



SUSTAINABILITY REPORT 2024

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1. About this Report

This Sustainability Report reviews the environmental, social, and governance performance of The Commercial Bank (P.S.Q.C) (“Commercial Bank” or “the Bank”) and complements our 2024 Annual Report and 2024 Annual Corporate Governance Report.

Reporting period

This report covers the period from 1 January 2024 to 31 December 2024. Information from previous years is highlighted where applicable.

Reporting framework

This report references international best practices and sustainability standards, including the United Nations Sustainable Development Goals (SDGs), the Qatar National Vision 2030 (QNV 2030), and the Qatar Stock Exchange Guidance on ESG Reporting.

Scope

This report covers Commercial Bank operations in Qatar only. Information on Commercial Bank’s international subsidiaries are not included in this Sustainability Report unless specified.

Feedback and contact

We are happy to receive your feedback on this Sustainability Report and our ESG performance. Please address all feedback ca@cbgroup.qa

External assurance

KPMG has provided independent limited assurance on the Bank’s GHG Scope 1 and Scope 2 emissions on p.38
This subject matter information was selected for assurance based on materiality and relevance to our stakeholders.



2. Chairman's message

On behalf of the Board of Directors and Commercial Bank staff, I'm pleased to present Commercial Bank's Sustainability Report for 2024.

Sustainability as a concept and practice has been part of Commercial Bank's approach for many years, whether it be through our longstanding commitment to the Qatar National Vision 2030 or in-built into our corporate strategic plan initiated in 2016. Building on this foundation, Commercial Bank actively supports Qatar's National Environment and Climate Change Strategy announced in 2021, Qatar Stock Exchange's ESG performance disclosure initiative, and we are a signatory to United Nations Global Compact (UNGC), supporting the ten principles on human rights, labour, environment and anti-corruption.

Commercial Bank made good progress in advancing our sustainability performance in 2024. The Bank successfully issued its inaugural Green Bond denominated in Swiss Francs. This was Commercial Bank's debut Green Bond issuance under its Sustainable Finance Framework published in 2023 and represents the next step in its sustainable financing journey. The bond is the largest ever CHF Green bond issued in Qatar, the largest CHF bond issuance from Qatar since 2013, and the largest CHF Green bond out of the Central and Eastern Europe, Middle East and Africa (CEEMEA) region since 2021.

In line with the National Environment and Climate Change Strategy, we target a 25% reduction in Commercial Bank's greenhouse gas emissions associated with our own operations by 2030 versus 2021. We are deploying a number of initiatives to reduce our carbon footprint, including installation of solar panels on the rooftops of selected Commercial Bank branches, replacing a portion of the Bank's car fleet with electric vehicles, and optimizing our air conditioning and lighting systems to reduce energy consumption during unoccupied periods. Our operational efforts, debut Green Bond, and Green Vehicle Loan and Green Mortgage Loan products, have together been recognized by the "Best Green Financing Initiative" and "Sustainable and Green Bank of the Year in Qatar" awards from the Asian Banker.

Board and Executive Management remuneration is linked to ESG, formalized through the application of the Bank's revised corporate performance scorecard, which includes ESG metrics.

2024 again demonstrated that protecting the environment and supporting sustainable development are at the forefront of Qatar's priorities and Commercial Bank recognizes that we must continue to drive real change as part of our sustainability journey in alignment with the State.



Abdulla Bin Ali Bin Jabor Al Thani
Chairman



3. Commercial Bank at a glance

Incorporated in 1974 as the first private bank in the country, Commercial Bank is today one of the leading financial institutions in Qatar. True to our pioneering origins, we continue to play an important role in driving innovation and raising service standards in banking across the region through our investment in new technology, a clear focus on customers and prudent management.

Our business segments

Wholesale Banking

Provides a range of conventional commercial and investment banking services and products to large, medium and small enterprises, including corporate lending, trade finance, syndicated loans, deposits, letter of credit and guarantees.

Retail Banking

Provides a full suite of conventional retail banking services and products to retail customers in Qatar, including current and deposit accounts, wealth management, mortgage lending, personal and vehicle loans and credit card and other card services.

Subsidiaries

- **Alternatif Bank:** A fully owned subsidiary in Turkey providing its customers in the corporate, commercial, and retail banking segments with high value products, services, and solutions. Alternatif Bank has a wide distribution of branches in Turkey and works closely with its counterparts in Commercial Bank to implement best international practice and continue to realise synergies.
- **Commercial Bank Financial Services LLC:** A fully owned subsidiary that provides direct access to the Qatar Exchange, online trading, and brokerage services.
- **CBQ Finance Limited:** A fully owned subsidiary incorporated in Bermuda and organised as a special purpose entity established to raise capital for Commercial Bank by issue of debt instruments.
- **CB Global Trading Limited:** A fully owned subsidiary incorporated in Cayman Islands, an issuing vehicle for derivatives.
- **CB Innovation Services LLC:** A fully owned subsidiary incorporated in Qatar under the Qatar Financial Centre Authority providing the Bank with operations management services.
- **CB Asset Management LLC:** A fully owned subsidiary incorporated in Qatar under the Qatar Financial Centre Authority established to provide asset management services.
- **CB Real Estate Properties LLC:** A fully owned subsidiary incorporated in Qatar under the Qatar Financial Centre Authority providing the Bank with advisory services in relation to property.
- **CB Leasing Company LLC:** A fully owned subsidiary incorporated in Qatar under the Qatar Financial Centre Authority that leases and subleases properties in Qatar.

Associates and a Joint Venture

- **National Bank of Oman (S.A.O.G.):** Established in 1973 and operates via five main segments: retail banking, corporate banking, investment banking, treasury and international banking, and Islamic banking. National Bank of Oman’s shares are listed on the Muscat Stock Exchange (MSX).
- **United Arab Bank (P.J.S.C.):** Established in 1975 and provides corporate banking, retail banking, trade finance, SME banking and treasury services. United Arab Bank is headquartered in Sharjah and its shares are listed on the Abu Dhabi Securities Exchange (ADX).
- **Massoun Insurance Services LLC:** A joint arrangement entity that provides tailored corporate and personal insurance products to the Bank’s customers.

Credit ratings

	Long Term	Short Term	Outlook
Moody’s	A2	P-1	Stable
Fitch	A	F1	Stable
Standard & Poor’s	A-	A-2	Stable

Selected 2024 Awards

- “Best Green Financing Initiative” and “Sustainable and Green Bank of the Year in Qatar” from the Asian Banker
- “Best Mobile Banking App” and “Best Mobile Banking in Qatar” award from Global Finance
- “Best Digital Bank in the Middle East” by World Finance

4. Sustainability at Commercial Bank

4.1 Commercial Bank’s sustainability strategy

Commercial Bank has a five-year strategic plan (2022-2026) based on the 5Cs: Corporate earnings quality; Client experience; Creativity and innovation (Digital Creativity); Culture; and Compliance. We view sustainability as an integral part of our corporate strategy and it is inbuilt within the 5Cs. The sustainability topics most material to our business and our stakeholders can be viewed as a natural extension of the 5Cs as they support the delivery of our corporate strategy.

These material topics are:

- 1) Sustainable finance
- 2) Risk management
- 3) Support for SMEs
- 4) Financial inclusion and accessibility
- 5) Responsible procurement and supply chain management
- 6) Exceptional client experience
- 7) Customer privacy and data security
- 8) Digital innovation
- 9) Environmental impact of our operations
- 10) Talent attraction, development and retention
- 11) Diversity and inclusion
- 12) Community investment
- 13) Governance and Compliance



4.2 Sustainability governance

At Board-level, oversight of the Bank’s sustainability strategy and performance is the responsibility of the Board Remuneration, Nomination and Governance Committee (BRNGC).

This Sustainability Report and the Bank’s Sustainability Policy is approved by the Sustainability Committee, BRNGC and the Board.

Commercial Bank has a Management-level Sustainability Committee. Responsibilities include:

- Review and recommend for approval of the BRNGC, BACC and the Board, the Bank’s Annual Sustainability Report;
- Review and recommend for approval of the BRNGC, the Bank’s ESG strategy and the frameworks / commitments;
- Assess the Bank’s ESG related risks and opportunities (including climate change) and mitigations / opportunities;
- Recommend priority ESG-related initiatives for implementation within the Bank, with accountable working groups;
- Monitor the Bank’s ESG performance (with the main indicators) against the Bank’s ESG strategy including oversight of the impact with external stakeholders (rating agencies, regulators, investors);
- Review of regulatory compliance in relation to ESG.

The Sustainability Committee is chaired by Commercial Bank’s Executive General Manager (EGM) Chief Financial Officer and Chief Sustainability Officer. As sustainability is an integral part of our corporate strategy, EGM-level representatives from across Commercial Bank’s strategic business units sit on the Sustainability Committee.

4.3 Stakeholder engagement

We recognize that engagement with our stakeholders is critical to the success of our business. By engaging with our stakeholders, actioning stakeholder feedback and by delivering on the 5Cs of our five-year strategic plan, we believe we will achieve the “6th C of Commercial Bank” – their Confidence and trust.

Below are our key stakeholder groups, and our key engagement methods:

Stakeholder	Engagement methods	Needs and expectations
Customers	CB Mobile App and online banking Branches Client Engagement and Call Centre Website Social media	Digital banking and self-service channels Exceptional customer experience Competitive products
Investors	Annual General Meeting Quarterly analyst calls Annual Investor Analyst Day Annual Reports	Sustainable financial performance Transparency and credibility of communications Delivered dividends
Employees	Quarterly town halls Internal communications Employee engagement survey National Development Programme Mandatory training and leader-led training CB Staff Club, CB Chamber of Innovation	Competitive rewards Professional development Fairness and equal opportunity
Regulators	Compliance with applicable laws and regulations Public disclosures via QSE, Annual Corporate Governance Report, Annual Report	Strong governance and risk management Compliance with all legal and regulatory requirements
Community	Comprehensive CSR programme focused on the local community	Making a positive contribution to the Qatari community Employment opportunities
Suppliers	Close to 600 active suppliers Transparent and audited processes for supplier selection	Timely payment Fair and transparent tender process

4.4 Materiality

We conducted a materiality assessment to identify issues that have the most importance to our business (by their significance of economic, environmental and social impacts) and our stakeholders.

The Sustainability Committee reviews the materiality matrix while considering our sustainability strategy, Commercial Bank’s sustainability related risks and opportunities, the needs of our stakeholders, industry trends, the Qatar National Vision 2030, the Qatar National Environment and Climate Change Strategy and the UNSDGs.



5. Sustainable Finance

5.1 Sustainable Finance Framework

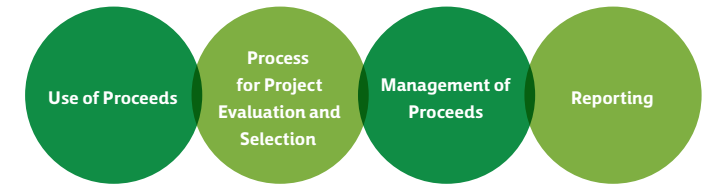
Commercial Bank is committed to the Qatar National Vision 2030 which aims to transform Qatar into an advanced society capable of achieving sustainable development by 2030 through four interconnected pillars: environmental, economic, social, and human development. In 2023, the Bank established its inaugural Sustainable Finance Framework. The Framework was externally assessed and validated through a Second Party Opinion from Sustainalytics.

The Bank intends to use the Sustainable Finance Framework as a tool to support the 2030 Vision and Qatar’s National Environment and Climate Change Strategy through enabling business growth and supporting our clients in their transition towards to sustainability.

Further, the Bank, along with its wholly owned subsidiaries, intends to use the Framework as the basis to issue Green, Social or Sustainability Bonds, Sukuks and Loans (“Sustainable Financing Instruments”). The Sustainable Financing Instruments will fund Eligible Sustainable Projects that conform to the sustainable finance principles listed below:

- the International Capital Market Association (“ICMA”) Green Bond Principles (“GBPs”) 2021 (within June 2022 Appendix 1), Social Bond Principles (“SBPs”) 2023 and Sustainability Bond Guidelines (“SBGs”) 2021; and/or
- the Loan Market Association (“LMA”) Green Loan Principles (“GLPs”) 2023 and Social Loan Principles (“SLPs”) 2023.

Key components of the Framework



Commercial Bank will allocate an amount at least equivalent to the net proceeds of the Sustainable Financing Instruments issued under the Framework to finance and/or re-finance, in whole or in part, sustainable projects which meet the eligibility criteria of the following Eligible Sustainable Project categories (“Eligible Sustainable Projects”).

Eligible Green Categories		Renewable Energy
		Clean Transportation
		Green Buildings
		Energy Efficiency
		Sustainable Water and Wastewater Managment
		Pollution Prevention and Control
Eligible Social Categories		Employment Generation, and Programs Designed to Prevent and/or Alleviate Unemployment Stemming from Socio-economic Crises
		Food Security and Sustainable Food System
		Access to Essential Services (Healthcare and Education)
		Affordable Basic Infrastructure

The Bank has established clear parameters for excluding ineligible projects or activities for financing or investing in line with regulatory and market standards.

5.2 Green bond

In September 2024, the Bank successfully issued its inaugural CHF (Swiss Franc) 225 million Green Bond. This was Commercial Bank’s debut Green Bond issuance under the Sustainable Finance Framework.

Key highlights of the issuance:

- Largest ever CHF Green bond issued in Qatar, the largest CHF bond issuance from Qatar since 2013.
- Largest CHF Green bond out of the Central and Eastern Europe, Middle East and Africa (CEEMEA) region since 2021.

Commercial Bank expects to allocate proceeds to categories such as Sustainable Water and Wastewater Management, Green Buildings and Clean Transportation, which is expected to contribute towards achieving the goals of Qatar National Vision 2030 and Qatar’s National Environment and Climate Change Strategy.

The issuance was under Commercial Bank’s existing EMTN programme and received substantial interest from a range of institutional investors. The Bank issued a 3-year bond raising CHF 225 million at a coupon rate of 1.7075% payable annually. The bond is listed on the SIX Swiss Exchange and is rated A- by S&P and A by Fitch.

On an annual basis, the Bank will engage a third- party reviewer to provide an annual assessment on the alignment of the allocation of funds with the Framework’s criteria to provide timely and transparent information.

5.2 Sustainable retail products and services

Green Vehicle Loan, a Green Mortgage Loan and Sustainable Mutual Funds

To help our customers make more environmentally conscious choices, we offer a Green Vehicle Loan with lower interest rates for electric vehicles. Additionally, we have launched special campaigns in collaboration with major car dealers, targeting the Qatari vehicle loan market, which reflect our shared commitment to sustainability and social responsibility. Despite the current limited demand for electric vehicles in the local market, Commercial Bank has financed electric cars totaling QAR 4.12 million to date, as part of the Green Vehicle Loan program over the past three years. Our award-winning Green Vehicle Loan Program, recognized for excellence in green financing initiatives, highlights our ongoing commitment to promoting sustainability and eco-friendly efforts.

We recently introduced a Green Mortgage Loan product designed to encourage customers to invest in environmentally friendly residential properties certified by the Global Sustainability Assessment System Certifications (GSAS). GSAS is a performance-based sustainable building rating system developed for the creation of a sustainable built environment that not only minimizes its ecological impact but also preserves the values, traditions, and identity of the region. This product offers customers an appealing financing scheme inclusive of competitive interest rates, flexible repayment options and zero fees as an incentive to opt for green buildings as opposed to tradition real estate investments.

Customers have access to investments that are associated with ESG, typically through a range of mutual funds offered by the Bank. Amongst the broad range of international mutual funds, the Bank offers over 20 mutual funds that include sustainable investments as part of the fund including funds that invest in companies associated with climate change. Additionally, the bank provides a trading platform with access to global stocks associated with ESG themes including dedicated research and curated stock lists in Renewable Energy and Green Transformation. The Bank remains committed to identifying and offering wealth products associated with sustainability.

6. Risk management

Commercial Bank’s Risk Management philosophy circles around “Responsible Risk Management” and the 3 Lines of Defense (LOD). Risk Management oversees risk-taking and assesses risks independent of frontline business units and functions that onboard risk. Independent Risk Management complements the frontline units’ risk-taking activities through its monitoring and reporting responsibilities, including compliance with the Bank’s risk appetite, and is responsible for identifying, measuring, monitoring, and controlling aggregate and emerging risks enterprise-wide. Risk Management introduces policies and systems to ensure that the risks in the business and process units have been appropriately identified and managed. Finally Risk Management provides assurance on these processes and provides value-added recommendations in line with market best practice.

The Bank’s Credit Underwriting Policy sets out the following Core Lending Principles:

1. We choose our customers:	We will only transact business with Borrowers with unquestioned integrity and reputation who adhere to appropriate ethical and professional business standards. Further, we are also start integrating the ESG aspects in our decision making process to align with our overall sustainability strategy.
2. We know our customers:	We require sufficient financial information necessary to make a fully informed credit decision, with a thorough understanding of a Borrower’s repayment history and current capacity to repay, based on historical financial trends and future cash flow projections under various scenarios.
3. We are cash flow lenders:	Our Primary Source of Repayment is a Borrower’s ability to generate satisfactory levels of cash flows to service interest and repay debt.
4. We have two or more ways out:	We find at least two sources of repayment, and evaluate the strength of those we are counting on to ensure we are repaid.
5. We do not depend on collateral:	We do not depend solely on collateral to compensate for inadequate financial information—nor can collateral substitute for credit analysis.
6. We are commercial lenders:	We do not take equity risk. Every loan we extend must involve a certain element of Borrower stake (or equity) in some form or other—100% debt financing is not normally permitted.
7. We do not speculate:	We do not finance Borrowers engaged in speculative activities, or activities which are not deemed appropriate to the Borrower’s business.
8. We understand the purpose:	We will not provide credit facilities that lack a clear commercial or economically viable purpose, or where the suitability of the credit facility for the declared purpose is questionable. The amount and tenor of any facility should be ‘need-based’: it should be of an amount and tenor that is appropriate for the purpose for which it is being sought—not the amount and tenor that the Borrower requests.
9. We require audited statements:	Credit assessments are carried out on the basis of audited financial statements, among other criteria. A Borrower’s financial statements must be audited by an auditor approved by Commercial Bank.

Below is a list of prohibited credits:

- Credits which violate any laws of Qatar or regulations of Qatar Central Bank (QCB);
- Credits to customers whose integrity or moral character is questionable;
- Credits that negatively impact Commercial Bank’s reputation;
- Credits to the external auditors or legal advisors of Commercial Bank or their families;
- Credits to regulators or members of supervisory bodies other than off the shelf retail products;
- Credits to customer or its owners or guarantors, who has history of insolvency or write-off or whose loan has been classified as Non-Performing Loans;
- Alcohol beverage production, distribution or trade (principal activity)
- Gambling activities, establishments and equivalent enterprises
- Sanctioned or Embargoed countries as classified by the relevant regulator exercising regulatory oversight
- Any other activity that is either illegal or considered socially unacceptable in its home market
- Production or activities violating human rights, involving harmful or exploitative forms of forced labour/ child labour
- Unbounded asbestos production or trade (This does not apply to purchase and use of bonded asbestos cement sheeting where asbestos content is less than 20%)
- Ozone Depleting Substances not permitted by national regulations (e.g. Montreal Protocol)
- Production or trade in any pharmaceuticals, pesticides/ herbicides subject to international bans and local legislation

See the Bank’s [Annual Report](#) (Management Review of Operations: Risk Management) for details of Non-Financial Risk, Market Risk and Liquidity and Funding Management.

ESG Risk Management

The Bank has a detailed methodology that identifies and measures ESG Risks associated with our customers while carrying out lending and investment activities. This methodology also includes a score that enables decision makers to understand a customer’s absolute contribution to our internal ESG criteria as well as relative ranking vis-à-vis the Bank’s portfolio of customers.

The Bank considers exposure to any risks, including ESG risk, at both a lending/investment portfolio and an individual customer/issuer level. At the customer level, ESG risk is assessed on a case-by-case basis as part of the credit / investment risk assessment and due diligence process. The ESG risk assessment is associated with the activities that the Bank directly finances, as well as the indirect risks that we may be exposed to, through other activities a client/issuer may undertake as part of their overall business strategy. The ESG due diligence is an annual process and reviews large clients and assess potential ESG risks associated with their business as part of annual credit review of the accounts.

Below are the key guiding principles that the Bank seeks to achieve as part of its ESG Framework:

- identify relevant legislation and regulatory requirements and assess a customer’s/issuer’s compliance with these requirements
- assess how our customers/issuers manage environmental, social and governance risks
- consider the impact of changes in legislation and regulations on a customer’s/issuer’s business
- consider the impact of changes in societal expectations on a customer’s/issuer’s business and the reputation risk that may be associated with a customer/issuer, and
- assess the risk of liability for environmental issues being transferred to the Group entity.

The ESG Risk Assessment covers each of the Bank’s business segments and has put in place sector wise key ESG Risks to review environmental risk which is directly or indirectly impacting the agriculture resource, biodiversity, energy use, forestry, natural resources/ materials also will be conducted wherever applicable.

The ESG Scorecard segments customers into the following categories as a benchmark for ongoing monitoring and future assessments:

- Low - Customer/Issuer with minimal or no adverse social, environmental & governance impacts or risks
- Medium - Customer/Issuer with potential limited adverse Governance, environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures
- High - Customer/Issuer with significant potential adverse social, environmental & governance impacts or risks that are diverse, irreversible or unprecedented

The ESG Risk Assessment Criteria is approved by Sustainability Committee, Management Risk Committee, Board Risk and Compliance Committee and Board Remuneration, Nomination and Governance Committee.

	2024	2023	2022	2021	2020
Capital Adequacy Ratio ¹	17.2%	14.9%	17.3%	18.1%	17.8%
Unsecured Financing to Retail Customers (% of total Loans)	7.5%	6.4%	4.6%	3.0%	2.4%
Financing exposure % of total loans in Tobacco, Alcohol and Gambling Sectors	0%	0%	0%	0%	0%

¹Corresponds to the Commercial Bank Group's financial performance including international subsidiaries

7. Support for SMEs

Small and Medium Enterprises (SMEs) play a significant role for in the development of our economy and are an important component of the country’s GDP in Qatar. Commercial Bank works together with our customers and other partners in the market to build industry specific solutions. Partnerships such as the one signed with DHL4SMEs resonates with Country’s National Vision 2030 in capacitating the SMEs in Qatar with the relevant expertise to efficiently run their businesses & navigate the challenging market dynamics. These include technical, digital and financial assistance, building upon the 360-degree view of our customers. The Bank continues to enhance the relationship management model and is focused on digital banking innovations and to educate and migrate customers to self-service channels. Digital channels have given SMEs customers better control over cash flows and provided flexibility to securely transact from the comfort of their offices and homes. The Bank remains committed to the empowerment of the SME sector in line with the Qatar National Vision 2030.

With over 13,000 active SME customers, Commercial Bank continues to have a significant share of the transaction volumes in the local market. The Bank stays focused on engaging with SMEs across sectors servicing them through more digital channels, while maintaining dedicated service centers. As part of the Bank’s digital transformation journey, we have also launched a dedicated payment app, CB Merchant Pay, for SMEs to facilitate seamless digital payments. This is part of a wider drive to digitize routine processes to improve efficiency and create digital awareness within the SME sector.

	2024	2023	2022
Trends in SME Customer Base (as % of Total Corporate Customers)	86.3%	82.5%	78.2%
SME Loan Portfolio (as a % of Total Corporate & SME Portfolios)	0.3%	0.6%	1.1%
SME Loan Portfolio – Absolute numbers in Millions	200	398	760
Number of SME customers	13,804	10,386	8,448

Post COVID period, the Bank took a more conservative and selective approach to lending, and this resulted in the slowdown of the asset portfolio growth. The Bank is now on a measured drive to gradually grow the loan portfolio with tailor-made products and services that address the needs of this segment.

In 2023-2024, and as part of the National Response Guarantee Program (NRGP), Qatar Development Bank (QDB) introduced a “buy out program” which allowed customers to transfer their NRGF guaranteed loan portfolios from participating banks to QDB. The Bank’s SME lending portfolio has seen a reduction primarily due to the transfer of these NRGF loans to QDB as well as COVID and its aftermath. There has been a positive trend though in the growth of customer numbers because of several initiatives that have been executed by the Business Unit to address the needs and preferences of this segment which include but are not limited to the following.

- Dedicated SME teams for the different segments
- Streamlining of the account opening and on boarding processes
- Digitization of products & services
- Implementation of the first phase of digital account opening
- Rolling out of new products & services



8. Financial inclusion and accessibility

8.1 Our reach

Commercial Bank has long been a strong supporter of financial inclusion, which is one of the core development pillars of the Qatar National Vision 2030. As a result, the Bank’s purpose is to continue to harness its over 50 years of banking knowledge, innovative skills, and technology progress toward the shared goal of offering best-in-class financial solutions to Qatar’s underserved/unbanked community. Commercial Bank has one of the largest retail franchises in Qatar, with a Retail Banking Department that caters to the various banking and financial needs of individuals across diverse income segments.

Our physical distribution is through a varied network of branches and ATMs and are spread across the country, with a higher concentration in Doha city. Considering the regional demographics, we have designed fit-for-purposes branches to serve multiple segments of customers with differentiated services.

Our nationwide presence is anchored by a diverse network of branches and technology-powered self-service digital lobbies that are equipped with machines across key locations to help customers instantly print their debit cards, credit cards and cheque books, deposit cheques and other range of functions — anytime, at their convenience.

This network of branches and self-service digital lobbies is further enhanced by the presence of more than 312 ATMs spread across the country.

8.2 Innovation in targeting underserved demographics

Commercial Bank continues to lead the underserved segment in line with the government’s vision for wage protection system (WPS) by running a low cost and efficient payroll card business model (PayCard), which proudly captures an estimated 67% market share of this segment in Qatar.

Throughout the years of preparations for the FIFA World cup, the government has focused on this sector, mandating all local banks to extend their support by introducing more financial services to this customer base. Commercial bank was in an excellent position to support this mandate since the PayCard product was ready on hand, and has been well established years before the big event.

Businesses can apply for PayCards for their lower salaried employees through a fully digitized registration process, and upload salaries through a seamless file upload which is fully automated. PayCard customers are supported by a dedicated mobile app that is also available in Nepali language, giving them access and control to their financial account anytime and anywhere. To further support the app, the Bank has additionally provided telecom services where customer can top-up credit, mobile data, and also pay their monthly bills. We also continue to support domestic workers (non-corporate) with a fully fledged digital solution that covers households’ salary transfers from initial payment of the salary all the way to sending the money back home via a dedicated mobile app.

Furthermore, a multilingual call center addresses complaints or service issues and regular training is conducted in labour worksites to help PayCard customers download and educate them on how to use the mobile app.

Commercial Bank continues to offer its well-known market-leading 60 Seconds Remittance service allowing customers to send money abroad within one minute through the app. The service initially covered home countries of the majority of Qatar’s low salaried workers, namely India, Pakistan, Bangladesh, the Philippines, Sri Lanka and Nepal, and has since been expanded to other geographies including Turkey, Egypt, Ghana, Indonesia, Kenya, Lebanon and Morocco.

Through this initiative, expatriate workers can conveniently remit money internationally without having to spend time queuing up in banks or exchange houses.

The cash pick up services available in Bangladesh, Philippines and Nepal help address remittance needs of beneficiaries who do not have access to bank accounts in these countries. This service provides customers and their beneficiaries the option to transfer funds as cash and have these funds safely delivered via any cash pick-up partner outlet.



9. Responsible procurement and supply chain management

Commercial Bank recognizes that we have a responsibility to pursue environmentally friendly and sustainable purchasing policies and practices. Where possible, we have followed a policy of purchasing environmentally friendly goods and eliminating or reducing the consumption of materials which are not sustainable. A specific example is our decision to eliminate the purchase of plastic water bottles for the use of our staff and substituting them with reusable bottles made from environmentally friendly and sustainable materials. This is also helping us to remove all plastic and paper cups in our kitchen/pantry areas. In addition, we have taken steps to significantly reduce our printing and therefore our paper requirements.

We also realize that we are only one part of a complex chain, and that a key part of our success towards more sustainable practices is in the hands of our suppliers. We insist on our suppliers following ethical policies and practices with respect to their own staff and suppliers. These conditions are embedded in our [Supplier Code of Conduct](#) document, which forms part of our formal contract with them.

Specific conditions in the [Supplier Code of Conduct](#) include:

- Compliance with Qatar’s Supreme Committee workers’ welfare standards
- Prohibition of forced labour and use of recruitment agencies who charge workers for recruitment
- Prohibition of child labour
- Prohibition of identity document retention or deposit
- Requirement to ensure a healthy, safe and secure working environment for workers
- Requirement to pay workers in a timely manner and to take care of workers’ compensation and general wellbeing (e.g. accommodation if applicable) in a fair and reasonable manner

We periodically carry out surprise checks to ensure these are enforced and take action when we find they are not.

	2024	2023	2022	2021	2020	2019
Spending on locally-based suppliers (%)	85.7%	79.3%	76.3%	86.9%	85.8%	87%
Total number of local suppliers engaged	448	311	300	226	226	208



10. Exceptional client experience

One of the guiding concepts of Commercial Bank’s overall strategy is to provide an extraordinary customer experience. We will continue to invest in digital technologies and sophisticated analytics in order to seamlessly offer correct products to customers, improve interactions, and empower customers to self-serve without having to contact the Bank. We invest in our staff to develop the necessary skills and expertise to identify new revenue streams and meet the changing demands of our customers, all while offering an amazing client experience.

10.1 Listening to the customer and their feedback

To provide excellent service, we must first learn directly from customers what their experiences have been and what their expectations are, and we do this by adopting an active listening approach.

The Client Experience Forum is a specialized collaborative group set up to promote improvements in customer experience initiatives across the Bank. Chaired by the Chief Operating Officer, the Forum comprises of members from the Executive Committee, including the Group CEO who plays an active role, and senior managers from multiple divisions within the Bank.

We use the Client Experience Forum to understand various customer insights, such as customer feedback from surveys, customer complaints data, reasons for customers to reach out or contact the Bank, and other performance indicators such as waiting times, service times, and call handling, and to transform this information into actionable initiatives, the results of which are then tracked against the goals of improving customer experience.

One example of how the Client Experience Forum has improved service is the delivery of our cards. Customers now have the option to utilize our card printing machines, conveniently located in multiple places, enabling them to self-print their Debit and Credit cards in under 3 minutes. Previously, this process would extend over 5 working days, causing inconvenience. Presently, more than 90% of our cards are delivered through this efficient self-service method. Currently 90+% of our Cheques are deposited using Self-service channels and 90+% of Debit and Credit cards are printed by customers using our Card printing machines.

Other continuous improvement examples from the client Experience Forum include providing QR Code Digital Statements via our Mobile App that our customers submit to embassies for their travel visa requirements and the latter can verify authenticity on our website – this also helps reduce paper printing in Branches; improvements in our newly launched website that includes visual guides on Mobile Banking features and detailed FAQs on our Products and Services; improvements in our SMS notification timeliness and contents to keep customers updated about their pending requests with the Bank.

We’ve increasingly focused on proactive steps to deliver customers the information they need before they have to ask for it. Each month, we saw an increase in calls from customers requesting information about loan repayments or credit card payments. We now alert customers in advance of their due payments, and use Push Notifications to alert them on the progress of any application or enquiry they have submitted to the Bank. This strategy of keeping our consumers updated is working effectively, as seen by a decrease in recurrent enquiries and an increase in satisfaction levels as measured by Net Promoter Score Customer Surveys.

10.2 Net Promoter Score

In recent years, one of the most important methods for obtaining customer feedback has been the Net Promoter Score (NPS), which is now regularly collected across a wide range of channels, products, and services. Furthermore, via our association with significant research groups that are renowned both nationally and worldwide, we were able to analyze and compare our Retail total NPS and customer satisfaction to those of other leading banks operating in the market.

In 2024, our retail banking Net Promoter Score (NPS) was 62, surpassing the market average and making an improvement over the high score achieved in 2023.

10.3 Complaint resolution

Complaints give useful consumer feedback on information from the people who use our services and products. They provide an opportunity to enhance our processes and service delivery while also aiding in maintaining customer loyalty and happiness. Commercial Bank has designed and implemented a written Complaint Management Procedure to ensure a systematic and clear way of resolving complaints. All complaints received from branches, contact centers, relationship managers, and other customer-facing units are logged in the Customer Relationship Management System of the Bank. Complaints are automatically forwarded to a dedicated Complaint Management Unit, which oversees the entire complaint handling process, assuring impartial treatment and quick resolution, as well as effective problem identification and remediation to prevent repeat complaints of the same sort. Complaints trend, insights, and improvement opportunities gathered as part of the Client Experience Forum are shared with top management to provide awareness and assistance to guarantee non-recurrence of complaints.

Separately, oversight of complaints submitted via the Qatar Central Bank Consumer Services Protection Department is conducted by the Bank’s Board Risk and Compliance Committee.

10.4 Responsible products and marketing

We place a strong emphasis on providing our customers with world-class service. Our commitment and responsibilities include maintaining clear, succinct, and direct communication with consumers. We ensure that our customers are well-informed and can make educated choices by using basic and easy-to-understand messaging.

Our [Customer Service Charter](#), which is published on the Commercial Bank website, guides our services to customers and contains essential concepts such as customer suitability, fair treatment, convenience, and accessibility to all services. We carefully promote our offerings and ensure that our products and services are acceptable and relevant.

We guide customers on important decisions particularly regarding borrowings, and evaluate a customer’s repayment capacity and Credit Bureau Report (CBR) history to ensure they adhere to Bank’s approved credit policies. We provide relevant training to our frontline branches, contact centre or relationship managers and collection agents on product risks, and clearly communicate any of these risks to customers. We offer responsible advice and counseling on debt repayment related to their borrowings, and recommend repayment options for customers who have been terminated, especially salaried employees.

Commercial Bank has a Management-level Product and Change Risk Management Committee, reporting to the Board Risk and Compliance Committee. Prior to launch of any product or service, we ensure they are thoroughly reviewed by the Product and Change Risk Committee, to ensure pricing or regulatory requirements are met, marketing / promotional strategy is agreed, and the customer impact and risk assessment is performed.

10.5 Certification for selling regulated products

Individuals who sell wealth products are expected to maintain an internal certification accrediting their role in selling such products. To further support responsible selling, Wealth Advisors are required to be accredited from a recognized organization, with the Chartered Institute of Securities and Investments being the Bank’s preferred qualification (CISI) or similar recognized institutions. The CISI is the biggest and most well-respected professional organization for the securities and investment profession in the United Kingdom, as well as an increasing number of financial centers across the world. Commercial Bank assures that only certified advisors with the necessary expertise and abilities provide wealth products to our customers in order to maintain the highest standards in wealth management. To further support individuals permitted to provide wealth management products, regular trainings are conducted annually to develop soft skills and provide adequate tools for a personalized, yet standardized offer.

Employees must complete a certification program in order to qualify as a Commercial Bank insurance sales representative. The certification program fosters fundamental knowledge and confidence in the essential disciplines required for insurance services and products. It teaches fundamental insurance concepts such as the regulatory environment, important disciplines such as underwriting, reinsurance, pricing, and risk management, as well as life and general insurance products.

The program consists of 6 core modules that, when completed, provide a total of 30 classroom learning hours. Learners can deliver a better client experience if they have a strong foundation in the insurance industry as well as a practical awareness of the market and rules.

10.6 Social media

Our digital platforms serve to expand our reach to a broad audience by addressing market needs and showcasing our services and products through different campaigns. We deliver targeted content on key areas, including wealth management, sustainability, and educational fraud prevention through our #CBsafe Campaign. We have utilized engaging formats, such as informative content pieces and humorous videos and influencer collaborations to maximum our social media reach. As we are an innovative Bank, we highlight the innovative nature of our products and services, effectively leveraging diverse media channels to generate leads, drive business growth and recognize the growing importance of sustainability.

10.7 Customers with disabilities

Commercial Bank remains dedicated to providing superior banking services to all customers, ensuring accessibility and inclusivity for individuals with disabilities. Our team is committed to making banking easy, convenient and barrier free, offering assisted services without any discrimination. We continuously enhance our products, services and channels to cater to the diverse needs of our customers.

- **Branch Accessibility:** Every branch across our network features dedicated teller and CSA counters for customers with disabilities, with clear internal signage for easy navigation.
- **Wheelchair-Friendly Infrastructure:** All standalone branches are designed to facilitate wheelchair access, ensuring a seamless banking experience.
- **Inclusive ATMs:** Select ATM locations provide audio-assisted screen options for customers using headphones, enhancing accessibility for the visually impaired.
- **Ergonomic ATM Design:** All ATMs are positioned at a height suitable for wheelchair users, with easily accessible PIN pads.
- **Braille-Friendly ATMs:** To assist visually challenged customers, ATM PIN pads are equipped with Braille for ease of use.
- **Expanded ATM Network:** In the recent years, the Bank expanded its ATM network to ensure greater accessibility at high-traffic locations such as petrol stations, malls, hospitals, and other public areas.
- **Digital Banking Enhancements:** Our mobile and online banking platforms continue to be optimized for accessibility, ensuring an inclusive digital experience.

Commercial Bank remains committed to continuously improving its accessibility standards, reinforcing our promise of inclusive banking for all.



11. Data security and customer privacy

Throughout 2024, the financial sector globally experienced a surge in cyber-attacks, many of which targeted sensitive customer data through application vulnerabilities and ransomware. As technology and digital transformation continue to evolve at a rapid pace, this trend is expected to persist. In response, Commercial Bank has proactively adopted industry-leading data security frameworks, including PCI-DSS and ISO 27001, to safeguard customer information and uphold privacy. Data security and privacy are central to the Bank’s strategy, with oversight provided at the highest level through the Board Risk & Compliance Committee.

11.1 Cybersecurity

Protecting our customers’ data is a cornerstone of our cybersecurity strategy. To achieve this, we implement robust measures to prevent unauthorized access, swiftly detect and block potential incidents, and ensure our tools and processes undergo regular audits to maintain the highest standards of security.

Protection and monitoring of personal data

We protect our customers’ data through controls such as:

- Access Controls:
 - o Role Based Access Control.
 - o User access reviews
 - o Privileged Access Management.
- Data encryption
- Data Masking/De-identification.
- 24/7 Security Operations Center.
- Application Security
- Handling of personal data by third parties
 - o We do not rent, sell or provide personal data to third parties. For any purpose where personal data needs to be shared with a third party the bank will ensure consent is provided by the customer in line with Qatar Data Privacy law requirements.
 - o We have a data retention policy and data is deleted after the defined amount of time.
 - o We do not collect personal data from third parties.

Incident Response Plan

Another key part of the strategy is ensuring we have a robust and tested incident response plan. For this we use a combination of the following: Information Security Incident Response Plan Crisis Management Plan, and our Business Continuity Plan which outlines how we keep the business running during the incident. We also ensure these plans are tested annually.

External cybersecurity assessments and audits

Throughout the year we ensure that our cybersecurity controls are assessed by external assessors and audits including:

- External Audit performed by independent auditor.
- External Red Team activities performed by certified independent consultant
- External Qatar Central Bank Regulatory Assessment.
- External PCI-DSS audit and certification performed by independent auditor.
- External ISO27001 audit and certification performed by independent auditor.
- External Qatar National Cyber Security Framework Assessment.

Internal cybersecurity assessments and audits

We also ensure that our internal teams assess our cybersecurity controls including:

- Internal Audit
- Internal Cyber Security Risk Assessments completed by Risk department
- Internal penetration testing and risk assessments completed by information security department

Training and awareness

Another key cyber security control is ensuring our staff are trained and kept up to date with the latest cyber security threats. To maintain this the following training and awareness is in place:

- All staff are required to complete annual cyber security training and exams
- All staff receive monthly awareness material to keep up to date with the latest cyber security threats
- Application developers at the bank receive secure code training and certification
- Cyber security staff receive specific training and certifications appropriate to their job roles
- The banks board and senior management receive training and awareness of cyber security threats

11.2 Customer privacy

Commercial Bank is committed to protecting the privacy of our customers’ data and comply with local and international standards on customer data privacy protection. This is achieved through the implementation of the Bank’s Personal Data Privacy Protection Programme which includes policy, process, systems, training and other controls, the program has Board level oversight in line with national level data privacy protection standards (Qatari Law No.13 of 2016 - Personal Data Privacy Protection) and international standards such as GDPR as applicable. The Bank’s [Privacy Notice](#) was updated in 2024.

The Bank’s Data Privacy core principles are:

- Collect and process of data for lawful purposes or when we obtain consent from data subjects;
- Limit collecting and processing of data to only the stated purpose;
- Conduct data privacy impact assessments;
- Document records of processing activities;
- Data breach notification process;
- Limit data retention to the regulatory mandates;
- Clear and accessible mechanisms for data subjects to raise concerns and actions;
- Data subject access their accounts to request for erase, rectify, complete and amend personal information as permissible by the law.
- Ensure third parties processing our data comply with our policies;
- Raise awareness and provide regular training;
- Data subject inquires and complaints handling.

The Bank is committed to implement leading protection standards. The Bank’s Board Risk & Compliance Committee is ultimately responsible for personal data privacy protection. The Bank conducts regular reviews of the implemented customer data privacy protection controls to ensure its efficiency and effectiveness in providing robust protection of customers’ data privacy and introduce any additional enhancements to evolve our controls landscape.

	2024	2023	2022	2021	2020	2019
Number of data breaches	0	0	0	0	0	0



12. Digital innovation

Digital innovation is an integral part of our strategic plan that supports the right capabilities to be successful in a new world where client experience, creativity, innovation, digital and technology all converge.

Our technological developments and operations are completely in-house done by our own dedicated subsidiary, Commercial Bank Innovation Services, (CBIS) enabling us to have full control of digital innovation. CBIS is key to our competitive advantage and helps us deploy latest technologies that are shaping the future such as robotics, machine learning, artificial intelligence and blockchain. CBIS has enabled us to apply new processes to our banking operations, improve creativity, adapt quickly and come to market very quickly with new innovations and products. We believe this agility provides us with a long-term competitive advantage in a future where banking is increasingly done on a self-service basis through automation and digital access.

Digital migration highlights:

- 95% of our Retail customers are digitally registered
- 82% of our transacting customers are digitally active
- 80% of our Retail customers are onboarded using digitized approach
- 98% of Retail remittance transactions are through digital channels
- 93% of our digitally active users are active on our Mobile App
- 79% of Retail customers use biometrics to access digital channels
- 99% of all Retail financial transactions are initiated and completed through digital and automated channels.
- 46% of Paycard customers are digitally registered
- 55% of Paycard digitally registered use the digital remittance through Paycard mobile app
- 40% of the cardholders have digitized their cards in a mobile wallet for payments

Our strength in digital innovation and ability to provide businesses and individuals with the majority of their banking needs through our digital channels is reflected through several awards we have won in the last 3 years including:

- The Most Outstanding Innovation in Fraud Detection award in the world from Global Finance
- Best User Experience (UX) Design Globally by Global Finance
- Best Online deposit, Card and Investment Product Offerings Globally by Global Finance
- Most Innovative Mobile Trading Application award from International Finance Magazine
- Best Mobile Banking Application” award in Qatar by International Finance.
- The Most Outstanding Innovation in Mobile Banking in the world” from Global Finance for the revamped Mobile App
- Best Consumer Mobile banking app In Qatar by Global Finance
- Most Innovative Mobile Trading Application in Qatar – 2023 from International Finance for CBFS
- Best Mobile Banking App in MENA BY Meed
- Best Remittance Service in MENA By Meed
- Best Mobile Banking App in Qatar By Global Finance
- Best Mobile Banking App in the Middle East By Global Finance
- Best Digital Bank award – 2024 in the Middle East By World Finance

Digital Merchant Onboarding

In order to effectively contribute to the Bank-wide objectives of sustainability, streamlined processing and customer-centric solutions, the Digital Merchant Onboarding process was introduced in 2024. Since inception, the onboarding experience for merchants has been both seamless and sustainable. The Digital Onboarding process promotes sustainability through:

- Reduced paper usage: Approximately 16,000 sheets of paper were saved from 4,775 merchant requests.
- Lower carbon footprint: Through the CIB platform, approximately 4,775 merchant requests have been processed digitally, of which, 1,852 merchants were setup remotely. This significantly reduced carbon emissions, contributing to a lower overall carbon footprint for both merchants and the bank.

Ultimately, the shift to digital onboarding aligns with CB's sustainability goals by reducing paper and energy consumption, and the overall environmental impact associated with traditional merchant onboarding processes. It also enhances operational efficiency, contributing to a more sustainable and resilient business model offering a customer-centricity solution for our merchant partners.

Cashierless Checkout

In line with Qatar's overarching vision to digitize payment acceptance solutions across the Commercial Bank collaborated with Lulu Hypermarket and Al Meera to develop and implement the frictionless (cashierless) checkout concept to their stores. This payment acceptance innovation is a first to the market solution and second only in the GCC region.

The solution is currently live with approx. 19,400 successful transactions where virtual invoices were offered to customers who walked out with their purchases. This innovative solution has garnered global attention earning Commercial Bank the prestigious Global Finance's Innovators Award for 2024.

Pay Slip Digitization

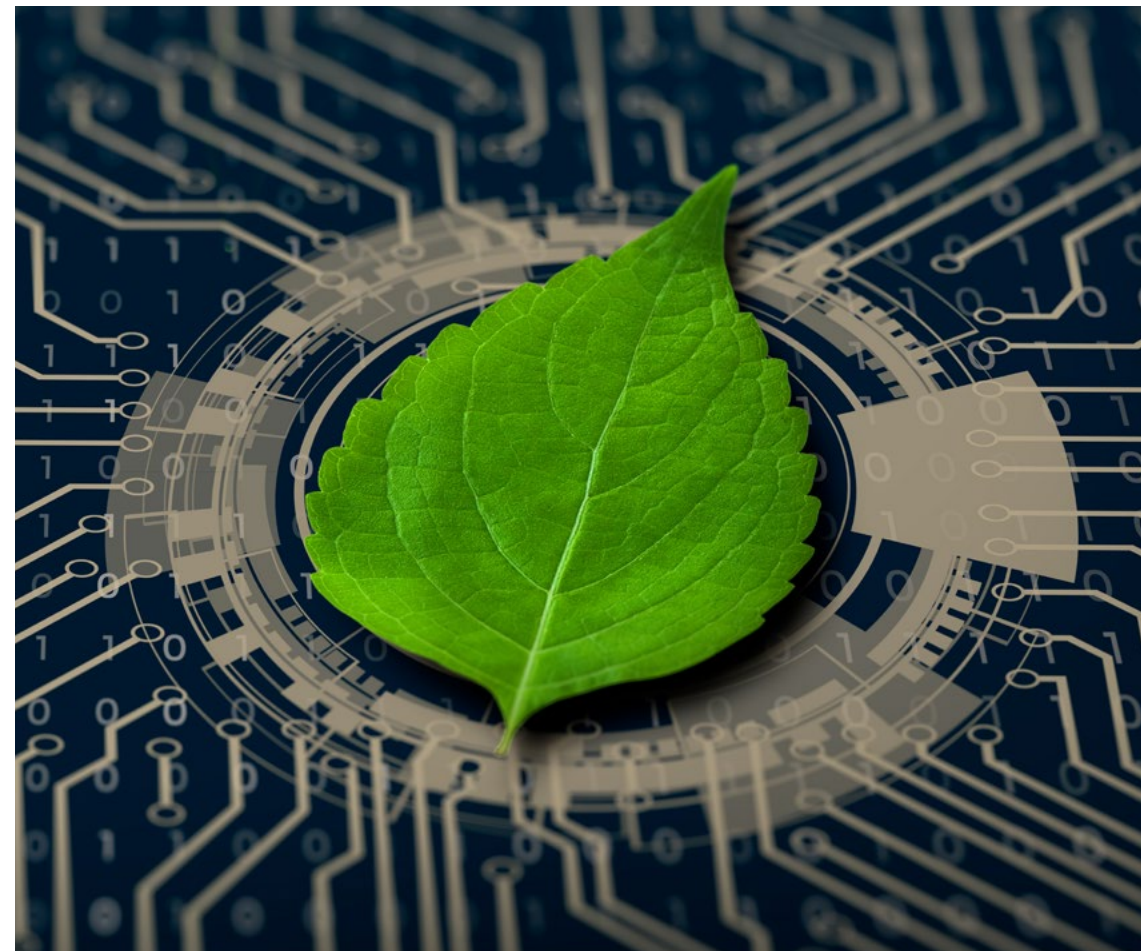
As a merchant acquiring bank, Commercial Bank is spearheading a significant shift towards eco-conscious practices by deploying Electronic Cash Register (ECR) solutions tailored for our large merchant groups. By embracing this technology, we aim to lead our large merchant partners towards a paperless operational landscape, thereby significantly reducing their environmental footprint. With this objective in mind, the Bank was able to successfully deploy the ECR solution for key large accounts such as Al Shaya, Landmark, Fahes, Marks and Spencer's and Aramex. By the end of 2024, we were able to successfully deploy this solution on approximately 1,104 terminals.

First-Ever Geo-Fencing Enabled Queueless Branch Ticketing System

In another breakthrough for digital banking, Commercial Bank has introduced Qatar's first-ever Geo-Fencing Enabled Queueless Branch Ticketing System. This innovative system leverages location-based technology to redefine the branch visit experience, allowing customers to:

- Generate a virtual queue ticket in advance through the CBQ Mobile App when they are near a branch.
- Receive real-time updates on their queue status, reducing wait times and improving branch service efficiency.
- Minimize in-branch congestion by enabling a seamless and structured flow of customers.

This smart queueing solution enhances customer convenience while also promoting sustainability by reducing the reliance on physical ticketing and paperwork. The initiative aligns with Commercial Bank's strategy to integrate digital innovation into every aspect of banking, ensuring a smarter, faster, and more customer-friendly experience.



13. Environmental impact of our operations

Commercial Bank recognizes the direct and indirect impacts of our operations on the environment, and in line with Qatar's National Environment and Climate Change Strategy we target a 25% reduction in Commercial Bank's greenhouse gas emissions associated with our own operations by 2030 versus 2021. Our strategic operational initiatives focusing on: electricity and solar energy; waste management and recycling; transportation and fuel, and digitization, are geared towards creating a cleaner and more sustainable future.

Key Pillars of Operations Sustainability Strategy



Electricity & Solar Energy

Introducing solar energy and optimizing our consumption to enable energy efficiency.



Transportation & Fuel

Replacing traditional fuel with electric chargers for cars not only reduces greenhouse gas emission but also promotes a cleaner and more sustainable transportation system.



Recycling & Waste Management

Conserving valuable resources, and mitigating the negative impacts of pollution, contribute to a sustainable future.



Digitization

Optimizing processes, reducing resource consumption, and providing tools to manage environmental impact.

As a mitigation strategy to support the reduction of our indirect emissions and electricity consumption, we have installed LED lights across all branches. Additionally, the installation of automatic timers for air conditioning units, along with a motion-based lighting system, contributes significantly to electricity savings.

To harness clean, renewable energy, we expanded the roll out of solar panels on the rooftops of Commercial Bank premises, increasing from 1 branch in 2023 to a total of 11 branches in 2024. This is reflected in the significant increase in total solar power generated from 3,200 kwh in 2023 to 169,005 kwh in 2024. This replacement strategy has led to a further reduction in the Bank's indirect emissions and electricity consumption 2023 versus 2024.

To support the reduction of our direct emissions from fuel, we are supporting the transition to an electric vehicle (EV) fleet with the goal of changing 50% of the Bank's car fleet to EVs by 2025 and installing EV charging stations for Bank and customer use at key locations. The Bank purchased its first EVs in 2024 to replace conventional vehicles and are used by the General Services Department.

Effective waste management and recycling remain pivotal aspects of our sustainability approach. Strategically placed segregated recycling bins across our premises facilitate responsible waste disposal, covering general/organic waste, plastic, paper, metal, and e-waste.

Linked to the Bank's strategy of digital innovation, we recognize that through increasing digitization, automation and provision of self-service digital channels, the Bank can reduce the environmental impact of our operations through the reduction and elimination of paper.

Environment

	2024	2023	2022	2021	2020	2019
Total waste produced (kg)	125,196	117,736	116,516	110,438	107,565	124,303
Total water use (m ³) ¹	41,493	54,673	35,781	32,280	50,480	48,142
Any legal or regulatory responsibility for an environmental impact?	No	No	No	No	No	No

¹revised and restated

Energy

	2024	2023	2022	2021	2020	2019
Total petrol consumption (litres)	24,247	13,894	10,719	10,819	9,012	10,350
Total diesel consumption (litres)	3,020	3,532	1,126	730	1,249	597
Total energy consumption from fuel (GJ)	924	600 [*]	400 [*]	388 [*]	348	367
Total energy consumption from electricity (GJ)	72,681	74,398 [*]	82,253 [*]	80,963 [*]	90,089	92,785
Total energy consumption (GJ)	73,605	74,998 [*]	82,653 [*]	81,351 [*]	90,438	93,153
Total FTE (full time equivalents) ¹	2,197	2,054	1,912	1,878	1,886	1,954
Energy intensity (GJ/FTE)	34	37	43	43	48	48
Energy from renewable resources (GJ)	608	12	0	0	0	0

^{*}revised and restated

¹The headcount for FTE (full time equivalents) is the total of full time employees and outsourced workers (see Section 14.6 for the full definition of outsourced workers)

GHG emissions

	2024	2023	2022	2021	2020	2019
Scope 1 direct emissions (tonnes CO2 equivalent)	65	42	28	27	24	26
Scope 2 indirect emissions (tonnes CO2 equivalent) ¹	10,155	10,395 [*]	11,493 [*]	11,312 [*]	12,588	12,964
Total GHG emissions (tonnes CO2 equivalent)	10,220	10,437 [*]	11,521 [*]	11,339 [*]	12,612	12,990
GHG emissions intensity (tonnes CO2 equivalent /FTE) ²	5	5	6	6	7	7

^{*}revised and restated

¹The emissions of properties leased to tenants are excluded from GHG calculations

²The headcount for FTE (full time equivalents) is the total of full time employees and outsourced workers (see Section 14.6 for the full definition of outsourced workers)

CO2 emissions

	2024	2023	2022	2021	2020	2019
Direct CO2 from petrol (CO2 tonnes)	56	32	25	25	21	24
Direct CO2 from diesel (CO2 tonnes)	9	10	3	2	4	2
Indirect CO2 from electricity (CO2 tonnes) [*]	10,155	10,395 [*]	11,493 [*]	11,312 [*]	12,588	12,964

^{*}revised and restated

14. Talent attraction, development and retention

14.1 Recruitment, development and training

Commercial Bank was ranked 5th on LinkedIn’s list of the 10 best workplaces to grow your career in Qatar for 2021. During 2023, the Bank was honored for its outstanding contribution to Nationalization efforts in the private sector at the 19th Meeting of the GCC Ministers and Heads of the Civil Service in The Sultanate of Oman. The Bank is committed to a policy of attracting, recruiting, training and developing Qatari nationals and fostering home-grown ideas and talents. Commercial Bank has partnerships with Qatar University and other international universities within Education City to recruit Qatari nationals as the next generation of highly skilled banking leaders. We also collaborated with the Ministry of Labour by participating in their e-recruitment portal. The Bank provides support for employees to complete degrees in terms of study leave and costs, and we sponsor young students as early as high school graduate level.

Commercial Bank’s National Development Programmes are formal development strategies for Qatari nationals that invests in the skills and training of young Qataris, focusing on their career development and enabling them to take senior roles within the Bank. Training is tailored to the individual and can be specialized depending on the employee’s area of interest or department. For example, Retail Banking has its own structured training and curriculum.

Current National Development Programmes:

- The Pearl Programme: a high intensity learning path that exposes high potential nationals to different Business Units and Departments as multiple projects those all aid CB business strategy.
- Banker 360: designed for customer facing nationals, to further understand the workflow cycle in the form of OJT (On Job Training).
- Almassar Programme: Designed for Retail Branches to progress from entry level to Branch Manager level.
- Kawader Malia: A sponsored program designed and conducted by Qatar Finance and Business Academy, addressed for young nationals joining the financial sector.
- University Sponsorship Programme: Aims to attract and sponsor high potential students to undergo their university program, while being aided financially during their studies and securing a job for them once they graduate to join the Bank’s workforce.
- PDP (Personal Development Plan): designed for high potential national staff, the employees design the progress of their career under the supervision of CB future needs of human resources.
- OJT (On Job Training): every new joiner gets the chance to get to know their teams, functions and roles. Some are done through shadowing approaches and others in a more formal approach.
- JP Morgan Programmes: every year CB sends its finest National RMs and revenue generating employees to the most prestigious brand in the banking industry to receive high quality trainings in relative subjects to the employees background.
- CB Educators: Leaders in the Bank conduct their subject matter expertise to share the learnings with a wider group to cascade knowledge and learnings.
- Certification Programmes: a pathway designed for nationals those want to specialize in certain areas like Wealth Management, they undergo the CFA program; one of highest certifications in the financial sector.
- Coaching & Mentoring: high potential national staff are assigned coaches internally or externally to address the challenges that might be encountered and to develop a solid network between generations.
- In-House Soft Skills Training: CB is committed to elevate its staff soft skills by offering them various subjects like emotional intelligence, effective communication, negotiation, resolving conflict, critical thinking.

We invest in making Commercial Bank a great place for learning. We target our development resources toward our people who are skilled in sharing knowledge and training others through leader-led training. For the leaders themselves, the Bank is introducing an induction programme for new leaders to ensure they are aware of their responsibilities, knowledge transfer takes place and experiences are shared, and they can differentiate between the roles of a manager versus a leader. We engage with premium institutions like JP Morgan, Moody’s, ACAMS, Euromoney, Qatar Finance and Business Academy and other leading institutes to develop core competencies and professional skills for our staff to deliver on the future requirements of the corporate strategy.

Mandatory annual training for all Commercial Bank staff during 2024 included:

- AML/CFT and Sanctions Compliance
- Information Security Annual Awareness Mission
- Business Continuity Management
- Environmental Social Governance (ESG)

	2024	2023	2022	2021	2020	2019
Total training hours	53,617	44,750	25,690	19,385	31,736	36,854
Average hours of training per employee	34.09	30.05	17.96	13.69	22.13	26.70
Training hours broken down by career level						
Average training hours of senior management	12.76	14.49	9.70	7.01		
Average training hours of middle management	20.03	20.87	13.37	12.21		
Average training hours of non-management	46.72	36.82	21.91	15.22		
Investment on training and education						
Spending on training and education (QAR)	2,141,731	1,181,227	872,447	425,062	95,072	721,822
Performance Reviews						
Employees who received a performance and career development review (%)	96.3%	93.9%	94.5%	96.0%	97.2%	94.4%
Performance Reviews broken down by gender						
Male employees who received a performance and career development review (%)	96.1%	94.3%	95.4%	95.9%	98.0%	96.0%
Female employees who received a performance and career development review (%)	96.5%	93.1%	93.0%	96.3%	96.0%	92.0%

14.2 Rewarding performance

Commercial Bank’s Board Remuneration, Nomination and Governance Committee is responsible for evaluating the Bank’s compensation and remuneration framework for Board Members, Executive Management and staff, based on the long-term performance and objectives of the Bank.

Commercial Bank’s annual Employee Remuneration Policy (subject to shareholder approval at the Bank’s AGM in 2024) is disclosed in the [Annual Corporate Governance Report](#) p.45.

Our vision is to maintain a responsible, performance-based Remuneration Policy that is aligned with the short, medium and long-term interests of our employees and shareholders. Our goal is to strike the right balance between meeting shareholders’ expectations, paying our employees competitively, and responding appropriately to the legal and regulatory requirements and guidelines.

Commercial Bank’s Remuneration Principles aim to:

- Attract and motivate great people without any discrimination based on race, gender or religion
- Reward our people for acting responsibly and professionally having regard to customers, shareholders and the communities in which we operate
- Align the interest of management and shareholders by ensuring that management makes decisions for the long-term good of CBQ as a whole
- Link total remuneration with performance and risk over the short, medium and long term
- Represent global, regional and regulatory best practice in regard to the design and governance of variable pay and incentives

As part of our commitment to talent retention, we implement a structured approach to promotions and salary increments. Through a comprehensive review process, we assess nominated employees who have taken on additional responsibilities or whose compensation falls below market benchmarks. Additionally, we invest in continuous learning and development programs to equip our employees with the skills needed for career growth and evolving business needs. This dual approach—recognizing contributions through rewards and enhancing capabilities through training—ensures a motivated, engaged, and future-ready workforce. By aligning our retention strategies with performance, skill development, and market competitiveness, we reinforce our commitment to sustainability and organizational excellence.

To promote a sustainable and performance driven culture, Commercial Bank applies a variable pay framework that uses a balanced corporate performance scorecard including Risk, Profitability, ESG & digital transformation metrics to determine an available bonus pool. A minimum level corporate performance must be achieved for the bonus pool to accumulate and maximum size restrictions apply.

It is mandatory for Executive Management, other senior managers and key risk takers to defer their individual bonuses, with 50% of the awarded bonus deferred over a total of three years from the award date and with provisions for malus and clawback. Commercial Bank was the first bank in Qatar to introduce deferred bonuses for Executive Management with provisions for malus and clawback, in line with international best practice and good governance.

Commercial Bank’s annual Directors Remuneration Policy is disclosed in the [Annual Corporate Governance Report](#) p.45. The maximum annual remuneration of the Chairman is capped at QAR 2.5 million and other Board members is capped QAR 2 million, with additional annual remuneration for Board members sitting on Board Committees restricted to a maximum of QAR 300,000.

The Directors Remuneration Policy was amended in 2022 and approved by shareholders at an Ordinary General Meeting to include ESG matters in the Directors’ performance assessment when determining the amount of the directors’ annual remuneration.

	2024	2023	2022	2021	2020	2019
Employee wages and benefits (million USD) ¹	78	121	98	202	115	162

¹ Corresponds to the parent company operations inside Qatar and does not include international subsidiaries.

14.3 Long Term Incentive Scheme (LTIS)

- In 2024, the Bank maintained a Long Term Incentive Scheme (LTIS). Through awarding performance rights – a vehicle to offer equity linked long term incentives, the LTIS:
- Fosters staff commitment to work towards the common goal of enhancing shareholder;
 - Links variable pay to the Bank’s long-term performance;
 - Promotes sound risk management by linking reward for key decision makers to the time horizon of risk.

Under the LTIS, it is mandatory for Executive Management, other senior managers and key risk takers to defer a portion of their individual bonuses in performance rights, with specific malus & clawback provisions applying during the three year deferral period.

14.4 Work life balance and employee engagement

Commercial Bank continues to encourage all staff to take their full leave entitlement and provide flexibility in leave planning. Emphasis has been placed on ease of submitting leave, which can be done via mobile and is system-based process, eliminating the need for multiple or physical signatures. The Bank has a dedicated Staff Club committed to offering high-quality recreational and social activities and programmes for staff outside of the work environment. The Staff Club Forum is overseen by the Staff Club committee, with each club being led by volunteers. Under the Staff Club’s umbrella, the Bank operates two gyms in two locations and yoga room, organizes football, and cricket tournaments for staff, managed by two dedicated gym instructors. Beyond sports, the Bank also provides a game room and music studio. Additionally, the Staff Club includes entertainment club as well as basketball and badminton.

Commercial Bank hosts numerous staff engagement programs, including Retail and Operations Achievers event; high performers achievement event, The Chamber of Innovation where staff pitch innovative ideas out of their day-to day projects to Executive Management. The Bank organizes breakfast with EGMs facilitating close interactions between a small group of staff and EXCO members to exchange ideas and discuss initiatives. Commercial bank also Celebrates Qatar National Day by bringing together employees from different departments to experience the Qatari Culture and the traditional cuisine. Furthermore, the Bank actively supports mental and physical health initiatives by organizing sessions conducted by the Ministry of Public Health and Hosting an Open Health Day, offering free tests and consultation with doctors from leading hospitals in the city. The bank conducts blood donation campaign in collaboration with Hamad Medical Corporation to contribute to the community.

Commercial Bank places a strong emphasis on internal staff communications to enhance engagement and promote transparency, managed by the Communications and Culture unit and Marketing Department. Quarterly town hall meetings, led by the GCEO and Executive Management Members are held to update staff on the Bank’s progress towards achieving its strategic plan and other key developments.

Commercial Bank conducts an annual employee engagement survey to measure employee satisfaction, with latest survey conducted in 2024.

14.5 Freedom of association

Commercial Bank (and our subsidiaries) support freedom of association and collective bargaining in line with local labour laws.

14.6 Performance appraisal and grievance reporting

Commercial Bank has a performance appraisal system and staff have regular performance appraisals based on evidence and objectives. Staff undergo a mid-year feedback process and an end of year performance appraisal is calibrated by a group of manager peers.

Commercial Bank’s [Whistleblowing Policy](#) details reporting mechanisms for improper conduct and anonymous complaints procedures for both fraud and non-fraud cases. There is protected disclosure and an investigation procedure mechanism. More details on whistleblowing can be found in Section 17 of this Sustainability Report.

We are committed to fostering a workplace culture that upholds fairness, equality, and respect, with a strong emphasis on addressing employee concerns. Employee grievances are taken seriously, and the independent Disciplinary Review Committee ensures timely review of any cases of misconduct, breach of company policies, Employee Handbook or Code of Conduct, violation of ethical standards, Workplace harassment or discrimination and any other actions that may warrant disciplinary action. All reported grievances during the year were thoroughly investigated and resolved.

14.7 Workforce trends

Employees ¹	2024	2023	2022	2021	2020	2019
Total employees	1,613	1,533	1,445	1,415	1,416	1,452
Full time employees	1,613	1,533	1,445	1,415	1,416	1,441
Full time male employees	1,008	955	890	847	834	875
Full time female employees	605	578	555	568	582	566
Part time employees	0	0	0	0	0	11
Part time male employees	0	0	0	0	0	0
Part time female employees	0	0	0	0	0	11
Broken down by career level						
Senior management employees	101	101	100	106	112	117
Middle management employees	640	592	528	500	498	482
Non-management employees	872	840	817	809	806	853
Broken down by age						
Employees age 18-30	275	328	300	297	328	407
Employees age 31-50	1,139	1,055	989	960	937	903
Employees age 51+	199	150	156	158	151	142
Turnover						
Total employee turnover	217	207	209	234	202	189
Employee turnover rate %	13.8%	13.9%	14.6%	16.5%	14.1%	13.7%
Voluntary employee turnover (number)	179	149	162	174	121	121
Voluntary employee turnover (%)	11.4%	10.0%	11.3%	12.3%	8.4%	8.8%
Turnover broken down by age (voluntary and involuntary)						
Employees age 18-30	71	62	49	67	72	68
Employees age 31-50	130	125	154	139	95	98
Employees age 51+	16	20	6	28	35	23
Turnover broken down by gender (voluntary and involuntary)						
Male employees (number)	122	113	98	110	107	116
Female employees	95	94	111	124	95	73
Absenteeism						
Absenteeism rate	2.49%	2.56%	3.13%	2.32%	1.71%	1.99%
Outsourced workers						
Total number of workers who are not employees and whose work is controlled by the organization [*]	581	521	467	463	470	502

^{*}The type of work performed by outsourced workers includes security guards, drivers and housekeeping

¹ Corresponds to the parent company operations inside Qatar and does not include international subsidiaries.

15. Diversity and inclusion

Commercial Bank has a diverse workforce, comprising of 61 different nationalities, and 38% are female. As stated in the Bank's [Code of Conduct](#), we recognize the power and importance of workplace diversity and we respect each other's differences. Further, as stated in the Bank's [Code of Conduct](#), we do not tolerate discrimination, bullying, harassment or any other offensive conduct.

Commercial Bank prohibit any discrimination based on personal characteristics related to sex, marital status, race, nationality or religion.

We work as a team and we treat each other with respect and kindness. Our Employee Handbook states that all employees should not be involved in any act of bullying, discrimination or any offensive behavior.

Further, as stated in Commercial Bank's Remuneration Policy Principles (disclosed in the [Annual Corporate Governance Report](#) p.45) that the Principles aim to attract and motivate great people without any discrimination based on race, gender or religion.

	2024	2023	2022	2021	2020	2019
Male employees	1,008	955	890	847	834	875
Female employees	605	578	555	568	582	577
Female employment rate (%)	38%	38%	38%	40%	41%	40%
Women in senior management (%)	16%	18%	19%	19%	20%	21%
Women in middle management (%)	28%	28%	28%	31%	33%	33%
Median male salary to median female salary	1.24	1.14	1.11	1.02	0.95	0.89
Female directors on the Board	0	0	0	0	0	0
Incidents of discrimination	0	0	0	0	0	0

15.1 Human Rights

The Bank (and the Bank's subsidiaries) respects human rights. We work actively to ensure that our business activities are free of any discrimination and unfair labour practices that could potentially occur. As per the Bank's Code of Conduct, we respect human rights and we are signatory to the United Nations Global Compact and support the ten principles on human rights, labour, environment and anti-corruption.

	2024	2023	2022	2021	2020	2019
Number of grievances about human rights issues filed, addressed and resolved	0	0	0	0	0	0

16. Community investment

Commercial Bank is committed to supporting Qatar's national development in line with the Qatar National Vision 2030 by giving back to the wider community through a comprehensive range of meaningful CSR programmes. These CSR programmes are fully detailed in the Commercial Bank's Annual Report, covering our Ramadan initiatives; commitment to sports, health, and fitness; and Qatari youth. As a listed company, Commercial Bank contributes 2.5% of the annually reported net consolidated profit to the Social & Sport Contribution Fund inaugurated as per the Emiri decree which aims to support social and sports activities and enhance sustainable social development in alignment with Qatar National Vision 2030.

For the year ended 31 December 2023, the Bank appropriated an amount of QAR 75,255,675 which was paid in April 2024. For the year ended 31 December 2024, the Bank appropriated an amount of QAR 75,801,800 to be paid following shareholder approval of the consolidated financial statements at the Bank's AGM.

	2024	2023	2022	2021	2020	2019
(%) Pre-tax profits invested in the community	2.57%	2.79%	2.83%	3.06%	2.75%	2.76%

16.1 Charitable donations

In 2024, the Bank purchased Iftar food boxes in the amount of QAR 30,000 and they were distributed during Ramadan with the required coordination with Qatar Charity. The Bank also purchased seats at a charity auction in the amount of QAR 7,500 in coordination with Qatar Museums Authority.

16.2 Volunteering

At Commercial Bank, we recognize the significance of volunteering as a means of fostering social responsibility and community engagement. The Bank's volunteering program empowers employees to contribute meaningfully by supporting philanthropic initiatives, assisting those in need, and making a positive impact on their local communities.

Commercial Bank staff volunteers annually distribute Iftar boxes around Qatar during the holy month of Ramadan and separately Garangao gifts for children in mall branches, hospitals, and schools spreading happiness and joy and raising awareness around this Qatari cultural tradition. Another annual volunteering programme for Commercial Bank employees is conducted during Qatar National Day, where the group would distribute celebration gifts in hospitals, Special Needs Center, and schools. In 2024, CB Ramadan volunteers distributed 1,000 Garangao gifts for children in mall branches, hospitals, and schools and also distributed food/Iftar boxes to 2,000 laborers and another 200 Ramadan boxes to the less fortunate families. The Bank organized a Suhoor gathering for the elderly from Ehsan. Also, as part of our commitment to sustainability and social responsibility, we organized the Build a Bike initiative, assembling and donating 18 bicycles to the less fortunate laborers and children. The participation of the Bank's employees in all CSR activities during Ramadan reflects our commitment to the "One Bank, One Team" culture.

17. Governance and Compliance

As one the "5Cs" compliance is a fundamental part of Commercial Bank's strategy in recognition that compliance and good governance is the essential foundation for growth.

17.1 Corporate Governance

Commercial Bank's Board of Directors firmly believes that sound corporate governance principles and practices are fundamental to maintaining the trust of its stakeholders, which is also critical in business growth, sustainability and profitability. The Board is committed to implement the corporate governance principles of justice, equality among stakeholders without discrimination, transparency and disclosure, while upholding the values of corporate social responsibility and acting in the public interest of Commercial Bank and stakeholders over their personal interests, as well as performing their duties, tasks and functions in good faith, integrity, honour and sincerity. The implementation of these principles is driven by a qualified Board aided by an experienced Executive Management team. The Board ensures that the Bank adheres to these corporate governance principles in its day-to-day activities at all times.

The main rules, procedures and practical application of Commercial Bank's governance are contained in the Bank's Corporate Governance Charter, Board of Directors Charter and Board Committees Charter. Our Annual Corporate Governance Report fully describes Commercial Bank's corporate governance best practices and highlights how we apply the principles and provisions of applicable governance laws and regulations of the Qatar Central Bank (QCB) and the Qatar Financial Markets Authority (QFMA).

	2024	2023	2022	2021	2020	2019
Number of Board Directors	11	11	9	9	9	9
Number of Independent Directors	3	3	3	3	3	3
Number of Non-executive Directors	8	8	6	6	5	5
Number of female Directors	0	0	0	0	0	0

17.2 Code of Conduct

In addition to Commercial Bank’s corporate governance charters, the Board is responsible for setting the Bank’s professional conduct rules found in the Bank-wide [Code of Conduct](#).

- The Bank-wide Code of Conduct serves as a guide to the everyday professional conduct of Board Members, Executive Management and employees. The Code covers all applicable laws and regulations and the highest standards of business ethics that Bank employees should be aware of and comply with in the conduct of their day-to-day business activities. This includes (but is not limited to):
- Prohibition on soliciting, accepting or offering money, gifts, favours, entertainment or bribes which might influence, or be seen to influence our business judgement;
 - Avoiding conflict of interest;
 - Respecting confidentiality and not to misuse customer and Bank information;
 - Prohibition of discrimination within the workplace

Further standards of conduct expected from the Board are also covered in the [Board of Directors Charter](#).

17.3 Whistleblowing

Commercial Bank encourages its stakeholders to report incidents of improper conduct about an actual, suspected, or anticipated wrongdoing and the Bank has established and follows a [Whistleblowing Policy](#). The Whistleblowing Policy details the reporting mechanisms for improper conduct and anonymous complaints procedures for both fraud and non-fraud cases. There is protected disclosure for the whistleblower(s) identity to remain anonymous relating to such investigations. A disciplinary review committee oversees cases of improper conduct and decisions are enforced in line with the Bank’s disciplinary matrix.

	2024	2023	2022	2021	2020	2019
Number of whistleblower reports received	3	3	1	2	0	1

In 2024, three whistleblowing incidents were reported, and investigations were conducted into each report. One report had merit, resulting in disciplinary action being enforced by the Bank.

17.4 Compliance

Commercial Bank’s Board Risk and Compliance Committee (BRCC) is responsible for setting forth Compliance and Financial Crimes Control including, Anti-Money Laundering, Combating Financing of Terrorism, Anti-Fraud, Anti Bribery and Corruption, FATCA/CRS and Data Privacy Protection requirements, criteria and control mechanisms for all activities involving Bank-wide related risks.

- Commercial Bank’s Compliance & Financial Crimes Control SBU reports directly to the BRCC and the responsibilities of this SBU are detailed fully in the [Annual Corporate Governance Report](#). Among these responsibilities are:
- Monitoring and ensuring the Bank’s compliance with QCB, QFMA, QFCRA, Labor Law, CCL, FATF and AML, CTF WMDP, Sanctions, Anti Fraud, Anti Bribery and Corruption, Data Privacy Protection, FATCA and CRS regulations;
 - Proposing relevant recommendations to enhance/improve the internal control procedures that help mitigate non-compliance and ML/TF/WMDP, Sanctions, Fraud, Bribery and Corruptions risks;
 - Monitoring customers’ financial transactions and behaviors, investigate and raise suspicious transaction reports to the Qatari Financial Information Unit (QFIU);
 - Conduct independent compliance reviews.
 - Ensure and track the timely implementation of regulatory requirements.
 - Ensuring proper and timely implementation of enhanced due diligence (EDD) for correspondent banking relations and high-risk customers;
 - Conducting fraud, bribery and corruption assessment of high-risk areas in the Bank;
 - Govern the fraud monitoring rules and controls using the banks enterprise fraud monitoring solution;
 - Direct and lead internal /external fraud as well as bribery & corruption investigations, including Whistleblowing mechanism to safeguard the brand and financial reputation of the bank;
 - Ensuring implementation of the Bank’s AML, CFT, WMDP and Sanctions controls at the overarching Group-level including risk appetite and tolerance.

- The Commercial Bank has a Management-level Compliance Risk Committee which facilitates and monitors the implementation of the Bank’s Compliance and Financial Crimes Control Management Framework including: AML, CFT, WMDP, Anti-Fraud and Anti Bribery and Corruption, in addition to the Personal Data Privacy Protection and FATCA/CRS with the following key functions:
- Oversee and facilitate the implementation of the Compliance and Financial Crimes Risk Management Framework in the Bank including key regulations, AML/CFT, Sanctions, Anti-Fraud, Anti-Bribery and Corruption controls, Personal Data Privacy Protection controls and FATCA/CRS, in addition to ensuring that a strong Compliance and FCC management culture exists throughout the whole organization;
 - Review and recommend for approval of the BRCC, and Board of Directors the Compliance and Financial Crimes Control (FCC) in addition to FATCA/CRS and Personal Data Privacy Protection related policies; and
 - Review and monitor the resolution of the compliance and FCC critical issues, ensure appropriate mitigation of the Compliance and FCC risk exposures, review and recommend prioritization of agreed action for mitigation of Compliance and FCC risks.

Commercial Bank has zero tolerance for corruption and the Bank’s Anti-Bribery and Corruption Policy statement provides the key rules, objectives and principles which employees of Commercial Bank and its subsidiaries must adhere to in order to maintain high ethical standards and to prevent and combat bribery and corruption. It also seeks to raise awareness among employees of the Bank and related third parties (i.e., vendors, service providers, contractors or customers) about consequences of bribery and corruption practices, so that they could uphold the Bank’s zero tolerance approach to bribery and corruption.

All staff must complete periodic mandatory e-training courses required by regulation including but not limited to anti-money laundering, counter terrorism financing, anti-fraud, anti-bribery & corruption, FATCA/CRS and personal data privacy protection.

	2024	2023	2022	2021	2020
Confirmed incidents of bribery or corruption	0	0	0	1	0
Cost of fines, penalties, or settlements in relation to corruption	0	0	0	0	0

17.5 Audit of ethical standards

In general, Internal Audit covers all the Bank’s operations on an annual basis for mandatory audits in accordance with local regulatory requirements. Additionally, Internal Audit covers other Bank operations units based on a two or three-year cycle. An audit of AML/ CFT is performed on annual basis in accordance with local regulatory requirements. An audit on the Bank’s Anti-Fraud Control and Investigation Unit is conducted on a two-year basis and was last done in 2023. The risk of Executive Management misconduct including staff misconduct is considered as part of Corporate Governance and Human Capital reviews, which is performed on a two to three-year cycle.

In 2023, there was an audit engagement on potential money mule activities to examine, assess and evaluate the adequacy of newly implemented controls. A consultative audit engagement on product mis-selling was performed in 2023. This review on mis-selling was conducted to identify potential areas of banking by taking a proactive approach in ensuring that robust policies (governance framework), procedures, and controls are in place to manage/ minimize the likelihood of mis-selling risk. In 2024, there was an audit engagement on the Bank-wide KYC Onboarding and OCDD Process to evaluate and review the customer KYC information collected by stakeholder in the process of onboarding and OCDD activities which will help to identify and verify the customer and the customer’s identity and understand the customer’s activities and source of funding as well as monitoring of customer’s updating of ongoing due diligence information. A thematic review on the Bank’s contracts and agreements was performed in 2024 to assess the controls that cover the Bank’s contracts and agreements and validate the controls effectiveness in selected processes, identify control gaps, and assess the adequacy of existing controls to manage/ minimize the likelihood of fraud risk.

Additionally, the following operational audits were performed in 2024:

- Cards Operations;
- Reconciliation Review including Finance;
- Legal Affairs;
- Corporate Affairs & Corporate Governance;
- Non-Financial Risk Management Reviews;
- 8 Retail Branches.

17.6 Tax transparency

Commercial Bank’s operations inside Qatar are not subject to income tax except certain subsidiaries operations, which are subject to tax as per the General Tax Authority and Qatar Financial Centre Authority tax regulations. Taxes are calculated based on tax laws and tax regimes in the countries/tax jurisdictions in which the Commercial Bank Group operates. Tax is recognized based on an evaluation of the expected tax charge/credit. For the year ended 2024, income tax and deferred tax is mainly arising from Alternatif Bank operations.

The details of income tax expense for the years ended 31 December 2024 and 2023 are disclosed in Commercial Bank consolidated financial statements within the [Annual Report](#), Note 33.

The Group mainly operates in the State of Qatar and Turkey. On 23 December 2024, Qatar’s Shura Council has approved specific amendments to provisions of the Income Tax Law promulgated under Law No. 24 of 2018 introducing a top-up tax with a minimum effective tax rate of 15%. The amendments are likely to be effective from 2025 and are currently under final approval. Related regulations on implementation, compliance and administrative provisions are expected to be issued by the General Tax Authority in the near future. However, since the amended legislations for the top-up tax will be effective only from fiscal years commencing on or after 1 January 2025, there is no current tax impact for the year ended 31 December 2024.

In August 2024, Turkey enacted new tax legislation to implement a global minimum top-up tax which is calculated based on the Income Inclusion Rule (IIR) as effective from 1 January 2024, and the Undertaxed Profits Rule (“UTPR”) as effective from 1 January 2025. However, the effective applicable income tax rate in Turkey is higher than the global minimum tax, hence there is no impact on the Group Financial Statements.

The Group is monitoring the progress of the legislative process, and as at 31 December 2024, the Group did not have sufficient information to determine the potential quantitative impact on its consolidated financial statements.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when incurred.

17.7 Political donations

Political contributions are prohibited to elected officials or individual members of political parties or organisations as per the Bank’s Anti-Bribery and Corruption Policy Statement.

18. Qatar Stock Exchange Sustainability and ESG Dashboard

Commercial Bank supports the Qatar Stock Exchange’s Sustainability and ESG Dashboard initiative that encourages listed companies to disclose their ESG performance data and improve transparency. Commercial Bank’s¹ performance against the QSE ESG indicators is disclosed below.

	2024	2023	2022	2021
Environment				
Does the company publish and follow an environmental policy?	Yes	Yes	Yes	No
Energy used: Amount of energy used per FTE ²	34	37	43	43
Total amount of energy used: Total amount of energy usage in GJ	72,681	74,398	82,253	80,963
The total volume of water recycled/reused in m3 by the organization per year	0	0	0	0
Total waste produced (kg)	125,196	117,736	116,516	110,438
Total greenhouse gas emissions (tonnes)	10,220	10,437	11,521	11,339
Percentage of renewable energy used	0.83%	0.015%	0	0
Specify the primary source of energy used by the company	Electricity	Electricity	Electricity	Electricity
Total water use (m3)	41,493	54,673	35,781	32,280
Social				
Does the company prohibit the use of child or forced labor throughout the supply chain?	Yes	Yes	Yes	Yes
Number of grievances about human rights issues filed, addressed and resolved	0	0	0	0
Total number of injuries and fatal accidents (employees)	0	0	0	0
Total number of injuries and fatal accidents for contractors in FTE ¹	0	0	0	0
Total number of injuries and fatal accidents for employees and contractors in FTE	0	0	0	0
Disclosure and adherence to a Human Rights Policy?	Yes	Yes	Yes	Yes
Employee turnover rate	13.8%	13.9%	14.6%	16.5%
Total workforce	1,613	1,533	1,445	1,415
Spending on locally-based suppliers (%)	85.7%	79.3%	76.3%	86.9%
Employee wages and benefits (million USD) ²	78	121	98	202
Average hours of training per employee	34.09	30.05	17.96	13.69
Women in the workforce (%)	37.5%	37.7%	38.4%	40.1%
Does the company publish and follow a policy for occupational and global health issues?	Yes	Yes	Yes	Yes
Pre-tax profits invested in the community (%)	2.57%	2.79%	2.83%	3.06%
Governance				
Disclosure of the voting results of the latest AGM	Yes	Yes	Yes	Yes
Median male salary to median female salary	1.24	1.14	1.11	1.02
Does the company publish and follow a Supplier Code of Conduct?	Yes	Yes	Yes	Yes
Role separation of Chairman and CEO	Yes	Yes	Yes	Yes
Independent directors on the board	27.27%	27.27%	33.33%	33.33%
Female directors on the board	0	0	0	0
Executive compensation linked to performance indicators	Yes	Yes	Yes	Yes
Does the company publish and follow an Ethics Code of Conduct?	Yes	Yes	Yes	Yes
Sustainability report published	Yes	Yes	Yes	Yes
Does the company publish and follow a Bribery/Anti-Corruption Code?	Yes	Yes	Yes	Yes

¹ Corresponds to the parent company operations in Qatar and does not include international subsidiaries

² The headcount for FTE (full time equivalents) is the total of full time employees and outsourced workers

18. Independent Limited Assurance Report



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Independent Limited Assurance Report

To the Board of Directors of The Commercial Bank’s (P.S.Q.C.)

Limited Assurance Report on scope 1 and scope 2 CO2 emissions of The Commercial Bank’s (P.S.Q.C.) Qatar operations, for the year ended 31 December 2024

Conclusion

We have performed a limited assurance engagement on whether the Subject Matter Information (“SMI”) (“scope 1 and scope 2 CO2 emissions”) of The Commercial Bank’s (P.S.Q.C.) Qatar operations (“the Bank”) for the year ended 31 December 2024 has been prepared in accordance with The Commercial Bank (P.S.Q.C.) CO2 Emissions Basis of Reporting 2024 (“the Criteria”), as set out on section ‘Independent limited assurance report’ in the Bank’s Sustainability Report 2024.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the SMI of the Bank’s Qatar operations for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the Criteria.

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI and our report.

Subject Matter Information (“SMI”)

The Subject Matter Information for our limited assurance engagement were the following Selected Sustainability Metrics for the year ended 31 December 2024, as prepared and presented by the Bank. The Selected Sustainability Metrics are based on the operational reporting boundary developed by the Bank which consists of the Bank’s Qatar operations.

Selected Sustainability Metrics	Unit	Amount
Scope 1 emissions	Tonnes CO2 equivalent	65
Scope 2 emissions	Tonnes CO2 equivalent	10,155

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The Commercial Bank of Qatar (PSQC)
Limited Assurance Report
For the year ended 31 December 2024

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Restriction on use or distribution

Our report is intended solely for the use of Board of Directors of the Bank in connection with the SMI and is not intended to be and should not be used by any other party. It will be released to Board of Directors of the Bank on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Bank’s own internal purposes) or in part, without our prior written consent.

Our report is designed to meet the agreed requirements of Board of Directors of the Bank determined by Board of Directors of the Bank needs at the time. Our report should not, therefore, be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Board of Directors of the Bank for any purpose or in any context. Any party other than Board of Directors of the Bank who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party, other than Board of Directors of the Bank, for our work, for the assurance report we will issue, and for the conclusions we reach.

Use of our assurance report on a website

We have consented to the publication of our report on the Bank’s website for the purpose of the Bank showing that it has obtained an independent limited assurance report in connection with the SMI.

Responsibilities for the SMI

The Board of Directors of the Bank are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the SMI such that it is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used;
- preparing and properly calculating the SMI in accordance with the Criteria;
- making the Criteria available to intended users;
- ensuring compliance with law, regulation or applicable contracts;
- making judgments and estimates that are reasonable in the circumstances;



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For the year ended 31 December 2024

- preventing and detecting fraud;
- selecting the content of the SMI, including identifying and engaging with intended users to understand their information needs;
- documenting and retaining underlying data and records to support the SMI;
- informing us of other information that will be included with the SMI; and
- supervision of other staff involved in the preparation of the SMI.

Inherent limitations

For the purposes of this limited assurance engagement, we have not performed any procedures around:

- the nature of non-financial information, the absence of a significant body of established practice on which to draw, and the methods and precision to be used to determine non-financial information allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time;
- establishing the reliability of sources of information by reference to evidence independent of the Bank;
- the assessment of accuracy or completeness of the reporting boundary determined by management and the source documents used in the calculation of the SMI; and
- verifying the completeness or accuracy of the information within the Bank's systems or agreeing data to the underlying source documentation. Where the Bank made use of third-party data, our work has been restricted to agreeing a selection of data back to the third party information, as opposed to confirming the underlying accuracy of the third party data.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Board of Directors of the Bank.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- Obtained understanding of the Criteria and their suitability used by the Bank in preparing the SMI;
- Conducted interviews with Bank's management to obtain an understanding of the key processes, systems and controls in place over the preparation of the SMI;
- Performed recalculation of relevant formulae used in manual calculations and assessed whether the data has been appropriately consolidated;
- Performed selected limited testing, including agreeing a selection of the input data used to calculate the SMI to corresponding source documentation to third party data where applicable;



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- Re-performed a selection of the emission factor;
- Assessed the reasonableness of assumptions used in management's estimates; and
- Read the narrative in the Sustainability Report with regard to the Criteria and for consistency with our findings.

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.

19 June 2025
Doha
State of Qatar




Gopal Balasubramaniam
KPMG L.L.C.
Qatar Auditors' Registry Number 251



The Commercial Bank (P.S.Q.C.) CO2 Emissions Basis of Reporting 2024 (“Criteria”)

The below Subject Matter Information (“SMI”) is measured in tonnes of CO2 and the reporting boundary is set as an operational boundary, which is represented by the Qatar operations of The Commercial Bank (P.S.Q.C.) (“the Bank”).

SMI	Category	Activity data	Calculation and emission factor
Scope 1 CO2 emissions	Statutory combustion from combustion of diesel in generators	<p>For the head office CB Plaza: Generator runtime is calculated based on generator's reading at a given period of running time. Diesel consumption (in litres) is calculated based on generator's specifications regarding diesel consumption rate at a given period of running time which is estimated based on the data from the following link: “https://fwpower.co.uk/wp-content/uploads/2018/12/Diesel-Generator-Fuel-Consumption-Chart-in-Litres.pdf”. The total consumption is estimated based on the generator's operation, assumed at 1% of the load factor. In case of testing and periodic maintenance, an estimated running time is considered as the period of running time based on 100% load factor.</p> <p>For the branches: Generator runtime is calculated based on generator's reading at a given period of running time. Diesel consumption (in litres) is calculated based on generator's specifications regarding diesel consumption rate at a given period of running time which is estimated based on the data on the following link: “https://fwpower.co.uk/wp-content/uploads/2018/12/Diesel-Generator-Fuel-Consumption-Chart-in-Litres.pdf”. The total consumption is estimated based on the generator's operation, assumed at 1% of the load factor. In case of testing and periodic maintenance, an estimated running time is considered as the period of running time based on 50% load factor.</p>	<p>Emission is calculated as: fuel consumption x caloric value of fuel x emission factor.</p> <p>Caloric value and emission factor for diesel and petrol has been obtained from “2006 IPCC Guidelines, Page 18, Table 1.2 in the Introduction Chapter Volume 2: Energy”.</p> <p>For petrol, ‘Motor Gasoline’ has been considered and for diesel, “Gas/Diesel Oil” has been considered, as the default category.</p>
	Mobile combustion related to petrol consumption in the Bank's vehicles	Petrol consumption (in litres) is based on invoices from the fuel provider, their corresponding rate and quantities.	



Scope 2 CO2 emissions	Purchased electricity	Electricity consumption (in kWh) is based on invoices received directly from the supplier. In cases, where cumulative billing is received for an extended period, the total consumption is proportionately distributed for each month. A reduction in consumption is applied based on the proportionate area utilized by the tenants.	Emission is calculated as: electricity consumption x emission factor. Qatar grid emission factor has been obtained from 'Harmonized IFI Default Grid Factors 2021 v3.2' file as available on the United Nations Framework Convention on Climate Change's website.
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