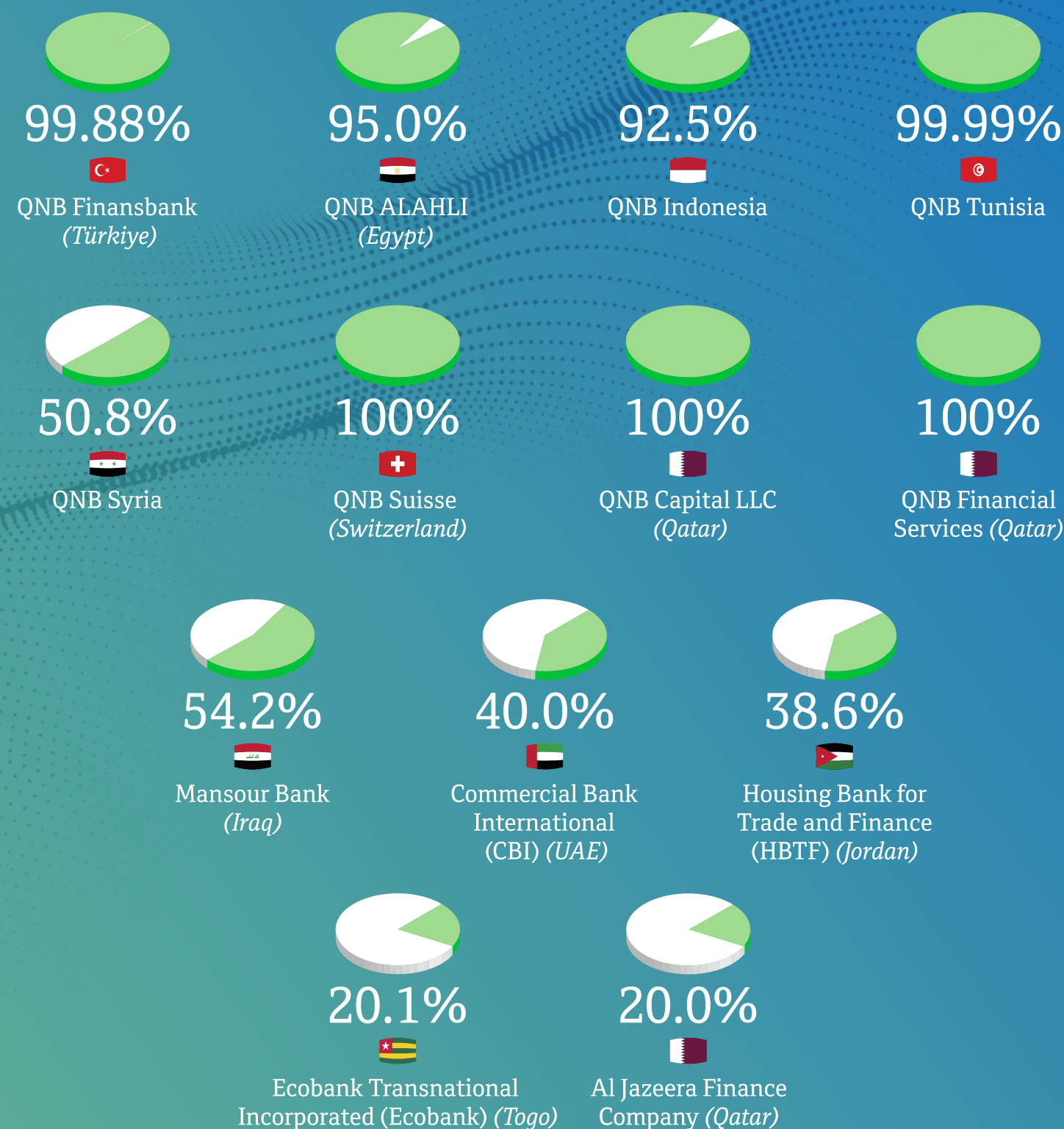
¹ Including subsidiaries and associates.



Our top-tier ratings

Long-term credit rating	Moody's	Standard & Poor's	Fitch	Capital Intelligence
	Aa3	A+	A	AA-
ESG ratings	MSCI	S&P Global ESG score	Sustainalytics	
	A	46 (82nd percentile)	22.6 (Medium risk)	

Our subsidiaries and associates



Our heritage

Established in 1964 as the first Qatari-owned bank, QNB is strongly influenced by our Qatari heritage. Looking back at our achievements inspires us to continue to play a leading role in contributing to our nation's future. We firmly believe in supporting and investing in the Qatari people so we can all move forward with confidence and determination.

1964

Established as the first Qatari-owned bank



1997

Public listing on Qatar Stock Exchange

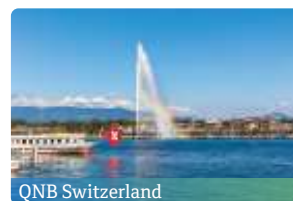


1976

QNB opens its first overseas branch with the opening of a branch in London



Began a ten-year expansion phase with the opening of branches and offices in 15 countries and eight acquisitions



2007

Our stakeholders



Customers
27 Mn customers



Investors
4 k investors



Regulators
28 international markets with their own regulatory bodies



Environment
1 planet



Employees
28 k employees



Society
4 Bn vibrant community members in countries where we are present



Suppliers
5 k suppliers

2015

Largest bank in the MEA region across all financial metrics



2020

QNB surpasses the one-trillion Riyal assets watermark



2013



Acquisition of NSGB in Egypt

2016



Acquisition of Finansbank in Türkiye

2022



Official Middle East and Africa Supporter of the FIFA World Cup Qatar 2022™

1.3 Our sustainability journey

- > First independent limited assurance of Group Sustainability Report
- > Independently assured Green Bond Allocation Report, and Environmental Impact Report
- > Two Global Finance awards
- > Climate Bond Initiative (CBI) Award
- > First bank in the region to receive MSCI ESG AA rating
- > USD 50 Mn green private placement with European Bank for Reconstruction and Development (EBRD), first such deal in Türkiye (QNB Finansbank)
- > Signed UN Women Empowerment Principles (WEPs, QNB Finansbank)



- > Issued USD 600 Mn green bond, the first in Qatar
- > Launch of Environmental and Social Risk Management Policy Framework
- > UN75 signatory
- > Strategic partner for Qatar Sustainability Week
- > Launched Sustainable Finance Framework and Committee



2022

2021

2020

2019

2018

- > Market-leading Sustainable Finance and Product Framework and Second Party Opinion (SPO)
- > First green repo transactions in Qatar
- > Commenced climate risk scenario analysis and recommendations of TCFD
- > Four Global Finance awards
- > COP27 sponsor, event host, panellist, and exhibitor
- > Commitment to exclude and exit coal financing (QNB Finansbank)
- > 100% of energy from renewable sources (QNB Finansbank)
- > ISO 14001 Environmental Management System certificates (QNB Finansbank)



- > Full support of QSE ESG platform and UN Sustainable Stock Exchange Initiative
- > Published first QNB Group Sustainability Report
- > Signatory to UNGC



- > Launch of QNB Group's Sustainability strategy and framework

1.4 2022 Sustainability at a glance

Sustainable financing

31.3 QAR Bn

Sustainable lending portfolio financing green, social and ESG-linked activities

33

Number of sustainable products and services offered to our customers

4 Global Finance Awards

Including “Outstanding Leadership in Sustainable Finance” and “Best bank for Sustainable Finance”



Sustainable Finance and Product Framework

Published latest iteration of our market-leading framework

2.73 QAR Bn with EBRD

Aggregate sustainable financing in Egypt



Customer experience

84%

Digital transactions (online and mobile as a % of total)

0

Data security breaches



ISO 27001

Information Security Management System certification



72 NPS

Achieved in Qatar

Gender diversity

33%

Women in middle and senior management

47%

Women employees

20%

Women Board Members in subsidiaries

0.92

Female/ male pay ratio

Climate

100%

Energy from renewable sources in QNB Finansbank

-1.39 tonnes

(CO₂/ employee)

Reduction in carbon intensity since 2015



COP27

Event sponsor and key participation



48%

Reduction in paper consumption per employee since 2017

Commitments and recognition

Ten principles

Our commitment and membership to UNGC



UNEP FI and PRB Signatory through QNB ALAHLI



Regional ESG leader Top ratings in GCC banks



For S&P ESG, MSCI, Sustainalytics, and CDP

2. QNB's approach to sustainability

At QNB, we define sustainability as the delivery of long-term value in financial, environmental, social and ethical terms, for the benefit of our customers, shareholders, employees, and communities we serve.

Contents:

- 2.1 Governance, compliance and risk management
- 2.2 QNB Group's strategy
- 2.3 QNB sustainability framework and strategy
- 2.4 Sustainability governance
- 2.5 Stakeholder engagement
- 2.6 Materiality assessment
- 2.7 External commitments

2.1 Governance, compliance and risk management



In 2022, QNB Group reaffirmed its commitment to adopt sound rules and principles issued by Qatar Central Bank (QCB), Qatar Financial Markets Authority (QFMA), the amended provisions of the Commercial Companies Law, and all relevant regulatory authorities across our operating footprint. Robust corporate governance is the foundation of sustainable economic growth by building investor confidence and strengthening financial markets. The Group works actively to protect shareholder rights, to strengthen its internal control framework and environment, and to implement and to report on ESG related measures. QNB's established corporate governance measures across the Group combine all aspects of internal control, risk and compliance. This governance and compliance structure enables us to drive the right behaviour, deliver on evolving regulatory and market requirements as well as to protect our employees, customers, and society. These are of vital importance to the Bank as an institution and form the essence of our approach to sustainability. Through regular and open engagement with all our stakeholders, assessment of market trends and

best practices as well as dialogue with specialist parties, we as an institution listen, learn, understand, and act.

Full details of QNB's institutional governance approach is documented in the QNB Group Corporate Governance Report 2022 and QNB Group Annual Report 2022. Key governance initiatives and practices directly enhancing and addressing sustainability-related topics are highlighted as follows:

Board of Directors (BoD) disclosures

This year, QNB conducted the annual evaluation of Board member independency and performance in compliance with QCB and QFMA regulations. Furthermore, to enhance governance transparency, in line with best practices and market feedback, additional BoD disclosures have been made in the QNB Group Corporate Governance Report 2022. These disclosures include BoD individual level remuneration, clear identification of independent members, and extended biographies including qualifications, professional background, and the membership in BoD committees for each Board member.

Remuneration and performance management

The remuneration system within the Group forms a key component of the governance and incentive structure through which the Board and Executive Management promote performance in line with acceptable risk taking behaviour.

The separate QNB Group Remuneration Policy for Board, Executive Management & Employees defines the mechanism whereby remuneration is directly linked to the effort and performance at both department and employee levels, including that of the Board, through the achievement of assigned goals and objectives in accordance with the profitability, risk assessment and the overall performance of the Group. This policy is applicable to the Chairman, Board members, Senior Executive Management, and employees of QNB Group.

QNB discloses the remuneration of the GCEO and the Executive Management team in the Annual Report, and the components of our Executive Management's Balanced Scorecard.

Our Balanced Scorecard approach consists of a set of Key Performance Indicators (KPIs) across highlighted performance dimensions, with attributes specific to the Executive role. Common KPIs include those linked to sustainability, innovation, compliance, risk, control environment, and people related matters, beyond financial and other non-financial KPIs. These are cascaded top-down throughout the organisation to all employees to promote and ensure the right culture and behaviours.

Tax statement

QNB Group observes all applicable tax laws and has appropriate tax risk management practices. The Group recognises the importance of being a responsible taxpayer and making timely tax payments as part of its commitment to be a good corporate citizen in the countries that we operate. QNB's published Tax Statement outlines our tax specific governance, risk management processes, disclosure and compliance obligations. QNB does not advise clients on taxation matters.

Reference documents

QNB Group Corporate Governance Report 2022



QNB Group Annual Report 2022



Risk Management and Internal Control



Relevant policies

QNB Group Articles of Association



QNB Group Tax Statement



Code of Ethics and Conduct



Anti-Bribery and Corruption Policy Statement



QNB Group Remuneration Policy for Board, Executive Management & Employees

2.1 Governance, compliance and risk management (Continued)

Compliance

Our Code of Ethics and Conduct guides us to do the right thing while making a positive impact on our customers and the markets in which we operate. This code complements our purpose and values and reinforces how we uphold professional standards and comply with laws and regulations in our day-to-day activities. Our culture of compliance is further embedded across the Group through continuous and targeted initiatives, such as publication of policies and procedures, internal circulars, mandatory employee training, awareness sessions, and annual declarations. This year, we reinforced the Conflict of Interest and Insider Dealing Policy. This allows the Group to adequately identify and address conflicts of interest on both the buy side and sell side related activities. In addition, an Anti-Bribery & Corruption Assessment Programme was developed which enabled us to evaluate the Group's capacity to properly detect and mitigate the threats associated with such misconduct. During the reporting period, there were no public legal cases regarding corruption brought against QNB or its employees.

Employees are also actively encouraged to report concerns or suspicions through our established whistleblowing channels. Our Whistleblowing Policy encourages and supports employees to raise genuine concerns. Any and all reported offences are investigated, with all information related to the investigation of any actual or suspected offences treated confidentially.

A whistleblowing circular is communicated to all employees, with other channels available for third parties to raise concerns or complaints.

Governance pertaining specifically to our Sustainability strategy and programme as well as progress on material ESG topics are further detailed throughout this report.

Risk management and control

A strong risk management and compliance culture is the foundation of our ability to deliver prudent, sustainable growth. We continued our investment in enhancing governance standards, frameworks and tools. This included increasing the capabilities of risk and control employees as well as improved risk modelling, better data

analytics, and more robust cybersecurity. We have zero tolerance for breaches of laws and regulations and consistently strive for the highest levels of ethical and professional behaviour. A central part of our mission is to effectively combat financial crime and prevent the use of our infrastructure for fraudulent activity.

QNB strives to proactively identify, analyse, manage, mitigate, and report a wide range of existing and emerging risks, such as the impact of our strategic risks, risks to our financing related activities, operational risk, technology/IT risk, legal risk, and reputational risk. ESG topics as well as their associated risks are ever more important for corporations. During 2022, QNB continued to incorporate ESG related risks in our risk management practices. We define sustainability risks as an ESG event or condition that, if it occurs, could cause a potential or actual material negative impact internally and externally. Informed by the GRI recommended principles of materiality and stakeholder engagement, we have identified a number of emerging sustainability risks across the Group. Sustainability risk management related matters are currently integrated in our financing, operations, and supply chain activities. This integration is supported by a number of policies, frameworks, codes, and charters which are aligned with the Group's risk appetite and robust Group-wide Enterprise Risk Management Framework. Whilst the Risk team owns the climate risk appetite and framework, the Sustainability team is the custodian of QNB's sustainability-related strategy and framework. The Sustainability team acts as a second line of defence by providing the necessary guidance, support,

awareness, and training to enable and support the identification of sustainability-related risks.

Climate risk

QNB recognises the significance of climate risk and its impact on the environment, our stakeholders, and the Bank. Climate risk is an integral part of our risk management framework. We continued refining our methods for identifying, assessing, and managing climate-related risks in line with the recommendations of TCFD (see section 6.6 Climate-related disclosure).

Following last year's integration of climate risk into our overall Enterprise Risk Management Framework, this year, we conducted an assessment with external climate experts to understand the impact of climate risk on our portfolio. The climate analysis conducted assessed the potential impacts of climate-related risks and opportunities on the Bank, its strategy, and financial plans. Several climate scenarios were applied, each based on the industry standard Network for Greening the Financial System (NGFS) models (including 1.5 and 3.0°C) which include comprehensive assumptions on the state of the climate, population and economic growth, technological development, and regulation. The objective of the exercise was to assess the resilience of our commercial business activities to climate risk impacts, both in terms of physical and transition risk. This would then help to identify potential climate "hot spots" and areas of risk and opportunity. An assessment was made of the potential impact on the Bank's profitability under different assumptions and along varying timeframes ranging from 2025 and 2030 to 2050.



50%
of Board seats
occupied by
independent
directors



- > Incidents of non-compliance with laws and regulations
- > Non-monetary sanctions
- > Amount of legal and regulatory fines and settlements
- > Incidents of bribery or corruption

2.1 Governance, compliance and risk management (Continued)

The climate analysis showed that the Bank's results are expected to prove resilient to the effects of climate change. The Bank's loan and investment portfolio is not significantly impacted by these scenarios from a financial perspective. This is largely due to the adaptive capacity of key obligors and our limited exposure to sectors that have the potential to be materially impacted by transition risk. We have assessed our exposure to high-risk, reputationally damaging sectors, including carbon-intensive sectors with a particular

focus on fossil fuels, metals and mining. Our current direct exposure to these sectors is approximately 1% of our loan book.

We will continue to assess our exposure and identify elements of the portfolio that are more vulnerable to climate risks. We will also continue to raise the profile of climate risk across the business as well as towards our clients and partners. The ongoing analysis will result in discussions on what business sectors should be subject to volume or tenor

constraints as part of QNB's risk appetite. This will also support the further evolution of our Group-wide ESRM policy framework, which enables the Bank to better manage its exposure to environmental and social risks.

Risk culture

QNB actively promotes a risk-minded culture across the organisation. We have embedded specific risk management metrics into all our employee's performance goals and objectives as part of their balanced scorecards. Each risk

function is involved in defining these metrics annually and in providing oversight by evaluating and rating them throughout the year as part of our established performance management process. Our metrics are broad and touch upon all risk disciplines, including non-financial risks, such as operational risk, information security, and sustainability-related risks. In addition, employees are required to complete mandatory risk related training each year to ensure a thorough understanding of the Bank's risk related policies and procedures.



Examples of Sustainability-Related Risks



Sustainable finance

- > Environmental and Social Risk (including Human Rights)
- > Climate Risk
- > Conduct Risk



Sustainable operations

- > Employee Conduct Risk
- > Third Party Supplier Risk
- > Data Privacy Risk
- > Cybersecurity Risk



Beyond banking

- > Reputational Risk

2.2 QNB Group's strategy

We believe that having a purpose justifies our existence and underpins our contribution to society. Our purpose is to promote prosperity and sustainable growth across the markets we serve. We have embedded our purpose into our vision, strategy, mission, values and behaviours. Our 2025 vision, which we introduced last year, is to be one of the leading MEASEA banks while aiming to be the number one bank in MEA.

For a comprehensive overview of the Group's Strategy, please see the [QNB Group Annual Report 2022](#).

As evidenced throughout this report, we at QNB consider sustainability and innovation as key and complementary to support and deliver our purpose, vision and strategy.

Innovation creates a meaningful contribution to our bottom line, whilst sustainability addresses ESG related risks and opportunities to ensure long term profitable growth.

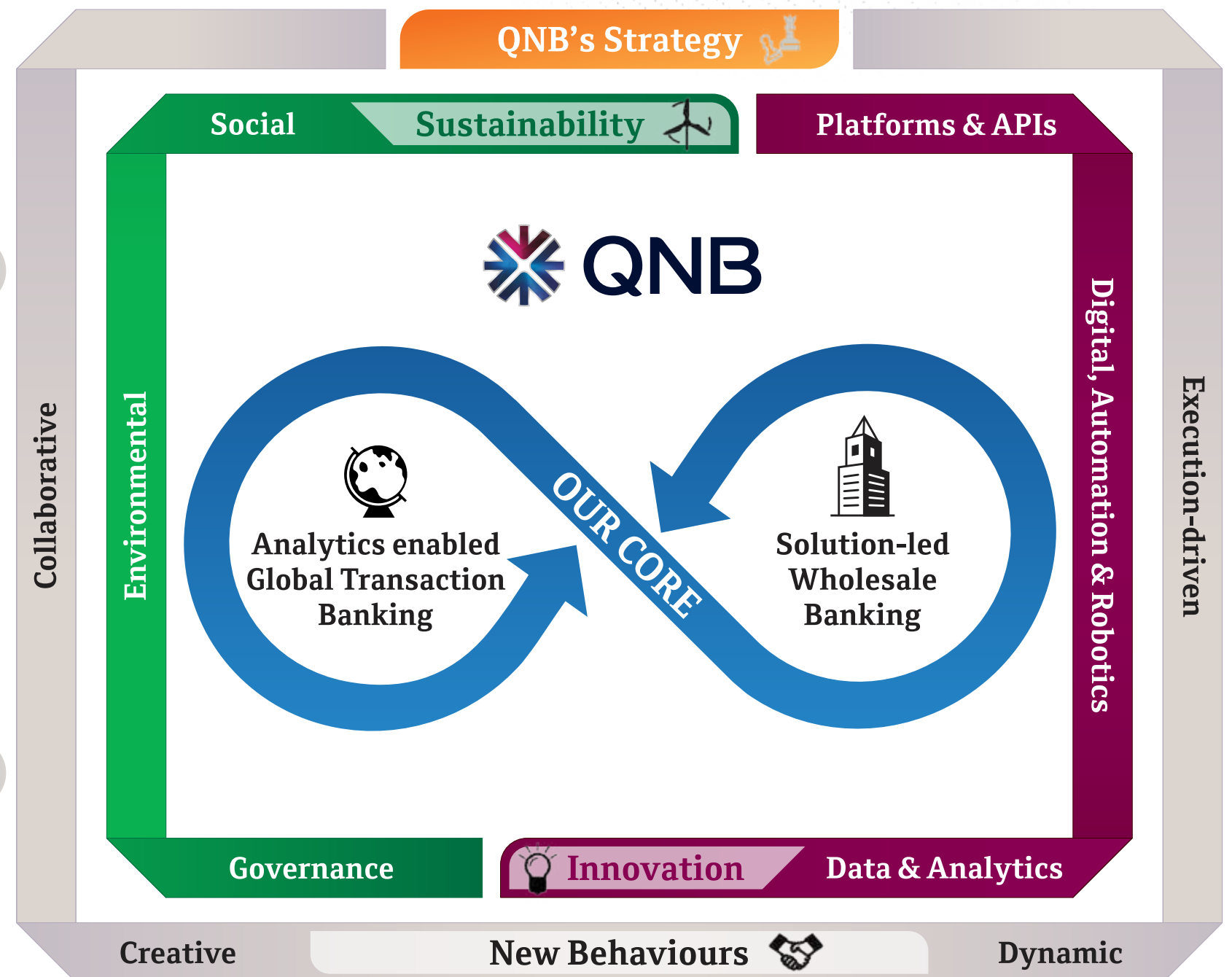
These combined will promote and support the goals of the QNV2030 and global UNSDGs.

QNB's Purpose

Promoting prosperity and sustainable growth across the markets we serve

QNB's Vision

To be a leading MEASEA bank while aiming to be the number one bank in MEA



2.3 QNB sustainability framework and strategy

Sustainable financial performance



Sustainable finance

How we do business and who we do business with

Sustainable finance is the integration of ESG criteria into QNB's financing activities to deliver profit with purpose. Our ambition is to help customers manage their E&S risks, lend to businesses that contribute towards sustainable development goals, improve access to finance for SMEs and underserved groups, and provide responsible customer service. Delivering sustainable finance is the most significant way in which QNB can support national and global sustainable development goals. Moreover, it enables us to reduce reputational risks in our portfolio and maximise business opportunities emerging from the just transition to a greener, more inclusive economy.

QNB's material topics identified within sustainable finance are:

- > Data security and privacy;
- > Customer experience and responsible engagement;
- > Climate; and
- > ESG in financing.



Sustainable operations

Managing our footprint, people, and supply chain

Sustainable operations is the integration of ESG criteria into our business operations and across our supply chain to ensure we operate ethically and efficiently. Our ambition is to strengthen corporate governance and risk management practices, promote equality throughout our workforce, and reduce carbon emissions generated by our operations. This approach keeps us compliant with increasing ESG-related regulations while helping QNB to be an employer of choice.

QNB's material topics identified within sustainable operations are:

- > Climate;
- > Employee value proposition;
- > Diversity and inclusion; and
- > Responsible procurement and supply chain.



Beyond banking

Supporting communities and socio-economic development

Beyond banking refers to QNB's Corporate Social Responsibility (CSR) activities in the communities in which we operate. Our ambition is to make a positive contribution towards wider society with an emphasis on education and financial literacy. In addition, we support and deliver a range of initiatives within our focus areas of social and humanitarian, arts and culture, health and environment, economic and international affairs, and sport.

QNB's material topic identified within beyond banking is:

- > Corporate social responsibility.

To continually enhance our ESG performance and be a national and regional role model, QNB has defined a number of aspirations across the pillars of our sustainability framework



Comply with QNB's **Sustainable Finance and Product Framework** for all sustainable transactions



Conduct **ESRM screening** for all Project Finance and Corporate term loans¹



Publish **initial scope 3 financed emissions** by 2024



Appoint first **female Group BoD member** by 2025



Support Qatar's **GHG² emissions reduction by 25% by 2030** as per QNE³



Increase **female Subsidiary Board members to 30%** by 2030



Conduct **site visits for 100% of manpower suppliers⁴** in Qatar by 2023



Increase **Qatarisation of workforce to 60%** by 2025⁵



Invest **4% of pre-tax profits into communities** each year

Governance, compliance and risk management

¹ As per applicable ESRM screening thresholds. ² GHG = Green House Gas. ³ QNE = Qatar National Environment and Climate Change Strategy, based on 2019 BAU scenario. ⁴ From service lines: Cleaning and Hygiene, Physical and Cash Security, Hospitality, and Facilities Management.

⁵ Qatarisation applicable to QNB Qatar employees.

2.4 Sustainability governance

Underpinning our sustainability framework is our strong corporate governance, compliance and risk management frameworks. We stand committed to maintaining the highest levels of fairness, integrity, and responsibility. QNB Group operates a world-class corporate governance framework that ensures we are fully compliant at every level in every country and are able to effectively manage all risks. Our robust approach to risk is a critical component of our operations, safeguarding our clients, profits, and reputation. Our centralised approach to risk management is complemented by local expertise and a risk culture in which every employee is responsible for potential risks in the course of their work.

The QNB Group sustainability programme, which consists of our Group-wide sustainability strategy and roadmap, is approved by the Board. Board oversight of the programme is provided by H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani, who was appointed as the Board sponsor for Sustainability (including climate risk) in 2022. H.E. Sheikh Hamad Bin Jabor Bin Jassim Al-Thani leads the Board in its oversight of our activities, reviewing the overall execution of the Group's sustainability strategy and performance.

The QNB Group Strategy Committee (SC), chaired by the Group Chief Executive Officer and attended by the Group's Executive Management team, is responsible for managing all matters relating to the Group's sustainability programme.

Responsibilities include: reviewing the strategic framework and agenda, deciding on priority initiatives for implementation with accountable working groups, monitoring performance, and assessing ESG-related risks and opportunities, including climate-related issues.

The SC reports key risks and opportunities to the Board of Directors via the Group Board Nomination, Remuneration, Governance and Policies Committee (GBNRGPC). As a minimum, the Board of Directors receives an annual update on the overall execution of the Group's sustainability strategy as well as achievements of our sustainability efforts.

A designated Group Sustainability team, within Group Strategy, acts as an advisory body to the SC and senior management on all sustainability-related matters. The Group Sustainability team engages with external stakeholders and drives all ESG-related reporting, disclosures, and interactions with the relevant bodies, institutions, investors, and partners. The team is at the core of our various ESG initiatives, acting as a central focus point for ESG-related projects in collaboration with concerned departments.

The Group's sustainability policy is subject to an annual review and applied to the entire Group, including international branches and majority-controlled subsidiaries. Any revisions or modifications to the policy are communicated to the subsidiaries for its correct local adoption in compliance with prevailing regulatory requirements.

The Group also has a Green, Social and Sustainability Bond Committee (GSSBC), made up of senior representatives from the Sustainability, Corporate Banking, Treasury, Risk, and Finance teams. Every quarter, the GSSBC reviews updates on the eligible bond portfolio and approves any actions related to complying with eligibility criteria, management of proceeds, reporting standards, and mitigating actions to meet the bond thresholds.

To enhance disclosure, the Group publishes any sustainability-related policies and statements on its website. These include the Code of Ethics and Conduct, Anti-Bribery and Corruption (ABC) Policy Statement, Group Environmental and Social Risk Management (ESRM) framework, Third Party Supplier Code of Conduct (TPSCC), and the Modern Slavery Act (United Kingdom).²

During 2022, as part of the ongoing commitment to engage our highest governance body, key sustainability topics were brought to the attention of the Board of Directors. These included competitive landscape, sustainable financing, gender diversity, climate risk, external ESG ratings drivers, and the outcome of our materiality assessment, including Board-level endorsement.



¹ The Group Sustainability team disseminates strategy, policy and priority initiatives to subsidiaries' Sustainability teams.

² QNB Group Policies are approved by respective Divisional Owner, i.e., Senior Executive Vice President and as required Group Operational Risk, Group Audit, Group Compliance, Group Legal, GMRC, and/ or related committees. Board of Directors approval is dependent on the respective policy. The Group Sustainability policy was approved by the highest governance body (GBNRGPC) as defined under Sustainability governance.

2.5 Stakeholder engagement

Our strategy was developed in collaboration with key stakeholder groups. We engaged with our customers, investors, employees, regulators and government, social groups, and suppliers to fully understand their needs and expectations. Through regular and targeted discussions with stakeholders, we continue to deepen our understanding of their priorities, and where appropriate, align our initiatives with their interests and needs.

Our stakeholder selection process is guided by a benchmarking exercise against peer banks in the region and beyond. In addition, our primary stakeholders are groups that are directly affected by our business and operations (customers, employees, suppliers), invest in our business (investors), have oversight and influence on our activities (regulators and government), as well as those who are indirectly impacted in the communities we serve (social groups). The relevance of these stakeholder groups is reviewed on an annual basis.

Stakeholder group	Needs and expectations	Material topics	QNB engagement channels	Frequency
Customers 	<ul style="list-style-type: none"> > Customer service and satisfaction > Easy to use and secure digital channels > Competitive rates and fees > Access to financing and services > Products with a positive impact > Robust data privacy 	<ul style="list-style-type: none"> > Financial performance, stability and systemic risk management > Data security and privacy > Customer experience and responsible engagement > ESG in financing 	Annual customer satisfaction survey	Annual
			<ul style="list-style-type: none"> Customer Care Centre Mobile and online banking Complaints management Relationship managers 	Ongoing
Investors 	<ul style="list-style-type: none"> > Strong and stable returns > Robust corporate governance, risk management and ratings > Transparency and disclosure > Comprehensive approach to ESG along the value chain 	<ul style="list-style-type: none"> > Financial performance, stability and systemic risk management > Governance, compliance and risk management > Climate > ESG in financing > Diversity and inclusion 	Annual General Meeting	Annual
			<ul style="list-style-type: none"> Board of Directors' meeting Analyst calls Investor days, roadshows, ongoing dialogue, and information requests 	Quarterly
Employees 	<ul style="list-style-type: none"> > Competitive salaries, benefits and rewards > Professional development > Fairness, diversity and equal opportunity > Work-life balance 	<ul style="list-style-type: none"> > Employee value proposition > Diversity and inclusion 	Employee engagement survey	Biennial
			<ul style="list-style-type: none"> Training needs analysis Intranet Induction programme Learning and development programmes Performance management Strategy roadshows Sustainability and ESG related training 	Ongoing
Regulators and government 	<ul style="list-style-type: none"> > Compliance with all legal and regulatory requirements > Robust anti-corruption and bribery measures > Strong risk management and governance > Addressing climate change risks and opportunities 	<ul style="list-style-type: none"> > Financial performance, stability and systemic risk management > Governance, compliance and risk management > Data security and privacy > Climate > ESG in financing 	Public disclosures (e.g., Annual and Corporate Governance Report)	Annual
			<ul style="list-style-type: none"> GCEO office Group Compliance and Audit teams Regulatory working groups Industry working groups Banking associations Ministerial and Central Bank working groups Information requests 	Ongoing
Society 	<ul style="list-style-type: none"> > Creating employment opportunities > Making a positive contribution to the challenges facing society > Addressing climate change risks and opportunities 	<ul style="list-style-type: none"> > Financial performance, stability and systemic risk management > Governance, compliance and risk management > Climate > Employee value proposition > Diversity and inclusion > Corporate social responsibility 	Products and services with environmental or social benefits	Ongoing
			<ul style="list-style-type: none"> CSR activities HR recruitment teams NGOs International and national conferences 	
Suppliers 	<ul style="list-style-type: none"> > Timely payment > Fair and transparent processes > New business opportunities 	<ul style="list-style-type: none"> > Customer experience and responsible engagement > Responsible procurement and supply chain 	Bidding and tendering	Ongoing
			<ul style="list-style-type: none"> Supplier e-portal Vendor worker welfare questionnaires and site visits Supplier audits 	

2.6 Materiality assessment

By identifying and prioritising our material sustainability topics, we can focus on what matters most to us and our stakeholders. In line with the GRI guidance to determine material topics, QNB Group regularly assesses a comprehensive list of relevant economic, ethical, social, and environmental topics.

Identify and Assess

Identify topics that may impact our stakeholders and the execution of QNB's strategy. This includes assessing potential and actual impacts, and the significance of the impacts

- > See 2.5 Stakeholder engagement
- > Internal champions
- > Peer benchmark
- > Market trends

Prioritise

Determine and prioritise the most significant impacts to our stakeholders and our ability to promote prosperity and sustainable growth

Integrate and Embed

Integrate material topics to drive our sustainability agenda and focus areas for the upcoming period and beyond

- > Balanced scorecard
- > Business plans and KPIs
- > Key ESG initiatives
- > Training and awareness
- > Reporting and disclosures

The table below shows how our most material sustainability topics align with the UNSDGs

Material Topic (2022)	UNSDGs	Impact			
		Economic	Environmental	People	Human rights
Financial performance, stability and systemic risk management		Fundamental	Material	Significant	Significant
Governance, compliance and risk management		Fundamental	Significant	Significant	Significant
Data security and privacy		Significant	Material	Significant	Fundamental
ESG in financing		Significant	Fundamental	Fundamental	Fundamental
Customer experience and responsible engagement		Significant	Significant	Significant	Material
Employee value proposition		Significant	Material	Fundamental	Significant
Corporate social responsibility		Significant	Significant	Fundamental	Significant
Diversity and inclusion		Material	Material	Fundamental	Significant
Responsible procurement and supply chain		Significant	Significant	Significant	Significant
Climate		Significant	Fundamental	Significant	Material

Our key stakeholders were engaged in an effort to assess the importance and impact of the topics to them, the wider environment and society, as well as the Bank. Our engagement approach includes both direct stakeholder engagement and through dialogue and feedback provided by internal champions representing key stakeholder groups. We regularly communicate with our external stakeholders including regulators, rating agencies, government entities, and NGOs on sustainability topics.

We review our material topics against international and regional peers by conducting a comparative analysis of our material topics through our annual ESG performance review. The topics have been evaluated based on their priority to each stakeholder group and ranked from fundamental, significant and material, based on the actual and potential impacts on the economy, environment, people, and human rights.

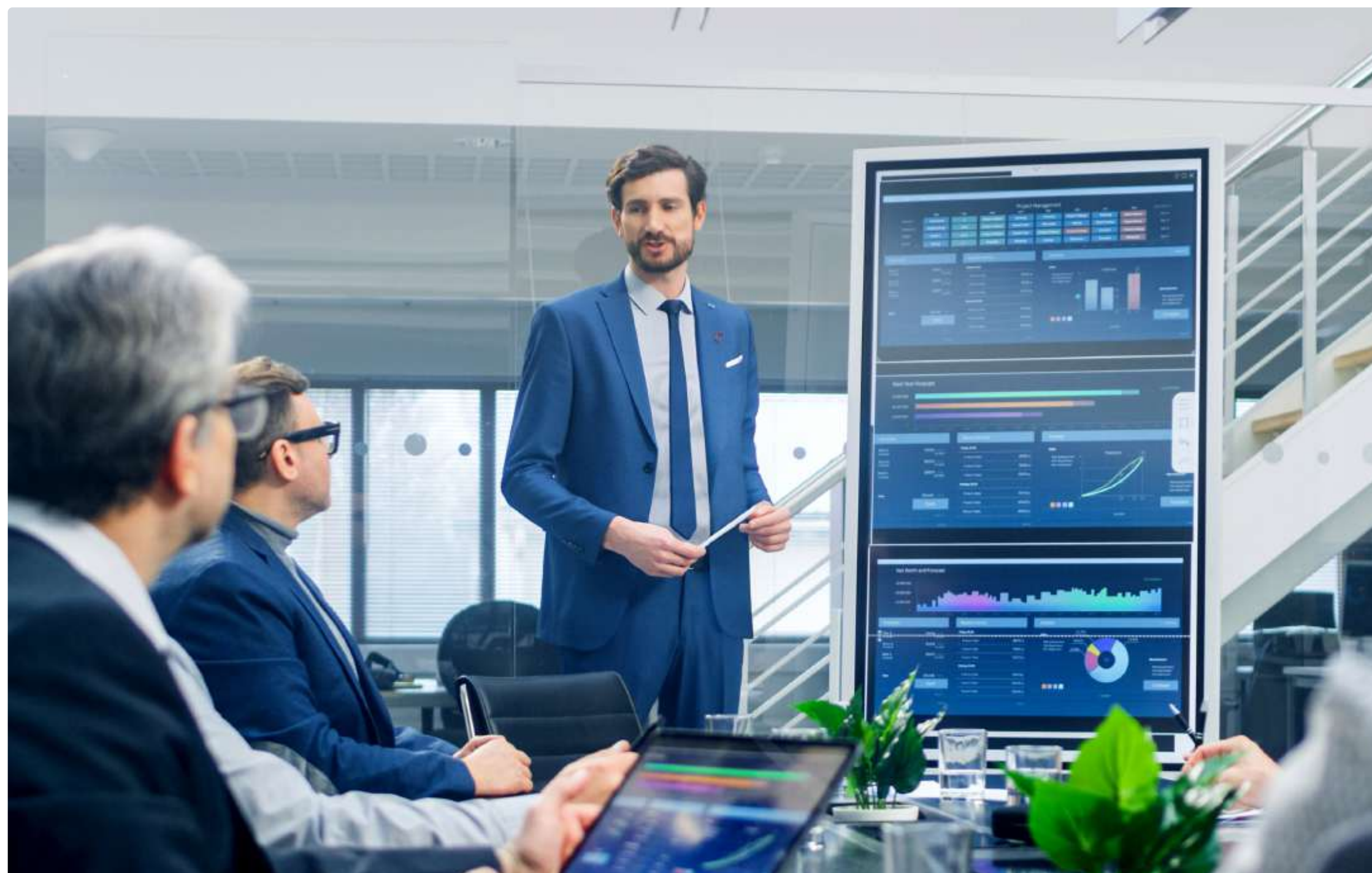
2.6 Materiality assessment (Continued)

The key changes this year are a consolidation and simplification of the material topics following consultation with stakeholder groups to facilitate common understanding. As areas of impact are often interlinked and interdependent, material topics have been merged where appropriate. No prior year material topics were deprioritised, and whilst no new material topics were qualified as part of the assessment process, we reference the topic of Biodiversity in this report in anticipation that it may become material to our stakeholders in the future. Although Climate remains an important material topic, its overall prioritisation was lower through the assessment. Changes from the previous materiality assessment include:

- > Consolidation of Financial stability and systemic risk management and Financial performance into: Financial performance, stability and systemic risk management;
- > Consolidation of Sustainable investment, lending, products and services, Supporting SMEs and entrepreneurship, and Financial inclusion, accessibility and financial education into: ESG in financing;
- > Consolidation of Customer experience and responsible engagement and Digital innovation and transformation into: Customer experience and responsible engagement;
- > Renaming Environment and climate impact to Climate; and
- > Renaming Community investment and socio-economic development to Corporate social responsibility.



All topics remain aligned with the pillars of our sustainability framework, the objectives of the UNSDGs, QNV 2030, and the QSE Guidance on ESG Reporting.

The Board of Directors has reviewed and approved the Group's material topics to ensure that the range of issues included provides a complete representation of the organisation's significant sustainability impacts



2.7 External commitments¹

Our sustainability strategy has been developed in line with these international and national initiatives, commitments, as well as reporting frameworks.

<div>International Initiatives</div> 	UN Global Compact (UNGC)	As part of our commitment to sustainable business practices, QNB joined the UNGC, the world’s largest corporate sustainability initiative, promoting better business practices in the areas of human rights, labour, environment, and anti-corruption. Each year we publish our COP to report progress against these topics.
	UN Sustainable Development Goals (UNSDGs)	The UNSDGs are the principal global framework for sustainability. Their aim is to protect the planet, end poverty, fight inequalities, and ensure prosperity. Launched in 2016, through to 2030, the 17 goals are underpinned by 169 targets. We have aligned our materiality topics to the UNSDGs.
	UN Guiding Principles on Business and Human Rights (UNGP)	The UNGP are a set of guidelines for States and companies to prevent, address and remedy human rights issues in business operations. The UNGP utilises the UN Protect, Respect and Remedy framework. Following an engagement with leading external experts on UNGP and human rights, we have created and rolled out mandatory human rights awareness training for our employees.
	UN Environment Programme Finance Initiative (UNEP FI) and UN Principles for Responsible Banking (UNPRB)	The UNEP FI is a global partnership established between the United Nations Environment Programme and the financial sector. UNEP FI catalyses action across the financial system to align economies with sustainable development. This year, QNB through our major subsidiary in Egypt, QNB ALAHLI, became a member of UNEP FI and a signatory to the UNPRB.
	The Women’s Empowerment Principles (WEPs)	The WEPs is joint initiative of the UNGC and UN Women providing guidance to businesses on how to advance gender equality and women’s empowerment in the workplace and community. QNB, through our major subsidiary in Türkiye, QNB Finansbank, is a signatory to the WEPs and participated in the UN Target Gender Equality programme.
<div>National Initiatives</div> 	Qatar National Vision (QNV) 2030	The QNV 2030 serves as a clear roadmap for Qatar’s future, guiding economic, social, human, and environmental development for the coming decade. The vision is supplemented by the National Development Strategy, with five-year plans to support its implementation.
	Qatar’s Nationally Determined Contribution (NDC)	In 2021, Qatar submitted its updated NDCs to the United Nations Framework Convention on Climate Change (UNFCCC). The NDC outlines the country’s climate actions and efforts towards reducing CHG emissions, as part of an ongoing commitment to the Paris Agreement.
	Qatar National Environment and Climate Change Strategy (QNE)	In 2021, Qatar launched its environmental strategy covering five key environmental spheres: GHG emissions and air quality, biodiversity, water, circular economy and waste management, and land use. This strategy will support Qatar’s ambition to be a regional model in fulfilling developmental and environmental targets. In 2022, QNB participated in an industry working group convened by the Qatar Ministry of Environment and Climate Change (MOECC), to share our ESG journey, experience, and insight into international standards and disclosures. The working group aims to support the evolution of ESG practices in the domestic market to in turn support the delivery of QNE. This included partnership with the MOECC and the launch of the Ministry’s Sustainable Environment Portal .

WE SUPPORT



¹ QNB Group maintains membership in several banking and financial industry associations in the ordinary course of business, via positions on governance bodies and/ or through participation in projects or committees. The Group views its membership of the Institute of International Finance (IIF) as strategic due to the role of our GCEO as a Board and Emerging Markets Advisory Council (EMAC) member. The EMAC, which was established in 2008, serves as a platform for emerging market institutions to influence the reform agenda for the global financial system.

2.7 External commitments (Continued)

<div>Reporting Frameworks and Principles</div>	Global Reporting Initiative (GRI) Standards	<p>To promote transparency in the banking sector, we report our sustainability performance annually and in accordance with the latest GRI Standards (including revised Universal and Topic Standards).</p> <p>We received an independent limited assurance under ISAE 3000 (Revised) on the preparation of this Sustainability Report in accordance with the GRI standards. In addition, in 2022, our two large subsidiaries in Egypt and Türkiye also published standalone Sustainability Reports.</p>
	Sustainability Accounting Standards Board (SASB)	We continued reporting against the SASB Index for Commercial Banks.
	Carbon Disclosure Project (CDP)	We commit to continuously reducing the Bank's carbon footprint and providing transparency across our environmental performance.
	Taskforce on Climate related Financial Disclosures (TCFD)	<p>We support the principles and recommendations of TCFD. TCFD relevant metrics are disclosed where aligned with GRI standards and through active annual participation in CDP.</p> <p>We continue to refine our methods for identifying, assessing, and managing climate-related risks in line with the recommendations of TCFD. See section 6.6 Climate-related disclosure for further information on QNB's overall approach to climate with reference to TCFD.</p>
	Qatar Stock Exchange (QSE) Sustainability and ESG Dashboard	We have committed to disclose QNB's ESG performance to the QSE, which is a signatory to the United Nations Sustainable Stock Exchange Initiative.
	International Capital Markets Association (ICMA)	Our SFPF Framework is aligned with the ICMA Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidelines (SBG), and Sustainability-Linked Bond Principles (SLBP) as well as the LMA Green Loan Principles (GLP), Social Loan Principles (SLP) and Sustainability-Linked Loan Principles (SLLP).
	Loan Market Association (LMA)	The SFPF Framework sets out our governance, screening approach, outlines eligible project categories, use of proceeds, reporting commitments, and expands our classification of Sustainable and Transition financing. The Framework is aligned with ICMA Green Project Mapping as well as Climate Bonds Initiative (CBI) and EU taxonomies, where applicable. The framework successfully obtained a Second Party Opinion (SPO) from ISS Corporate Solutions.
	Transition Pathway Initiative	



QNB disclosure ratings	2022
MSCI	A
S&P Global ESG score	46 (82 nd percentile)
Sustainalytics	22.6 (Medium risk)
CDP	C



QNB is recognised as a regional ESG leader through its external ratings



MSCI score reference:
 In 2022, QNB Group received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. The use by QNB Group of any MSCI ESG Research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of QNB by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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2.7 External commitments (Continued)

Case study

Qatar National Environment and Climate Change Strategy (QNE)

QNE establishes the objective of conserving Qatar's environment for the benefit of its citizens and future generations as well as to ensure long-term economic sustainability. The QNE strategy promotes harmony between economic growth, social development, and environmental conservation as an initiative that builds on the QNV2030.

The QNE's main priorities include preserving the environment and promoting sustainable growth. QNB's approach towards sustainability is aligned with those priorities and committed to support them through dedicated action and initiatives.

QNE priority areas and example environmental targets and goals



GHG Emissions & Air Quality

- Reduce GHG emissions by 25% versus a business-as-usual scenario by 2030.
- Enhance ambient and indoor quality standards by 2024, referring to WHO guidelines and latest scientific knowledge.



Biodiversity

- Enhance awareness, participation and capabilities of biodiversity conversation.
- Ensure biodiversity conservation is incorporated in national and corporate planning.



Water

- 100% of recycled water reused.



Circular Economy & Waste Management

- Achieve a 15% recycle rate of municipal waste.
- Apply circular industry principles across Qatar's industrial cities.
- Achieve 30% circular public procurement in public infrastructure.



Land Use

- Develop a comprehensive open space and recreation strategy by 2022 with the goal of providing green space access to the Qatari population.
- Establish and mandate green building requirements for new developments.

3. Sustainable finance

Sustainable finance is the integration of ESG criteria into QNB's financing activities to achieve both financial returns and positive impact - profit with purpose. Our ambition is to help customers manage their E&S risks, support the just transition to both greener and socially equitable business practices, and enhance access to finance for SMEs and underserved groups. This is underpinned by responsible and secure services for our customers.

Contents:

- 3.1 ESG in financing
 - 3.1.1 Corporate and Institutional Banking
 - 3.1.2 SMEs and entrepreneurship
 - 3.1.3 Retail, financial inclusion and accessibility
- 3.2 Customer experience and responsible engagement
- 3.3 Data security and privacy

3.1 ESG in financing



QNB aims to be a leader and role model in delivering sustainable financial performance through our market commitments as well as our financial, social, and environmental initiatives. This includes embedding ESG factors into our financing and business relationships to reduce risks throughout our value chain, whilst enabling the just transition towards a carbon neutral economy.

Environmental and Social Risk Management (ESRM) Framework

QNB Group's Credit function plays a proactive role in the management of QNB Group's ESRM policy framework, ensuring awareness and compliance with acceptable credit practices across our global network. The ESRM framework enables the Bank to proactively identify, assess, and manage its exposure to environmental and social risks. It clearly articulates exclusions, identifies sectors deemed high risk, and highlights prohibited activities. The ESRM framework complements our credit policy with regards to environmental and social risks. It enhances our due diligence and improves the way we assess and incorporate these risks into our credit decision making framework and existing portfolio.

In 2022, we continued to enhance our ESRM policy framework and procedures. The list of restricted sectors was extended to include energy and the prohibition of activities related to tar sands, arctic, and shale oil and gas exploration. Detailed internal procedures, including comprehensive assessment by an E&S specialist, were launched across the international network.

In Türkiye, QNB Finansbank has not financed any new coal power plants since 2015. This year, QNB Finansbank made the formal public commitment to exclude any new thermal coal power plant, and new coal mining projects from its financing activities. In addition, any existing legacy exposure to coal in the portfolio will be run-off by 2032.

As the banking sector continues to evolve in this area, we too remain committed to ensure our policies, procedures, and practices are robust and conform with market and regulatory developments in the jurisdictions in which QNB operates.

Our dedicated team specialising in the area of E&S risk management as well as our ESRM have helped to enhance our overall credit screening and assessment processes for ESRM qualifying transactions.

During the course of 2022, 66 applicable projects, with a value of USD 3.7 Bn, had been assessed as part of the ESG due diligence process. This includes potential deals that were declined by QNB.

QNB's approach to environmental and social risk assessment integrates aspects of labour standards, health and safety, and biodiversity into our lending activities.

Labour standards

QNB only finances projects in countries that adhere to International Labour Organization (ILO) core conventions, whilst ensuring compliance and adherence to local labour laws. Our business practices are aligned with the principles laid out in the ILO Declaration on Fundamental Principles and Rights at Work, as well as the UN Guiding Principles on Business and Human Rights (UNGPs). We support the journey to identify and eradicate human rights issues and modern slavery from our business, as reflected in our [Modern Slavery and Human Trafficking Transparency Statement](#). The statement is in compliance with section 54 of the UK modern Slavery Act 2015. Forced labour and child labour are also explicitly excluded and prohibited as part of the Group's ESRM policy framework.

Health and safety

Depending on the client and project type, transactions may be subject to IFC performance standards, ISO 45001 (previously OHSAS 18001), or at a minimum, the respective relevant national standards. As appropriate and when required, QNB gathers applicable health and safety documentation, organisation charts, and incident logs to assess associated risks. Should the transaction be deemed high risk, a third party may also be appointed to

independently assess and monitor the transaction.

Biodiversity

Whilst not yet identified as a material topic through our stakeholder engagement approach, we recognise that the protection and preservation of biodiversity is key for the planet to adapt to climate change. QNB ensures the respect of biodiversity through the eligible use of proceeds in our sustainable financing, as well as within our ESRM framework that specifies restricted sectors and activities including those in relation to Animal welfare, Fisheries, and Protected areas (including UNESCO World Heritage sites, and natural habitats registered by International Union for the Conservation of Nature).

For projects deemed high risk, or where required by local jurisdictions, an Environmental Impact Assessment (EIA) is undertaken and submitted to the relevant and respective authority for necessary approvals in accordance with national laws and requirements. Depending on the project, an E&S specialist may assess whether any financed activity is in a protected area or defined sensitive region, and if so, whether the necessary permits/exemptions have been received from respective authorising bodies to allow the project to continue. Any syndicated projects which QNB participates in are in accordance with IFC Performance Standards, and are assessed and monitored by third party consultants as required by the respective standards.

3.1 ESG in financing (Continued)

To deliver meaningful impact through our financing activities and to cater for our customers' increasing desire to support ESG, sustainable products and services are part of our overall product suite and offering. Such products and services comply with the ESRM restrictions, are reviewed against eligible categories and criteria, and are further assessed by ESG professionals to ensure their sustainability credentials. This enables us as a bank to better identify, assess, manage and mitigate potential ESG reputational risks, and ensure positive E&S impact in our offerings. Our current portfolio of sustainable products and services stands at 33. Notable products are highlighted in the respective business division segments.

Sustainable Finance and Product Framework (SFPF)

Sustainable financing products and services enables us to actively promote ESG and positive E&S impact with our clients. This supports their transition to adopt more sustainable business practices, catalyses a sustainable finance ecosystem, and enables us to capture opportunities to support our ESG commitments. This year, we developed the QNB Group SFPF which was externally assessed and validated through a SPO, confirming continued alignment with international sustainable financing principles. The SFPF is the latest iteration of our award-winning approach to ESG in financing, which supersedes and expands upon the pre-existing Green, Social and Sustainability Bond (GSSB) Framework. It elaborates on our classification approach and

methodology for labelling any products, services or transactions as Sustainable or Transition finance, aimed at delivering positive impact to society and the environment. This includes eligible qualifying themes, categories, activities, and criteria, in line with international taxonomies. The SFPF demonstrates our continued commitment to making a positive impact through our financing activities, while at the same time promoting the just transition towards a carbon-neutral economy.

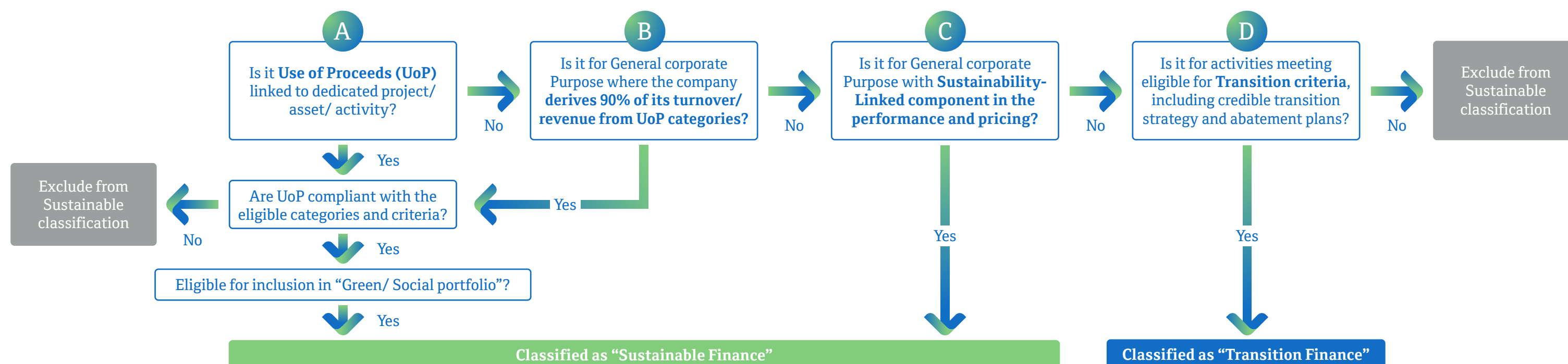
Sustainable finance products, services and product propositions can include financing, facilitation, and investments, under eligibility as defined within the SFPF:

- > Financing includes any type of loan instrument, or contingent liability, to any client where new finance or refinancing is provided;

- > Facilitation includes any services in support of clients issuing new debt instruments, e.g., underwriting, bookrunning, etc;
- > Launch of, and investments in, sustainable fixed income products; and
- > Provision of fixed term savings and deposit products.

Product or financing propositions are classified under four potential purposes, and can be considered sustainable or transitional if they meet the eligibility criteria within the respective purpose:

- > A. Dedicated use of proceeds (UoP) purpose;
- > B. General purpose financing;¹
- > C. Sustainability-linked financing; and
- > D. Transition financing.

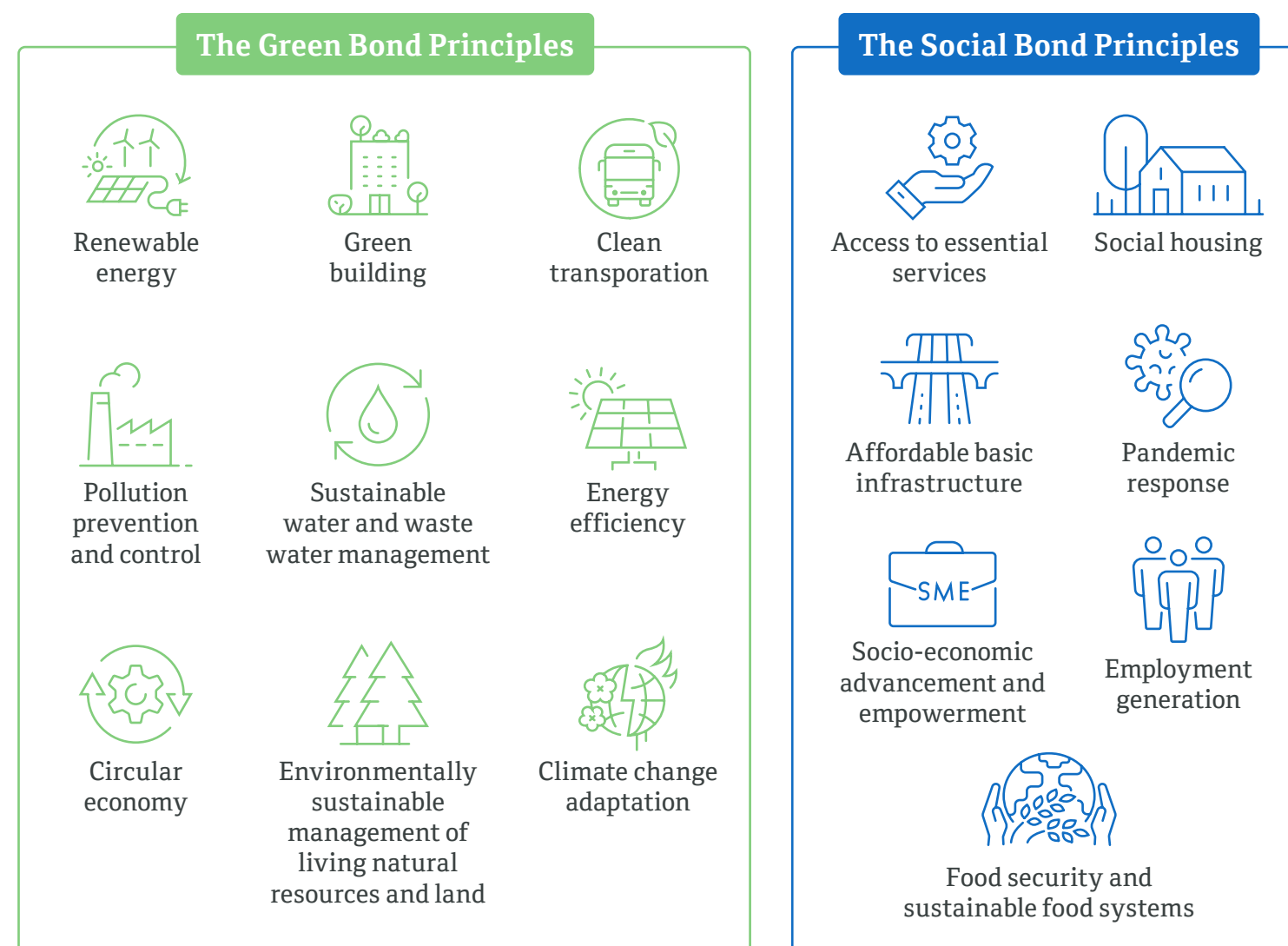


¹ For pre-revenue entities a company should dedicate greater than 90% of its Capex/ R&D expenditure on UoP categories. For development banks, intergovernmental, supranational organisations, charities, social enterprises and foundations they should dedicate greater than 90% of its funding dispersals to UoP categories.

3.1 ESG in financing (Continued)

Eligible Use of Proceeds (UoP) categories

The eligible categories within the SFPP have been reviewed and aligned with latest international principles and taxonomies:



For further information, including key principles, governance, product scope, eligible activities and KPIs, please refer to the full [SFPP](#) and [ISS SPO](#).

Awareness, training, and promoting sustainable business practices

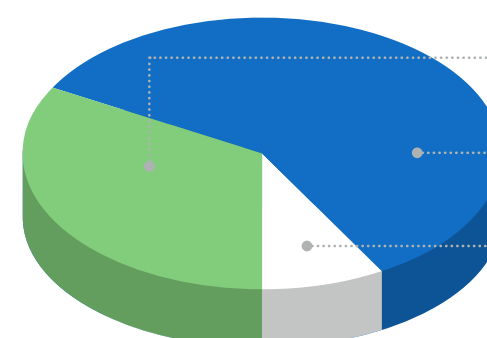
During 2022, we continued to nurture an ESG culture across the business and international network to promote and grow the sustainable finance market. All our frontline Relationship Managers and Credit teams in Qatar and the international network have received direct training on the topic of ESG, sustainable finance principles, and the carbon transition. Human Rights training, developed and based upon on UNGP and UNGC Academy material, was launched as a mandatory course to employees. This enables the business to be well-positioned to actively pursue ESG-related opportunities, educate clients on ESG trends and risks, as well as encourage and support clients in their transition journeys. In addition, an introduction to sustainability is a key component in new joiner induction, supporting our aim of embedding sustainability in our culture and DNA.

Beyond training and developing our own people, QNB is also invited as a sustainability champion and industry expert to participate at national, regional and international events and forums.

QNB considers this part of our responsibility and approach to support industry, market and regional transition, whilst supporting national and international decarbonisation ambitions:

- > Raising Awareness: an opportunity to educate and raise awareness about the importance of ESG and sustainable financing among a wide audience;
- > Showcasing Best Practices: we share our sustainability journey progress, experiences and best practices for promoting ESG in financing, which can inspire others to adopt similar initiatives;
- > Building Key Partnerships: ESG conferences bring together various stakeholders in the sustainable finance space, allowing panellists and industry participants to form partnerships that can drive collective sustainability efforts forward; and
- > Driving Industry Change: a platform to advocate for change and push for more widespread adoption of sustainable practices, with insights generated helping to share industry trends and policies to drive positive change and impact.

Total sustainable lending portfolio QAR 31,343 Mn



Total green lending
QAR 10,378 Mn

Total social lending
QAR 18,402 Mn

Sustainability
linked transactions
QAR 2,563 Mn

40%
Increase in green financing since 2020

33 sustainable products or services

3.1 ESG in financing (Continued)

Case study

Promoting collaboration on climate change by supporting the Conference of the Parties (COP27)

As with other ESG-related topics, climate risk is increasingly on the agenda of governments, regulators, investors and rating agencies. Climate change is indeed one of the most pressing issues confronting the world today, and it is only through global collaboration and cooperation that progress can be achieved. QNB Group considers the topic of sustainability as a strategic imperative. Climate risk, which can be divided into physical and transitional risk, already exposes the balance sheets of banks globally and is expected to significantly increase as the world shifts to a low carbon economy.

COP27 in Sharm El-Sheikh, Egypt, was a major event in the climate calendar. Progress on the topic of climate is imminent and more important than ever. The spike in energy prices has accentuated further the importance of long-term energy transition and renewable infrastructure. This year's event focused on progress against the global goal on adaptation, funding arrangements to address loss and damage in developing countries, and climate finance. We believe investors as well as businesses will focus their attention on the outcome of this event, accelerating the implementation of critical decisions.

In preparation for COP27, we provided research and insight to support the Qatari delegation. Additionally, QNB ALAHLI became a member of the UNEP FI and a signatory to the PRB. The membership supports the Group's global and national sustainable commitments and goals to create a sustainable finance sector and to facilitate knowledge development and sharing to help shape and scale up sustainable financial solutions.

QNB as one of the sponsors of the COP27, joined other leading financial industry players to provide insight into the critical role that banks play in scaling up sustainable finance. As well as hosting a prominent side event with our multilateral partner, EBRD, QNB had a fixed exhibit to engage industry bodies, market players, and partners throughout the conference. QNB highlighted our key role in providing products and services that support sustainable development in Egypt, ranging from green housing and vehicle loans to financing for large-scale national environmental infrastructure projects.



QNB also reaffirmed partnerships and signed new agreements at COP27, including:

Aggregate sustainable funding and agreements with EBRD in Egypt

USD 750 Mn



- > Increased existing Green and Sustainable loans with EBRD to reach USD 185 Mn, and new Youth-in Business Loan from EBRD valued at USD 20 Mn;
- > Loan agreement to finance SME solar power plant in Egypt;
- > Memorandum of Understanding (MoU) to finance tri-generation combined cooling, heat and power plant (CCHP) in Egypt;
- > MoU with VISA on a number of environmentally friendly joint initiatives, and credit card value proposition to promote residential renewable energy;
- > Partnership with the Qatar MOECC and support of the launch of the Ministry's Sustainable Environment Portal; and
- > Partnership with the Gulf Organisation for Research and Development (GORD) as Eco Champion, including ongoing commitment to utilise the GSAS green building standard to avail green residential mortgages.

3.1 ESG in financing (Continued)

Addressing climate in financing

GARP Sustainability and Climate Risk (SCR) Certified professionals in Strategic Risk team: developed by the Global Association of Risk Professionals (GARP) as one of its flagship and internationally recognised programmes to address and certify professionals in the approach to assessing, measuring, managing, and reporting of climate-related risks

As highlighted in section 2.1, QNB has conducted an analysis of climate change risk in our portfolio based on NGFS climate scenarios. Results to date showed limited exposure to climate change risks that have potential to generate a substantive impact on our business and operations.

An assessment of our portfolio shows limited exposure to sectors that have the potential to be materially impacted by climate transition risk. Our direct exposure to high-risk sectors, including coal, oil and gas, metals and mining, and palm oil, was approximately 1% of our loan book as at 31 December 2022

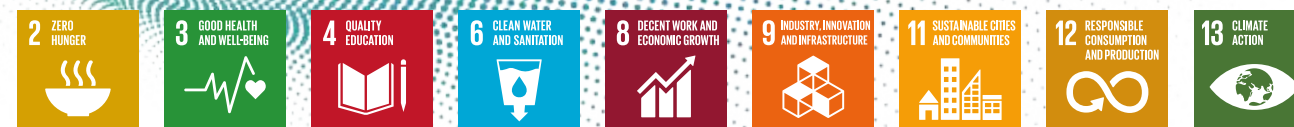
As well as continuing the climate transition scenario analysis and assessing our exposure to inform evolution of our E&S risk screening, we will also commence measurement and reporting upon our scope 3 financed emissions, utilising industry sector averages and country emission factors.

As documented throughout section 3. Sustainable finance, QNB will seek to actively manage, minimise and mitigate climate risk and any negative potential/ actual impacts on the environment in its financing activities. This will be addressed through the following four levers:



See section 6.6 Climate-related disclosure for further information on QNB's overall approach to climate.

3.1.1 Corporate and Institutional Banking



Sustainable financing can enable significant change and achieve positive impacts for the environment and society. As the world moves towards a low carbon economy, sustainable financing will be crucial in a just transition. This includes supporting the goals of COP27 to foster collaboration on climate action and the transfer of financial resources to developing countries, as well as mobilising public and private investment in low-carbon and climate resilient development.

QNB is committed to financing and supporting sustainable projects that meet internationally recognised robust eligibility criteria, and align and support the UNSDGs.

Our Corporate business supports economic diversification through sustainable activities. By sharing our experience, expertise, and insights with stakeholders we raise awareness and drive the transition. This includes multidisciplinary team engagement to share and promote best practices. We also leverage our corporate banking network, strong institutional relationships, and digital platforms to support our approach towards financial inclusion. In Qatar, QNB implemented the Wage Protection System (WPS) with corporates to comply with QCB directives and

ensure timely wage payment for workers. The WPS ensures the prompt payment of wages through means of digital inclusion and has been recognised by ILO for prompt salary payment.

In Türkiye, QNB Finansbank has rolled out innovative new sustainability linked capital markets products, diversified its funding sources, and partnered with external partners to support the journey of sustainable economic transformation.

This year, QNB Finansbank executed its first Turkish Lira (TRY) swap transactions based on sustainability performance criteria. Within the scope of this agreement, QNB Finansbank will receive a rebate based on its performance of sourcing its electricity from renewable generation.

In 2022, QNB participated in sustainability-linked syndicated lending worth

USD 6.25 Bn

with direct participation of over

USD 700 Mn

Selected Corporate Sustainable Products and Services	Description	Market
Green, Social and/ or Sustainability Bonds	Bonds with use of proceeds to specifically support environmental and/or social projects. Aligned with ICMA GBP, SBP and SBG.	QNB Group
Green, Social and/ or Sustainability Loans	Loans with UoP to specifically support environmental and/or social projects. Aligned with LMA GLP and SLP.	QNB Group
Sustainability Linked-Bonds	Bonds linked to KPIs/ Sustainability Performance Targets (SPTs), to incentivise delivery of ESG performance objectives, and transition to sustainable practices. Aligned with ICMA SLBP.	QNB Group
Sustainability Linked-Loans	Loans linked to KPIs/ SPTs, to incentivise delivery of ESG performance objectives, and transition to sustainable practices. Aligned with LMA SLLP.	QNB Group
Sustainable Transaction Banking	Supply chain finance, guarantees, letters of credit, trade loans, factoring, invoice financing, and receivable services, directly supporting eligible green/ social UoP.	QNB Group
Green Economy Financing Facility	Programme launched by EBRD to finance sustainable energy projects through term financing coupled with free technical advisory and incentives.	QNB ALAHLI
Renewable Energy Project Financing	Dedicated financing for solar, hydroelectric, and wind power plants.	QNB Finansbank

QNB Group Awards

Outstanding Leadership in Sustainable Finance
Global Finance Sustainable Finance Award

Outstanding Leadership in Sustainable Bonds
Global Finance Sustainable Finance Award

Outstanding Leadership in Social Bonds
Global Finance Sustainable Finance Award

Leader in Sustainable Finance in Qatar
Global Finance Sustainable Finance Award

Market Leader in Corporate Banking
Euromoney

Relevant policies

ESRM Policy Framework

Sustainable Finance and Product Framework (SFPF)

Second Party Opinion (SPO)

Internal Wholesale and Institutional Credit Policy

3.1.1 Corporate and Institutional Banking (Continued)

QNB Finansbank also renewed its sustainability-linked syndicated loan, for a total of USD 448 Mn, with a maturity of 367 days and two tranches of USD 184.5 Mn and EUR 253 Mn. Under this sustainability-linked syndicated loan, QNB Finansbank KPIs/ SPTs are to obtain its electricity supply from renewable sources, offer innovative solutions to SMEs through their Digital Bridge (an ecosystem platform for SMEs, the gateway to QNB Mobile), and successful inclusion within the widely recognised Bloomberg Gender-Equality Index, to reflect positive efforts in promoting gender equality in the workforce.

QNB Finans Finansal Kiralama A.S. (“QNB Finans Leasing”) received a senior unsecured loan of up to EUR 25 Mn, with a 2-year tenor and bullet principal repayment under the Green Economy Financing Facility Türkiye (“GEFF Türkiye”) Framework. The proceeds of the loan will be used to finance eligible sub-projects, selected according to the technical, financial and environmental eligibility criteria as per the GEFF Türkiye Policy Statement. The project aims to support green economy investments including energy efficiency, renewable energy and climate resilience measures. Funds may also be on-lent to vendors and producers of eligible components and equipment covered by the Green Technology Selector for Türkiye.

This year, following QNB Finansbank’s first green bond issuance worth USD 50 Mn, a combined [Allocation and Impact Report](#) was published in accordance with the QNB SFPPF. This report received a positive [assurance](#) from PWC.

In Egypt, during COP27, QNB ALAHLI signed several green agreements as part of its participation in the event. This included USD 185 Mn agreement with EBRD for Green and Sustainable loans, and USD 20 Mn programme aimed at targeting Youth projects and financing. These latest agreements bring the total value of funding and cooperation agreements signed with EBRD over the last few years to USD 750 Mn. The EBRD agreements also include the provision of technical assistance to QNB ALAHLI to

review and update its internal ESG policies to reflect the latest climate change risk management practices, as well as capacity building practices to empower clients in these areas.

QNB ALAHLI also signed an MoU with Intro Sustainable Resources Group for a study to finance projects in the field of Trigeneration or Combined Cooling, Heat and Power (CCHP), to reduce natural gas consumption and carbon emissions in various industrial and services sectors. Initial terms were signed for an

amount of EGP 200 Mn for financing the pilot project in this field.

In addition, QNB ALAHLI also signed a facility agreement with Enara Group to finance its solar power plant project which is part of a broader financing facility worth EGP 95 Mn targeting different sectors, including the industrial and agriculture sectors. Earlier this year, the Bank also financed another solar plant project carried out by Enara, which is considered the largest rooftop solar power plant ever in Egypt.



3.1.1 Corporate and Institutional Banking (Continued)

Post-Issuance Green Bond Allocation Report

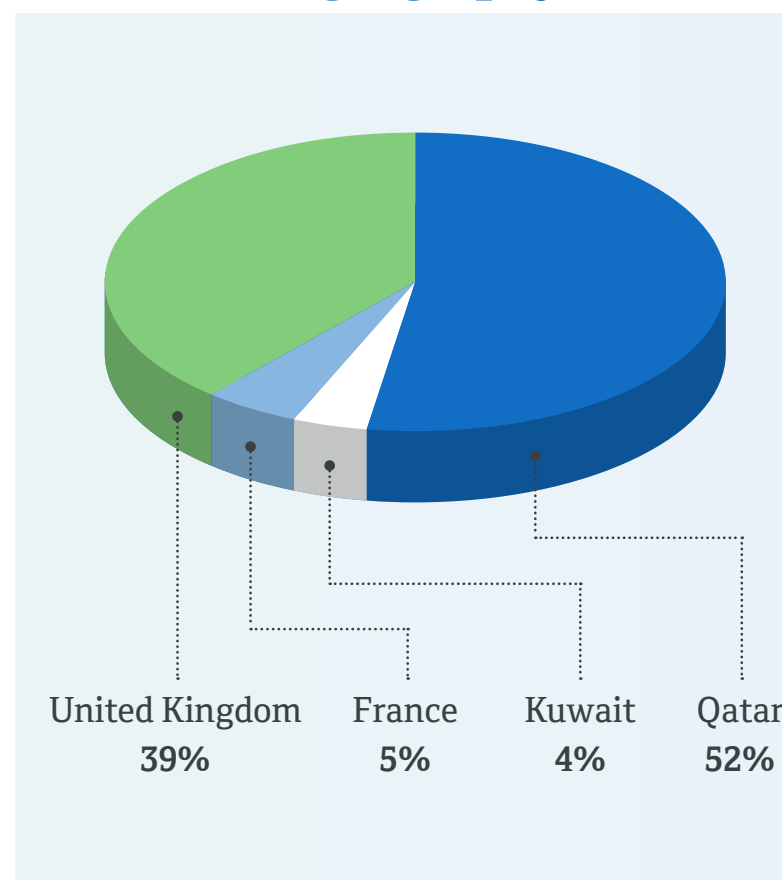
ISIN	Issuance date	Maturity date	Principal	Coupon rate
XS2233288353	September 2020	September 2025	USD 600 Mn	1.625%

Total eligible green portfolio by...

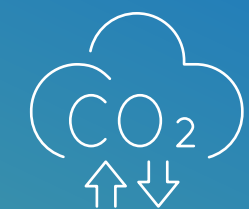
... green bond category

Green bond category ^{1,2}	Portfolio amount ³	Percent of total portfolio	SUSTAINABLE DEVELOPMENT GOALS
 Green buildings	USD 1,522 Mn	92%	
 Sustainable water and waste water management	USD 70 Mn	4%	
 Energy efficiency	USD 58 Mn	4%	
Total	USD 1,649 Mn	100%	

... geography



Environmental impact⁵



486,072 tCO₂e

Lifetime avoided GHG emissions



744,682 MWh

Lifetime avoided electricity use



26,078,467 m³

Lifetime wastewater treated

Notes:

- > The proceeds of the USD 600 Mn bond were matched against the eligible green portfolio;⁴
- > 100% of green funding net proceeds were fully allocated at issuance;
- > Eligible green loan portfolio consists of 19% new assets (booked within 24 months) and 81% booked prior to December 2020; and
- > Associated [QNB Sustainable Finance Documents and Reports](#) are available for public reference.

¹ As defined in the QNB SFPP. ² Loans included in the green bond portfolio have been assessed for eligibility through evaluation by Sustainalytics (March 2020) and GSSB Committee. ³ Reported values as per financials as at 31 December 2022. ⁴ QNB applies risk management measures in its capital allocation decisions. QNB assesses projects financed with the proceeds against the minimum criteria set out in the SFPP. The GSSB Committee reviews these criteria on a regular basis and has the right to amend these criteria when deemed necessary. ⁵ From [QNB's Green Bond Impact Report](#), based on portfolio at time of issuance.

3.1.1 Corporate and Institutional Banking (Continued)

Post-Issuance Green Bond Private Placement Allocation Report

ISIN	Issuance date	Maturity date	Principal	Coupon rate
XS2354246220	June 2021	June 2024	USD 50 Mn	Private

Total eligible green portfolio by...

... green bond category

Green bond category ¹	Portfolio amount	Percent of total portfolio	SUSTAINABLE DEVELOPMENT GOALS
 Green buildings	USD 50 Mn	100%	
Total	USD 50 Mn	100%	

... geography



Environmental impact²



6,784 tCO₂e

Lifetime avoided GHG emissions

- > The EBRD, a leading institutional investor in Türkiye, invested USD 50 Mn in QNB Finansbank's first green private placement; and
- > In accordance with the International Capital Market Association (ICMA) Green Bond Principles, the USD 50 Mn proceeds generated from this three-year maturity facility will be used to finance internationally certified green building projects in QNB Finansbank's portfolio.

Notes:

- > 100% of green funding net proceeds were fully allocated at issuance;
- > Eligible green loan portfolio consists of assets booked prior to February 2021; and
- > Associated [QNB Finansbank Green Bond Documents](#) are available for public reference.

EBRD's first investment in a green bond issued by a Turkish bank

¹ As defined in the QNB SFPP.

² From [QNB Finansbank's Green Bond Allocation and Impact Report](#), which includes impacts on annual basis. The impacts shown here are as per the three year tenor of the bond.

3.1.1 Corporate and Institutional Banking (Continued)

Selected sustainable finance transactions

QNB sustainable finance transaction	Transaction details	QNB sustainable finance transaction	Transaction details
<p>QNB USD 600 Mn Green Bond Senior Unsecured Notes 1.625% due 2025 Issuer and Joint Bookrunner September 2020</p>	<ul style="list-style-type: none"> > First green bond issued from the State of Qatar > Largest conventional green bond issued by a bank in the Gulf Cooperation Council (GCC) > Listed on the London Stock Exchange Sustainable Bond Market > Recognised through international awards > Anniversary allocation reporting (independently assured) > Anniversary impact reporting, identified 486 k tCO₂e avoided emissions, 745 k MWh avoided electricity use, and 26 Mn m³ of waste water treated 	<p>QNB Finansbank USD 335 Mn and USD 350 Mn Sustainability-Linked Syndicated Loan Facility Borrower May and November 2021</p>	<ul style="list-style-type: none"> > QNB Finansbank rolled over both syndicated loans with sustainability linked KPIs, the first integration of sustainability into the Bank's international borrowing programme > The KPIs include restriction of funding to fossil fuels and increase to above 50% use of renewable energy sources > Both transactions received robust demand with the participation from 37 international banks in 21 countries in November and from 12 international banks in May
<p>EBRD USD 50 Mn Private Placement Senior Unsecured Notes Issuer June 2021</p>	<ul style="list-style-type: none"> > Debut green bond issuance by QNB Finansbank > EBRD's first investment in a green bond issued by a financial institution in Türkiye > Issuance in accordance with QNB Group GSSB Framework, aligned with ICMA GBP, supported by SPO 	<p>QNB Finansbank Sustainability-Linked Loan Lender July 2021</p>	<ul style="list-style-type: none"> > Debut sustainability-linked project finance loan granted by QNB Finansbank, with pricing scheme indexed to defined sustainability criteria
<p>QNB ALAHLI, EBRD and Green Climate Fund USD 50 Mn Green Financing Programme Borrower (Customers are Sub-Borrowers) August 2021</p>	<ul style="list-style-type: none"> > First bank in Egypt to participate in the EBRD and Green Climate Fund Financing Programme > QNB ALAHLI provides financial and technical support to private sub-borrowers (Corporate and Retail) who are developing green, renewable energy and energy, water, and resource efficiency projects > Promotes use of high-performance technologies and services in climate mitigation and adaptation activities, and supports the transition to a greener economy 	<p>HSBC Green Repurchase Agreement Buyer December 2021</p>	<ul style="list-style-type: none"> > First green repo deal for QNB and in the State of Qatar > Includes independently verified green assets > Funds used to finance green activities

3.1.1 Corporate and Institutional Banking (Continued)

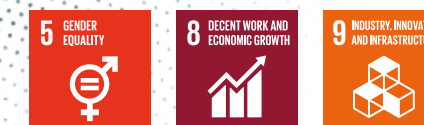
Selected sustainable finance transactions (Continued)

QNB sustainable finance transaction	Transaction details	QNB sustainable finance transaction	Transaction details
BARCLAYS Barclays Bank Sustainability-Linked Repurchase Agreement Borrower QNB FINANSBANK February 2022	<ul style="list-style-type: none"> > First sustainability-linked repo deal for QNB and QNB Finansbank > Cost of the repo to be determined by meeting energy efficiency performance criteria 	QNB Green Repurchase Agreement Buyer April 2022	<ul style="list-style-type: none"> > Pioneering transaction with QNB, a first of this kind for European developed market bank > Evergreen format allowing maturity to be extended by mutual agreement > Funds allocated to green portfolio, including renewable energy, energy efficiency, clean transportation, and green buildings
QNB FINANSBANK QNB Finansbank USD 360 Mn Sustainability-Linked Syndicated Loan Facility Borrower May 2022	<ul style="list-style-type: none"> > QNB Finansbank renewed its syndicated loan with addition of sustainability-linked KPIs > KPIs include obtaining its electricity from renewable sources and offering innovative solutions to SMEs with Digital Bridge > Robust demand with 4 new names 	QNB FINANSBANK QNB Finansbank USD 448 Mn Sustainability-Linked Syndicated Loan Facility Borrower November 2022	<ul style="list-style-type: none"> > QNB Finansbank renewed its syndicated loan with addition of sustainability-linked KPIs > KPIs include obtaining its electricity from renewable sources, offering innovative solutions to SMEs with Digital Bridge, and successful inclusion into the Bloomberg Gender-Equality Index > Robust demand from 33 banks from 22 countries participated

Selected QNB sustainability-linked lending

glenmark Glenmark Pharmaceuticals Limited USD 228 Mn Sustainability Linked Loan Facility Mandated Lead Arranger & Bookrunner QNB March 2022	OUE OUE Hospitality Sub-Trust and OUE Commercial REIT SGD 978 Mn Senior Unsecured Sustainability Linked Loan Facility Mandated Lead Arranger & Bookrunner QNB August 2022	ESR ESR Cayman Limited SGD 330 Mn Sustainability Linked Loan Facility Mandated Lead Arranger QNB August 2022	CROMWELL FUNDS MANAGEMENT Cromwell European Real Estate Investment Trust EUR 180 Mn Sustainability Linked Lan Facility Mandated Lead Arranger & Bookrunner QNB October 2022
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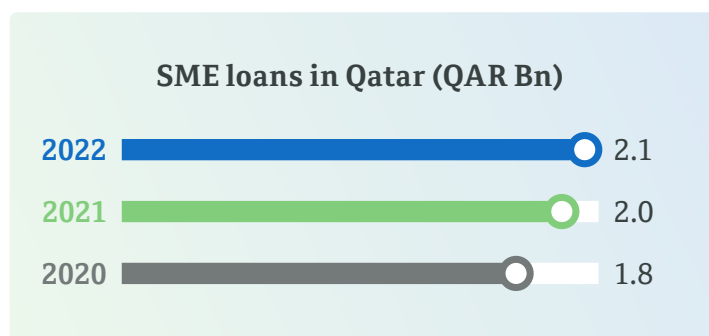
3.1.2 SMEs and entrepreneurship



Small and medium-sized businesses (SMEs) in Qatar play a vital role in fuelling economic diversification and GDP growth, representing almost 98% of registered private sector companies. Combined, the sector contributed to around 17% of non-oil GDP this year.

Nurturing newly established businesses and scaling up existing SMEs is an important part of our commitment to the diversification of the economy and our support for QNV 2030. We help SMEs flourish and prosper, as QNB aims to be the bank of choice for those seeking superior services and products, market expertise and unrivalled personal support. We provide access to local and international markets and offer financial services to help SMEs manage and grow their businesses. Our clients also benefit from a full range of specialist products and services, ranging from market insight and skills training to one-to-one consulting.

Growth in new account openings increased by 14% and non-government related deposits delivered steady growth at 9% over the year.



In 2022, we continued to enhance our SME customer segmentation with dedicated services and products tailored to our customers' specific needs. We were active in our drive to grow our SME asset book and started to harness the power of data and predictive analytics. These efforts provided us with in-depth information about customer behaviours and as a result, we were able to offer timely, targeted and relevant propositions, prompting new revenue-generation and improved cross-selling.

This year, we also decided to revamp our overall business proposition for our SME customers. Our intention is to provide a full-fledged automated offering that is seamless

and customer-oriented. We introduced a new portfolio approach for small-ticket loans that simplified the entire loan application, approval and disbursement process with a market-leading best-in-class turnaround time. Leveraging our unrivalled client insight, pre-selection criteria, and the aforementioned process improvements, we have reduced the time it takes for funding to be released for small-ticket loans from more than 30 days to less than five. Launched in 2022, there was strong demand and uptake, with 43% of domestic commercial loans now generated by this product for the under-served SME portfolio. We will continue to build on its success with further enhancements next year.

Accelerated small loan disbursement process from 30 days to 5 days



We are placing a strong emphasis on the shift in customer transactions away from branches to the convenience and security of online banking through further digitisation and automation. Today, 87% of our Qatari SMEs use our digital channels, up from 83% last year. We have further automated the account opening process for our SME customers, and are currently one out of only two banks in Qatar offering this functionality.

QNB Simplify, our popular e-commerce platform, remains a crucial tool in helping small businesses with innovative payment acceptance solutions while giving them a user friendly platform to showcase their products and services to a growing audience.

Looking ahead, we will focus on further automating and digitising our SME value proposition, as we aim to provide a fully digital and holistic experience to our customers. Our future priorities will focus on growing our asset book through unrivalled products and services and gaining a deeper understanding of the needs and aspirations of the SME sector in Qatar.

QNB Group Awards

Best SME Bank in Qatar
Global Finance

Best SME Bank in the Middle East
Global Finance

QNB Finansbank Awards

Türkiye's Best SME Bank
Global Finance Sustainable Finance Award

Best Online Services Bank for Micro and SME
The Global Banking and Finance Review

QNB ALAHLI Awards

Best SME Bank
The Capital Finance International Magazine

Best SME Bank
The Global Banking and Finance Review

Best SMEs Bank
The International Finance Magazine

3.1.2 SMEs and entrepreneurship (Continued)

Case study



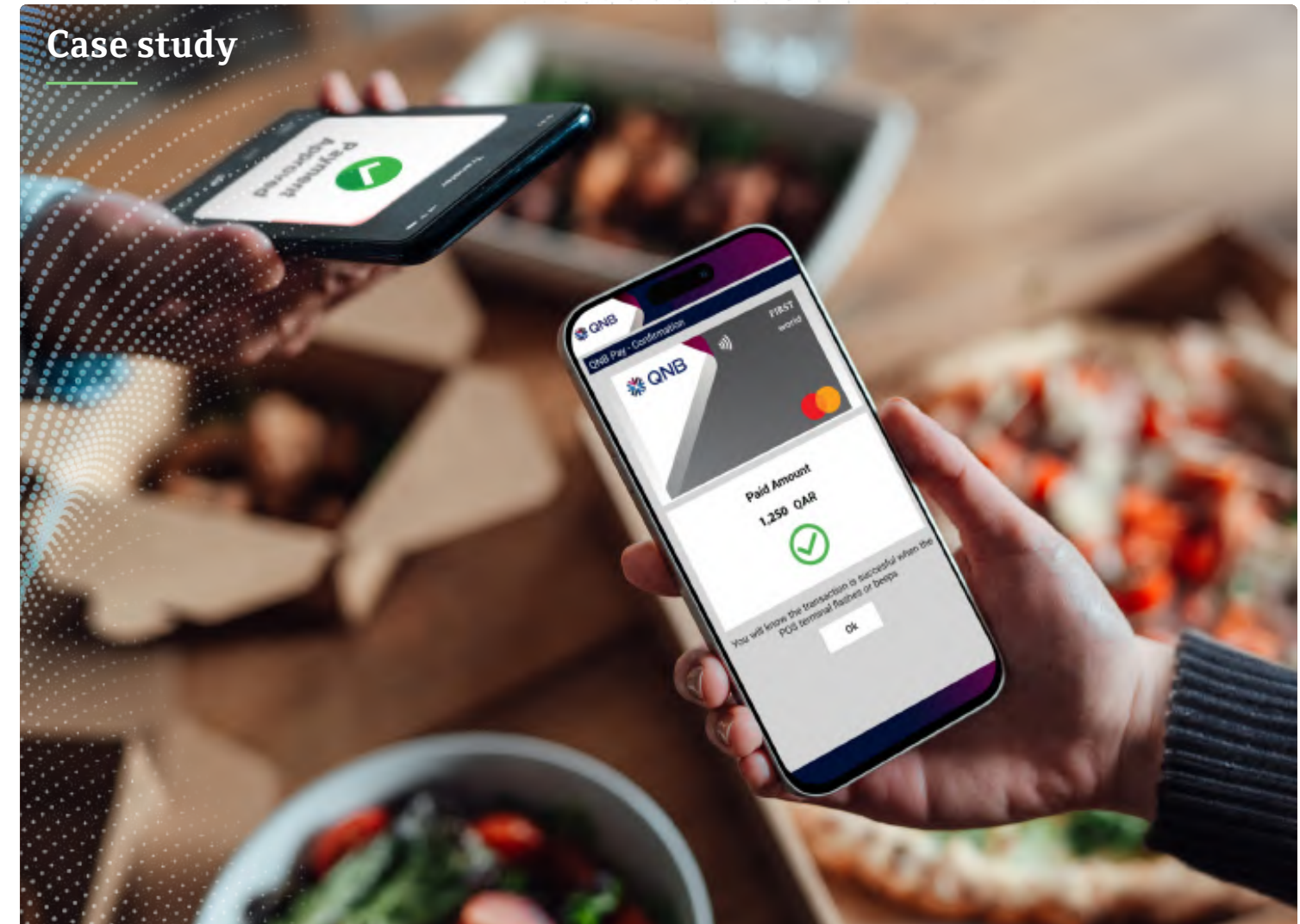
QNB and Qatar Development Bank (QDB) partnership agreement on the “Al-Dhameen”

In 2022, QNB signed an agreement with QDB on the Al-Dhameen programme, which encourages banks to finance businesses and projects that have a high success rate without the need to give any guarantees and documents of eligibility.

The signing of this agreement came after QDB announced an enhanced programme, after a decade of success providing guarantees that exceeded QAR 1 Bn, for local companies.

The programme was updated to include start-ups, small, medium and micro companies, and to facilitate the speed of the required procedures. It also includes a higher profit rate for all companies and does not require a percentage from entrepreneurs or investors.

Case study



QNB launches myPOS mobile application for Qatar merchants

QNB launched a new innovative solution for its merchants in Qatar, which enables them to use their smartphones instead of a POS device to accept contactless transactions instantly and easily.

myPOS is a new payment acceptance solution that is a cost-effective option for all micro-merchants and SMEs, eliminating their need to invest in a POS device. Merchants in Qatar can now accept all credit and debit cards contactless payments, including Apple and Google Pay, directly from their own Android smartphones and smart devices, where the set up takes less than 30 minutes after signing up as a merchant.

QNB's myPOS mobile application solution comes with various features for the merchant community, specifically small businesses, where they can now benefit from simpler and safer transaction management that enables face-to-face contactless payments and allows them to track and manage their transactions through the innovative mobile application.

3.1.2 SMEs and entrepreneurship (Continued)

Türkiye

In Türkiye, QNB Finansbank continued to support SMEs, seen as the lifeline of the economy, with over 1,000 dedicated employees throughout nearly 400 branches. SMEs are a critical business segment for our Türkiye operations, accounting for approximately one-fourth of the total loan portfolio of QNB Finansbank. To continue to support our clients throughout difficult periods, QNB Finansbank was again side by side with SMEs by supporting their financing needs and offering market-leading remote services such as the “SME Easy Line”, “Specialised customer services”, and “Digital Bridge” platform.

SME Easy Line

SME Easy Line provided our SME customers in Türkiye with instantaneous and professional support by remote RMs, allowing them to carry out all of their transactions over the phone without visiting a branch. Internet and mobile branches, specifically designed with SMEs in mind, offered services with new functionalities, and improvements in the end-to-end digitised credit underwriting and drawdown system.

We continue to lead the sector for small business banking through market share and innovative offerings. Since April 2022 we offered an electronic letter of guarantee up to TRY 5 Mn to support businesses, minimise their financial risk, and remove the need for paperwork. As of December 2022, the first phase of “ayın kazançlı firması” (“beneficial company of the month”) was launched, with the aim of becoming the bank of choice for customers. Customers who utilise our services

and complete transactions, such as sending money using Digital Bridge, etc. will be eligible for benefits activated for that month.

The Digital Bridge Platform

The Digital Bridge Platform, the gateway to QNB Mobile, was launched in 2021 for QNB Finansbank Corporate Internet Branch, and rolled out for other companies in 2022. The platform provides digital-first products, such as e-Invoice, e-Ledger, e-Archive, and e-Waybill as well as enabling Fintech third parties to participate in the Bank's ecosystem. Additional value-added services include HR services, e-commerce and digitisation. The Digital Bridge Academy provides an opportunity for

QNB Finansbank customers to manage their companies in line with new technologies and engage with experts.

At the end of 2022, approximately 300,000 customers navigated to Corporate digital banking channels through the Digital Bridge, with 90,000 customers utilising the digital solutions of the platform.

Enhancements and developments this year included:

- > Addition of **customer satisfaction survey** on the platform. To date there have been 60,000 survey respondents with overall satisfaction rate at 4/5. Customer feedback included that Digital Bridge facilitated

international business expansion, enabled their work through integrated solutions, and contributed to the creation of employment by saving time and costs in their business;

- > Launch of **electronic letter of guarantee**. For the first time in Türkiye, companies began to obtain and use the letter of guarantee quickly and easily from the Digital Bridge and QNB Mobile without the need to go to branch;
- > **Expanded free solutions** from 14 different Fintech and startups, including in e-Transformation, e-Commerce, and financial management areas; and
- > **Enhanced customer experience** and engagement on the platform through new solutions including Customer Relationship Management, Sales Support, and a ChatBot.

QNB Finansbank's Digital Bridge has been internationally recognised and won six awards between 2021 and 2022.

Women in Business programme

The EBRD also provided USD 50 Mn to QNB Finansbank for on-lending to small and medium-sized women-led companies under the EBRD's flagship Women in Business programme. The financing aims to strengthen the role of women-led SMEs in the Turkish economy and to promote inclusive sustainable growth. The Women in Business programme is supported by a risk-sharing mechanism through the Turkish Credit Guarantee Fund (KGF) and the Ministry of Treasury and Finance. The European Union (EU) is also providing grants to fund the technical consultancy that will help QNB Finansbank to develop more products and services dedicated to women-led businesses.



3.1.2 SMEs and entrepreneurship (Continued)

Egypt

In Egypt, we continued to support financial inclusion and the contribution of SMEs to the local economy. QNB ALAHLI was previously the first bank to achieve the Central Bank of Egypt's (CBE) obligatory target ratio of 20% of the loan portfolio to SMEs, and in 2022 was one of the first banks to reach and exceed the new 25% ratio a year ahead of the required date. QNB ALAHLI also exceeded the CBE 10% target for the small business segment, further cementing our leadership position in supporting these segments. To enable these achievements, QNB ALAHLI hosted financial inclusion events via Business Development Service (BDS) centres throughout the year, including SME focussed sessions on financial literacy,

products, and how to start businesses for entrepreneurs. Our aim was to help transform micro SMEs and start-ups from unbanked to bankable businesses. We are pleased that over 12,400 attendees benefitted from these sessions from across the BDS services.

“Nilepreneurs” initiative

QNB ALAHLI also continued and expanded participation in the “Nilepreneurs” initiative with three new satellite offices in the Delta and upper Egypt to reach young entrepreneurs and innovative project owners by providing support, non-financial services, and financial literacy sessions. Nilepreneurs is a national initiative driven by the CBE in cooperation with Nile University aiming to develop the skills and capabilities of young entrepreneurs.

Employee training

Building our focus on employee training and to ensure all SME clients are served at the highest level of customer satisfaction, QNB ALAHLI is

continuing in its plan to certify all SME RMs as “Certified experts in SME Finance”, in coordination with the Egyptian Banking Institute (EBI) and the Frankfurt Business School in Germany.



Selected SME Sustainable Products and Services	Description	Market	Impact
QNB Simplify	Innovative, fully digital and cloud based e-commerce platform, to allow merchants to create a fully functional online shop to engage customers and capture online market	QNB Qatar	167 new merchants enrolled in 2022 37,675 transactions QAR 83 Mn transactions volume
Non-Governmental Organisation (NGO) Finance	Supporting NGOs by providing dedicated credit facilities to finance micro enterprises in rural and remote areas, as well as microfinance lending to women	QNB ALAHLI	8 NGO customers EGP 916 Mn total loan value
Egypt Women in Business Programme	Part of EBRD's Egypt Women in Business programme to offer financing, capacity-building and advisory services to women-led SMEs to support female entrepreneurs (including Women in Business seminars, organised by QNB ALAHLI and partners)	QNB ALAHLI	6 training workshops conducted in 2022, attended by 110 female business leaders, in coordination with EBRD and IFC
Türkiye Women in Business Programme	Part of EBRD's support programme to offer financing for female entrepreneurs and legal companies with female executive managers	QNB Finansbank	USD 50 Mn for female entrepreneurs and female led companies
Renewable Energy Projects Financing	Funding to support renewable energy projects (including hydroelectric power plants and other renewables) for companies that produce electricity without a license in line with local regulations ¹	QNB Finansbank	TRY 137 Mn

¹ In Türkiye, within the scope of the Electricity Market Unlicensed Electricity Generation Regulation published by the Energy Market Regulatory Authority, “It is a system based on the principle of producing electricity to real and legal persons without the obligation to obtain a license, meeting their own consumption needs and selling the surplus to the distribution network”.

3.1.2 SMEs and entrepreneurship (Continued)

Case study

Helping small businesses flourish

As part of the QNV 2030, QNB remains committed to acting as an incubator and nurturing the growing private sector of the country. As such, QNB acts as a one-stop shop for SMEs in the market.

When Tamim Al Shayba opened his first branch of “Amazon Travel and Tourism” in 2013, it was a small business with big ambitions. His vision was bold: to grow quickly and build a travel consultancy offering hand-crafted itineraries and inspiring trips that would exceed the expectations of his customers. To make his vision a reality, he turned to QNB. Not only did he appreciate the Bank’s solid reputation for supporting Qatar’s growing SME sector, but also knew that he could count on greater benefits than our products and services alone.

With the advent of the COVID-19 pandemic, the hospitality and travel industries were particularly affected by the lockdowns and travel restrictions. With a deep belief in our customers, we extended bank guarantees and provided additional flexible finance solutions, helping “Amazon Travel and Tourism” successfully navigate through the very difficult period.

As the restrictions eased and the business volumes began to pick up in the run-up to the FIFA World Cup Qatar 2022™, we worked side by side with Tamim Al Shayba and his team to further strengthen the foundations of the business to continue to grow and prosper. We provided financing support as well as QNB’s award-winning e-commerce payment gateway to deliver digital capabilities, enabling the company to expand the business successfully.

Today, thanks to our partnership, “Amazon Travel and Tourism” has 12 branches and a powerful online presence that serves a growing number of clients. “All these achievements during the past 10 years would not have happened without the support of QNB,” says Tamim Al Shayba. “We appreciate the cooperation and the unique financial services they provided to us as an SME which allowed us to grow and open new branches. And thanks to the immense and important role they played during the pandemic, we are still here and able to offer innovative solutions to make travelling easy and safe for our customers. QNB is our partner in success.”



3.1.3 Retail, financial inclusion and accessibility



What we do

We are the largest bank in Qatar and our aim is to maintain our leading position. Our Retail Banking offering provides a comprehensive suite of digital as well as physical products and services with an integrated, multichannel distribution network, including:

- > 52 branches in Qatar and 927 internationally;
- > More than 517 ATMs and 12 ITMs in Qatar - the largest network in the country - and 4,340 abroad;
- > Innovative and user-friendly internet and mobile banking platforms, including card and e-commerce payment acceptance;
- > Market leading premium proposition through the QNB First and QNB First Plus services; and
- > International retail offering with global account access across our international network.

As per our purpose, we continue to promote prosperity and growth by embedding

sustainable practices into our retail offering. We are well-positioned to raise awareness on the importance of ESG in the community and support the green transition through our retail business and portfolio.

As a result, we saw initial uptake in our pioneering Green Mortgage Loan offering which gives preferential rates to those investing in a sustainable property.

In partnership with GORD, QNB uses the Global Sustainability Assessment System (GSAS), an internationally recognised environmental building standard, to promote sustainable building practices and to determine the client's eligibility for a green mortgage for their certified green buildings and properties.

GORD's GSAS is MENA's first performance-based green building system aimed at improving the design, construction and operations of buildings while also identifying sustainability challenges specific to the region's built environment. QNB is the first bank in the region to apply the GSAS rating as a part of its continuous efforts towards providing customers with innovative solutions, working towards sustainable development, and mitigating climate change impacts through encouraging better environmental practices.

In 2022, QNB became a member of the GORD's Destination Green Programme, further strengthening the ongoing collaboration between the two institutions. The programme is aimed at widening the impact of the State of Qatar's sustainability efforts by working with leaders across different industries. As an Eco-Champion of the Destination Green Programme, delegates from QNB Group participated at the GORD Pavilion at COP27



QNB ALAHLI Awards

Best Retail Bank

The Capital Finance International Magazine

Best Retail Bank

The Global Banking and Finance Review

Best Financial Inclusion Initiative

The Digital Banker - Middle East & Africa Retail Banking Innovation Awards

Best Bank for Digital Banking Services

The Global Banking and Finance Review

Best E-Banking Product

Mobile Banking - The International Finance Magazine

Customer Service Charter

Relevant policies



3.1.3 Retail, financial inclusion and accessibility (Continued)

QNB's sustainable retail products and service offerings also include the Green Vehicle Loan offered to customers at highly attractive interest rates, to promote the adoption of environmentally friendly electric and hybrid vehicles and supporting infrastructure. This year, we maintained the momentum and market leadership with this product, thanks to enhanced awareness of our customers, regular campaigns with local dealerships, and positive market feedback.

Embedding sustainability is also enabled by cutting-edge technology and our comprehensive suite of digital offerings, which are further elaborated in section 3.2 Customer experience and responsible engagement.

In Türkiye, QNB Finansbank continued with its thematic mutual fund, "Clean Energy and Water Fund Basket Fund", supporting environmental sustainability. This fund allows our customers to invest in global and local funds with environmental impact themes, such as clean energy, water management, and electric vehicle companies and projects. The year-end volume for 2022 was USD 6.8 Mn.

Leveraging the experience from the Group, QNB Finansbank this year launched the Eco-Friendly Vehicle Loan and Eco-Friendly Housing Loan, both contributing to the transition to a lower carbon economy, through zero/ low emission vehicles, and the development of energy-efficient homes, respectively. These products were launched in October 2022, offering preferential pricing and more favourable loan-to-value calculations, and loan allocation fees.

In Egypt, QNB ALAHLI continues to participate in the CBE initiative "Substitute Cars to Work with Dual Fuel", providing payment facilities and special interest rates for customers replacing old cars with environmentally friendly vehicles to reduce air pollution from conventional combustion engines.

Financial inclusion

We believe that financial inclusion is essential to achieve social equality and economic

empowerment. Such inclusion creates employment opportunities, reduces inequality and safeguards financial stability. Across our footprint, we play a key role in bringing affordable and accessible financial services and products to underserved segments, the unbanked, youth, and other demographic groups, promoting inclusion for all. In line with our digital innovation and transformation, the deployment of new technology also allows us to provide digital

services and products that support access and inclusion in the communities where we operate. These convenient digital services include mobile payments, remittances, financing, and withdrawal functionalities.

QNB ensures that its practices and offerings are in line with the Qatar Central Bank's Second Financial Sector Regulator Strategic Plan, which includes the aim of enhancing financial inclusion and education. It does so by:

- 1) Providing access to financial products and services without minimum balance or charges;
- 2) Developing and launching dedicated products and services for underserved segments;
- 3) Introducing digital transactions to ensure faster, safer and efficient provision of financial services; and
- 4) Applying special rates to micro businesses and essential suppliers.

Selected Retail Sustainable Products and Services	Description	Market	Example Impact
Green/ Hybrid Vehicle Loans 	Incentivised loans to promote, encourage and support the transition to hybrid or lower GHG emissions compared to normal combustion engines	QNB Group	QNB Qatar high profile campaigns and incentives promotion has increased uptake by 150% QNBAA EGP 273 Mn
Green Mortgage Loan 	Incentivised loans to promote and encourage sustainable building practices, linked to internationally recognised building standards	QNB Qatar	Targeted campaigns have increased uptake by 100%
Education Loan 	Allows our customers to pursue their postgraduate education or to support the education of their children	QNB ALAHLI	
Solar Loan 	Incentivised loans to promote and facilitate purchase of solar energy systems and solar energy products for customers' homes	QNB ALAHLI	
Social Insurance Products 	Dedicated insurance products to cater for specific customer needs, including complementary insurance, such as salary protection and breast cancer coverage	QNB ALAHLI, QNB Finansbank	TRY 3.25 Mn

QNB held a 4 day introductory course for 60 students from the Qatar Banking Studies and Business Administration Secondary school, aligned with the Group's efforts on supporting Qatari youth and promoting financial education. The objective was to raise awareness about the importance of banking and financing, both in terms of financial literacy, as well as understanding how banks and the financial sector works

3.1.3 Retail, financial inclusion and accessibility (Continued)

Working in partnership with Indonesia's largest telecommunications service provider and a leading Fintech, the Bank developed and launched UCan, a ground-breaking digital app that offers customers an instant, secure credit facility through their smartphones.

It provides cash advance products in a seamless process, from application opening to digital cash withdrawals. This solution combines advanced data analytics and decision algorithms to create a powerful new loan service app that enables customers to borrow

up to USD 1000 in cash, quickly and easily through their mobile devices. The app makes banking more accessible to the local retail market and uses sophisticated data analytics to provide qualified customers with credit in just two minutes.








Customers who do not have access to traditional banking services can benefit from the mobile service. It provides with convenient, real-time access to credit for those who may be declined by traditional lenders due to lack of credit history information.

The number of users has increased tenfold in less than a year, underscoring the importance of digital financial services for the underbanked. It also reflects QNB's ongoing commitment to supporting the Indonesian government's financial inclusion programme.

QNB Indonesia also hosted UCan workshops, UCan X Tempo Money Wise Online, to support small and micro business owners through financial literacy and expert panellist advice on financial planning. Over 200 participants benefitted from these informative sessions.



QNB Indonesia is helping to empower financial inclusion by leveraging our digital innovation and sophisticated data analytics capabilities

Selected Sustainable Products and Services supporting Financial Inclusion		Description	Market	Example Impact
	Ooredoo Mobile Money (OMM)	Partnership with leading telecom provider to provide a mobile money wallet for the unbanked population. Supporting Qatar's WPS, it facilitates workers receiving salaries on time, whilst providing a comprehensive suite of financial services such as remittance, bill payments, mobile top-ups, peer to peer payments, and cash withdrawals	QNB Qatar	750,000 active wallets QAR 23 Bn transactions to date
	E-Cash Card	Pre-paid card solution accessible to the unbanked population, enabling their transactions where card payments are mandatory (e.g., government services)	QNB Qatar	QAR 312 Mn transactions
	Enhanced Retiree Loan	Preferential loan rates offered to all retirees irrespective of their age or income status; additional benefits including bonus loyalty reward points, preferential interest rates for fixed deposits, free credit card insurance	QNB Qatar	Retiree customers benefited from low interest rates reducing their debt burden while also giving them an opportunity to access more funds as needed
	Youth Offer YO! Package	Pool of selected banking products and services offered at a discounted price to youth aged 16 to 21 years. YO! Package has been enhanced to match demographic needs by adding benefits, such as NFC-enabled wearables for contactless payments	QNB ALAHLI	18,312 youth clients
	Mortgage Finance	CBE mortgage finance initiative for low and middle income; granting subsidised loans with extended durations up to 30 years that aims to achieve social justice, and to provide adequate housing opportunity for all citizens	QNB ALAHLI	EGP 3.4 Bn
	UCan (Digital Loan)	Instant cash loan with small ticket sizes for low income segments	QNB Indonesia	35,860 customers with loans worth IDR 82.2 Bn
	Government Bonds	Investment opportunity with small ticket sizes (approximately USD 70) for low income segments	QNB Indonesia	IDR 192 Bn

3.1.3 Retail, financial inclusion and accessibility (Continued)

Accessibility

Across the Group, we are committed to providing accessible services. Whilst accessibility is enabled through our comprehensive digital suite, we are also mindful of the differing needs and requirements from across our customers as well as the responsibility to ensure accessibility through physical channels and branches. In Qatar, for example, to reduce branch traffic and to provide our customers with additional access points, we rolled out additional Interactive Teller Machines (ITM), which allow customers to perform secure transactions over video. In locations where a branch is equipped with an ITM, over 20% of the total like-for-like transactions are executed through this channel. We also extended the ITMs service availability, helping to boost total usage by 13%. We expanded the number of ATMs and ITMs as well as Self-Service Cheque Deposit Machines, and added contactless card withdrawal capability to more than 139 terminals. These solutions offer further convenience and strengthen our self-service offering.

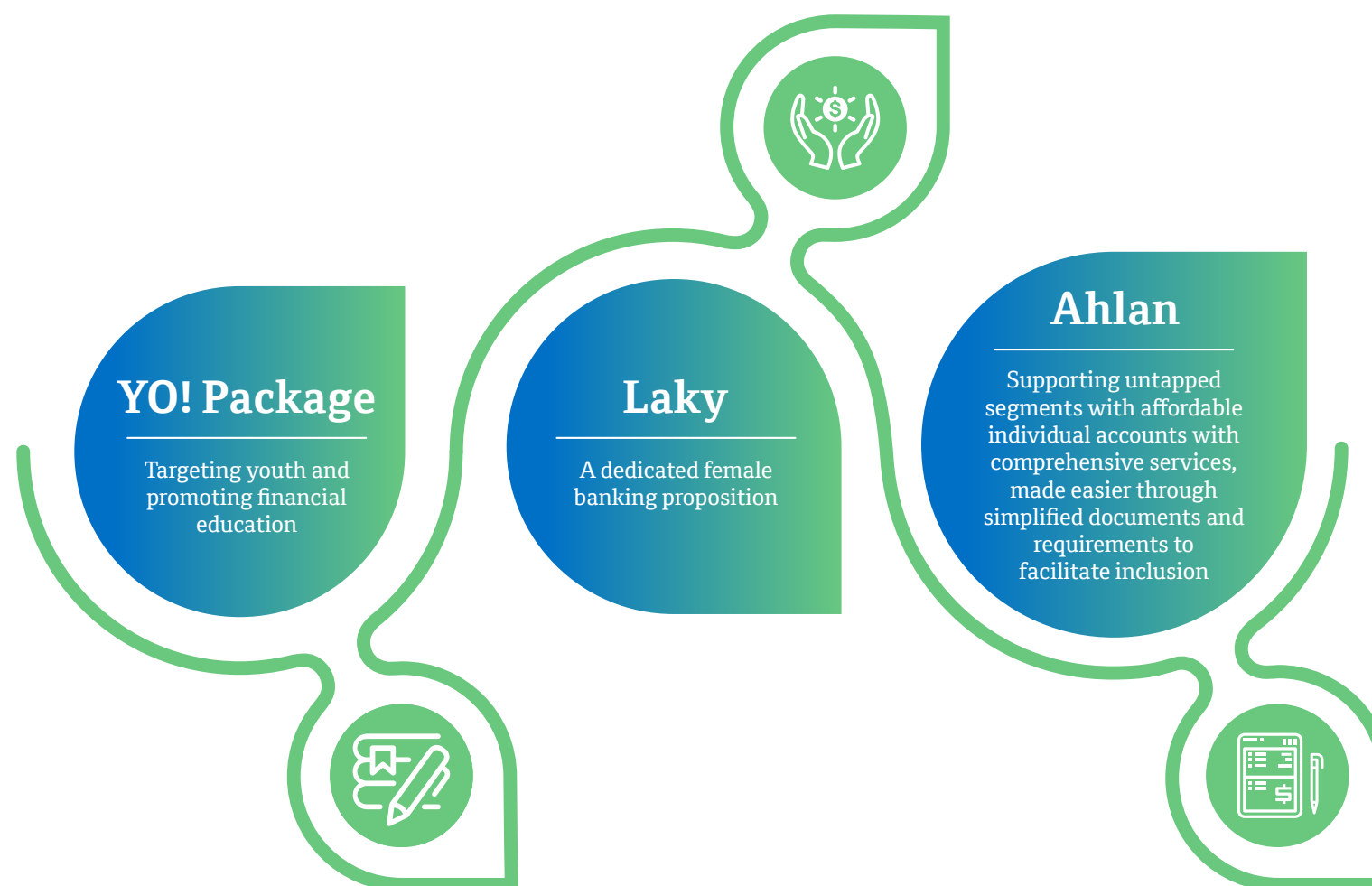
As QNB Finansbank, we continued to focus on the migration of transactions from branches to digital channels during 2022. We enhanced customer experience and digital channels via innovative cardless and contactless money withdrawals and transfers, leveraging QR code and NFC. We have also started to offer Open Banking technology, enabling our customers to integrate their other bank accounts through our mobile application to conveniently see all their finances in one place and to transfer funds between them.

In addition, this year, QNB Finansbank partnered with BlindLook - a social enterprise focused on inclusive and barrier-free technologies to deliver accessibility to the blind and visually impaired - to integrate audio text-to-speech functionality in our digital channels. QNB Finansbank was proud to receive the global EyeBrand certification in recognition of our inclusive and blind friendly services.

QNB ALAHLI won the award for “Best Bank for Financial Inclusion” in the Middle East and Africa from the international magazine The Digital Banker. This accolade recognises meeting international standards on the provision of banking services, innovative products, quality of service, and efforts to increase level of financial inclusion.

QNB ALAHLI has introduced a range of solutions targeting the underbanked/ unbanked customer segments.

The solutions range from:



In line with QNB ALAHLI’s commitment to social responsibility, inclusion, and accessibility, services are in place to cater for all customers, including our “Clients with Special Needs” initiative, with the objective of being the most accessible bank. This includes:

- > Enhanced service provided in all branches across governorates with additional service agent support as well as simplified and facilitated account opening procedures;
- > Introduced sign language as well as certified employees and interpreters in branches;
- > Upgraded 90 ATMs to be equipped with Braille keypad;
- > Installed additional ramps in selected branches to facilitate access to the branch and ATMs; and
- > Rolled out additional features in QNB ALAHLI’s mobile application, including “ATM and branch locator” for those serving clients with special needs.

3.2 Customer experience and responsible engagement



At QNB, our customers are at the very heart of our business. Our employees as our brand ambassadors strive to deliver excellent service at all times. We nurture a culture that seeks to continuously improve customer experience with each interaction; an opportunity to delight our customers. We leverage both our physical and digital platforms to provide bespoke solutions, products and services, all with the objective of delivering a superior customer experience and enabling a sustainable future. QNB aims to be there for our customers, anytime and anywhere.

Digital innovation and transformation

With innovation as a strategic enabler as part of our Group-wide strategy, we emphasise the need for digital innovation and transformation across the Group. Our digital transformation journey encompasses all aspects of our customer facing activities and internal operations. This has enhanced the customer journey, optimised operational effectiveness, and augmented data security. This includes,

for example, our Face-Pay technology providing digital acceptance through face recognition, offering seamless payment in a safe and secure manner.

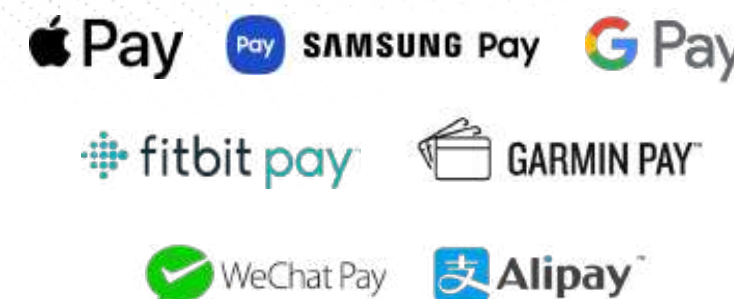
By embedding cutting-edge technology into our customer-centric experience, products and services, we deliver a value proposition that promotes digital banking with a human touch. From digital and mobile channels to the branch network, contact centres as well as ATMs and ITMs, we deliver an omni-channel presence and access to our products, services, and support at any time at our customers' convenience.



of our customer-facing processes are digital, providing seamless offerings coupled with the highest levels of satisfaction and security

One of the strategic objectives of our digital offering this year was to be a facilitator for all services around payments and financial transactions for the FIFA World Cup Qatar 2022™. We aimed to provide a seamless and holistic customer and fan experience during the tournament. As the Official Qatari Bank of the tournament, our collaboration with Visa, FIFA, and the Supreme Committee for Delivery and Legacy, helped to drive momentum in the development and acceptance of new digital payment solutions for Qatari citizens, merchants, tourists, and sports fans.

As the tournament fuelled activity, particularly in the hospitality, travel, and tourism sectors, we expanded the range of payment options available and continued to build on our digital services. We became the first bank in the country to add WeChat Pay and AliPay to our comprehensive range of payment options accepted by our merchant network in Qatar. This builds on other comprehensive payment options introduced over the course of the last two years, including Apple Pay, Samsung Pay,



Google Pay, Fitbit Pay and Garmin Pay. Thanks to these developments, this year we saw over 500% growth in mobile, wearables, and contactless payments, equating to almost 15 Mn transactions, with a total volume of over QAR 3.4 Bn. This new eco-system allowed for simple, secure, and innovative digital payments to ensure a seamless customer experience.

Additionally, we enhanced our internet and mobile banking channels, adding new functionalities and updating the transaction process flows to improve our service. We added a QNB Digital Assistant chat service to the mobile app and enhanced the features on WhatsApp to connect customers directly with our call centre agents.

QNB Group Awards

Highly Regarded in Digital Solutions

Euromoney Market Leaders

QNB Finansbank Awards

Best Digital Transformation Bank of the Year

The Global Banking and Finance Review

Customer Service Complaints team of the Year - Gold

The Stevie Awards for Sales & Customer Service

QNB ALAHLI Awards

Best Bank for Digital Banking Services

The Global Banking and Finance Review

Best E-Banking Product - Mobile Banking

The International Finance Magazine

Relevant policies

Customer Service Charter

Customer Commitment (QNB Finansbank)

Customer Experience Principles

3.2 Customer experience and responsible engagement (Continued)

On the payments and remittance front, we launched a direct remittance service for money transfers from Qatar to the Philippines, complementing our existing service to Türkiye. We were the first bank in Qatar to launch such a service that connects QNB with China Bank, one of the leading private universal banks in the Philippines through RippleNet, the financial technology powered by leading enterprise blockchain and crypto solutions provider, Ripple.

This new service provided our customers with a convenient and a **fast cross-border money transfer solution in real-time**, eliminating the previous transfer time of up to 4 days



Our partnership with Ripple complemented our efforts to improve cross-border payments to uphold our position as a pioneer and financial technology accelerator in Qatar and the region.

Our efforts are reflected in our most recent Net Promoter Score (NPS), where QNB Qatar (Retail) achieved an NPS of 72, against a Qatar retail market average of 58. We continue to be ranked as one of the leading banks in Qatar for customer satisfaction.

Customer experience: Net Promoter Score (NPS)¹



Moving into the virtual realm

In payment terms, the future is virtual. In 2022, we saw a large rise in the uptake of our virtual credit, debit and pre-paid cards, which allow customers to use their smartphones or

wearables to pay for goods and services instead of a physical card. This transition reflects the evolution in consumer spending habits and aligns with the lifestyles of our customers who want faster, safer, and greener payment solutions.



Over 500% increase in the number of transactions facilitated through wearables.

The size of the Global Virtual Cards Market is expected to grow to over USD 6 Tn over the next five years, according to research by Vantage Market Research. This anticipated growth is based on the tangible benefits virtual cards can provide to both retail and corporate customers. Greater convenience, extra fraud protection, and a more controlled spending experience are the key elements that are driving growth.

Virtual cards are also more cost-efficient and sustainable. As a bank, we save on materials, production, and shipping costs while reducing the amount of paper, plastic, and waste. Customers benefit from reduced fees, enjoy more control, and never worry about a misplaced card again.

They also offer more protection by limiting the information shared during a purchase by tokenising data. That means account numbers are encrypted and transformed into a randomised sequence of numbers used to make one-time payments.

Today, we remain at the forefront of enabling seamless and secure access to the digital economy to support the government's ambitions of extending the benefits of digital payments to larger numbers of consumers and the retail sector in Qatar.

In Türkiye, QNB Finansbank offers its customers an uninterrupted and accessible digital banking experience, whilst maintaining the highest level of customer satisfaction. As a technology-focused bank, the functionality of the digital channels was enhanced to support customers with all their business requirements, anytime and any place.

¹ NPS is a globally recognised metric for measuring customer experience and the overall perception of a company brand. The NPS is calculated as the difference between the percentage of promoters and detractors. The NPS is expressed as an absolute number lying between -100 and +100.

3.2 Customer experience and responsible engagement (Continued)

The number of digitally active retail customers exceeded 4.4 Mn by the end of 2022 with an increase of 19% compared to prior year. This was enabled by the upgraded mobile app, new customer interactions, increased transaction capacity, and marketing campaigns to promote customer loyalty and engagement.

Since May 2021, potential QNB Finansbank customers are able to open a bank account 24/7 via mobile banking. This is facilitated through an online application form and video call with customer representatives, without the need for customers to visit a branch or submit paper applications.



During 2022

200,000

new customers of QNB Finansbank were successfully onboarded through video calls via our mobile app

QNB Finansbank saves more than 8,500 sheets of paper a day through digital onboarding, and saved more than 3 Mn sheets of paper in 2022 alone.

In Egypt, QNB ALAHLI added numerous enhancements to Internet Banking to aid convenience, accessibility and self-service, including new registration and authentication process, loyalty points redemption through E-voucher, and online application for fully secured loans and credit cards.

In addition, to extend customer service options and availability, the following were introduced during the course of the year:

- > Extended contact centre Interactive Voice Response (IVR) services, including IVR identification, call back option, credit card services, complaints line, and branch locations;
- > Launched QNB ALAHLI WhatsApp for Business for communication with both existing and prospective customers;
- > Introduced dispute transaction option on E-Wallet services;
- > Joined InstaPay Network, enabling instant EGP transfers between banks to our customers; and
- > Introduced foreign currency exchange capability to ATMs located in tourist areas.

In Indonesia, QNB Indonesia continued to deliver convenience for our customers through its digital channels and mobile offering. This included biometric login and Digital Onboarding as well as environmental benefits from paperless virtual transactions. Once onboarded, the customer is able to use all features in mobile banking, including time deposit opening, QR code payment, QNB credit card payment, and transfers. In 2022, time deposit opening via mobile banking reached a volume of IDR 2.1 Tn, averaging IDR 177 Mn per month. Over the same period, QRIS (Quick Response code Indonesian Standard, the national standard for QR code payments in Indonesia) transactions increased by 250% in both transaction numbers and volume. By the end of 2022, mobile banking was used by 75% of our

customers. This demonstrates that customers have continued to embrace the convenience offered by our mobile banking offering in Indonesia.



250%

Transactions increase in both transaction numbers and volume in QNB Indonesia

Complaints management

While we make every effort to provide the best possible service to our customers, we acknowledge that there are circumstances where our customers feel our service could be improved. In Qatar, we have put in place a comprehensive complaints management process to raise, address, manage, and resolve complaints across a multitude of channels.

Any complaints received through our physical retail branch channels are promptly resolved through our dedicated Service Quality teams in Retail in Doha. Given the proliferation of social media usage amongst our customers, our Social Media team also proactively monitors QNB's various channels to ensure timely resolution of any requests or complaints posted on these platforms. In the Corporate banking space, we have empowered our RMs to deal with any questions, concerns or complaints raised by their clients. As part

of the management process we analyse all our complaints to understand their root causes. These insights then feed into initiatives to drive continuous improvement. In the event complaints are raised to and received from the QCB, these are routed to the respective owning business division (Corporate, SME, Retail banking) and handled by the respective Service Quality team representative. QNB Group Compliance is also engaged and consulted to ensure such complaints are handled appropriately and that the QCB is suitably informed of outcomes.

During 2022, we received 29,360 customer complaints, of which 94% were resolved within the same month, with the remaining in progress at the end of the year.

Responsible engagement

At QNB, we aim to protect the rights of our customers by engaging with them in a responsible manner. We do this by ensuring that our customers have access to clear and transparent information for our products, services, and channels. Our approach and established governance framework ensures compliance with regulatory requirements in every jurisdiction we operate in, upholding market standards. Regulatory approval is sought before any product is launched into the market. To provide our customers with balanced and transparent information, we ensure that all our marketing collateral is clear, simple, easy to understand, and contains all essential information for our customers. We also communicate to the customer any reasons in the event their application is declined.

3.2 Customer experience and responsible engagement (Continued)

Our comprehensive [Customer Service Charter](#) outlines our commitment to providing exemplary customer service as well as fair and transparent practices to meet the needs of our customers. All product marketing collateral clearly discloses material risks and related fees and commissions, with no hidden costs and non-use of small print. Our employees are thoroughly trained on our product and services to address any queries raised by our customers. Further to this, we also endeavour to maintain a safe and accessible branch environment for customer and employee engagement.

QNB's approach to responsible engagement also incorporates the following:

Consumer protection - QNB complies with regulations in each of our jurisdictions for customer and consumer protection, which includes the right to transparent and fair banking information and transactions, and the right to have access to all financial services and products at appropriate cost. This includes providing access to full and clear product and service information. QNB's product and risk governance framework ensures compliance with regulatory requirements across jurisdictions, helps to prevent misselling, and upholds market quality expectations.

Responsible lending - QNB only approves applications where we believe the borrower has the ability to repay the credit according to its terms, using a method of assessment appropriate to the type of credit transaction. This includes reviewing and assessing the customer's debt burden ratio and any sources of income to confirm affordability. Training on responsible lending is also conducted with

lending product management team. QNB ensures that its employees are trained on new products before they are launched, and sales representatives must provide customers with full information and explanation of the terms and conditions, and any charges relating to their products/ services.

Responsible treatment of customers with debt repayment problems - QNB takes pre-emptive actions to prevent client debt repayment problems, such as using credit limit

structure, exceptions, the identification of key risk, and early warning indicators. We monitor customer debt levels and ensure risks are managed appropriately. Annual reviews for customers are performed to check financials, payments, insurances, and ensure that obligations are paid on time. RMs also meet with customers on a regular basis to understand their position, and if necessary and appropriate, may help them recapitalise or offer extended payment terms.

Under special circumstances (such as the COVID pandemic), QNB may launch special schemes to help customers with repayment challenges. As a participant of a government scheme to help businesses during the pandemic, QNB in Qatar charged 0% interest within the first-year grace period for thousands of its clients and waived all Point of Sale rental costs. In the case of debt repayment issues, QNB provides debt counselling to help customers repay their debt.



3.3 Data security and privacy



Cybersecurity

Cybersecurity risks are everywhere. As today's attackers become more sophisticated, well-funded, highly organised and trained, the topic of cybersecurity remains at the top of our agenda. We believe that cybersecurity can create a competitive source of differentiation that helps a company to achieve its strategy and mission, ultimately ensuring long-term sustainable profitability. The banking sector, in particular, remains a prime target for cybercrime. Threats such as phishing, ransomware, and distributed denial-of-service (DDoS) attacks have evolved rapidly and are now more frequent and sophisticated than ever.

With changes in working patterns and a surge in e-commerce activity accelerated by the pandemic, cybercriminals are looking for new ways to exploit banking systems, as digital banking solutions continue at pace and greater amounts of data and services are stored in the cloud. As more data is stored virtually in the cloud, cloud-based attacks have been one of the most prevalent cyber threats to the banking industry.

QNB Group has a continuous focus on developing a world-class cybersecurity strategy, tools and processes, to detect and defend against cyber attacks. Our cybersecurity capabilities were thoroughly assessed by the Supreme Committee for Delivery and Legacy's FIFA World Cup Qatar 2022™ Cybersecurity Framework. As a result, we ensured the seamless delivery of hundreds of thousands of secure digital transactions for ticketing, bookings, travel and reservations for fans and businesses while at the same time protecting our operations and reputation.

Cybersecurity governance and strategy

Keeping the Bank secure and our customers and reputation safe from cyberattacks is a critical element of QNB Group's approach to risk management. We maintain a robust cybersecurity risk mitigation strategy, supported by a dedicated governance framework with Board-level oversight.

To ensure we maintain an agile approach to our cybersecurity strategy, while simultaneously balancing risk appetite, security, and user convenience, we have a Group Cybersecurity

Committee (GCSC), chaired by the GCEO. The Group Chief Information Security Officer provides regular updates on the cybersecurity programme, presents key risks and makes recommendations when a change in direction or critical decisions are required. Through the GCSC, we define and monitor the implementation of our IT security and cybersecurity governance and framework, including strategy, policies, controls, capabilities, budget, skills, and roles and responsibilities across the Group.

National Cybersecurity Agency (NCSA) and the Supreme Committee for Delivery & Legacy assessment on QNB practices:

“Excellent working knowledge of data protection legislation and experience in assessing and defining system specifications related to compliance with data protection regulations”

We place the highest priority on continuous enhancements of the three pillars of our IT security strategy (systems, processes and people) to safeguard our data. Each of these pillars must be resilient and constantly

strengthened to support and protect the Bank, and in turn, our stakeholders.

Enhancing our cybersecurity technologies

We deploy the latest technology to support the proactive detection and prevention of malicious activities and malware attacks. In 2022, the technology focus was primarily on system stability to ensure that the systems we have in place are finely tuned, and have sufficient capacity. We also enhanced the technology for advanced denial-of-service protection to maintain services for our people and our customers.

Enhancing our cybersecurity processes

In terms of process enhancements, we optimised the speed and efficiency of our penetration tests. These tests are assessing every digital service provided by the Group for security vulnerabilities. Our agility in this competitive area is crucial. As the number and complexity of new digital services increase, it is important that we can launch innovative new services swiftly without compromising on security.

Relevant policies

[Privacy Notice](#)

[Information Security Policy](#)
[Data Protection](#)

[Cybersecurity Policy](#)
[Phishing Awareness and Best Practices](#)

[Information Technology Risk Management Policy](#)

Certifications

Member of Gartner Security Board

ISO 22301 certification in Business Continuity Management (BCM)

ISO 27001 certification in Information Security Management for Data Centre Operations

List of main Industry Certification

- > The Certified information Privacy Professional (CIPP), IAPP
- > The Certified information Privacy Manager (CIPM), IAPP
- > The Certified information Privacy Technologist (CIPT), IAPP

3.3 Data security and privacy (Continued)

We also enhanced the tooling and techniques for source code security analysis. We embedded a process to analyse the source code as the app develops - rather than after - so that the code is secure before it has even gone into test environment.

To test the effectiveness of our detective and preventative controls we conduct Red Team exercise annually - we follow a structured methodology based on the CBEST framework developed by the Bank of England. This assesses the entirety of the controls of environment - with a wider coverage than just penetration testing, evaluating the Security Operations Centre (SOC) processes.

Such actions enable a safe and positive user experience, which is the expectation from our customers who trust and rely on QNB to deliver robust and secure services.

Cybersecurity auditing capabilities

While much of our attention is directed to external threats, we recognise that it is equally essential to ensure that our internal protection processes are just as rigorous. To that internal environment, a specialist team from our independent Internal Audit division regularly audits the Bank's information technology, information security and data security capabilities. This team conducts several comprehensive annual risk-based audits that include a review of related policies and procedures. The results are reported to the Bank's independent Group Board Audit and Compliance Committee (GBACC), and they are shared with Executive Management and GCSC members. The Internal Audit division follows up on any recommendations made in the reports through to resolution.

Meanwhile, we continued our partnership with Gartner, the global cybersecurity specialists, to continue to enhance our strategic approach. The Bank is one of 50 global corporations to be part of Gartner's influential research board, which influences the roadmap for technological developments and assesses upcoming threats. QNB maintains an ISO 27001 certification, an independently certified methodology used to operate, monitor and improve the information security management system (ISMS) in the Bank. Such enhancements uphold stakeholder confidence in our cybersecurity approach.

Strengthening our cybersecurity culture

Protecting our customers and our reputation from cybercrime is not just about deploying the best technology available. It is also about making sure our employees are aware of the issues and are well trained to detect and prevent attacks. Communication is critical when it comes to strengthening our cybersecurity culture. We invest in ongoing training and awareness initiatives to keep employees informed about how to keep data safe, report breaches and be aware of new threats. All of our Information Security policies are available to all employees via our intranet portal.

NCSA and the Supreme Committee for Delivery & Legacy assessment on QNB practices:

“Experience in leading business level privacy assessments that results in programme enhancement, mitigation and remediation activities as appropriate”

During 2022, a mandatory cybersecurity campaign and survey was deployed to all our employees in Qatar and the international network, covering over 3,000 employees. This ensures that our people are fully engaged and aware of the topic, including individual responsibilities and red flags to be aware of, in order to protect our systems and our customers.

We are also active in raising awareness amongst our customers through regular campaigns and communications, including on how to recognise and avoid phishing attacks, keeping confidential information safe, and how to report suspicious activity.

Global data protection and privacy programme

Data privacy is a necessity and key responsibility for QNB. We adhere to strict ethical standards for privacy for all sensitive data collected by the Bank. Our policies, data protection system and Data Protection Unit ensures all information is processed in an ethical and responsible manner by maintaining the integrity and confidentiality of the data. At the heart of this ethical approach is QNB's privacy culture.

The privacy culture at QNB is set from the top and there is a strong commitment to protect personal data, which is fundamental to achieving our long-term vision.



3.3 Data security and privacy (Continued)

Our data privacy culture is embedded at QNB through the following mechanisms:

Governance:

Roles and responsibilities are clearly defined for all employees in relation to data privacy including KPI's in annual appraisals;

Technology:

To operate within regulatory regimes governed by complex data protection laws and regulations, QNB leverages and deploys a leading privacy solutions, OneTrust, to automate key data protection tasks in addition to utilising artificial intelligence data leakage, data governance and discovery tools;

Specialised Data Protection Unit:

We employ a dedicated Data Protection team including a Group Data Protection Officer (DPO), local data protection officers with relevant experience, qualifications, and relationships with supervisory authorities who monitor compliance with regulations, including GDPR;

Awareness:

We provide annual updates and roll-out of data privacy training and awareness sessions which aim to enhance awareness of all employees through various channels including role based training, e-learning, social media campaigns, and informative lessons learnt; and

Accountability Framework:

We utilise an accountability framework, which is endorsed by multiple data protection supervisory authorities, such as the Information Commissioners Office (ICO) in the UK. The framework ensures accountability throughout the lifespan of information from creation to deletion.

QNB internal processes and systems ensure customer confidentiality and the integrity of customer data. Customer data is safeguarded through internal controls. We gather explicit consent and inform customers on how their data are collected, stored, protected and used within the Bank in accordance with data protection regulations. These data protection and information security measures are fully applied to all customer data that is outsourced for processing. QNB also incorporated a Data Protection Assurance Programme and Enterprise Health Check to the data protection landscape in an effort to integrate best practices and assess ongoing compliance with the data protection regulations and ethical standards.

NCSA and the Supreme Committee for Delivery & Legacy assessment on QNB practices:

“Provides data privacy programme subject matter expertise to business, functions and key stakeholders”

In 2022, QNB introduced a new data governance and ethics principles. We became the first bank in Qatar to introduce the concept of data ethics. This new initiative looked at the broader requirements of processing and using data, taking into account social and ethical values and concerns by creating an internal benchmark. In relation to data discovery, the Bank automated the discovery of confidential data within QNB infrastructure and applied key privacy controls. Such programmes and initiatives have helped QNB maintain a strong data privacy and security framework.

The strength and credibility of QNB Data Protection Framework was further demonstrated as:

1. Local Supervisory Authority inspection identified no data privacy concerns on the processing and collection of personal data;
2. International audits on QNB related to FIFA World Cup Qatar 2022™ highlighted exemplary Data Privacy practices, with no-non conformities; and
3. QNB's Data Protection Unit in Qatar chairs and leads a data privacy forum which includes representation from key organisations in Qatar, with the objective to enhance the overall level of data protection standards across Qatar and MENA.

In 2022, there have been no breaches and zero complaints with regards to data privacy on a Group level.



0 data security breaches

4. Sustainable operations

Sustainable operations is QNB's holistic approach to integrate ESG criteria into our operations and across our supply chain to ensure we and our partners operate ethically and efficiently. Our ambition is to promote equality throughout our workforce and to embed environmentally friendly practices throughout our operations. By doing so, we aim to not only comply with ever-increasing ESG regulations and expectations, but also to establish ourselves as an employer of choice whilst fostering the development of our employees. This approach to sustainable operations is a key part of our overall sustainability strategy and helps us to contribute towards a more sustainable future.

Contents:

- 4.1 Employee value proposition
- 4.2 Diversity and inclusion
- 4.3 Climate action
- 4.4 Responsible procurement and supply chain



4.1 Employee value proposition



Employee overview and engagement

QNB is proud to continue to be recognised as both the most valuable banking brand in the MEA region as well as being recognised as one of the top companies in the Middle East.



Our brand reflects our purpose of promoting prosperity and sustainable growth in the communities we serve. This applies equally to our people. Together with our values, it influences our ethos and allows us to differentiate ourselves from our competitors. This enables us to create an environment and culture for our employees to develop, thrive and make a difference. Attracting and retaining the best talent from the diversity our communities have to offer, remains an ongoing objective.

In line with our purpose, we aim to be an employer of choice. QNB recognises the fact that employees of the Bank are the most important asset in delivering exceptional customer experience and driving our performance. We therefore believe that employee engagement is a critical component as the largest bank in MEA. We aim to engage our employees through comprehensive talent development initiatives, people-centric as well as people-first practices and policies, continued commitment to diversity, and last but not least inclusion. We perform Employee Engagement Surveys (EES) as an element of activating and including our

people. Since our last EES in 2019, the pandemic had limited opportunities to actively engage our employees in person. With our new 2025 Strategy and the continuation of our vision to be employer of choice, this year we partnered with an external and independent HR consulting firm, Kincentric, to reinitiate our EES to rebaseline and revitalise our efforts on this front.

2,195 employees participated in the relaunched survey, representing a 78% participation rate, with an employee engagement score of 55%. The engagement survey was an effective way to gather input on what QNB is doing well and what we could be doing better to engage our people. The feedback is key input to help us to ensure a successful future for our company.

In Türkiye, QNB Finansbank continued its annual EES, with 7,621 employees participating this year, representing a 71% participation rate, with an employee engagement score of 64% and satisfaction score of 77%. Compared with 2020 and 2021, both engagement and satisfaction rates increased.

Our success relies on our employees' passion and commitment to deliver exemplary service every day. In recognition of these efforts, we aim to empower and reward our employees by fostering a high-performance culture, investing in ongoing training and development as well as encouraging loyalty and respect. Going forward, QNB will leverage the EES findings as part of our commitment to work towards improving potential areas of concern highlighted by the survey to enhance our overall employee experience.



ESG specific training and certifications
(e.g., GRI and GARP certified professionals)



QNB Finansbank Awards

Learning and Development
Strategy - Silver



Globe Business Awards

Learning/ Training team
of the Year - Gold



The Stevie Awards for Great Employers

Achievement in Workforce
Development and Learning - Bronze

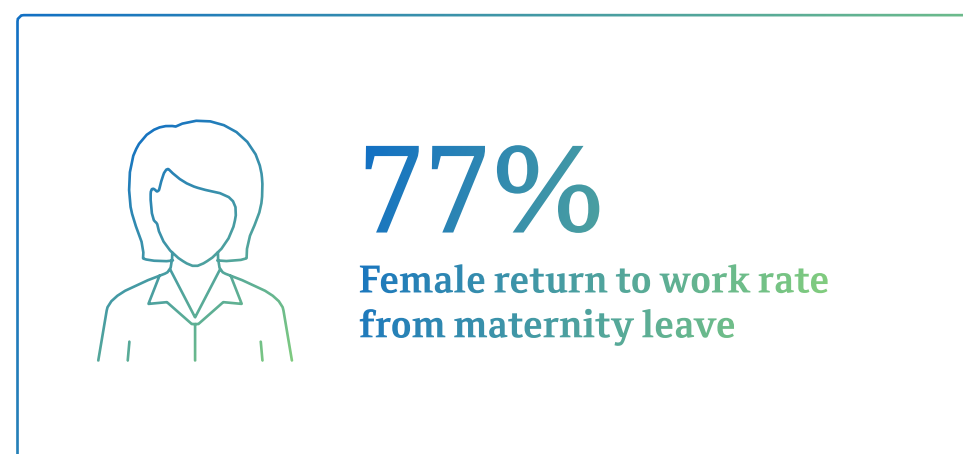
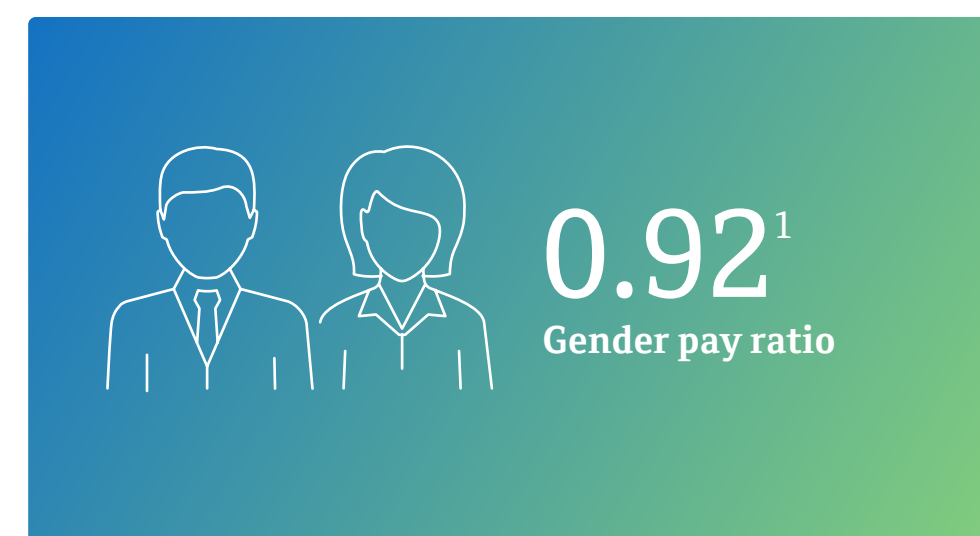
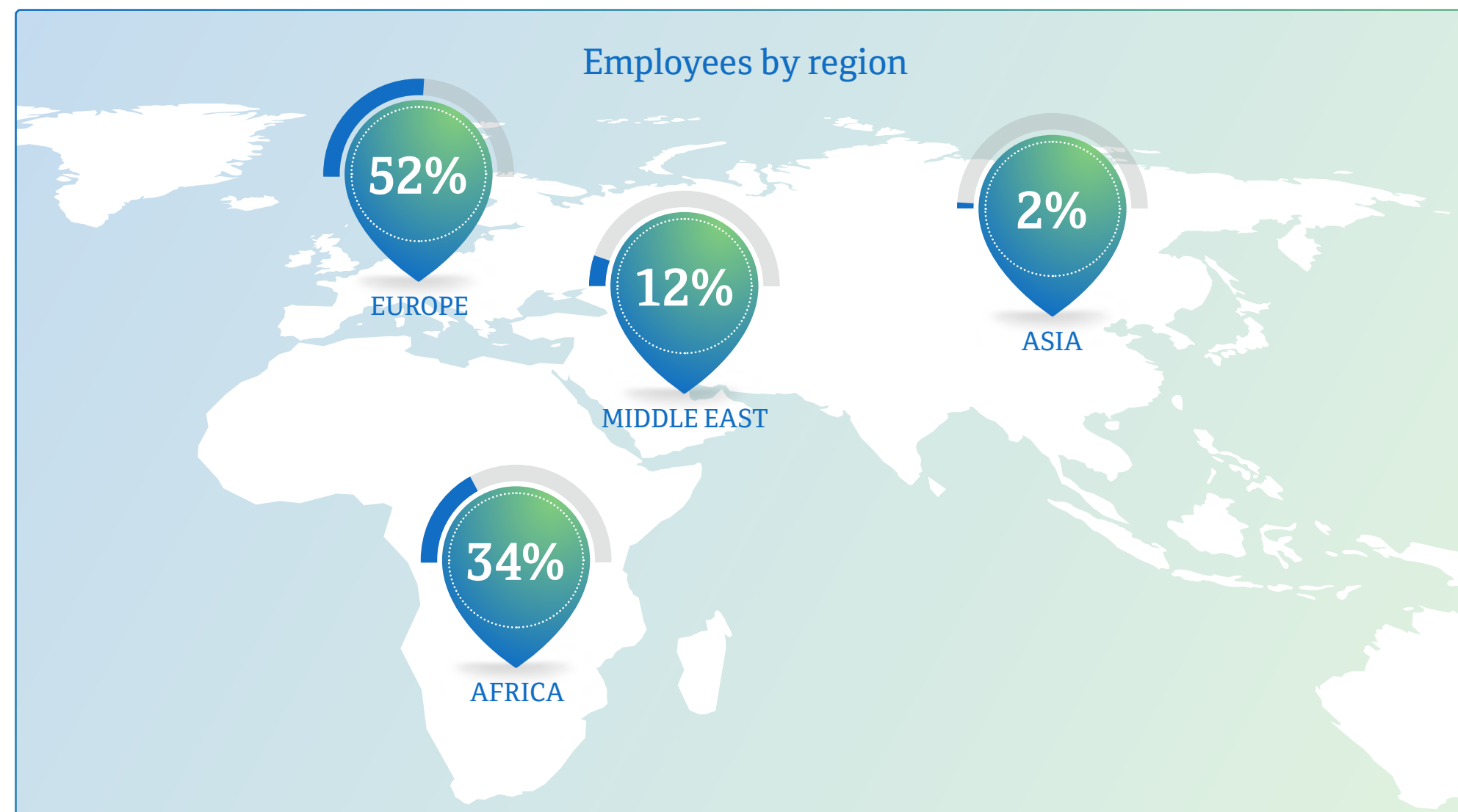


The Stevie Awards for Great Employers

Certifications

ISO 9001:2015 Quality Management
System Certification

4.1 Employee value proposition (Continued)



¹ Median male salary to median female salary. QNB Qatar and international branches only.

4.1 Employee value proposition (Continued)

Talent, Learning and Development (T, L&D)

People development remains a key part of QNB's Employee value proposition. Our aim is to deliver high-impact performance and ensure a pipeline of quality talent is identified, developed and deployed across the Group. Through our T, L&D activities, we equip our employees with the necessary tools, methods and practical skills to successfully execute our vision and strategy. Our approach to development is multi-faceted. We offer formal learning with both technical and behavioural solutions delivered by leveraging internal subject matter experts as well as engaging internationally recognised development partners. We also offer on-the-job or experiential learning supported with secondments. Furthermore, we support our employees to obtain internationally recognised and industry specific professional qualifications to progress their careers and hone their leadership skills.

QNB offers a wide range of training and development opportunities and employs a mix of digital, blended, on-site, and off-site options to deliver training, accelerate learning, and maximise impact for our employees. Launched last year, QNB's cloud-based Learning and Talent management system, "Ithraa", enables our employees to take control of their own development, whilst also providing tools for managers to support team members development. The platform provides an enhanced and personalised learning experience, accessible anytime and anywhere, including a mobile enabled app. The training catalogue and courses offered are continually refined and updated in line with business

demand, latest trends, market standards, and regulatory requirements. Ithraa offers over 1,500 courses across 16 subject areas.

In 2022, learning included sustainability specific training and professional certification. Amongst a wide range of online ESG courses, QNB developed and rolled out a mandatory Human Rights awareness training, highlighting the purpose of Human Rights, our potential impact, and how we implement, encourage and promote best practices. This mandatory course encompassed key principles, learning, and content from the UNGC and UNGPs on Business and Human Rights. Additionally, targeted ESG certification has been obtained in respective teams where required, resulting in GRI Certified Sustainability Professionals and GARP Sustainability and Climate Risk Certificate holders.

We continued with our well recognised Scholarship Programme, providing various opportunities for Qatari students to excel and achieve their personal career growth objectives. Our scholarships are open to high school graduates and undergraduate university students with outstanding academic records. In 2022, QNB sponsored 23 students to study at high calibre domestic universities, such as Qatar University as well as international universities within Qatar, including Carnegie Mellon University and Northwestern University. These prestigious universities offer highly valued and advanced educational majors and are considered amongst the best in the world.

In Türkiye, QNB Finansbank continued its Leaders Club. These are sessions to bring together our executives and experts from

various fields to discuss latest market trends and developments. With senior participation, including the Chairman of the Executive Board and General Managers as well as others, sessions this year focused on pertinent topics including Climate Crisis and Sustainability, Balance of the New World, The Future of Learning, and Financial Technologies.

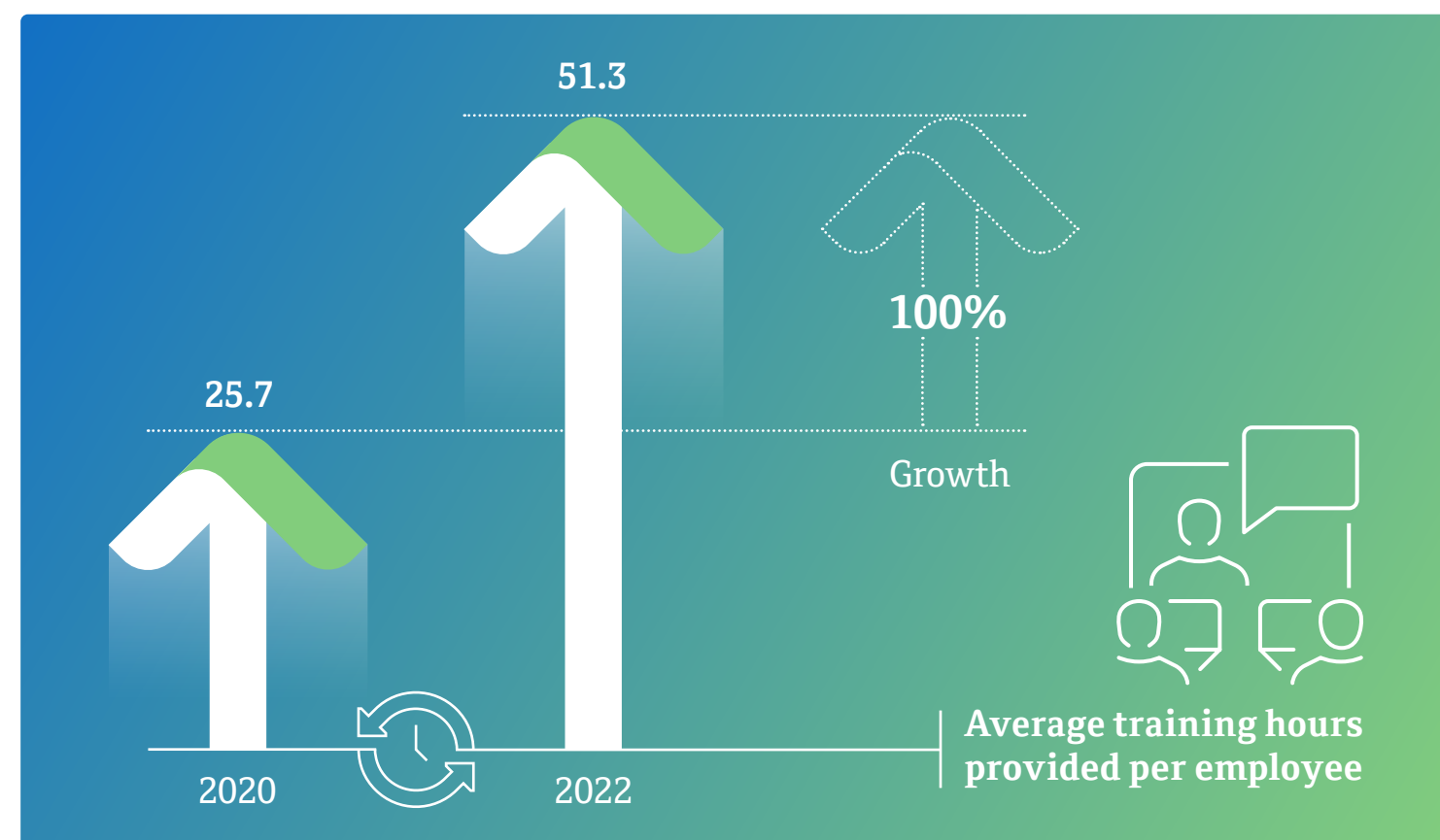
QNB Finansbank employees are developed through onsite training and online learning.

These include technical training, such as branch management, loan simulation, business case modelling, and soft skills training such as "insight to myself" and "my relationships", self-awareness, and team management. We continue to offer post-graduate education support for high potential employees. This includes master's degrees with renown institutions: MEF University, Istanbul Bilgi University, and Koç University.



Total training hours in 2022

1,142,805





4.1 Employee value proposition (Continued)

Employee engagement initiatives in 2022



السام الرسمي لكأس العالم FIFA 2022™ في الشرق الأوسط وإفريقيا
Official Middle East and Africa Supporter of the FIFA World Cup 2022™

- > FIFA volunteering opportunities for the FIFA World Cup Qatar 2022™ allowed over 300 QNB Qatar employees to participate and contribute in this truly global spotlight event. Volunteering opportunities included welcome coordinators, ticketing and Hayya card support, transport managers, social media volunteers, and a wide range of other roles. The variety of volunteering roles provided an opportunity to actively contribute to the success of the tournament and be involved in the area of most interest to the volunteers. It also provided employees with the chance to learn new skills that can be utilised in the workplace. Employees had the full support from QNB to take time from work to perform volunteering duties. QNB is proud that our people were able to contribute to the successful execution and delivery of the unforgettable FIFA World Cup Qatar 2022™ Qatar;
- > New employee social media channels were established as an additional route of communication and engagement with employees. The QNB Employee Instagram and LinkedIn accounts allow our people to be updated through the convenience of day-to-day social media activities, and in the event employees do not have remote access to the QNB network. These channels provide daily updates, including latest news, announcements, key employee

achievements, and important QNB milestones. They are also used to engage our people through polls and competitions to support a positive and inclusive community and culture; and

- > Employee social media in QNB Finansbank also keeps employees informed and engaged on internal and external activities, innovative products, and Bank campaigns through its dedicated Instagram account. Through this channel, there is also a focus on mental wellbeing for employees as well as talks, live broadcasts and hosted quizzes. At the end of 2022, the account had 6,500 followers.

Succession planning

Our succession planning framework ensures appropriate succession and leadership continuity for senior management and critical positions. It also aims to maintain the capabilities required to deliver the Bank's long-term strategy. Our approach to succession planning includes three key phases of identify, develop, and utilise talent and future leaders. In 2022, QNB Head Office worked closely with the subsidiaries of QNB ALAHLI, QNB Finansbank and QNB Tunisia to ensure consistent and aligned succession practices.

In 2022, QNB expanded the process of identifying and developing high potential talent with the Bank. QNB launched several initiatives including the Emerging Leaders Programme, the High Potential Leaders Programme, and Strategic Execution Workshops:

The Emerging Leaders Programme

This new programme aims to identify and develop the Bank's Qatari employees who excel in their current role and who

demonstrated the potential to advance to more challenging positions within the Group. Over the course of 10 months, the candidates participated in a combination of face-to-face modules, online learning, on-the-job assignments, a work place project as well as functional training and job rotations. Course modules were developed by Kaplan, a leading provider of training solutions for professional qualifications programmes, leadership, and professional development. Upon the successful completion of the programme, the candidates receive a Certificate Level Accreditation from NOCN Group, a market-leading international awarding body. This programme comes as part of the Bank's effort to prepare emerging local talent for management roles and to support commitments to Qatarisation. It also complements QNB's current Leadership and Management Course offerings as well as the ongoing efforts to provide our employees with top-tier learning and development opportunities. 26 participants attended this programme in 2022.

High Potential Leaders: Accelerating your Impact

QNB joined forces with Harvard Business Publishing (HBP) to launch a four-month High Potential Leaders Programme for the Bank's managers. This programme was designed to equip high potential leaders with the skills and knowledge necessary to deliver the crucial leadership accomplishments expected from senior managers at QNB. This programme comes within the framework of QNB's strategy to develop future leaders in the Bank in a way that enhances human development as one of the pillars of the

Group's vision. Participants have access to key HBP online management modules, which were complimented with face-to-face workshops where they learnt to apply their new skills in the workplace.

The curriculum balanced formal learning with self-reflection and the completion of relevant on-the-job assignments. The programme formed an integral part of QNB's High Potential Leader Development. 63 participants attended this programme in 2022.

Strategic Execution Workshops

The Bank also launched three key workshops for internal senior executives as an integral part of developing the skills of senior executives in both Strategy Development and Strategy Execution.

Employees from QNB's Human Capital Division collaborated with facilitators from Ososim, a global learning technology and simulation company. The two-day workshop was based on a competitive strategic business simulation. Executives were required to manage a cross-functional team to bring a strategic product to market on time, within budget and to the satisfaction of both customers and key stakeholders. The focus was on the execution of strategic priorities and how managers can make better decisions, motivate and inspire team members as part of the change process, and effectively manage stakeholders. 33 participants attended the programme in 2022, which resulted in the creation of 15 new project plans to be launched in 2023.

4.1 Employee value proposition (Continued)

The T, L&D team continued to deliver its suite of Leadership and Management Programmes to support and develop current leaders and managers across the Bank. This included Management Development Programmes (MDP, 69 participants). QNB also continued the Supervisory Development Programme (SDP, 59 participants) and the Personal Effectiveness Programme (PEP, 74 participants) for more junior and mid-level employees.

In 2022, QNB redeveloped the content of its MDP to enhance content and provide middle-managers with the up-to-date skills and knowledge needed to perform their roles. QNB partnered with Protraining to develop the course materials and conduct four workshops throughout September. QNB expects managers to engage and develop their team members, allowing them to contribute and perform to a high standard towards making QNB's vision come alive. Human Capital partners jointly with the respective divisions define the key accomplishments leaders at different levels need to produce for create meaningful business impact. In addition, a particular focus is placed on the key behaviours, which enable these accomplishments. The MDP equips managers with the leadership skills necessary to set objectives, provide feedback, resolve conflicts, develop working relationships, achieve actions from meetings, and to develop their team members. Protraining's core methodology is based on experiential learning to ensure participants are actively engaged in activities throughout the three-day programme. Following the course, participants completed and submitted a learning passport. This is accomplished in conjunction with their managers and ensures the transfer of learning to be applied practically in the workplace.

Examples of employee training programmes			
	FATCA (Foreign Account Tax Compliance Act) & CRS (Common Reporting Standards) Awareness		Whistle Blowing and Anti-Bribery Awareness
	Sanctions Awareness		Fundamentals of Operational Risk Management
	Cybersecurity Awareness		Data Protection Awareness
	Spirit of Compliance		Policies & Procedures
	Financial Crimes Awareness		Office Safety
	Human Rights		London Interbank Offered Rate (LIBOR) Awareness
	Prevention of Harassment Awareness		Control Awareness for Domestic Branches
	AML & CTF (Anti Money Laundering and Counter-Terrorist Financing)		Audit Awareness & Key Risk for IBD (International Banking Division)
	Third Party Risk Management		Key IT Risks Controls Awareness
	Data Protection Awareness		DAC6 EU MDR (Directive on Administrative Cooperation and the European Union Mandatory Disclosure Rules)

QNB Ambassador Programme

The Ambassador Programme provides high potential Qatari mid-level managers with international exposure across QNB's network. The programme sees Qatari talent deployed to countries, such as the United Kingdom, France, Singapore, Kuwait, and Oman for up to six months. Since its launch, 20 individuals have been selected and participated in this programme.

QNB Envoy Programme

The Envoy Programme assigns high potential Qatari employees for up to 24 months to London, Paris and Istanbul in customer facing roles. In our subsidiaries, leadership development remains a key component of our talent management framework. Since its launch, 11 individuals have been selected and participated in this programme.

In Türkiye, QNB Finansbank continued coaching and mentorship as part of their executive development programme. To further deepen and enhance the skills of its employees, the Bank offers the chance to pursue further education in the fields of finance, financial engineering, and cybersecurity at leading Turkish universities. In Egypt, QNB ALAHLI continued with the roll out of its International Executive Leadership Programme. The programme is designed to coach and develop individuals who have been identified as leadership potential.

4.1 Employee value proposition (Continued)

As an employer of choice, QNB also wants to create an environment of transparency and to establish mechanisms and processes to address concerns and provide clarification. This includes our approach to Freedom of Association, grievances, and our external certification on comprehensive HR processes in line with global standards.

Freedom of Association

Qatar legalised through Article (127) of Qatar Labour Law the formation of Collective Bargaining Agreements in 2019. In addition, the Ministry of Administrative Development, Labour, and Social Affairs in conjunction with the International Labour Organization (ILO) enabled the formation of “joint labour committees”. In Qatar and in all markets that QNB operates, QNB supports freedom of association and collective bargaining in line with local labour laws. We continue to report on the percentage of total employees across our footprint covered by collective bargaining agreements.

Grievances

Our focus on our employees remains a priority, as does our effort to create a work space and corporate culture that promotes fairness, equality, and respect. The established Human Resources (HR) Investigation Committee - composed of members from Group Legal, Group Compliance, Group Human Capital, and any other invitees deemed appropriate - is the independent body that ensures in the event of any instances of harassment, discrimination or other misconduct, employee grievances are

 **100%** of grievances resolved



**ISO 9001:2015
Certification**

handled fairly, timely, and in an impartial manner. All employee grievances reported during the year were investigated and resolved.¹

The Human Capital Division at QNB Group maintains the ISO 9001 certification, the world's most widely recognized Quality Management System (QMS). An ISO 9001 Quality Management System helps an

organisation continually monitor and manage quality across all operations, and outlines ways to achieve, as well as benchmark, consistent performance and service by putting in place processes that allow it to improve the way it operates at all levels. This is part of QNB's commitment to ensuring consistent quality in the services delivered across the Group, as well as the belief in the positive the impact of investing in human resources.



¹ All employee grievances are documented with minutes of meeting and an action plan on their resolution, that is shared with the employee. The Manager of Human Capital Relations conducts follow-ups on a weekly basis on the status of the resolution of the grievances. Each division has a dedicated HR Business Partner, with whom employees can raise their concerns or share their feedback.

4.2 Diversity and inclusion



With operations in 31 countries across three continents and employees from 81 different nationalities, we are a truly diverse multinational corporation. QNB fully respects human rights and ensures dignity and equality for all, regardless of a person's race, religion, nationality, gender, age, disability or language. We continually and actively promote a culture of respect, equality and mutual trust across our network.¹

Female employment

We are proud that 47% of our workforce is female as at the end of 2022. QNB Group is delighted to promote diversity and inclusion within the workforce. In Qatar, as part of International Women's Day celebrations, our senior female leaders spoke at events and shared their experiences at QNB and the leadership opportunities offered to them to grow and develop in their careers. These inspirational messages were shared across all QNB's social media platforms.

In Türkiye, QNB Finansbank is a signatory to the United Nations Women's Empowerment Principles (WEPs). This year, the Bank continued to participate in this key global initiative that aims to empower and involve women in all sectors and at all levels in the economy. WEPs is a joint initiative of the UNGC and the United Nations Gender Equality and Women's Empowerment Unit (UN Women) to promote gender equality through seven principles to inform and enhance company policies and practices.

Following the commitment through the Declaration of Support by the Board Chair to implement the WEPs, QNB Finansbank developed the Target Gender Equality Guide in partnership with Kadir Has University. The guide will define an action plan together with short term and medium term commitments to reduce potential gender pay gaps, promote further diversity in the workforce as well as in the supply chain of QNB Finansbank. Through this guide and action plan, the ambition is to be externally recognised as an organisation that supports, acts, and delivers upon gender-equality goals.

We also strive to empower females at a Board and Executive level within our network and Group. We recognise diversity can be improved at Group Board level, and we continue to engage in dialogue with the Board of Directors and our shareholders on this topic, as per market expectations. We aspire to appoint our first female Group Board Member by 2025. Where QNB has a direct influence on Board positions, we are proud that at 31 December 2022, female directors occupied 20% of Board membership across our subsidiaries. We aspire to further increase female Subsidiary Board directors to minimum 30% by 2030.

Across the Group at 31 December 2022, 23% of senior management roles were occupied by women and 17% of the Executive Management team. This reflects our ongoing focus on gender in alignment with the QNV 2030 as well as the UNSDGs.

20%

Women Board Members
in subsidiaries



17%

Women in Executive
Management team



¹ As per Group Sustainability Policy, p.7.

4.3 Climate action



As one of the largest climate conferences, COP27 attracted 35,000 delegates and over 100 heads of states, and reiterated that the world is approaching a tipping point where the impact of climate change may become irreversible and ever more severe.

COP27 emphasised it is the time to move from the era of pledges and into a phase of implementation. Governments, corporations and individuals all have a part to play in combating climate change and ensuring a just transition.

QNB's approach to assessing and addressing climate risk in its portfolio is covered in section 3. We also recognise that whilst our environmental footprint as a financial service provider is limited compared to other industries, we have a responsibility to take proactive measures to reduce our consumption and minimise any negative externalities across our international operations.

Raising environmental awareness

Qatar Sustainability Week (QSW) 2022



In line with our purpose to promote prosperity and growth in the communities we serve and to support the QNV2030, QNB continued to be a strategic partner for the 7th edition of Qatar Sustainability Week. Organised by the Earthna Centre for a Sustainable Future, the week-long national campaign aims to collectively promote and engage the wider community in a range of sustainability-orientated activities, whilst raising awareness of the positive impact that individuals and corporates can make. The week is a platform to highlight Qatar's sustainability vision, development goals, and to showcase the progress the country has made.

Since its launch 6 years ago, QSW has attracted over 200,000 members of the public to engage in initiatives, activities, and events across Qatar.

Employee environment and GHG survey

As part of our employee engagement and ongoing efforts to reduce environmental

impact, a survey was launched to highlight the topic, to promote sustainable behaviours at home and at work, and to capture employee sentiments and ideas.

The survey results from 1,435 respondents demonstrated a high level of awareness and feeling of personal responsibility, despite a high proportion of employees commuting via private vehicles. The survey responses will be used as input to ongoing and future initiatives to reduce adverse environmental impact.

Reducing adverse environmental impact

QNB remains committed to protecting the environment through action, and had previously set a target of 20% reduction in GHG (scope 1 and 2) emissions by the end of 2022, based on a 2017 baseline. Our actions and initiatives to date have been to drive towards this target.

For full transparency, and to acknowledge the different GHG reporting protocol preferences of our stakeholders, we consider our progress towards the target considering both location-based and market-based carbon reporting approaches:

- > Location-based calculation method reflects the average emissions intensity of grids on which energy consumption occurs. QNB's GHG reporting to date has used the location-based method; and

- > Market-based calculation method reflects emissions from electricity that organisations have purposefully chosen, and supports the use and reporting of green energy tariffs, e.g., Renewable Energy Certificates (I-REC). This method factors-in purposeful environmental energy decisions, and this year QNB has purchased energy from entirely renewable sources.



89% of employees have general knowledge about greenhouse gases and its negative effects



96% of employees are willing to change their habits to be more environmentally conscious



87% of employees feel some personal responsibility for saving energy

Certifications

ISO 14001 EMS Certificate

QNB Finansbank Kristal Kule



ISO 14001 EMS Certificate

QNB Finansbank Ümraniye E Blok



ISO 14001 EMS Certificate

QNB Finansbank Erzurum Operation Building



4.3 Climate action (Continued)

Target of 20% reduction in GHG (scope 1 and 2) emissions by end of 2022, based on a 2017 baseline

GHG reporting protocol	Location-based	Market-based proxy based upon Group calculation and application of I-REC certificates
2017 baseline (tonnes of CO ₂)	94,065	
2022 total GHG emissions (tonnes of CO ₂)	79,282	51,772 Indicative based upon 100% renewable I-REC certificates for applicable operations (see initiatives below)
Reduction against baselines	16% Achieved meaningful progress towards the target with opportunity for further enhancement	45% Exceeded reduction target through combination of environmental initiatives and purposeful purchase of renewable energy

Following the conclusion of the 2017-2022 target, QNB will seek to further enhance and optimise its GHG data and calculation approach in line with market expectations and evolving standards.

QNB continually assesses its operations to optimise energy usage while leveraging new energy efficient technologies. In 2022, QNB mobilised a cross-divisional and multi-country taskforce to share learnings, best practices, and launch new initiatives across its operations to promote sustainable actions to reduce energy consumption and address GHG emissions. The progress against our legacy target and the valuable lessons learnt will also inform our ongoing environmental initiatives and action.

In Qatar, the programme comprised of the following environmental initiatives:

- > Completed the roll out and installation of LED lights throughout all offices and branches, entirely replacing legacy halogen and fluorescent lights;
- > Completed the insulation of chiller and air handling unit pipes to reduce heat exchange and increase efficiency;
- > Installed automatic light control systems, motion and occupancy sensors, and lighting control panels, for parking spaces, common areas, offices, and other facilities;
- > Switched elevators to idle mode and computer monitors to automatic sleep mode after office hours;
- > Implemented the ongoing monitoring of electromechanical equipment for excessive heat dissipation;
- > Installed water-saving aerator faucets to reduce water pressure and conserve water in washrooms;
- > Replaced all hot plates with induction heaters to improve energy efficiency in kitchen spaces;
- > Implemented supplier e-portal and mandatory electronic bidding to reduce use of paper in the tendering process; and
- > Led an initiative to focus on procurement of environmentally friendly and recyclable stationery products.

Looking forward, and in line with QNE, QNB supports the State of Qatar's Nationally Determined Contribution and objective to reduce GHG emissions by 25% versus a business-as-usual scenario by 2030

Total GHG emissions reduction since 2017



Location-based

Market-based proxy

16%

45%

Total reduction in carbon intensity since 2017



Location-based

Market-based proxy

0.67

tonnes of CO₂/ employee

1.92

tonnes of CO₂/ employee

4.3 Climate action (Continued)


In Türkiye, our environmental programme consisted of the following initiatives:

- > Replaced the data centre cooling system with a new generation Free Cooling Integrated DC Inverter Precision Air Conditioning to reduce energy consumption. The free cooling precision controlled air conditioner partially disables the compressor and utilises free cooling when the outdoor air temperature is below the indoor temperature. When the outdoor air is below 7°C, it completely turns off the compressor and provides 100% free cooling;

 **400,000 kWh**
Annual electricity saving

- > Sourced electricity from 100% renewable sources in all operations, acquiring I-REC certificates for all electricity use across the Bank's operations. This underwent third-party verification and resulted in 67% decrease in QNB Finansbank's total scope 1 and 2 emissions since 2017;¹

 **THE INTERNATIONAL REC STANDARD**

 **100%**
of electricity sourced from renewable sources across the Bank's operations in Türkiye

- > Embedded responsible supply chain management practices, such as prioritising environmentally friendly products and supporting local entrepreneurs;
- > Rolled out end-to-end digital onboarding for customers to negate physical signatures and paper forms;
- > Ongoing conversion of lighting to LED bulbs and installation of automatic lighting sensors, water-saving aerator faucets, and energy efficient air conditioners across key operational sites; and
- > Implemented an Environmental Management System (EMS) and successfully obtained ISO 14001 certification across a number of key operations.



In Egypt, our environmental initiatives led to the following outcomes:

- > Conducted a carbon footprinting exercise with external specialist in line with Central Bank of Egypt national benchmarking requirements, and included in COP27 materials;
 - This included a comprehensive study for QNB ALAHLI's head office building, covering operational scope 1, 2 and 3 emissions in 2021;
 - Operational scope 3 emissions included vehicle fleet, diesel generator, and water usage and wastewater treatment. This amounted to 20 tCO₂e, accounting for 2% of head office emissions;
- From the 20+ banks benchmarked with headquarters in Egypt, QNB ALAHLI's head office was rated A for low emission intensity, and A for electricity intensity (office with one of the lowest electricity consumptions per area);
- To date, QNB ALAHLI has installed seven solar power stations in buildings that are owned and stand-alone with suitable rooftop space. This provides a total solar capacity of 195 kW;
- > In line with QNB's multi-country taskforce and best practices, low energy LED lights, low pressure water tap nozzles, and motion sensor detectors for lighting control have been implemented across offices in Egypt; and
- > Overall, 41,575 kg of paper were recycled during 2022.



¹ This calculation is based on market-based method for local emissions in Türkiye. Group GHG emissions are reported based on location-based method.

4.3 Climate action (Continued)

Case study



QNB Finansbank Climate Friendly Digital Platforms

Measuring our carbon footprint is key to understanding the emissions' impact of institutions and how their activities can impact and contribute to combating global climate change. Corporate carbon footprints include GHG emissions arising from activities including transportation, heating and electricity consumption. At QNB Group, we act with the awareness that managing our carbon footprint for a liveable world and sustainable future is important to combat of climate change. Consequently, our focus is to drive and support the renewable energy transformation with our financing, products and services for our customers but also within our own operations.

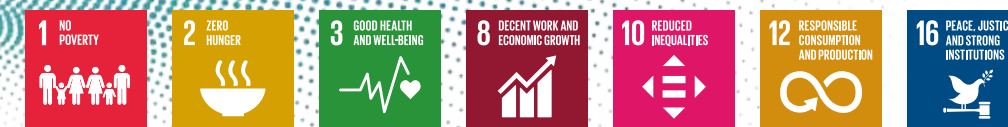
The electrical energy needed in our Bank's data centres plays an important role in ensuring that our customers have a seamless and secure experience on our online platforms. We recognise however that this energy consumption at our data centres results in a significant amount of carbon footprint. In Türkiye, to counteract the associated emissions, QNB Finansbank has obtained a number of I-RECs, which verify that we obtained all of our consumed electrical energy since 2021 from renewable energy sources, thus neutralising the GHG associated with these activities¹.

Through our digital channels which includes our QNB Finansbank website, Enpara.com, the Digital Bridge, Neovade, QNB eFinans, Finance Star, as well as QNBeyond, we are making our Corporate and Retail Online Banking platforms climate-friendly. As a result of the renewable source of our electrical energy, we are able to reduce our GHG emissions by 59,930 eCO₂ per year.

¹ Scope 2: Covers indirect emission calculations related to the generation of imported/ purchased electricity, heat or steam. Carbon neutral certificate of our Enpara.com Individual Internet Branch, Mobile Branch, Website and My Company Internet Branch and Mobile Branch platforms, [here](#). The certificate of our QNB eFinans, Digital Bridge, Neovade, Tüzel Mobil, Tüzel Internet Branch and Finans Yıldızı platforms, [here](#). The certificate of our individual Internet and Mobile Branch platforms, [here](#). The certificate of our QNB Finansbank website, QNB Finansbank Miles&Smiles website, CardFinans website and QNBeyond website platforms, [here](#).



4.4 Responsible procurement and supply chain



We recognise that we have both the responsibility and the leverage to ensure sustainable practices and mitigation of negative social and environmental impacts in our supply chain. As such, we engage and work with all our vendors and suppliers in order to manage operational, financial, regulatory, and reputational risks as we aim to enhance our positive impact through responsible procurement practices. This means we adopt and apply the highest ethical standards on all procurement related transactions. Our engagement is aimed at promoting best practices and local suppliers, while aligning to Group standards on sustainability, quality, and commerciality.

Across our network, our suppliers range in scale, ownership type, and structure. Our supplier network is diverse, ranging from SME enterprises to multinational corporations. Our goal is to procure goods and services that have a minimal impact on the environment and our operations. We encourage and promote local procurement to support respective domestic markets and socio-economic development in the markets we serve.

Third Party Risk Management (TPRM)

TPRM is an essential aspect of operational risk management for any organisation. This is because third-party vendors often play a critical role in providing goods and services

that are vital to the organisation's operations. As a result, any risks associated with these vendors can have a significant impact on both the organisation's operations and reputation. QNB's TPRM is a systematic approach to identify, assess, mitigate, control, and monitor risks associated with third-party vendors. It is built on clearly defined policies, roles and responsibilities, procedures, and resources to support our third-party risk objectives.

All third-party supplier engagements are evaluated based on seven key risk dimensions: Resilience & Continuity, Financials, Information Security, Data Privacy, Compliance and Litigation, Strategy, and Sustainability. These dimensions are crucial for assessing, monitoring, and mitigating the Bank's risk exposure, particularly in light of the interconnected nature of risks and their impact on critical business services.

The TPRM process is broken down into three assessment stages. The first stage is a high-level review that identifies existing risks and determines if the engagement is significant enough to warrant further analysis. The second stage quantifies the inherent risk exposure to the Bank. If the risk is deemed significant, the third stage, a detailed "controls assessment" process, is conducted by the third party and reviewed by the Bank as the final step.

Third Party Supplier Code of Conduct (TPSCC)

QNB is committed to responsible sourcing and has established the TPSCC to set clear expectations, principles, and standards for all current and prospective third-party suppliers to adhere to. The TPSCC outlines QNB's zero tolerance policy towards unethical conduct and requires third-party suppliers to fully comply with all applicable laws, regulations, and policies when conducting business with QNB. The TPSCC thus helps to mitigate third-party and operational risk as well as support sustainable business practices.

The TPSCC covers a wide range of areas, including:

- > Anti-bribery and anti-corruption to ensure that suppliers do not engage in bribery or corrupt activities;
- > Conflict of interest to ensure that suppliers do not engage in activities that could compromise their ability to act in the best interest of the Bank;
- > Money laundering and sanctions to ensure that suppliers do not engage in money laundering or violate sanctions laws;
- > Human rights to ensure that suppliers respect and promote human rights;
- > Child labour to ensure that suppliers do not use child labour in their operations;

- > Discrimination, treatment, and equal opportunities to ensure that suppliers do not discriminate against employees or customers;
- > Freely chosen employment and ethical recruitment to ensure that suppliers do not engage in forced labour or unethical recruitment practices;
- > Compensation, conditions of work and grievances to ensure that suppliers provide fair compensation, safe working conditions and have processes in place to address grievances;
- > Management, monitoring and evaluation to ensure that suppliers have effective systems in place to manage and monitor compliance with TPSCC;
- > Health and safety to ensure that suppliers provide safe working conditions for employees;
- > Environment and sustainability to ensure that suppliers take steps to minimize their environmental impact and promote sustainability;
- > Information, data security and data privacy to ensure that suppliers protect customer and the Bank's data;
- > Financial integrity to ensure that suppliers maintain financial integrity;
- > Operational resilience and continuity to ensure that suppliers have the capability to continue operations during unexpected events;

Relevant policies

[Third Party Supplier Code of Conduct \(TPSCC\)](#)

[Procurement Policy](#)
[Third Party Risk Management Policy](#)


4.4 Responsible procurement and supply chain (Continued)

- > Supply chain risk to ensure that suppliers have processes in place to identify and mitigate risks in their supply chains;
- > Adherence and legal obligation to ensure that suppliers comply with all applicable laws and regulations; and
- > Raising concerns and whistleblowing to ensure that suppliers have processes in place for employees to raise concerns and whistle-blowers are protected.

Overall, the TPSCC is an important tool to ensure that third-party suppliers are held to the highest ethical and legal standards when conducting business with QNB.

For further information, please see the published [TPSCC](#).

During the course of 2022, there were no material changes to our supply chain as a result of amendments to significant supplier or outsourcing arrangements.



84% of procurement spent on local suppliers

Case study



Enhancing worker welfare standards in our supply chain

We recognise that it is our duty to respect and advance human rights and practices throughout our value chain. In Qatar, we also integrate and deploy the Vendor Worker Welfare Assessment (VWWA), developed in full alignment with Qatar's Supreme Committee for Delivery & Legacy guidelines. Vendor Worker Welfare refers to the working conditions, benefits, and overall well-being of the workers employed by our vendors. This includes, but is not limited to, issues such as fair wages, safe working environment and accommodation, and the provision of healthcare and paid time off. These self-assessments provide a detailed view of the vendors' internal processes and procedures, helping us assess adherence to best practices and guiding our supplier engagement strategy, including evidence gathering and due diligence. Our approach is in line with the State of Qatar's initiative to reform labour laws in conjunction with ILO, as well as QNB's commitment to the UNGP and as signatory to the UNGC.

This year, QNB Qatar introduced physical site inspections of key manpower suppliers to verify the VWWAs, identify potential shortfalls in standards as well as to drive improvements in the wellbeing of workers, and their health and safety. By conducting regular assessments, we are able to ensure that our vendors are meeting our standards for worker welfare and that we are supporting fair and ethical labour practices. In total, the Bank undertook five site visits across five key manpower suppliers providing maintenance, cleaning, security guard, and hospitality services. As part of our vendor engagement approach, an action plan was mutually developed for identified gaps to enable remedy and ensure improvements were made. Such actions plans were tracked and reviewed with supporting evidence, allowing for further on-site visits to verify or follow-up. Going forward, we aim to conduct site visits for 100% of our manpower suppliers in Qatar by 2023, and extend the VWWAs to the international network.

5. Beyond banking

Beyond banking refers to QNB's CSR (corporate social responsibility) activities in the communities in which we operate. Our ambition is to make a positive contribution towards wider society with an emphasis on education and financial literacy. In addition, we support and deliver a range of initiatives within our focus areas of social and humanitarian, arts and culture, health and environment, economic and international affairs, and sport.

Contents:

5.1 Community investment
and socio-economic development





5.1 Community investment and socio-economic development



Arts and culture

Our traditions and culture shape our identity and aspirations. Cultural engagement plays a vital role in the preservation of traditions and heritage across our communities, permitting a tolerant environment that supports diversity, inclusion and societal development to co-exist with the local values.

For example, we continued our support for the deep-rooted traditional sport of camel racing with our sponsorship of the annual H.H. the Amir Sword Camel Festival in Qatar, one of the most popular camel racing events in the region, with hundreds of trainers from Qatar and the Gulf region.

This year, in our role as the official Middle East and Africa Supporter of the FIFA World Cup Qatar 2022™, we encouraged children to express their creativity through their art in a major social media competition, depicting expectations of family time during the World Cup and a render of their favourite World Cup stadium in Qatar.

Inclusion is a core principle within QNB Group, therefore, we ensure to arrange events inclusive of all ages, such as Garangao Night for children and their families. This yearly cultural celebration occurs in the middle of the religious month of Ramadan, where employees and their young families can enjoy a festive evening of traditional games and activities, like playing football, face painting, playing musical chairs, singing traditional songs, and ends with a candy box. Garangao Night hosted by QNB highlights our approach towards inclusion and cultural engagement for all ages to be part of traditional celebrations.

QNB Group is committed to promoting prosperity and sustainable growth for our people, our customers, and the communities in which we all live and work. Thanks to our size and international reach, we are well positioned to create a positive impact on our society.

The Bank's CSR activities are centred on our ability to foster opportunities for individuals,

Awards

Market Leader in CSR

Euromoney 2022



corporates, and communities, which enable them to raise standards of living and strengthen the social fabric of the nation.

During 2022, QNB received a number of prestigious Euromoney Market Leaders' rankings, including being recognised as Market Leader in CSR. This CSR ranking reaffirms our resolve to make a positive contribution and impact towards wider society.

Our focus is on six broad themes where we believe our CSR initiatives will have the greatest impact: arts and culture, society and humanitarian affairs, sport, health and environment, youth and education, and economic and international affairs.

A growing number of our employees volunteer each year to support a wide range of community projects in different locations around the world, where QNB has a presence. The time and expertise they provide help dozens of initiatives from simple fundraising and keep-clean rallies, to coaching and education sessions on basics of financial management and managing money.

We also offer sponsorship deals and fundraising opportunities that help to underpin the success of many important causes, such as better healthcare, diversity and inclusion, sustainability, technology, financial inclusion, and knowledge sharing.



5.1 Community investment and socio-economic development (Continued)



QNB Tunisia organized 'Warm Winter', a humanitarian campaign that supports students in Siliana.

Society and humanitarian affairs

We continued to support and invest in our local communities. This serves to strengthen the social fabric of the nation and contributes to the ongoing development and the creation of a more sustainable world. We remain committed to promoting sustainable prosperity across our operations and aim to strengthen the social fabric between communities, corporate and individuals where we operate.

This year in Qatar, we sponsored Demo Day hosted by the Qatar Business Incubation Center (QBIC). Our long-standing partnership with this event and the QBIC reflects our commitment to empowering start-ups and SMEs, as well as our drive to promote national economic diversification through innovative solutions and digital services. The event was attended by many Qatari entrepreneurs, start-ups and investors.

In Tunisia, the Warm Winter campaign, organized by QNB Tunisia is now celebrating its seventh anniversary. This year the campaign focused on school pupils in Siliana, a farming town in northern Tunisia where winters are particularly long, cold and windy. Items of warm clothing were distributed to pupils to help protect them against the cold during the winter when temperatures often drop to zero.

In Egypt, QNB ALAHLI in cooperation with Misr El-Kheir Foundation and Al-Orman Association contributed to many development projects through the "Decent Life" initiative. Projects included improving the living conditions of unprivileged families through improving the housing environment, enhancing the quality of drinking water, providing micro income generating projects, and providing training for employment projects for women and teenagers. In addition, we provided prosthetic devices to empower and help integrate people with special needs into society.

In Türkiye, we promoted the QNB Finansbank Children Musical project, where around 60 children aged six to twelve from disadvantaged areas were given lessons in acting, music, singing and dance. Following six months of training, they took part in a performance of the Fairies of Mozart in front of an audience of more than 1,000 - including family and friends.

"A growing number of our employees volunteer each year to support a wide range of community projects in every location around the world where the Bank has a presence."

Sport

Sport bridges the gap between social, economic and human development. In a crucial year for sports in Qatar, and in our capacity as the official Middle East and Africa Supporter of the FIFA World Cup Qatar 2022™, we are proud to have made a solid contribution to the sector through a range of strategic initiatives. This event is the latest in a series of milestones that is placing Qatar as a regional hub for sport. To draw attention to and build excitement for the event, we rolled out a number of successful campaigns, events, and exclusive offers that came in collaboration with FIFA and other partners.



QNB sponsored the Super Cup for newspapers in an effort to support sports for all.



5.1 Community investment and socio-economic development (Continued)



The world's most followed person on TikTok, Khaby Lama announced QNB Group's Official FIFA World Cup Qatar 2022™ Brand Ambassador.

These included several prize draws for match tickets, unique credit card and prepaid card designs and events dedicated to football fans in malls and on social media. This included the “Football Splash”, a football booth set for kids in Katara on Qatar National Sport Day. Children were able to share their football fun and spirit by leaving their painted handprint moving forward towards the tournament.

Additionally, QNB was the official partner of the Accessibility Forum aimed at making the FIFA World Cup Qatar 2022™ an inclusive and accessible tournament for everybody. People with disabilities and experts were asked to evaluate plans and to provide vital feedback on what could be improved to ensure it would be the most accessible tournament ever held. The tournament and stadiums offered dedicated parking, easy wheelchair and assisted access, designated accessibility seating, trained employees and volunteers as well as special sensory rooms, ensuring the event delivered A Legacy for All.

To support the preparation for the event, we were also the Official Partner for the Lusail

Super Cup, where Saudi Pro League champions Al Hilal SFC and Egyptian Premier League winners Zamalek FC faced each other. The event, preceded by a concert by Egyptian superstar Amr Diab, helped set the tone for the World Cup and marked the inauguration and first full-scale test of the Lusail stadium.

We also supported other international sports, including the Qatari team at the Gulf Cooperation Council Games in Kuwait, where the team won a gold medal, the 16-man strong Qatar handball team which qualified for the World Men's Handball Championship next year and the World Athletic Championships Oregon 2022 that brought together many champions and witnessed a gold medal win for Qatar.

To mark the International White Cane Day, we partnered with the Qatar Social and Cultural Centre for Blind (QSCCB) to organize QNB's “Goalball for the blind” tournament, which is an initiative to promote access to the practice of football for blind and visually impaired people in Qatar. The event promoted inclusion and social participation of all peoples.



Official Middle East and Africa Supporter of the FIFA World Cup 2022™.

Health and environment

Health and wellbeing are a priority for us, and we are keen to support the success of major events that promote healthcare, physical and mental wellbeing, and provide sustainable means of improving the environment.

In 2022, we continued to support a range of eco-friendly initiatives. As part of our commitment to supporting health and wellbeing, we were the strategic partner for the World Innovation Summit for Health (WISH) summit held in Doha this year, titled “Healing the Future”. Industry experts and specialists at the event discussed the post-COVID-19 legacy, sports and health, disability and inclusion, and wellbeing. There was also a major focus on the health legacy of the FIFA World Cup Qatar 2022™.

QNB was also the principal sponsor of Smart City Expo Doha 2022, which focused on a Sustainable Future of Resilience. The event featured contributions from more than 60 acclaimed experts on smart cities, including a

session on the development of sustainable finance and sustainable banking led by QNB.

In celebration of World Environment Day, we organized an event for employees to participate in a workshop titled “Planting Your Own Garden”. The workshop included an essential overview of garden care and a comparison between indoor and outdoor plants. The event was held in support of the green initiatives that promote a smooth transition towards a sustainable environment.

“Providing education and increasing financial knowledge helps the next generation to develop a knowledge-based economy and society.”

QNB organised a visit of Paris Saint-Germain (PSG) Football Club players to meet and inspire children diagnosed with cancer at Sidra Medicine in Doha. Approximately twenty young patients met their favourite PSG players who posed for photographs and signed autographs. Additionally, Khaby Lama, QNB Group's official FIFA World Cup Qatar 2022™ Brand Ambassador, also visited Sidra Medicine where he met with young patients and distributed gifts.

On World Autism Awareness Day, QNB employees with autistic children aged 5 to 12 were offered a free one month membership at the Al Shaqab Horse Riding Academy in an effort to promote awareness about autism and to improve the quality of life for those diagnosed with autism. Another initiative aimed towards our employees was during World Health Day, when we partnered with three fitness centers in Qatar to provide our employees with a complimentary BMI test, fitness consultation, and exclusive rates.



QNB organized “Football Splash”, a football booth set for kids in Katara on Qatar National Sport Day.



5.1 Community investment and socio-economic development (Continued)

In Egypt, we sponsored a TV campaign to highlight the plight of sick children and their families at the Cancer Children's Hospital in Cairo, the largest paediatric oncology hospital in the world. The campaign helped to bring attention to their needs and provided valuable emotional support for those affected.

QNB ALAHLI also supported the healthcare system through donating medical equipment or funding the establishment of medical units in public and university hospitals within Egypt. We are proud to partner with the Ahl Masr Foundation, MENA's largest hospital, to provide free treatment for burn victims. QNB ALAHLI also organized medical convoys to support villages that suffer from lack of medical services in cooperation with the Al-Orman Association.

Youth and education

Enhancing educational opportunities and developing financial knowledge supports the next generation to transition effectively towards a knowledge-based economy and society. We focus on improving the employability and financial skills needed to help our communities thrive and empower our region's next generation of leaders. We aim to teach children better money habits such as saving, spending, and sharing to bolster their understanding on fundamental monetary concepts. Additionally, we aim to highlight to the younger generation the importance of money management and key investing principles.

This year in Qatar, in addition to our regular programmes and partnerships to provide



additional educational opportunities, we continued our partnership with Kidzania in Doha. Children can spend, save, and invest their kidZos, KidZania's currency. Through the exciting role-playing concept at QNB's branch, children can discover the challenges of being a banker. It empowers youth to become increasingly financially aware and responsible through interactive learning.

In Egypt, QNB ALAHLI is in its fourth year of supporting NilePreneurs, a national initiative by the Central Bank of Egypt in partnership with the Nile University. The programme is designed to develop the capabilities of young entrepreneurs in SMEs. QNB ALAHLI was keen to support the educational process and scientific research in Egypt by granting scholarships for talented students in Zewail

University. We have also provided a laboratory sponsorship for El-Sewedy Technical Academy, which educates and upskills around 500 learners in technical education per year, supporting the new generation to safeguard the future of the Egyptian economy.

In Türkiye, QNB Finansbank continued to focus its CSR activities on young people aged 4 to 14 years old with the "Small Hands Big Dreams" programme. Since its launch in 2015, the programme has benefited more than 570,000 children with over 40 projects and the participation of more than 3,400 volunteers.

This year, we collaborated with the Turkish Education Volunteers Foundation (TEGV) on a project called "Climate Protectors Are Growing Up". Designed for children between

the ages of 6 and 14, the initiative focused on increasing environmental sustainability awareness and climate crisis awareness. Guided by volunteers from QNB and TEGV, approximately 500 children in 13 different provinces took part in sessions to help create solutions to some of the most pressing climate issues.

We also launched the "Nature Pioneers" project in cooperation with the World Wide Fund for Nature (WWF). Building on the groundwork created by WWF and the Ministry of National Education, we helped raise awareness about climate, sustainability and nature by supporting 1,000 teachers and 10,000 pupils in 800 middle schools and 200 public middle schools and high schools. We facilitated an ecology workshop led by 250 volunteers from QNB.



Community investment as
a percentage of pre-tax profits

4.9%



Total value of community investments¹

QAR 844.4 Mn

¹ Any financial commitments are tracked and measured on a minimum annual basis (as per 2022 Sustainability Report). Respective campaign owners will have debrief/ wrap-up/ lessons learnt sessions, as appropriate.

6. ESG data and further information

To promote transparency in the banking sector we are committed to publicly disclosing our annual sustainability performance in accordance with the GRI Standards and QSE “Guidance on ESG Reporting”. From 2019 onwards we have also included a Communication on Progress index which will be an annual disclosure demonstrating our progress on implementation of the UNGC principles.

Contents:

- 6.1 QNB sustainability performance summary
- 6.2 GRI Standards Content Index
- 6.3 UNGC COP index
- 6.4 QSE ESG performance metrics
- 6.5 SASB Index for Commercial Banks
- 6.6 Climate-related disclosure
- 6.7 QNB calculation methodology
- 6.8 Abbreviations



6.1 QNB sustainability performance summary

KPIs: Corporate governance ¹	2020	2021	2022
Incidents of non-compliance with laws and regulations (number)	0	0	0
Non-monetary sanctions (number)	0	0	0
Total amount of legal and regulatory fines and settlements (QAR Mn)	0	0	0
Confirmed incidents of bribery or corruption (number)	0	0	0
Board seats occupied by independent directors (%)	40%	60%	50%
Board seats occupied by men (%)	100%	100%	100%
Board seats occupied by women (%)	0%	0%	0%
Group BoD members under 30 years old (%)	0%	0%	0%
Group BoD members between 30-50 years old (%)	20%	20%	30%
Group BoD members over 50 years old (%)	80%	80%	70%
Group CEO pay ratio	30	33	34
Ratio of the percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	Disclosed for the first time in 2022		1.4%

KPIs: Risk management	2020	2021	2022
Capital adequacy ratio (CAR) (%)	19.1%	19.3%	19.6%
Basel III liquidity coverage ratio (LCR) (%)	164%	147%	104%

KPIs: Anti-corruption ²	2020	2021	2022
Number of operations assessed for risks related to corruption	Disclosed for the first time in 2022		0
Percentage of operations assessed for risks related to corruption			0%
Total number of confirmed incidents of bribery or corruption			0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption			0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption			0

KPIs: Anti-corruption ²	2020	2021	2022
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period (number)	Disclosed for the first time in 2022		0
Total number of employees that have received training on anti-corruption, broken down by career level and region:			14,040
Senior management employees			36
Middle management employees			1,834
Non-management employees			12,170
Employees by region (Middle East)			2,409
Employees by region (Asia)			572
Employees by region (Africa)			426
Employees by region (Europe)			10,633
Total percentage of employees that have received training on anti-corruption, broken down by career level and region:			93%
Senior management employees			20%
Middle management employees			100%
Non-management employees			93%
Employees by region (Middle East)			17%
Employees by region (Asia)			4%
Employees by region (Africa)			3%
Employees by region (Europe)			76%

KPIs: Sustainable investments, lending, products and services	2020	2021	2022
Total sustainable lending portfolio (Green, Social and Sustainability linked transactions, QAR Mn)	29,126	28,519	31,343
Lending portfolio financing environmentally-friendly, low carbon activities (QAR Mn) ^{3,4}	7,438*	9,412*	10,378
Products or services helping customers to meet an environmental or social challenge (number)	32	33*	33

*Figures have been revised and restated.

¹ The figures in this table cover QNB Group branches and subsidiaries.

² The figures in this table covers Qatar and international branches, QNB Finansbank, QNB Indonesia and QNB Tunisia only.

³ Data covers Qatar and international branches, QNB Finansbank and QNB ALAHLI only.

⁴ Only includes assets which meet the eligibility criteria set out in QNB's SFPF. As at the end of 2022, our lending portfolio financing environmentally friendly and low carbon activities stood at QAR 10,378 Mn.

6.1 QNB sustainability performance summary (Continued)

KPIs: Supporting SMEs and entrepreneurship	2020	2021	2022
Microenterprise ¹ customers (number)	1,333,815	1,412,057	1,516,163
SME ² customers (number)	147,621	153,778	157,189
Credit facilities extended to microenterprises (QAR Mn)	4,961	3,046	3,723
Credit facilities extended to SMEs (QAR Mn)	16,526*	15,869*	14,470
Total credit facilities extended to microenterprises & SMEs (QAR Mn)	21,487	18,915	18,193
Lending portfolio extended to microenterprises & SMEs (%)	3.0%*	2.5%*	2.3%

KPIs: Customer experience	2020	2021	2022
Net promoter score ³ (QNB Qatar)	56	79	72
Net promoter score (QNB Finansbank)	48	51	54
Net promoter score (Enpara.com)	77	78	78
Total number of incidents of non-compliance with regulations and/ or voluntary codes concerning product and service information and labeling:	0	0	0
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0
Incidents of non-compliance with regulations resulting in a warning	0	0	0
Incidents of non-compliance with voluntary codes	0	0	0
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship:	0	0	0
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0
Incidents of non-compliance with regulations resulting in a warning	0	0	0
Incidents of non-compliance with voluntary codes	0	0	0
Digital transactions (online and mobile as a % of total)	70.6%	77.2%	84.3%

*Figures have been revised and restated.

¹ The definition of a microenterprise varies among QNB and its subsidiaries; each entity was allowed to utilise its own definition in compiling data for this table. A microenterprise is generally described as a business with fewer than ten employees, and having a balance sheet or turnover less than a certain amount.

² The definition of a SME varies among QNB and its subsidiaries; each entity was allowed to utilise its own definition in compiling data for this table.

³ NPS is a globally recognised metric for measuring customer experience and the overall perception of a company brand. The NPS is calculated as the difference between the percentage of promoters and detractors. The NPS is expressed as an absolute number lying between -100 and +100.

⁴ Figures consist of total net losses as a result of external fraud, card and non-card fraud.

KPIs: Data security and customer privacy	2020	2021	2022
Data security breaches (number)	0	0	0
Amount of fraudulent transaction activity (QAR Mn) ⁴	1.7	1.9	3.8
Total number of substantiated complaints received concerning breaches of customer privacy:	Disclosed for the first time in 2022		0
Complaints received from outside parties and substantiated by the organisation			0
Complaints from regulatory bodies			0

KPIs: Employment	2020	2021	2022
Total number of employees, broken down by gender and region:	21,453*	21,597	22,269
Male employees	11,256	11,392	11,714
Female employees	10,197	10,205	10,555
Employees by region: Middle East	2,498	2,536	2,566
Employees by region: Asia	629	603	508
Employees by region: Africa	7,045	7,353	7,601
Employees by region: Europe	11,281	11,105	11,594
Total number of full time employees, broken down by gender and region:	21,453	21,587	22,259
Male employees	11,256*	11,385	11,711
Female employees	10,197	10,202	10,548
Employees by region: Middle East	2,498	2,536	2,566
Employees by region: Asia	629	603	508
Employees by region: Africa	7,045	7,353	7,601
Employees by region: Europe	11,281	11,095	11,584
Total number of part time employees, broken down by gender and region:	-	10	10
Male employees	-	7	3
Female employees	-	3	7
Employees by region: Middle East	-	-	-
Employees by region: Asia	-	-	-
Employees by region: Africa	-	-	-
Employees by region: Europe	-	10	10

6.1 QNB sustainability performance summary (Continued)

KPIs: Employment	2020	2021	2022
Total number of employees on indefinite or permanent contracts, broken down by gender and region:	21,408*	21,518	22,225
Male employees	11,211*	11,336	11,690
Female employees	10,197	10,182	10,535
Employees by region: Middle East	2,496	2,533	2,564
Employees by region: Asia	609	569	488
Employees by region: Africa	7,022	7,311	7,579
Employees by region: Europe	11,281	11,105	11,594
Total number of employees on fixed term or temporary contracts, broken down by gender and region:¹	45	79	44
Male employees	40	53	24
Female employees	5	26	20
Employees by region: Middle East	2	3	2
Employees by region: Asia	20	34	20
Employees by region: Africa	23	42	22
Employees by region: Europe	–	–	–
Employees broken down by career level (number):			
Senior management employees ²	194	202	205
Middle management employees ³	2,740	2,910	3,077
Non-management employees	18,519*	18,485	18,987
Employees broken down by age:			
Employees age 18-30 (number)	7,086	7,444	7,915
Employees age 31-50 (number)	13,477	13,230	13,230
Employees age 51+ (number)	890*	923	1,124
Youth employment (%)	33%	34%	36%
Nationalisation:			
Qatarisation (%) ⁴	56%	56%	56%

* Figures have been revised and restated.

¹ For Qatar, the benefits for permanent and temporary contract employees are the same. For international branches and subsidiaries, benefits depend on the local practices and labour law requirements.

² Senior management defined as General Manager and Assistant General Manager level.

³ Middle management defined as grade 4-7.

⁴ As a percentage of total QNB Qatar employees.

KPIs: Outsourced employees ^{5, 6}	2020	2021	2022
Total number of workers who are not employees and whose work is controlled by the organisation	1,850	1,610	1,814
KPIs: Talent retention	2020	2021	2022
Employee engagement (%):⁷			
Employee engagement score	N/A	N/A	55%
Absenteeism rate	3.8%	3.8%	3.2%
Turnover:⁸			
Total employee turnover (number)	2,789	2,937	3,680
Total employee turnover (%)	13.0%	13.6%	16.5%
Voluntary employee turnover (number)	1,335	2,095	2,739
Voluntary employee turnover (%)	6.2%	9.7%	12.3%
Turnover (voluntary and involuntary) broken down by gender and region:			
Male (number)	1,391	1,416	1,771
Female (number)	1,398	1,521	1,908
Middle East (%)	11%	8%	7%
Asia (%)	4%	4%	3%
Africa (%)	8%	11%	13%
Europe (%)	77%	78%	76%
Turnover (voluntary and involuntary) broken down by age (number):			
Employees age 18-30	1,250	1,881	2,398
Employees age 31-50	1,262	958	1,154
Employees age 51+	277	98	127

⁵ Data in this table covers Qatar only.

⁶ The type of work performed by outsourced employees includes: ITD PC support, ITD project, system and infrastructure support, hospitality, security and reception services, janitorial work, maintenance and catering services.

⁷ Data covers Qatar & International branches only.

⁸ Programmes for upgrading employee skills and transition programmes depending on jurisdiction, according to local labour laws.

6.1 QNB sustainability performance summary (Continued)

KPIs: Talent retention	2020	2021	2022
New hires:			
Total new employee hires (number)	1,559	3,069	4,348
Total new employee hires (rate)	7%	14%	20%
New hires broken down by gender and region:			
Male (number)	693	1,550	2,100
Female (number)	866	1,519	2,248
Middle East (%)	12%	8%	7%
Asia (%)	6%	2%	1%
Africa (%)	7%	21%	17%
Europe (%)	75%	69%	76%
New hires broken down by age (number):			
Employees age 18-30	1,253	2,105	3,879
Employees age 31-50	275	341	447
Employees age 51+	31	623	22
Parental leave:			
Total number of employees that were entitled to parental leave:	3,131	3,061	2,933
Male employees that were entitled to parental leave	785	762	761
Female employees that were entitled to parental leave	2,346	2,299	2,172
Total number of employees that took parental leave:	1,191	1,078	981
Male employees that took parental leave	284	208	210
Female employees that took parental leave	907	870	771

KPIs: Talent retention	2020	2021	2022
Total number of employees who returned to work after parental leave ended:	983	932	800
Male employees who returned to work after parental leave ended	284	208	210
Female employees who returned to work after parental leave ended	699	724	590
Return to work rate (%):	83%	86%	82%
Male return to work rate	100%	100%	100%
Female return to work rate	77%	83%	77%
Total number of employees who returned from parental leave who were still employed twelve months after return to work:	851	868	735
Male employees who returned from parental leave who were still employed twelve months after return to work	243	192	198
Female employees who returned from parental leave who were still employed twelve months after return to work	608	676	537
Retention rate (%):	71%	81%	75%
Male retention rate	86%	92%	94%
Female retention rate	67%	78%	70%

6.1 QNB sustainability performance summary (Continued)

KPIs: Training and development	2020	2021	2022
Total training hours (number)	552,187	788,788	1,142,805
Average training hours provided per employee (number)	25.7	36.5	51.3
Training hours broken down by career level (number):			
Average training hours of senior management	11.7	15.6*	32.9
Average training hours of middle management	25.7	24.6*	31.5
Average training hours of non-management	25.9	38.6*	54.7
Training hours broken down by gender (number):			
Average training hours of male employees	22.2	30.3	45.6
Average training hours of female employees	29.7	43.4	57.7
Investment in learning and development:			
Spend on learning and development of our people (QAR Mn)	18.2	17.2	18.8
Performance reviews:			
Employees who received a performance and career development review (%)	88%	92%	92%
Performance reviews broken down by gender (%):			
Male employees who received a performance and career development review	95%*	93%	94%
Female employees who received a performance and career development review	91%	91%	91%
Performance reviews broken down by career level (%):			
Senior management employees receiving regular performance and career development reviews	68%	64%	68%
Middle management employees receiving regular performance and career development reviews	98%	99%	96%
Non-management employees receiving regular performance and career development reviews	93%	91%	91%

KPIs: Collective bargaining ¹	2020	2021	2022
Percentage of employees covered through collective bargaining agreements	2.1%	2.2%	4.0%

KPIs: Grievances	2020	2021	2022
Number of grievances filed in the reporting period	318	1,411	1,753
Number of these grievance addressed or resolved	315	1,410	1,753

KPIs: Incidents of discrimination	2020	2021	2022
Total number of incidents of discrimination	0	0	0

KPIs: Female employment	2020	2021	2022
Female employment rate (%)	48%	47%	47%
Women in senior management (%) ²	22%	23%	23%
Women in middle management (%) ³	33%	33%	34%
Gender pay ratio ⁴	0.92	0.91	0.92

* Figures have been revised and restated.

¹ Scope includes international branches, QNB Indonesia and QNB Tunisia only.

² Senior management defined as General Manager and Assistant General Manager level.

³ Middle management defined as grade 4-7.

⁴ Median female salary to median male salary. QNB Qatar and international branches only.

6.1 QNB sustainability performance summary (Continued)

KPIs: Environmental and climate impact	2020	2021	2022
Energy:			
Total petrol consumption (liters)	997,571*	2,060,532*	3,218,736
Total diesel consumption (liters)	1,828,753*	1,181,808*	493,031
Natural gas consumption (m ³)	1,577,449*	1,743,425*	1,459,580
Total electricity consumption (kWh)	112,421,507*	114,999,264*	113,838,975
Total energy consumption (GJ) ¹	570,945*	598,079*	595,856
Total energy consumption from fuel (GJ)	166,227*	184,082*	186,035
Total energy consumption from electricity (GJ)	404,717*	413,997*	409,820
Energy intensity (GJ/ employee) ²	26.8*	27.9*	27.0
Total energy consumption reduction (GJ):	-90,203	27,134	-2,233
Greenhouse Gas Emissions (GHG):^{3, 4}			
Scope 1 direct GHG emissions (tonnes of CO ₂ e)	10,381*	11,523*	11,915
Scope 2 indirect GHG emissions (tonnes of CO ₂ e)	67,347*	68,094*	67,367
Scope 3 other indirect GHG emissions resulting from business travel (tonnes of CO ₂ e) ⁵	Disclosed for the first time in 2022		1,164
Scope 3 other indirect GHG emissions resulting from waste disposal (tonnes of CO ₂ e) ⁶	15.5	17.9	16.3
Total GHG emissions (tonnes of CO ₂ e) ⁷	77,728*	79,617*	79,282
GHG emissions intensity (tonnes of CO ₂ e/ employee) ⁸	3.6	3.7	3.6
GHG emissions reduction since target baseline 2017 (%)	-19%	-19%	-16%
CO₂ Emissions (tonnes):			
Direct CO ₂ from petrol	2,409*	4,976*	7,773
Direct CO ₂ from diesel	4,932*	3,187*	1,330
Direct CO ₂ from natural gas	3,040	3,360*	2,813
Indirect CO ₂ from electricity	67,347*	68,094*	67,367
Water:			
Water consumption (m ³)	568,047*	498,357*	482,010
Water intensity (m ³ / employee)	26.7*	23.3*	21.8
Materials and waste			
Total paper consumption (kg)	728,554*	840,087*	763,957
Total paper consumption intensity (kg/ employee)	34.2*	39.2*	34.6

KPIs: Responsible procurement and supply chain ⁹	2020	2021	2022
Local procurement spend (%) ¹⁰	86%	84%	84%
Percentage of new suppliers that were screened using social criteria ¹¹	0%	0%	0%
Number of suppliers assessed for social impacts ¹²	0	4	0
Number of suppliers identified as having significant actual and potential negative social impacts ¹³	0	0	0
Significant actual and potential negative social impacts identified in the supply chain (number) ¹⁴	0	0	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment ¹⁵	0%	0%	0%
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment ¹⁶	0%	0%	0%

KPIs: Community investment	2020	2021	2022
Total value of community investments (QAR Mn)	554.3	632.4	844.4
Community investment as a percentage of pre-tax profits	4.2%	4.3%	4.9%
Employees participating in the Bank's volunteer programmes (number)	566	883	1,143
Total number of employee volunteering hours	1,988	2,133	275,408

* Figures have been revised and restated.

¹ Total energy consumption from fuel includes petrol, diesel and natural gas. Conversion factors used to convert energy consumption to GJ: http://w.astro.berkeley.edu/~wright/fuel_energy.html.

² Types of energy in this ratio include petrol, diesel, natural gas and electricity. Ratio uses energy consumption within the organisation only.

³ QNB's greenhouse gas emissions are calculated in accordance with the International GHG Protocol Corporate Accounting and Reporting Standard. QNB reports on a CO₂e basis which incorporates all types of gases.

⁴ Global Warming Potential (GWP) values reference: https://ghgprotocol.org/sites/default/files/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_0.pdf.

⁵ Only CO₂ emissions were included in the calculations. Conversion factors used: (Carbon Emission Calculator) <https://applications.icao.int/icec/Home/Index> - this calculator provides the CO₂/ journey in kg for each passenger.

⁶ Waste data is converted to GHG emissions via application of publicly available emission factors from UK DEFRA (Waste disposal; paper; Paper and board: paper; Closed-loop/ Combustion): 21.28 Total kg CO₂e per unit tonnes.

⁷ GHG emissions based on gross location method. GHG inventory consolidated using the Financial Control approach.

⁸ Direct (Scope 1) and indirect (Scope 2) emissions included only.

⁹ Data in this table covers Qatar and International branches, QNB ALAHLI, QNB Indonesia and QNB Tunisia only.

¹⁰ Local supplier defined as organisations providing a product or service to QNB that are based in the same country as those mentioned in our scope of reporting only.

^{11, 12, 13, 14, 15, 16} Data covers Qatar only.

6.2 GRI Standards Content Index

GRI Standard	Disclosure number and title	Reference	Omissions
GRI 2: General Disclosures 2021			
General Disclosures	2-1 Organisational details	1.2 QNB at a glance, p. 7 QNB 2022 Annual Report, p. 70 Location of headquarters - Doha, Qatar	
	2-2 Entities included in the organisation's sustainability reporting	1.1 About this report, p. 6	
	2-3 Reporting period, frequency and contact point	1.1 About this report, p. 6	
	2-4 Restatements of information	1.1 About this report, p. 6 6.1 QNB sustainability performance summary, p. 73-74, 83	
	2-5 External assurance	7.1 Independent limited assurance report, p. 89	
	2-6 Activities, value chain and other business relationships	1.2 QNB at a glance, p. 7-8 3. Sustainable finance, p. 31-45 4.4 Responsible procurement and supply chain, p. 65-66	
	2-7 Employees	4.2 Diversity and inclusion, p. 60 6.1 QNB sustainable performance summary, p. 74-75	
	2-8 Workers who are not employees	4.1 Employee value proposition, p. 54, 59 4.4 Responsible procurement and supply chain, p. 65-66 6.1 QNB sustainability performance summary, p. 75	
	2-9 Governance structure and composition	QNB 2022 Corporate Governance Report, p. 7-8, 25-29, 49, 54-56, 68-70	
	2-10 Nomination and selection of the highest governance body	Articles of Association, p. 11-13 QNB Corporate Governance Report 2022, p. 26-27	
	2-11 Chair of the highest governance body	QNB Corporate Governance Report 2022, p. 26, 54, 57 QNB Annual Report 2022, p. 68-69, 73	
	2-12 Role of the highest governance body in overseeing the management of impacts	2.4 Sustainability governance, p. 18 QNB Corporate Governance Report 2022, p. 7-9, 30-34 QNB Annual Report 2022, p. 68-70, 90-92	
	2-13 Delegation of responsibility for managing impacts	2.4 Sustainability governance, p. 18	
	2-14 Role of the highest governance body in sustainability reporting	2.4 Sustainability governance, p. 18	
	2-15 Conflicts of interest	QNB Corporate Governance Report 2022, p. 11 QNB Corporate Governance Manual 2022, p. 9, 12, 15-17, 25	
	2-16 Communication of critical concerns	QNB Corporate Governance Report 2022, p. 33-34, 37-38, 40	Information unavailable/ incomplete: total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period - not tracked as of today
	2-17 Collective knowledge of the highest governance body	2.4 Sustainability governance, p. 18 QNB Annual Report, p. 70 QNB Corporate Governance Report 2022, p. 27, 54-56	

6.2 GRI Standards Content Index (Continued)

GRI Standard	Disclosure number and title	Reference	Omissions
General Disclosures	2-18 Evaluation of the performance of the highest governance body	QNB Corporate Governance Report 2022, p. 28 QNB Annual Report 2022, p. 68-71	
	2-19 Remuneration policies	QNB Corporate Governance Report 2022, p. 35-36 QNB Annual Report 2022, p. 70-71	
	2-20 Process to determine remuneration	QNB Corporate Governance Report 2022, p. 35-36 QNB Annual Report 2022, p. 70-71	
	2-21 Annual total compensation ratio	2.1 Governance, compliance and risk management, p. 13 6.1 QNB sustainability performance summary, p. 73	
	2-22 Statement on sustainable development strategy	Message from the Chairman of the Board of Directors, p. 2 Message from the GCEO, p. 3	
	2-23 Policy commitments	2.7 External commitments, p. 22-23 QNB Sustainability Policy, p. 5-8	
	2-24 Embedding policy commitments	2.4 Sustainability governance, p. 18 2.7 External commitments, p. 22 3.1 ESG in financing, p. 26, 28-29 3.2 3.2 Customer experience and responsible engagement, p. 48 4.1 Employee value proposition, p. 56 4.2 Diversity and inclusion, p. 60 4.4 Responsible procurement and supply chain, p. 65-66 6.4 QSE ESG performance metrics, p. 83	
	2-25 Processes to remediate negative impacts	4.1 Employee value proposition, p. 59 6.1 QNB sustainability performance summary, p. 76	
	2-26 Mechanisms for seeking advice and raising concerns	2.1 Governance, compliance and risk management, p.14 3.2 Customer experience and responsible engagement, p. 48 4.1 Employee value proposition, p. 59 4.4 Responsible procurement and supply chain, p. 65-66 QNB Corporate Governance Report 2022, p. 50	
	2-27 Compliance with laws and regulations	2.1 Governance, compliance and risk management, p. 13-15 6.1 QNB sustainability performance summary, p. 73-74	
	2-28 Membership associations	2.7 External commitments, p. 22-23	
	2-29 Approach to stakeholder engagement	2.5 Stakeholder engagement, p. 19	
	2-30 Collective bargaining agreements	4.1 Employee value proposition, p. 59 6.1 QNB sustainability performance summary, p. 76	Not applicable: for employees not covered by collective bargaining agreements, their working conditions and terms of employment are based on local labour laws at a minimum

6.2 GRI Standards Content Index (Continued)

GRI Standard	Disclosure number and title	Reference	Omissions
GRI 3: Material Topics 2021			
Material Topics	3-1 Process to determine material topics	2.5 Stakeholder engagement, p. 19	
	3-2 List of material topics	2.6 Materiality assessment, p. 20-21	
	3-3 Management of material topics	2.6 Materiality assessment, p. 20-21	
		QNB Annual Report 2022, p. 90-103	
GRI 201: Economic Performance 2016			
Economic Performance	201-1 Direct economic value generated and distributed	QNB Annual Report 2022, p. 100-103	
3-3 Management of material topics		3.1 ESG in financing, p. 26-30	
		3.1.3 Retail, financial inclusion and accessibility, p. 42-45	
		4.4 Responsible procurement and supply chain, p. 65-66	
		5.1 Community investment and socio-economic development, p. 68-71	
GRI 203: Indirect Economic Impacts 2016			
Indirect Economic Impacts	203-1 Infrastructure investments and services supported	3.1 ESG in financing, p. 26-30	
		5.1 Community investment and socio-economic development, p. 68-71	
	203-2 Significant indirect economic impacts	3.1.3 Retail, financial inclusion and accessibility, p. 42-45	
		4.4 Responsible procurement and supply chain, p. 65-66	
		5.1 Community investment and socio-economic development, p. 68-71	
3-3 Management of material topics		4.4 Responsible procurement and supply chain, p. 65-66	
GRI 204: Procurement Practices 2016			
Procurement Practices	204-1 Proportion of spending on local suppliers	4.4 Responsible procurement and supply chain, p. 66	
		6.1 QNB sustainability performance summary, p. 78	

GRI Standard	Disclosure number and title	Reference	Omissions
Material Topics	3-3 Management of material topics	2.1 Governance, compliance and risk management, p. 13-15	
		4.4 Responsible procurement and supply chain, p. 65-66	
	GRI 205: Anti-corruption 2016		
	Anti-corruption	205-1 Operations assessed for risks related to corruption	2.1 Governance, compliance and risk management, p. 14
			6.1 QNB sustainability performance summary, p. 73
		205-2 Communication and training about anti-corruption policies and procedures	2.1 Governance, compliance and risk management, p. 14
			2.4 Sustainability governance, p. 18
			4.4 Responsible procurement and supply chain, p. 65
			6.1 QNB sustainability performance summary, p. 73
		205-3 Confirmed incidents of corruption and actions taken	2.1 Governance, compliance and risk management, p. 14
			6.1 QNB sustainability performance summary, p. 73
3-3 Management of material topics		4.3 Climate action, p. 61-64	
GRI 301: Materials 2016			
Materials	301-1 Materials used by weight or volume	1.4 2022 Sustainability at a glance, p. 11	
		6.1 QNB sustainability performance summary, p. 78	

6.2 GRI Standards Content Index (Continued)

GRI Standard		Disclosure number and title	Reference	Omissions
Material Topics	3-3 Management of material topics		4.3 Climate action, p. 61-63 6.6 Climate-related disclosures, p. 85	
	GRI 302: Energy 2016			
	Energy	302-1 Energy consumption within the organisation	1.4 2022 Sustainability at a glance, p. 11 6.1 QNB sustainability performance summary, p. 78	Not applicable: electricity, heating, cooling and steam sold
		302-2 Energy consumption outside of the organisation	6.1 QNB sustainability performance summary, p. 78	Information unavailable/incomplete: energy consumption outside of the organisation is currently not captured in reporting system. Topic and timeframe to be investigated
		302-3 Energy intensity	6.1 QNB sustainability performance summary, p. 78	
		302-4 Reduction of energy consumption	4.3 Climate action, p. 61-62	
	3-3 Management of material topics		2.1 Governance, compliance and risk management, p. 14-15 3.1 ESG in financing, p. 26-36 4.3 Climate action, p. 61-64 6.6 Climate-related disclosures, p. 85	
	GRI 305: Emissions 2016			
	Emissions	305-1 Direct (Scope 1) GHG emissions	6.1 QNB sustainability performance summary, p. 78	
		305-2 Energy indirect (Scope 2) GHG emissions	6.1 QNB sustainability performance summary, p. 78	
		305-3 Other indirect (Scope 3) GHG emissions	2.1 Governance, compliance and risk management, p. 14-15 3.1 ESG in financing, p. 26-36 4.3 Climate action, p. 61-64 6.1 QNB sustainability performance summary, p. 78	

GRI Standard		Disclosure number and title	Reference	Omissions
Material Topics	Emissions	305-4 GHG emissions intensity	1.4 2022 Sustainability at a glance, p. 11 6.1 QNB sustainability performance summary, p. 78	
		305-5 Reduction of GHG emissions	3.1 ESG in financing, p. 26-36 4.3 Climate action, p. 61-62 6.1 QNB sustainability performance summary, p. 78	
	3-3 Management of material topics		4.1 Employee value proposition, p. 54-59 4.2 Diversity and inclusion, p. 60	
	GRI 401: Employment 2016			
	Employment	401-1 New employee hires and employee turnover	6.1 QNB sustainability performance summary, p. 75-76	
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.1 QNB sustainability performance summary, p. 75	
		401-3 Parental leave	6.1 QNB sustainability performance summary, p. 76	
	3-3 Management of material topics		4.1 Employee value proposition, p. 56-58	
	GRI 404: Training and Education 2016			
	Training and Education	404-1 Average hours of training per year per employee	4.1 Employee value proposition, p. 56 6.1 QNB sustainability performance summary, p. 77	
		404-2 Programs for upgrading employee skills and transition assistance programs	6.1 QNB sustainability performance summary, p. 75	
		404-3 Percentage of employees receiving regular performance and career development reviews	6.1 QNB sustainability performance summary, p. 77	

6.2 GRI Standards Content Index (Continued)

GRI Standard		Disclosure number and title	Reference	Omissions
Material Topics	3-3 Management of material topics		4.2 Diversity and inclusion, p. 54, 60	
	GRI 405: Diversity and Equal Opportunity 2016			
	Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	1.4 2022 Sustainability at a glance, p. 11 4.2 Diversity and inclusion, p. 60 6.1 QNB sustainability performance summary, p. 73-75, 77	
		405-2 Ratio of basic salary and remuneration of women to men	1.4 2022 Sustainability at a glance, p. 11 4.2 Diversity and inclusion, p. 60 6.1 QNB sustainability performance summary, p. 77	Information unavailable/incomplete: ratio of basic salary and remuneration of women to men is not broken down by employee category, as is not currently captured in reporting system. To be refined to capture data for the next reporting cycle
	3-3 Management of material topics		4.1 Employee value proposition, p. 59-60	
	GRI 406: Non-discrimination 2016			
	Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	6.1 QNB sustainability performance summary, p. 77	
	3-3 Management of material topics		2.1 Governance, compliance and risk management, p. 14-15 4.4 Responsible procurement and supply chain, p. 65-66	
	GRI 414: Supplier Social Assessment 2016			
	Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	6.1 QNB sustainability performance summary, p. 78	
		414-2 Negative social impacts in the supply chain and actions taken	6.1 QNB sustainability performance summary, p. 78	

GRI Standard		Disclosure number and title	Reference	Omissions
Material Topics	3-3 Management of material topics		2.1 Governance, compliance and risk management, p. 13-14 3.2 Customer experience and responsible engagement, p. 46-49	
	GRI 417: Marketing and Labeling 2016			
	Marketing and Labeling	417-1 Requirements for product and service information and labeling	3.2 Customer experience and responsible engagement, p. 46-49	
		417-2 Incidents of non-compliance concerning product and service information and labeling	6.1 QNB sustainability performance summary, p. 74	
		417-3 Incidents of non-compliance concerning marketing communications	6.1 QNB sustainability performance summary, p. 74	
	3-3 Management of material topics		2.1 Governance, compliance and risk management, p. 14-15 3.3 Data security and privacy, p. 50-53	
	GRI 418: Customer Privacy 2016			
	Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.4 2022 Sustainability at a glance, p. 11 3.3 Data security and privacy, p. 52 6.1 QNB sustainability performance summary, p. 74	

6.3 UNGC COP index

Main category	Principle	Relevant section in the Report/ Disclosure/ Policy
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	2022 Sustainability Report 2.1 Governance, compliance and risk management 2.6 Materiality assessment 2.7 External commitments 3.1 ESG in financing 4.1 Employee value proposition 4.4 Responsible procurement and supply chain Other publically available documents QNB Code of Ethics and Conduct QNB Group Sustainability Policy QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework QNB Third Party Supplier Code of Conduct Modern Slavery and Human Trafficking Transparency Statement
	Principle 2: Businesses make sure that they are not complicit in human rights abuses	2022 Sustainability Report 2.1 Governance, compliance and risk management 2.6 Materiality assessment 2.7 External commitments 3.1 ESG in financing 4.1 Employee value proposition 4.4 Responsible procurement and supply chain Other publically available documents QNB Code of Ethics and Conduct QNB Group Sustainability Policy QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework QNB Third Party Supplier Code of Conduct Modern Slavery and Human Trafficking Transparency Statement

Main category	Principle	Relevant section in the Report/ Disclosure/ Policy
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	2022 Sustainability Report 4.1 Employee value proposition 6.1 QNB sustainability performance summary
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	2022 Sustainability Report 2.7 External commitments 3.1 ESG in financing 4.4 Responsible procurement and supply chain Other publically available documents QNB Group Sustainability Policy QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework Modern Slavery and Human Trafficking Transparency Statement
	Principle 5: Businesses should uphold the effective abolition of child labour	2022 Sustainability Report 2.7 External commitments 3.1 ESG in financing 4.4 Responsible procurement and supply chain Other publically available documents QNB Group Sustainability Policy QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	2022 Sustainability Report 2.1 Governance, compliance and risk management 2.7 External commitments 4.1 Employee value proposition 4.2 Diversity Other publically available documents QNB Code of Ethics and Conduct QNB Group Sustainability Policy

6.3 UNGC COP index (Continued)

Main category	Principle	Relevant section in the Report/ Disclosure/ Policy
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	2022 Sustainability Report 2.7 External commitments 3.1 ESG in financing 4.3 Climate action Other publically available documents QNB Group Sustainability Policy QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	2022 Sustainability Report 2.7 External commitments 3.1 ESG in financing 4.3 Climate action Other publically available documents QNB Group Sustainability Policy QNB Group GSSB Framework QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	2020 Sustainability Report 2.7 External commitments 3.1 ESG in financing 4.3 Climate action Other publically available documents QNB Group Sustainability Policy QNB Group GSSB Framework QNB Group Sustainable Finance and Product Framework QNB Group ESRM Policy Framework

Main category	Principle	Relevant section in the Report/ Disclosure/ Policy
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	2021 Sustainability Report 2.1 Governance, compliance and risk management 4.1 Employee value proposition 4.4 Responsible procurement and supply chain Other publically available documents QNB Anti-Bribery and Corruption (ABC) Policy Statement QNB Code of Ethics and Conduct QNB Group Sustainability Policy QNB Third Party Supplier Code of Conduct

6.4 QSE ESG performance metrics

QNB is committed to supporting QSE by making ESG reporting a common practice throughout the Group and communicating our performance on the set of KPIs defined within the QSE guidance. QNB's ESG performance data can be found on [Qatar Stock Exchange Sustainability and ESG Dashboard](#).

Environment KPIs	2020	2021	2022
Any legal or regulatory responsibility for an environmental impact? (Yes/No)	No	No	No
Does the company publish and follow an environmental policy? (Yes/No)	No	No	No
Energy used (GJ/ full time employee)	26.8*	27.9*	27.0
Percentage of renewable energy used	0%	30%	31%
Specify the primary source of energy used by the company	Electricity	Electricity	Electricity
The total volume of water recycled/ reused (m ³)	0	0	0
Total amount of energy used (GJ)	570,945*	598,079*	595,856
Total greenhouse gas emissions (tonnes of CO ₂ e)	77,728*	79,617*	79,282
Total waste produced (kg) ¹	69,130*	71,875*	78,483
Total water used (m ³)	568,047*	498,357*	482,010

Social KPIs	2020	2021	2022
Average hours of training per employee	25.7	36.5	51.3
Disclosure and adherence to a Human Rights Policy? (Yes/No)	No	No	No
Does the company prohibit the use of child or forced labour throughout the supply chain? (Yes/No)	Yes	Yes	Yes
Does the company publish and follow a policy for occupational and global health issues? (Yes/No)	No	No	No
Employee turnover rate (%)	6.2%	9.7%	12.3%
Employee wages and benefits (USD Mn)	934	929	1,001
Nationalisation rate (%) ²	56%	56%	56%
Number of grievances about human rights issues filed, addressed and resolved	0	0	0
Pre-tax profits invested in the community (%)	4.2%	4.3%	4.9%

Social KPIs	2020	2021	2022
Spending on locally-based suppliers (%)	86%	84%	84%
Total number of injuries and fatal accidents (contractors) ³	0	0	0
Total number of injuries and fatal accidents (employees and contractors) ⁴	1*	3*	0
Total number of injuries and fatal accidents (employees) ⁵	1*	3*	0
Total workforce (number)	21,453*	21,597	22,269
Women in the workforce (%)	48%	47%	47%

Governance KPIs	2020	2021	2022
CEO pay ratio	30	33	34
Disclosure of the voting results of the latest AGM (Yes/No)	Yes	Yes	Yes
Does the company publish and follow a Bribery/ Anti-Corruption Code? (Yes/No)	Yes	Yes	Yes
Does the company publish and follow a Supplier Code of Conduct? (Yes/No)	No	Yes	Yes
Does the company publish and follow an Ethics Code of Conduct? (Yes/No)	Yes	Yes	Yes
Executive compensation linked to performance indicators (Yes/No)	Yes	Yes	Yes
Female directors on the board (%)	0	0	0
Independent directors on the board (%)	40%	60%	50%
Median female salary to median male salary	0.92	0.91	0.92
Role separation of Chairman and CEO (Yes/No)	Yes	Yes	Yes
Sustainability report published (Yes/No)	Yes	Yes	Yes
Use a firm in third-party assurance of non-financial information (Yes/No)	Yes	Yes	Yes

* Figures have been revised and restated.

^{1,2,3,4,5} Qatar only.

6.5 SASB Index for Commercial Banks

Industry	Accounting Metric	Category	Unit of measure	Code	Reference
Topic: Data Security					
CB	Number of data breaches	Quantitative	Number	FN-CB-230a.1	Nil, no data breaches
CB	Percentage involving personally identifiable information (PII)	Quantitative	Percentage	FN-CB-230a.1	Nil, no data breaches
CB	Number of account holders affected	Quantitative	Number	FN-CB-230a.1	Nil, no data breaches
CB	Description of approach to identifying and addressing data security risks	Discussion and Analysis	N/A	FN-CB-230a.2	Refer to: 3.3 Data security and privacy Annual Report 2022: Operational Risk and Cyber security, p. 60-65
Topic: Financial Inclusion & Capacity Building					
CB	Number of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	Number	FN-CB-240a.1	660,520
CB	Amount of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	Reporting currency	FN-CB-240a.1	Refer to 3.1.2 SMEs and entrepreneurship
CB	Number of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	Number	FN-CB-240a.2	136,377
CB	Amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	Reporting currency (000s)	FN-CB-240a.2	1,325,648
CB	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Quantitative	Number	FN-CB-240a.3	2,513,980
CB	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	Number	FN-CB-240a.4	64,625
Topic: Incorporation of Environmental, Social, and Governance Factors in Credit Analysis					
CB	Commercial and industrial credit exposure, by industry	Quantitative	Reporting currency	FN-CB-410a.1	Refer to Annual Report 2022: Credit Risk, p. 56-57
CB	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Discussion and Analysis	N/A	FN-CB-410a.2	Refer to 3.1 ESG in financing

Industry	Accounting Metric	Category	Unit of measure	Code	Reference
Topic: Business Ethics					
CB	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	Reporting currency	FN-CB-510a.1	Refer to: 3.3 Data security and privacy Annual Report 2022, Operational Risk and Cybersecurity; p. 60-65
CB	Description of whistleblower policies and procedures	Discussion and Analysis	N/A	FN-CB-510a.2	Refer to: 2.1 Governance, compliance and risk management Annual Report 2022: Group Compliance, p. 80-83
Topic: Systemic Risk Management					
CB	Global Systemically Important Bank (G-SIB) score, by category	Quantitative	Basis points (bps)	FN-CB-550a.1	Not applicable
CB	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	N/A	FN-CB-550a.2	Refer to Annual Report 2022: Strategic Risk, p. 58
Activity Metrics					
CB	Number of checking and savings accounts by segment: (a) personal (b) small business	Quantitative	Number	FN-CB-000.A	15,563,809
CB	Value of checking and savings accounts by segment: (a) personal (b) small business	Quantitative	Reporting currency (000s)	FN-CB-000.A	21,032,863
CB	Number of loans by segment: (a) personal (b) small business (c) corporate	Quantitative	Number	FN-CB-000.B	10,255,092
CB	Value of loans by segment: (a) personal (b) small business (c) corporate	Quantitative	Reporting currency (000s)	FN-CB-000.B	837,470,632

6.6 Climate-related disclosure

QNB has continued to refine our methods for identifying, assessing, and managing climate-related risks in line with the recommendations of TCFD.¹

The following provides an overview of the self-assessed level of adoption with reference to these recommendations.



Governance

a) Board's oversight of climate risks/ opportunities:

- > Board overview and Board level owner of Sustainability (including climate risk)
- > Topics raised to Board as part of Sustainability Governance (GBNRGPC) and Group Risk Committee² as appropriate

b) Management's assessment and management of climate risks/ opportunities:

- > Related risks/ opportunities assessed and managed in the Group Sustainability Committee and Climate Risk Committee
- > Group Management Risk Committee and Enterprise Risk Management^{2, 3}
- > For financing, Group Credit Committee² and GSSBC

Strategy

a) Short, medium and long term climate risk & opportunities for organisation

b) Impact of climate risks opportunities on the business, strategy and financial planning:

- > Sustainable financing, products and services to support transition to more carbon neutral economy
- > Encourage clients and suppliers to transition and adopt environmentally friendly business practices

c) Resilience of organisation's strategy, considering different climate scenarios:

- > Initiated external engagement with third party to model climate impacts based on NGFS (1.5°C and 3°C scenarios)
- > Analysed portfolio approximately 80% of loan book

Risk management

a) Organisation's processes for identifying and assessing climate risks:

- > Overall Risk Management Approach with climate risk integrated
- > Established ESRM framework and procedures

b) Organisation's processes for managing climate risks:

- > Overall Risk Management Approach with climate risk integrated
- > Established ESRM framework and procedures

c) Resilience of organisations strategy, considering different climate scenarios:

- > Multidisciplinary team discussions and engagement with external experts/ advisors as appropriate

Metrics and targets

a) Metrics used by the organisation to assess climate risks and opportunities

b) Scope 1 and 2, and if appropriate Scope 3 GHG emissions and the risks:

- > Scope 1 and 2 regularly disclosed
- > Scope 3 disclosure of waste, and initiated business travel
- > Scope 3 financed emissions to commence in 2023

c) Targets used by the organisation to manage climate risks & opportunities and performance against targets:

- > No coal financing and exit by 2032⁴
- > 20% reduction of GHG by 2022
- > Support SoQ 25% GHG reduction
- > Initiatives to drive reduction, e.g., solar panels, renewable energy
- > Balanced scorecard from SMC down including Sustainability KPIs

Adopted

Partially adopted

Under initiation

¹ As per TCFD reporting framework. Level of adoption with reference to TCFD recommendations is based on QNB self-assessment and public evidence.

² QNB Group Corporate Governance Report 2022.

³ QNB Group Annual Report 2022.

⁴ QNB Finansbank.

6.7 QNB calculation methodology

KPI	Unit of measurement	Boundaries	Calculation	Source
1. Female employment rate (%)	Percentage (%)	<p>The scope of the KPI covers Qatar, our international branches including QNB Suisse and major subsidiaries: QNB Finansbank (Türkiye), QNB ALAHLI (Egypt), QNB Indonesia, and QNB Tunisia</p> <p>The calculation of this KPI is based on headcount as at 31 December 2022</p> <p>Female employees refers to both full time and part time as well as permanent and temporary employees. Total employees refers to both full time and part time as well as permanent and temporary employees</p>	<p>Total number of female employees/ total number of employees</p> <p>No estimations or assumptions have been made</p>	Employee and gender data for each of the in-scope entities was sourced from the respective Human Resource (HR) Management Information Systems (MIS)



6.8 Abbreviations

ABC	Anti-Bribery and Corruption
AML	Anti-Money Laundering
ATM	Automated Teller Machine
BCM	Business Continuity Management
BDS	Business Development Service
BoD	Board of Directors
CACIB	Crédit Agricole Corporate & Investment Bank
Capex	Capital Expenditure
CBE	Central Bank of Egypt
CBI	Climate Bonds Initiative
CCHP	Combined Cooling, Heat and Power Plant
CDP	Carbon Disclosure Project
COP	Communication on Progress (as part of UNGC commitment)
COP27	Conference of the Parties 27
CRS	Common Reporting Standard
CSR	Corporate Social Responsibility
CTF	Counter-Terrorist Financing
DC	Direct Current
DDoS	Distributed Denial of Service
DPO	Data Protection Officer
DTME	Deloitte & Touche Middle East
E&S	Environmental and Social
EBI	Egyptian Banking Institute
EBRD	European Bank for Reconstruction and Development
eCO₂	Carbon Dioxide (CO ₂) Equivalent [e]
EES	Employee Engagement Survey
EFSE	European Fund for Southeast Europe
EGP	Egyptian Pound
EIA	Environmental Impact Assessment
EMAC	Emerging Markets Advisory Council
EMS	Environment Management System
ESG	Environmental, Social and Governance
ESRM	Environmental & Social Risk Management
ESS	Environmental and Social Standards
EU	European Union
EU MDR/ DAC6	The 6th version of the EU Directive on administrative cooperation
EUR	Euro
FATCA	Foreign Account Tax Compliance Act
GARP	Global Association of Risk Professionals
GBACC	Group Board Audit and Compliance Committee
GBNRGPC	Group Board Nomination, Remuneration, Governance and Policies Committee

GBP	Green Bond Principles
GCEO	Group Chief Executive Officer
GCSC	Group Cybersecurity Committee
GDPR	General Data Protection Regulation
GEFF	Green Economy Financing Facility
GES	Solar Energy Power Plant
GHG	Greenhouse Gases
GJ	Gigajoule
GLP	Green Loan Principles
GORD	Gulf Organisation for Research and Development
GRI	Global Reporting Initiative
GSAS	Global Sustainability Assessment System
GSSB	Green, Social and Sustainability Bond
GSSBC	Green, Social and Sustainability Bond Committee
HBP	Harvard Business Publishing
HEPP	Hydroelectric Power Plants
HE	His/ Her Excellency
HH	His/ Her Highness
HR	Human Resources
IBD	International Banking Department
ICAO	International Civil Aviation Organisation
ICMA	International Capital Market Association
ICO	Information Commissioners Office
IDR	Indonesian Rupiah
IEA	International Energy Agency
IFC	International Finance Corporation
IFID	The Development Financing Institute of the Arab Maghreb
IIF	Institute of International Finance
ILO	International Labour Organization
I-RECs	International Renewal Energy Certificates
ISAE	International Standard on Assurance Engagements
ISMS	Information Security Management System
ISO	International Organisation for Standardization
IT	Information Technology
ITM	Interactive Teller Machine
IVR	Interactive Voice Recognition
KGF	Turkish Credit Guarantee Fund
KOSGEB	SME Development Organisation
KPI	Key Performance Indicators
kWh	Kilowatt Hour

LED	Light-Emitting Diode
LIBOR	London Interbank Offered Rate
LMA	Loan Market Association
MDP	Management Development Programmes
ME	Middle East
MEA	Middle East and Africa
MEASEA	Middle East, Africa and Southeast Asia
MENA	Middle East and North Africa
MOECC	Ministry of Environment and Climate Change
MoU	Memorandum of Understanding
MSCI	Morgan Stanley Capital International
NCSA	National Cybersecurity Agency
NFC	Near-Field Communication
NGFS	Network for Greening the Financial System
NGOs	Non-Governmental Organisations
NOCN	National Open College Network
NPS	Net Promoter Score
OMM	Ooredoo Mobile Money
PEP	Personal Effectiveness Programme
POS	Point of Sale
PSG	Paris St. Germain
QAR/ QR	Qatari Riyal
QBIC	Qatar Business Incubation Center
QCB	Qatar Central Bank
QDB	Qatar Development Programme
QFMA	Qatar Financial Markets Authority
QMS	Quality Management System
QNBAA	QNB ALAHLI
QNE	Qatar National Energy and Climate Change Strategy
QNV	Qatar National Vision
Q.P.S.C.	Qatari Public Shareholding Company
QR	Quick Response
QRIS	Quick Response Code Indonesian Standard
QSCCB	Qatar Social and Cultural Center for Blind
QSE	Qatar Stock Exchange
QSW	Qatar Sustainability Week
R&D	Research and Development
REC	Renewable Energy Certificates
RES	Renewable Energy Systems
RMs	Relationship Managers
SASB	Sustainability Accounting Standards Board
SBB	Small Business Bank

SBG	Sustainable Bond Guidelines
SBP	Social Bond Principles
SCR	Sustainability and Climate Risk
SDG	Sustainable Development Goals
SDP	Supervisory Development Programme
SFPF	Sustainable Finance and Product Framework
SGD	Singaporean Dollar
SLBP	Sustainability-Linked Bond Principles
SLLP	Sustainability-Linked Loan Principles
SLP	Social Loan Principles
SMC	Senior Management Committee
SME	Small and Medium Enterprises
SOC	Security Operations Centre
SoQ	State of Qatar
SPO	Second Party Opinion
SPTs	Sustainable Performance Targets
TCFD	Task Force on Climate-related Financial Disclosures
TEGV	Turkish Education Volunteers Program
T, L&D	Training, Learning and Development
tCO₂e	Tonnes (t) of Carbon Dioxide (CO ₂) Equivalent [e]
TPRM	Third Party Risk Management
TPSCC	Third Party Supplier Code of Conduct
TRY	Turkish Lira
UNEP FI	UN Environment Programme Finance Initiative
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNGC	United Nations Global Compact
UNGPs	United Nations Guiding Principles on Business and Human Rights
UNPRB	United Nations Principles for Responsible Banking
UNSDGs	United Nations Sustainable Development Goals
UN WEP	United Nations Women’s Empowerment Principles
UoP	Use of Proceeds
USD	United States Dollar
VWWA	Vendor Worker Welfare Assessment
WEP	Women’s Empowerment Principles
WHO	World Health Organisation
WISH	World Innovation Summit for Health
WPS	Wage Protection System
WWF	World Wildlife Fund

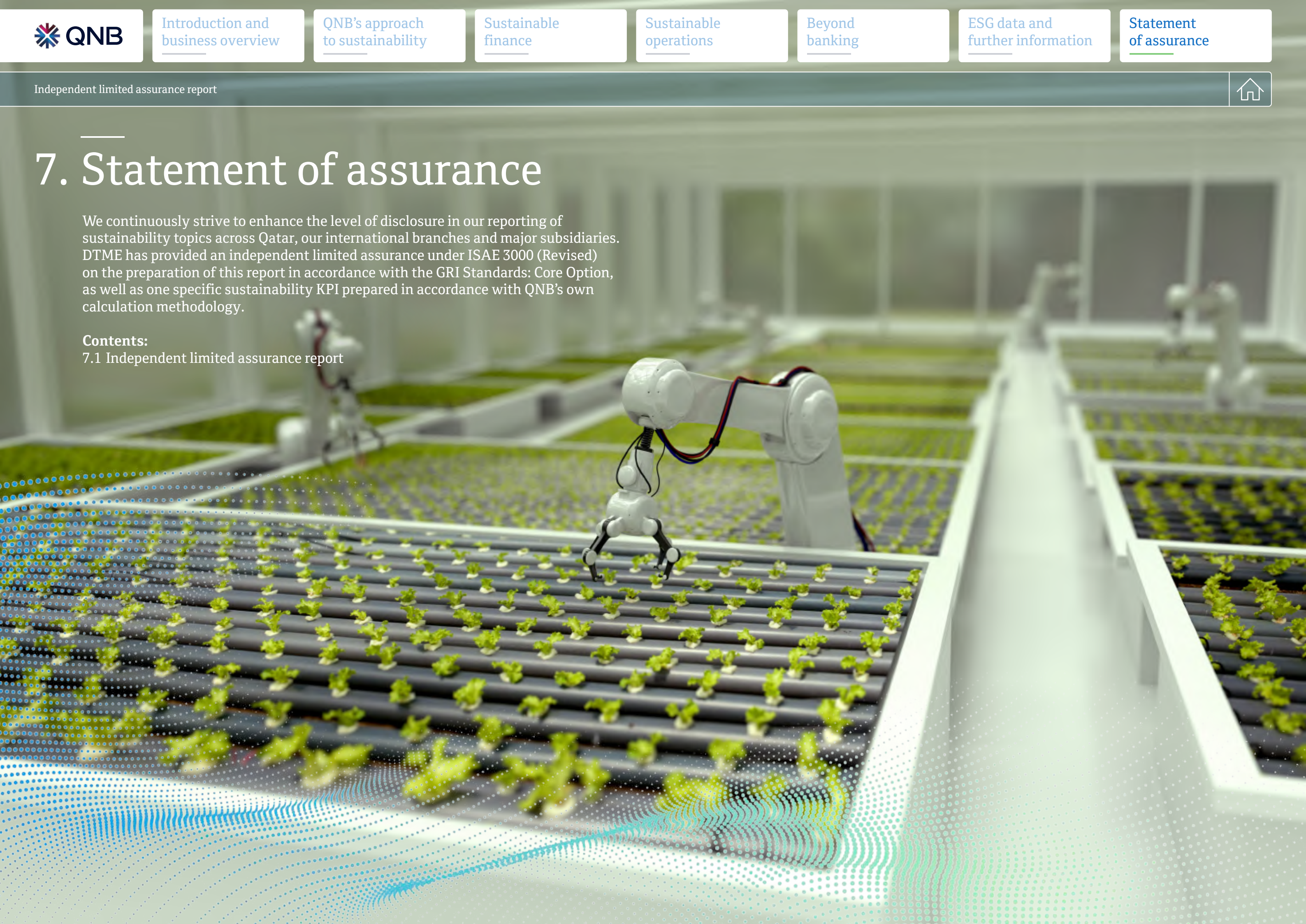


7. Statement of assurance

We continuously strive to enhance the level of disclosure in our reporting of sustainability topics across Qatar, our international branches and major subsidiaries. DTME has provided an independent limited assurance under ISAE 3000 (Revised) on the preparation of this report in accordance with the GRI Standards: Core Option, as well as one specific sustainability KPI prepared in accordance with QNB's own calculation methodology.

Contents:

7.1 Independent limited assurance report





7.1 Independent limited assurance report



Independent limited assurance report to Qatar National Bank (Q.P.S.C) ("QNB") on the preparation of the QNB Group's Sustainability Report 2022 (the "Report") for the year ended 31 December 2022, in accordance with the Global Reporting Initiative Standards 2021 (the "GRI"); and on the compilation of a single selected sustainability performance indicator ("KPI"), in accordance with the QNB Calculation Methodology.

What we looked at: scope of our work

QNB has engaged Deloitte to perform limited assurance procedures on the following selected sustainability information ("Subject Matter") reported in the QNB Group's Sustainability Report 2022.

Selected Subject Matter for assurance

- > QNB's declaration of preparing the QNB Group's Sustainability Report 2022 in accordance with the GRI;
- > QNB's reported performance during the given reporting period for a single selected key sustainability performance indicator ("KPI") presented in the table below.

KPI	Assured Figure for the year ended 31 December 2022	Report page
Female employment rate (%)	47%	p. 55, 77

Reporting Criteria

The above Subject Matter has been assessed against the reporting criteria presented in the GRI; supplemented by the reporting criteria shown in Section 6.7 - p. 89 of the Report ("QNB calculation methodology"), collectively the "Reporting Criteria".

What standards we used: basis of our work, criteria used and level of assurance

We carried out limited assurance procedures over QNB's selected Subject Matter in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"). To achieve limited assurance, ISAE 3000 requires that we review the processes, systems and competencies used to compile the Report, on which we provide limited assurance. It does not include detailed testing for each of the KPI reported, or of the operating effectiveness of processes and internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Consequently, our conclusion is not expressed as an audit opinion.

What we did: key limited assurance procedures

To form our conclusion, we undertook the following procedures:

- > Interviewed Management and those with operational responsibility for sustainability performance to assess the application of the GRI in the preparation of the Report;
- > Understood, analysed and assessed the key structures, processes, procedures and controls relating to the preparation of the Report;
- > Evaluated whether the management approach for the material sustainability issues presented in the Report are consistent with our overall knowledge and experience of sustainability management and performance at QNB;
- > Assessed the completeness and accuracy of the GRI content index with respect to the GRI requirements, including the review of reasons for omission;
- > Compared the content of the Report against the findings of the aforementioned procedures;
- > Understood the roles and responsibilities of the preparation, governance and oversight arrangements of the selected sustainability KPI and assessed their preparation against the Reporting Criteria included in the Report;
- > Enquired of Management to understand how the Reporting Criteria has been applied in the preparation of the selected sustainability KPI;

- > Assessed the computation methodology within the Reporting Criteria against market practice;
- > Reviewed and evaluated the QNB calculation methodology for measurement and reporting of the selected sustainability KPI against the actual calculations performed by QNB to support the selected sustainability KPI disclosed in the Report; and
- > Agreed the selected sustainability KPI to QNB's internal calculations and supporting documentation.

Inherent Limitations

The process an organisation adopts to define, gather, and report information on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature is subject to variations in definitions, collection, and reporting methodology, often with no consistent, accepted external standard. This may result in non-comparable information between organisations and from year to year within an organisation as methodologies develop. To support clarity in this process, QNB has developed a reporting criteria document for the year 2022 (QNB Calculation Methodology), which defines the scope of the assured metric and the method of calculation. This is available in Section 6.7 - p. 89 of the Report and should be read together with this report.

In relation to our work performed on the selected Subject Matter, we note the following specific limitations:



7.1 Independent limited assurance report



- > Our assurance procedures did not include detailed testing of IT controls of the underlying systems used by QNB to collate and report data for the selected metric; and
- > With the exception of the selected KPI shown in the table above, our testing did not include assurance of, or detailed testing of the underlying data for each of the KPI reported, or of published assertions. As such, our work does not involve procedures to verify the accuracy of the performance data or assertions published.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

In performing our work, we applied International Standard on Quality Management ("ISQM") 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Roles and responsibilities

QNB:

QNB's Group Sustainability Team (as part of Group Strategy) is responsible for the preparation of the Report in accordance with the GRI and for the calculation of the single selected sustainability KPI in accordance with QNB Calculation Methodology. Specifically, QNB is responsible for determining sustainability objectives in relation to the sustainability performance, identifying stakeholder groups and determining material topics to be included in the Report, ensuring that the information provided under the single selected sustainability KPI is properly prepared in accordance with QNB calculation methodology and confirming the measurement or evaluation of the Subject Matter against the Reporting Criteria. Management is also responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte:

Our responsibility is to provide a limited level of assurance on the subject matter as defined within the scope of work above to QNB in accordance with our letter of engagement, and report thereon. In conducting our limited assurance engagement, we have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code).

Our work has been undertaken so that we might state to QNB those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than QNB for our work, for this report, or for the conclusion we have formed.

Conclusions

Based on our limited assurance procedures performed and evidence obtained, subject to the limitations mentioned above:

- > nothing has come to our attention that causes us to believe that the Report for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the GRI; and
- > nothing has come to our attention that causes us to believe that the selected sustainability KPI for the year ended 31 December 2022, has not been prepared, in all material respects, in accordance with the QNB Calculation Methodology, as appropriate.

For and on behalf of Deloitte & Touche (M.E.), Qatar Branch



Walid Slim

Partner
License No. 319
QFMA Auditor License No. 120156
Doha – Qatar
21 June 2023

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