



# Green Bond Allocation and Impact Report

September 2025



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# 01 Introduction

The Commercial Bank P.S.Q.C. (“Commercial Bank” or the “Bank”) is pleased to present its inaugural Green Allocation and Impact report, following the issuance of its inaugural CHF225 million Green Senior Unsecured Bond in October 2024 (“Green Bond”) under the Bank’s Sustainable Finance Framework, launched in December 2023. In line with our longstanding commitment to the Qatar National Vision 2030, we view responsible banking as part of our broader approach to supporting economic development, social progress and environmental stewardship in the State of Qatar.

This Green Bond Allocation and Impact report provides transparency on how the net proceeds from the CHF225 million Green Bond have been allocated to eligible green projects and a preliminary assessment of the expected and actual environmental impacts of the funded projects.

Commercial Bank has engaged Deloitte to provide a Post-Issuance Review on the alignment of the allocation of net proceeds of the Green Bond with the Bank’s Sustainable Finance Framework, and S&P Global to provide an impact assessment report.

## About Commercial Bank

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.

## 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. Wholesale Banking also plays a role in supporting sustainable infrastructure and energy transition through the financing of long-term infrastructure projects and renewable energy assets, including projects related to water and wastewater treatment facilities, as well as large-scale renewable power generation, contributing to broader environmental and sustainability objectives.





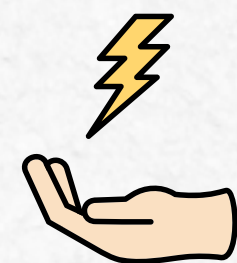
# Retail Banking

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. These offerings include sustainable retail solutions, including green financing options that offer lower interest rates for environmentally friendly choices such as green vehicles and certified green properties, as well as ESG aligned investment opportunities.

# Environmental Impact of the Commercial Bank’s Operations

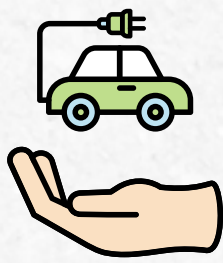
Commercial Bank recognizes the direct and indirect impacts of our operations on the environment, and in line with Qatar’s National Environment and Climate Change Strategy we target a 25% reduction in Commercial Bank’s greenhouse gas emissions associated with our own operations by 2030 versus 2021. Our 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.



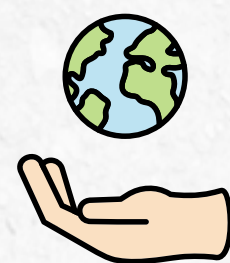
### Transportation & Fuel

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.





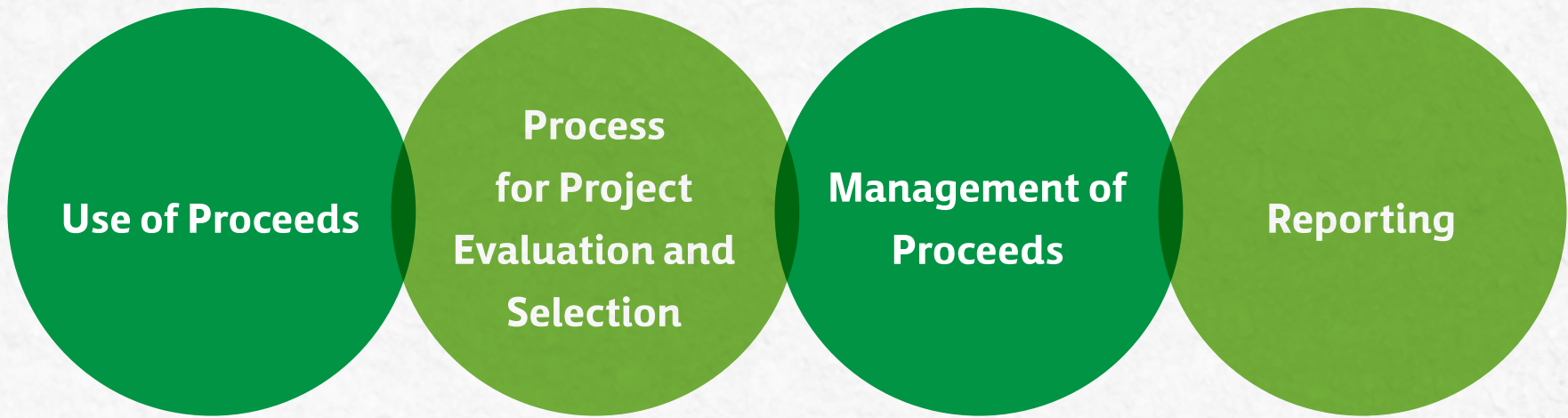
# 02 Sustainable Finance Framework

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, which 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 Qatar National Vision 2030 and Qatar’s National Environment and Climate Change Strategy by enabling business growth and supporting clients in their transition towards 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 and Loans.



## 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 refinance, in whole or in part, sustainable projects which meet the eligibility criteria of the defined Sustainable Project Categories (“Eligible Sustainable Projects”).

Eligible Green Categories		Renewable Energy
		Clean Transportation
		Green Buildings
		Energy Efficiency
		Sustainable Water and Wastewater Management
		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.



# 03 Green Bond Details



Commercial Bank issued its inaugural CHF225 million Green Bond in October 2024.

## CHF225 million 1.7075% Senior Unsecured Green Bond

ISIN	CH1384254939
Issuer	CBQ Finance Ltd
Guarantor	The Commercial Bank (P.S.Q.C)
Guarantor Rating	A3 Stable (Moody’s) / A- Stable (S&P) / A Stable (Fitch)
Issue Rating	A- Stable (S&P) / A Stable (Fitch)
Status	Senior Unsecured
Pricing Date	17 September 2024
Issue Date	8 October 2024
Maturity Date	8 October 2027
Currency	Swiss Franc (CHF)
Amount Issued	CHF 225,000,000
Coupon	1.7075%
Use of Proceeds	Net proceeds will be applied to finance and/or refinance, in whole or in part, a portfolio of eligible green projects as set out in the Guarantor’s Sustainable Finance Framework





# 04 Allocation of Green Bond Proceeds

Commercial Bank has identified an eligible asset portfolio of green projects out of which CHF225m are earmarked to be allocated under Commercial Bank’s inaugural Green Bond. As of 30 September 2025, Commercial Bank has allocated CHF188.8m of the CHF225m Green Bond to eligible projects. A maximum 3-year look-back period has been applied for refinanced projects.

Eligible Project Category	Contributed Business Segment	As of 30 September 2025		
		Allocated Amount	Allocated Amount*	Percentage of Allocated Amount
		USD mil	CHF mil	Amount (%)
Renewable Energy	Wholesale Banking	82.6	65.9	34.9%
Clean Transportation	Retail Banking – Green Vehicle Loans	1.0	0.8	0.4%
Green Buildings	Own Investments	53.0	42.3	22.4%
Sustainable Water and Wastewater Management	Wholesale Banking	100.0	79.8	42.3%
Total Allocated Amount		236.6	188.8	100.0%

\*Based on an exchange rate of USD/CHF: 0.7979 as of 30 September 2025.

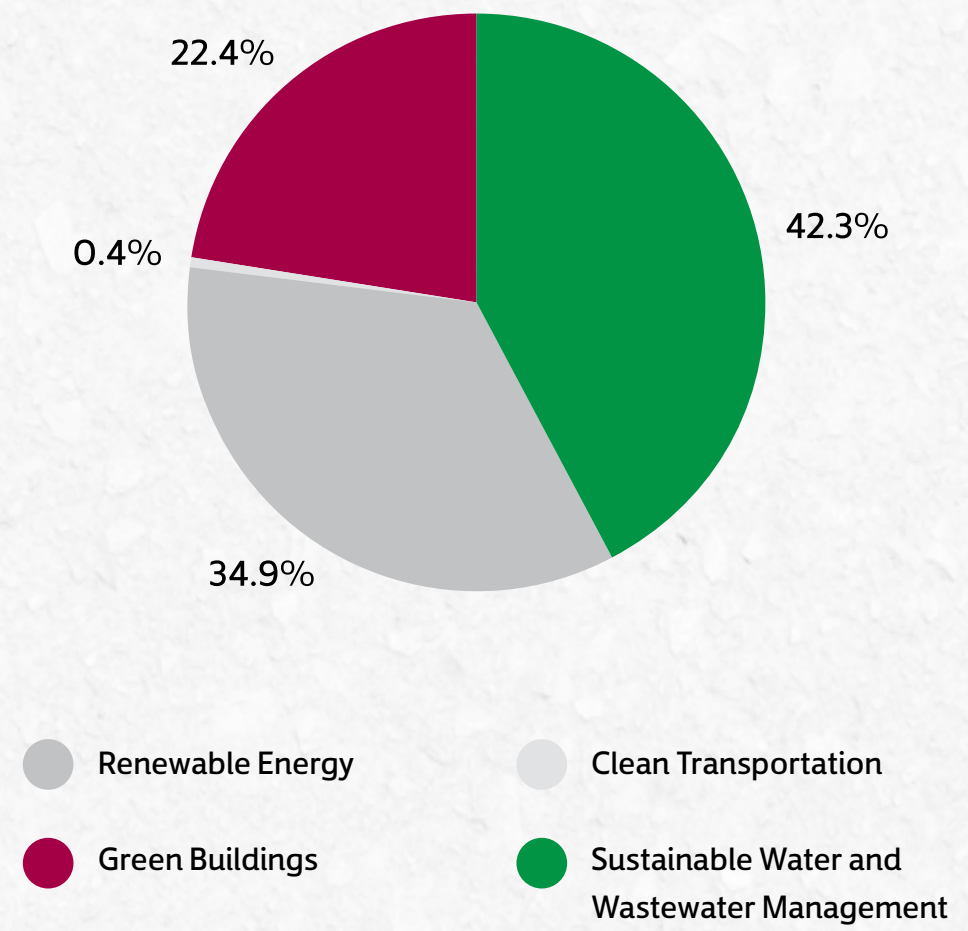
	As of 30 September 2025	
	Total Amount (CHF mil)	Percentage of Total Bond Outstanding (%)
Allocated Amount	188.8	84%
Temporarily Unallocated Amount	36.2	16%
Total Bond Outstanding	225.0	100%

All temporarily unallocated proceeds have been earmarked for financing identified eligible green projects and are being managed according to Commercial Bank’s standard liquidity policy in cash or cash equivalents and are subject to the exclusion criteria as stated in the Bank’s Sustainable Finance Framework.





Allocation by Project Category





# 05 Impact Assessment of Eligible Green Projects



Eligible Project Category	Project Type/ Location	No. of Eligible Projects	Attribution Amount (CHF m)	Impact Reporting Metrics	Impact Outcome
Renewable Energy	Wind Farm / Australia	1	65.9	Attributable Annual Renewable Energy Generation (MWh)	800
				Attributable annual avoided GHG Emissions (tCO2e)	979,572
Clean Transportation	Electric Vehicles / Qatar	1	0.8	Number and type of electric vehicles financed	33
				Attributable annual avoided direct GHG Emissions (tCO2e)	21
Green Buildings	Green Residential Building / Qatar	1	42.3	Type of certifications	Global Sustainability Assessment System (GSAS) 4-Star
				Attributable annual avoided GHG Emissions (tCO2e)	1,362
Sustainable Water and Wastewater Management	Wastewater Sewage Treatment Plant/ Qatar	1	79.8	Attributable annual amount of wastewater treated (m3)	54,750,000





**Commercial Bank has engaged S&P Global** to provide an impact assessment report on the eligible green projects. S&P follows a life cycle analysis-based research process and quantifies the net impact that the project will have compared to a relevant baseline greenhouse gas emissions scenario or the business-as-usual (BAU) scenario. The BAU scenario takes the conservative approach to only account for impacts associated with the operation of the technology that is being replaced and excludes its manufacture / construction or disposal / commissioning unless a clear case exists to do otherwise.

S&P Global combines data from leading global databases with internal modelling to calculate the net benefits of individual investments. S&P Global considered both the financing for new projects and the re-financing of existing projects to determine the green bond financed avoided carbon emissions.

**Key assumptions applied include:**

- After the end of the asset life, the asset is deemed to be decommissioned and the benefits from this asset end. For instance, if a wind plant is decommissioned in 2040, the company would then revert to purchasing the equivalent amount of electricity from the national grid.
- The energy produced by the asset directly replaces energy produced by another source, such as the national grid. Therefore, no additional electricity is produced.
- However, the planned evolution of the national grid is taken into account such that increase in capacity and change in generation mix are accounted for.
- The efficiency of the asset being deployed, and the asset being replaced do not change over time (with the exception of the national grid).
- Due to data availability, the grid's planned evolution is forecasted up until 2050. Beyond that year the grid mix is deemed constant.
- The construction phase of all projects is assumed to be one year.

The results of the analysis are forecasted based on current technologies and expected changes in infrastructure, like the national grid. Metrics produced by the analysis are estimates and may not be directly replicated in the real world.



## Independent Limited Assurance Report

### Independent Limited Assurance Report to The Commercial Bank (P.S.Q.C)

We have been engaged by The Commercial Bank (P.S.Q.C) (“CBQ”) to perform a limited assurance engagement relating to the Selected Information, as outlined below, within CBQ’s Green Bond Allocation and Impact Report for the period ended 30 September 2025 (the “Report”), which discloses the total allocation of CHF188.8M to eligible green projects and total net proceeds of CHF225M from the Green Bonds issued in October 2024.

#### Use of report

This report is made to CBQ, in accordance with the International Standard on Assurance Engagements 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB) (“ISAE 3000 (Revised)”) and our agreed terms of engagement. Our work has been undertaken so that we might state to CBQ those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than CBQ for our work, for this report, or for the conclusion we have formed.

#### Our conclusion

Based on our work as described in this report, nothing has come to our attention that causes us to believe that the Selected Information, as presented on page 8 of the report, has not been prepared, in all material respects, in accordance with the criteria as shown in Section 2 of the Sustainable Finance Framework (2023) (the ‘Applicable Criteria’).

### Respective responsibilities

#### CBQ’s management is responsible for:

- Establishing the Applicable Criteria for preparing the Selected Information;
- Designing, implementing and maintaining internal processes and controls over the information that is relevant to the preparation of the Selected Information to ensure the information is free from material misstatement, whether due to fraud or error; and
- Measuring and reporting the Selected Information based on the Applicable Criteria.

Our responsibility is to express a conclusion on the Selected Information based on our procedures. We conducted our engagement in accordance with ISAE 3000 (Revised), in order to state whether anything had come to our attention that causes us to believe that the Selected Information has not been prepared, in all material respects, in accordance with the Applicable Criteria as defined within the Report.

#### Our procedures consisted primarily of:

- Performing enquiries with management to understand how the Applicable Criteria has been applied in the preparation of the Selected Information;
- Obtaining an understanding of the key systems, processes and controls for managing and reporting the Selected Information;
- Inspecting issuance documentation to confirm the total reported value of net proceeds;



- Inspecting minutes of the Sustainable Finance Working Group to confirm the value of portfolio allocations during the period and that allocated projects were considered against the eligible categories and approved;
- Substantive testing to confirm that a sample of identified assets from the approved listing were funded in line with the approach set out in the Applicable Criteria;
- Obtaining a listing of assets to confirm this is consistent with the disclosure relating to proportion of total proceeds refinanced;
- For a sample of assets financed, inspecting operational records or other appropriate project documentation to confirm the amounts financed and that refinancing eligibility is in line with the Applicable Criteria; and
- Accumulating misstatements and control deficiencies identified and assessing whether material.

## Criteria

The Applicable Criteria is published within CBQ's Sustainable Finance Framework issued in 2023 (the "Framework").

The self-defined applicable criteria; the nature of the Selected Information; and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

## Inherent limitations

Our engagement provides limited assurance as defined in ISAE 3000 (Revised). 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 and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would

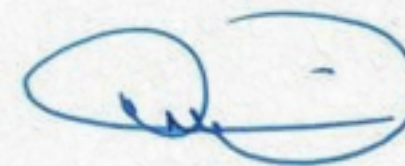
have been obtained had a reasonable assurance engagement been performed.

Inherent limitations exist in all assurance engagements due to the selective enquiry of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Our work does not involve testing the operating effectiveness of controls over the underlying data, nor have we sought to review systems and controls beyond those relevant to the Selected Information.

## Our independence and competence

We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the report.

We applied the 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. Accordingly, we maintained a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



## Walid Slim

Partner

License No.319

For and on behalf of Deloitte & Touche – Qatar Branch

20 January 2026





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