



Sustainability Report  
**2023**



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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 2023 Annual Report and 2023 Annual Corporate Governance Report.

**Reporting period**

This report covers the period from 1 January 2023 to 31 December 2023. 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](mailto:ca@cbgroup.qa)

**External assurance**

Commercial Bank does not seek external assurance for this Sustainability Report. The content of the Sustainability Report is to the best of our knowledge and abilities accurate and correct.



## 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 2023.

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, the Qatar Stock Exchange's ESG 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 2023. The Bank launched its inaugural Sustainable Finance Framework, which will further our commitment to support projects that enable the transition to a low carbon and climate resilient economy, as well as a positive societal impact. The Framework was externally assessed and validated through a Second Party Opinion from Sustainalytics. The Board approved amendments to the Bank's sustainability Strategy in 2023 to better reflect the Bank's initiatives in sustainable finance, including the Sustainable Finance Framework.

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. A number of new initiatives were launched in 2023 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.

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.

2023 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



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.
- **Orient 1 Limited:** A fully owned subsidiary incorporated in Bermuda (under liquidation).

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	
Moody’s	A2	P-1	baseline credit assessment Ba1 and outlook Stable
Fitch	-A	F2	viability rating bb+ and outlook Positive
Standard & Poor’s	-A	A-2	stand-alone credit profile (SACP) bbb- and outlook Stable

Selected 2023 Awards

- **Best Customer Service Initiative** from International Finance
- **Most Innovative Mobile Banking App in the world** from Global Finance
- **The Most Innovative Bank award 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). In 2023, the Board approved an amendment to the Bank’s sustainability strategy to better reflect the Bank’s initiatives in sustainable finance.

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:

- Reviewing and recommending for approval of the BRNGC, the Bank’s sustainability strategy and commitments;
- Assessing the Bank’s sustainability related risks and opportunities (including climate change) and mitigations / opportunities;
- Recommending priority sustainability-related initiatives for implementation within the Bank, with accountable working groups; and
- Monitoring the Bank’s sustainability performance against the Bank’s sustainability strategy including oversight of the impact with external stakeholders.

The Sustainability Committee is chaired by Commercial Bank’s Executive General Manager (EGM) Chief Risk 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.



### Alignment of material topics with UNSDGs

1 Sustainable finance	8	8 Digital innovation	8
2 Risk management	8	9 Environmental impact of our operations	12
3 Support for SMEs	8	10 Talent attraction, development and retention	4
4 Financial inclusion and accessibility	1	11 Diversity and inclusion	5
5 Responsible procurement and supply chain management	1	12 Community investment	1
6 Exceptional client experience	16	13 Governance and Compliance	16
7 Customer privacy and data security	16		



5. Sustainable finance

5.1 Sustainable Finance Framework

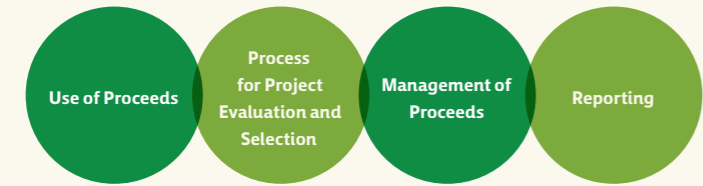
Commercial Bank is committed to the Qatar National Vision 2030 which aims to transform Qatar into an advanced society capable of achieving sustainable development by 2030 through four interconnected pillars: environmental, economic, social, and human development. In 2023, the Bank established its inaugural 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 Sustainable retail products and services

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

To assist our customers in making more environmentally conscious choices, we offer a green vehicle loan with lower interest rates for electric vehicles. Also, we rolled out special campaigns to the Qatari vehicle loan market in partnership with major car dealers, showcasing a shared commitment to sustainability and social responsibility. Even with the current scarcity of demand of electric card in the local market, Commercial Bank has financed electric cars totaling QAR 2 million in 2023 as part of the Green Vehicle Loan programs.

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 strategies under the Article 8 and Article 9 classifications of SFDR (Sustainable Finance Disclosure Regulation). The Bank remains committed to identifying and offering wealth products associated with sustainability.

Digital Merchant Onboarding

In an era defined by digital innovation, the landscape of financial services is rapidly evolving. In order to effectively contribute to the Bank-wide objectives of sustainability, streamlined processing and customer-centric solutions, the merchant onboarding process was overhauled. By envisioning and implementing a digital ecosystem within Corporate Internet Banking, the onboarding experience for merchants is now seamless and sustainable. Digital merchant onboarding merchants contributes to promote sustainability by:

- Reduced paper usage:** The traditional merchant onboarding processes involves substantial paper documentation. Digital onboarding drastically reduces paper consumption wherever possible.
- Lower carbon footprint:** Through digital onboarding, merchants can sign-up remotely. This reduces carbon emissions associated with travel, 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 country and as part of the digital innovation appetites of Lulu Hypermarket and Al Meera, Commercial Bank collaborated with these merchant partners 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 also entirely digital and eliminates the need for paper printing by offering virtual invoices to customers who walk out with their purchases.

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.

## 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.

	2023	2022	2021	2020
Capital Adequacy Ratio <sup>1</sup>	14.9%	17.29%	18.10%	17.80%
Overdue Audit Issues	0	0	0	0
Exposure % in mining, oil and gas related activities	0.65%	0.77%	0.40%	0.43%
Unsecured Financing to Retail Customers (% of total Loans)	6.36%	4.61%	2.95%	2.40%
Financing exposure: % of loans to the renewable energy sector	1.39%	1.40%	1.10%	1.05%
Financing exposure % of total loans in Tobacco, Alcohol and Gambling Sectors	0%	0%	0%	0%

<sup>1</sup>Corresponds 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 sector in Qatar. Commercial Bank works together with our customers to build industry specific solutions. 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 10,000 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 centres. 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 in order to improve efficiency and create digital awareness within the SME sector.

	2023	2022	2021	2020	2019
Trends in SME Customer Base (as % of Total Corporate Customers)	82.48%	78.21%	72.71%	73.13%	74.58%
SME Loan Portfolio (as a % of Total Retail & SME Portfolios)	3.73%	7.33%	12.53%	14.57%	12.13%
Number of active SME customers	10,386	8,448	7,931	8,011	10,712

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, 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 as a result of several initiatives that have been executed by the Business Unit in order to address the needs and preferences of this segments 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

We therefore expect to see these initiatives having a positive impact on both the portfolio growth and customer numbers in 2024.



## 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 40 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. The “Smart Branches” with fast self-service functionality complement the traditional branches that are used for more complex financial needs. Our “Smart Branches” include high levels of automation, self-service machines and access beyond standard banking hours. The branch network is supplemented by over 305 ATMs.

### 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 50%+ 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

Like most institutions operating in today's economy, 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 glasses 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 actually enforced and take action when we find they are not.

	2023	2022	2021	2020	2019
Spending on locally-based suppliers (%)	79.3%	76.3%	86.9%	85.8%	87%
Total number of local suppliers engaged	311	300	226	226	208
Total number of suppliers audited during site visit	8	28	3		



# 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.

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 2023, our retail banking net promoter score was 52, ahead of the market and in line with the high score recorded in 2022.

## 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.

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 provide and sell regulated items (wealth and investments) are expected to maintain accreditation from a recognized organization, with the Chartered Institute of Securities and Investments being the Bank's preferred qualification (CISI). 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 regulated products to our customers in order to maintain the highest standards in wealth management and consulting.

Qualified advisers who work with CISI are supplied with the resources and learning platforms they need for continual professional development directly via CISI's member-only site. The site gives qualified advisers at Commercial Bank with access to a multitude of tools, insight, and information, such as CISI publications, professional refreshers, and self-study material. We maintain stringent standards in which persons must pass tests to qualify as advanced wealth advisers, enabling them to sell regulated products. 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 social media communication strategy is developed around our brand narrative and follows three principles: to guide, humanize and innovate. Excellence in communication to support clear, simple banking is a focus. Commercial Bank's social media approach encouraged customers to #GoDigital in six languages across all available channels, using friendly, understandable language. This is part of our print free strategy aiming to eliminate printed collaterals in branches. In addition, we have invested in LED screens in Commercial Bank Plaza to replace printed materials.

Continuing with our awareness campaigns of trending technologies and insightful financial advice, #CBblog is an ongoing initiative featuring articles crafted by Commercial Bank's staff for our customers and the wider audience. Each month, we delve into diverse topics that align with the current interests of our audience. The primary objective of #CBblog is to disseminate knowledge and raise awareness on pertinent subjects. For instance, we have addressed the significance of timely software updates as a crucial measure for safeguarding against security breaches, providing valuable tips on preventing unauthorized access to private information. In collaboration with ILQ, we have synchronized the release of our articles on the same topics simultaneously, ensuring a broader reach and a more impactful dissemination of information.

## 10.7 #CBsafe Campaign

The transition to digital banking globally has led to increased cyber security risks and so protecting our customers from fraud through social engineering, fake websites and fake social media has been a strategic communications priority.

To educate customers and staff on how to protect themselves against cyber crime and fraud attempts, we launched our #CBsafe awareness campaign in 2021 across the Bank's social media and digital banking channels, with tips on how to identify scam attempts and how to respond to them.

#CBsafe is executed through ongoing weekly emailers to the customers, ongoing weekly social media content (photos, videos, interactive stories), a TVC commercial, informative videos presented by Commercial Bank staff, internal staff internal communications and digital screens, website banner and customer emailer forms. We also invested in releasing press adverts with interactive features such as asking customers to spot the difference, or identify whether sample communications are "fraud or not?". In 2023, we introduced quiz-style interactions for our staff to assess and enhance their knowledge on cyber security. Furthermore, our experts actively engaged in prominent events to impart their knowledge to the public and provide insights into the latest technologies, emphasizing safety measures. An illustrative instance of our commitment to knowledge-sharing is our participation in the International Symposium on Artificial Intelligence in cooperation with UDST, and in the Middle East Enterprise AI & Analytics Summit (MEEAA).

To extend our reach beyond our customers, we continued our collaboration with the biggest online platform for expats in Qatar – iloveqatar.net, with a series of articles published with the top tips for fans visiting Qatar on how they can bank safely and stay safe and avoid fraud attempts.

## 10.8 #CBTips

In addition to guiding our customers on how to use our products and services, encouraging responsible banking and customer behavior, we introduced #CBTips in 2022 as an important element of our communications strategy to spread awareness to customers in various finance management areas in addition to educating them on how to become traders.

#CBTips series stemmed from our responsibility to educate our customers on financial literacy and on how to conduct their banking transactions digitally. Considering the huge effect of social media in the society, we have revamped and utilized our various social media platforms to communicate, in an engaging and interactive way, with our customers and tackle this issue and educate repeatedly through those channels.

In order to guarantee that we give our customers the guidance they deserve, Commercial Bank launched a number of awareness campaigns aiming to spread awareness in the society in addition to educating and guiding them in their banking journey with Commercial Bank:

- CB Tips - Savings
- CB Tips - Trading
- CB Tips - Wealth Management
- CB Tips - Secure Banking
- CB Tips - Youth

## 10.9 Customers with disabilities

Commercial Bank is committed to provide superior services to all its customers which include the assisted services to customers with disabilities without any discrimination. Our staff are committed to making the banking experience easy and convenient for the customers with disabilities. The product and services and channels are designed that cater most of the needs for these customers.

- Each branch in the network has been enabled for the convenience of customers with disabilities by way of dedicated teller and CSA counters. There are visible internal signage to this effect.
- All standalone branches are designed to ensure wheel chair access.
- Dedicated ATM locations which have the functionality to use of headphones for customers who need audio assisted screen options.
- All the ATM machines are designed & placed at a height that will help customers on wheel chairs. The Pin pads are easily accessible while seated on a wheel chair.
- For the ease of operation on ATMs, especially for customers who are visually challenged, the Pin Pads are made braille friendly.

11. Data security and customer privacy

The financial sector worldwide continued to see an increase in cyber-attacks throughout 2023. Many of these attacks targeted customer data through exploitation of applications or ransomware. This trend will continue with the rapid growth of new technologies and digitization. To combat these cyber-attacks and protect our customer data and privacy, Commercial Bank has implemented leading data security standards including PCI-DSS and ISO27001 and ensured that privacy and data security is a key part of the Bank’s strategy and has Board level oversight via the Board Risk & Compliance Committee.

11.1 Cybersecurity

Ensuring our customers’ data is extremely well protected is a key outcome of our cybersecurity strategy. For this we ensure that our data is protected from unauthorized access, that we can detect and block any incidents and that our tools and processes are audited regularly.

Protection and monitoring of personal data

We protect and monitor our customers data through the following examples:

- 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.

IT and Cyber Security Audits and Risk Assessment

Throughout the year we ensure that our IT and Cyber Security controls operate at a high standard and are certified against worldwide and local standards, through a comprehensive set of initiatives, including:

- Annual Internal Audit.
- Annual External Audit performed by independent auditor.
- Annual PCI-DSS audit and certification performed by independent auditor.
- Annual ISO27001 audit and certification performed by independent auditor.
- Annual Qatar Central Bank Regulatory Assessment.
- Annual Qatar National Cyber Security Framework Assessment.

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 Policy which 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. The Bank’s Privacy Notice was updated in 2023.

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.

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 and introduce any additional enhancements to evolve our controls landscape.

	2023	2022	2021	2020	2019
Number of data breaches	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
- 86% 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
- 97% of our digitally active users are active on our Mobile App
- 78% 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 2 years including:


- Best Digital Bank award in Qatar from Asia Money
- Best Mobile App in Qatar award from Global Finance
- 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




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 & solar energy, waste management & recycling, transportation & 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.

To support the reduction of our indirect emissions and energy consumption, we have successfully 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, aiming for a reduction of approximately 950 tonnes of CO2 emissions. To harness clean, renewable energy, we have installed solar panels on the rooftop of the Bank’s Al Khor building, with plans to deploy them to 11 branches by January 2024. This initiative is anticipated to reduce CO2 emissions by approximately 100 tonnes.

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.

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. The removal of individual desk bins and the introduction of awareness sessions on waste segregation are expected to further reduce our net material usage, with implementation of this initiative set to conclude by the first quarter of 2024.

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

	2023	2022	2021	2020	2019
Total waste produced (kg)*	117,736	116,516	110,438	107,565	124,303
Total water use (m³)*	54,673	35,781	32,280	50,480	48,142
Any legal or regulatory responsibility for an environmental impact?	No	No	No	No	No

\*revised and restated

## Energy

	2023	2022	2021	2020	2019
Total petrol consumption (litres)	13,894	10,719	10,819	9,012	10,350
Total diesel consumption (litres) <sup>1</sup>	3,532	1,573	730	1,249	597
Total energy consumption from fuel (GJ) <sup>1</sup>	588	396	386	344	365
Total energy consumption from electricity (GJ) <sup>1</sup>	76,023	80,785	77,699	90,089	92,785
Total energy consumption (GJ) <sup>1</sup>	76,643	81,182	78,085	90,434	93,151
Total FTE (full time equivalents) <sup>1</sup>	2,054	1,912	1,878	1,886	1,954
Energy intensity (GJ/FTE) <sup>1</sup>	37.31	42.46	41.58	47.95	47.67
Energy from renewable resources (GJ)	12	0	0	0	0

<sup>1</sup>revised and restated

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

## GHG emissions

	2023	2022	2021	2020	2019
Scope 1 direct emissions (CO2 tonnes) <sup>1</sup>	41.36	27.66	26.85	24.06	25.41
Scope 2 indirect emissions (CO2 tonnes) <sup>1</sup>	10,627	11,287	10,856	12,588	12,964
Total GHG emissions ((CO2 tonnes) <sup>1</sup>	10,688	11,315	10,883	12,612	12,990
GHG emissions intensity (tonnes CO2/FTE) <sup>1</sup>	5	6	6	7	7

<sup>1</sup>revised and restated. The emissions of properties leased to tenants are excluded from GHG calculations

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

## CO2 emissions

	2023	2022	2021	2020	2019
Direct CO2 from petrol (CO2 tonnes)	31.99	24.68	24.91	20.75	23.83
Direct CO2 from diesel (CO2 tonnes) <sup>1</sup>	9.36	2.98	1.93	3.31	1.58
Indirect CO2 from electricity (CO2 tonnes) <sup>1</sup>	10,627	11,287	10,856	12,588	12,964

<sup>1</sup>revised and restated

## 13.1 Paperless Initiative

Reduction of paper by transitioning to a paperless office is more environmentally and operationally sustainable. We have adopted a five-phased paperless approach of analysis, digitization, adoption, governance, and elimination of legacy papers, with the aim of reducing paper usage across the Bank and achieving a paperless workplace.

With the implementation of digitization initiatives in our branch network, we were able to both improve client experience through real time servicing, and to achieve significant reductions in paper consumption. Paper-based servicing was substantially eliminated for Teller services. Providing digital solutions for customers to receive Personal Loans faster, by using sign-on-glass capability also enabled more rapid approval and disbursement of Personal Loan and Cards processes.

## 14. Talent attraction, development and retention

## 14.1 Recruitment, development and training

Commercial Bank was ranked 5<sup>th</sup> 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 19<sup>th</sup> 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.
- 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.

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 2023 included:

- AML/CFT and Sanctions Compliance
- Anti-Fraud Awareness-2023
- FATCA & CRS-2023
- Information Security Annual Awareness Mission-2023
- Personal Data Privacy Protection
- Anti-Bribery & Corruption

	2023	2022	2021	2020	2019
Total training hours	44,750	25,690	19,385	31,736	36,854
Average hours of training per employee <sup>1</sup>	30.05	17.96	13.69	22.13	26.70
Training hours broken down by career level <sup>1</sup>					
Average training hours of senior management	14.49	9.70	7.01		
Average training hours of middle management	20.87	13.37	12.21		
Average training hours of non-management	36.82	21.91	15.22		
Investment on training and education					
Spending on training and education (QAR)	1,181,227	872,447	425,062	95,072	721,822
Performance Reviews					
Employees who received a performance and career development review (%)	93.87%	94.5%	96.0%	97.2%	94.4%
Performance Reviews broken down by gender					
Male employees who received a performance and career development review (%)	94.35%	95.4%	95.9%	98.0%	96.0%
Female employees who received a performance and career development review (%)	93.08%	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 2023) is disclosed in the Annual Corporate Governance Report.

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

To promote a sustainable and performance driven culture, Commercial Bank applies a variable pay framework that uses a balanced corporate performance scorecard including digital transformation, ESG and risk 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](#). 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.

	2023	2022	2021	2020	2019
Employee wages and benefits (million USD) <sup>1</sup>	121	98	202	115	162

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

## 14.3 Long Term Incentive Scheme (LTIS)

In 2023, 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 amount of leave and provide flexibility for leave planning. Emphasis has been placed on ease of submitting leave, which can be done via mobile and is system-based, eliminating the need for multiple or physical signatures. The Bank has a dedicated Staff Club committed to offering high-quality recreational and social facilities 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 a gym and yoga room, organizes football, basketball, and cricket tournaments for staff, managed by two dedicated gym instructors. Beyond sports, the Bank has game room and music studio, the Staff Club also coordinates focused groups on cooking, gaming and music for interested staff.

Commercial Bank hosts numerous other staff engagement programs, including a quarterly Retail and Operations Achievers event; the Chamber of Innovation where staff pitch innovative ideas out of their day-to day projects to Executive Management, a Monthly breakfast with EGMs facilitating close interactions between a small group and EXCO members to exchange ideas and discuss initiatives. The Bank actively supports mental and physical health initiatives by organizing sessions conducted by the Ministry of Public Health and collaborating with blood donation campaign to contribute to the community.

Commercial Bank places a strong emphasis on staff communications, managing internal communication emails through the Communications and Culture unit and Marketing Department. Quarterly town hall meetings are held, led by the GCEO and Executive Management Members, where staff are updated on progress towards achieving the Bank's strategic plan and other key developments.

Commercial Bank conducts an employee engagement survey to measure employee satisfaction on a 3-year cycle, with latest survey conducted in 2023.

## 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. A disciplinary committee oversees serious cases of improper conduct. More details on whistleblowing can be found in Section17 of this Sustainability Report.

## 14.6 Workforce trends

Employees	2023	2022	2021	2020	2019
Total employees	1,533	1,445	1,415	1,416	1,452
Full time employees	1,533	1,445	1,415	1,416	1,441
Full time male employees	955	890	847	834	875
Full time female employees	578	555	568	582	566
Part time employees	0	0	0	0	11
Part time male employees	0	0	0	0	0
Part time female employees	0	0	0	0	11
Broken down by career level					
Senior management employees	101	100	106	112	117
Middle management employees	592	528	500	498	482
Non-management employees	840	817	809	806	853
Broken down by age					
Employees age 18-30	328	300	297	328	407
Employees age 31-50	1,055	989	960	937	903
Employees age 51+	150	156	158	151	142
Turnover					
Total employee turnover	207	209	234	202	189
Employee turnover rate %	13.9%	14.6%	16.5%	14.1%	13.7%
Voluntary employee turnover (number)	149	162	174	121	121
Voluntary employee turnover (%)	10%	11.3%	12.3%	8.4%	8.8%
Turnover broken down by age (voluntary and involuntary)					
Employees age 18-30	62	49	67	72	68
Employees age 31-50	125	154	139	95	98
Employees age 51+	20	6	28	35	23
Turnover broken down by gender (voluntary and involuntary)					
Male employees (number)	113	98	110	107	116
Female employees	94	111	124	95	73
Absenteeism					
Absenteeism rate	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*	521	467	463	470	502

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

## 15. Diversity and inclusion

Commercial Bank has a diverse workforce, comprising of 61 different nationalities, and 37.7% 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](#)) that the Principles aim to attract and motivate great people without any discrimination based on race, gender or religion.

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

	2023	2022	2021	2020	2019
Number of grievances about human rights issues filed, addressed and resolved	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 2022, the Bank appropriated an amount of QAR 70,277,700 which was paid in April 2023. For the year ended 31 December 2023, the Bank appropriated an amount of QAR 75,255,675 to be paid following shareholder approval of the consolidated financial statements at the Bank’s AGM.

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

16.1 Charitable donations

In 2023, the Bank purchased food boxes by the amount of QAR 54,000 and they were distributed during Ramadan with the required coordination with Qatar Charity. The Bank also purchased medical equipment for Qatar Society for Rehabilitation of Special Needs by the amount of QAR 70,000.

16.2 Volunteering

Commercial Bank believes in the importance of volunteering as it enables individuals to help others in a selfless way. The Bank’s volunteering program encourages employees to help people, support philanthropic causes and aid their local community.

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 was conducted during Qatar National Day, where the group would distribute celebration gifts in hospitals, Special Needs Center, and schools.

In 2023, CB Ramadan volunteers distributed 1,000 Garangao gifts for children in mall branches, hospitals, and schools and also distributed food/Iftar boxes were distributed for the public in different streets in Doha. The aim of this campaign was for everybody to participate and take part in the Bank’s CSR agenda by helping impoverished families amidst these tough times. The participation of the Bank’s employees in this campaign 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).

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

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

In 2023, 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 primarily responsible for all aspects of enterprise risk management including, but not restricted to business, credit, market, operational, legal, reputational, and cyber security risk. The BRCC approves policies on all risk matters, maintain oversight of all Bank risks through the Management Risk Committee (MRC), the GCEO, and the CRO and provides risk management directives through the GCEO and the CRO.

Further, the 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, the Compliance and Financial Crimes Control (FCC) in addition to 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.

	2023	2022	2021	2020	2019
Confirmed incidents of bribery or corruption	0	0	1	0	0
Cost of fines, penalties, or settlements in relation to corruption	0	0	0	0	0

17.5 Audit of ethical standards

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. Fraud risk is taken into consideration in all individual audit assignments conducted by Internal Audit (ongoing review). 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. An unrated consultative audit engagement on product mis-selling was performed in 2023. This unrated 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.

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 2023, income tax and deferred tax is mainly arising from Alternatif Bank operations.

The details of income tax expense for the years ended 31 December 2023 and 2022 are disclosed in Commercial Bank’s consolidated financial statements within the [Annual Report 2023](#), Note 33.

Through the issuance of its amended tax law No. 11 of 2022, the State of Qatar has committed to introducing global minimum tax with minimum effective tax rate of 15%. Further information in relation to the implementation, compliance or administrative provisions related to the global minimum tax are expected to be issued by the General Tax Authority as amendments to the Executive Regulations of the amended tax law in the near future.

17.7 Political donations

Commercial Bank is required by its Articles of Association 35(7) to disclose political donations and the Bank did not make any political donations in 2023.



# 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's<sup>1</sup> performance against the QSE ESG indicators is disclosed below.

	2023	2022	2021	2020	2019
Environment					
Does the company publish and follow an environmental policy?	Yes	Yes	No	No	No
Energy used: Amount of energy used per FTE <sup>1</sup>	37.31	42.46	41.58	47.95	47.67
Total amount of energy used: Total amount of energy usage in GJ	76,023	80,785	77,699	90,089	93,151
The total volume of water recycled/reused in m3 by the organization per year	0	0	0	0	0
Total waste produced (kg)	117,736	116,516	110,438	107,565	124,303
Total greenhouse gas emissions (tonnes)	10,688	11,315	10,883	12,612	12,990
Percentage of renewable energy used	0.015%	0	0	0	0
Specify the primary source of energy used by the company	Electricity	Electricity	Electricity	Electricity	Electricity
Total water use (m3)	54,673	35,781	32,280	50,480	48,142
Social					
Does the company prohibit the use of child or forced labor throughout the supply chain?	Yes	Yes	Yes	Yes	Yes
Number of grievances about human rights issues filed, addressed and resolved	0	0	0	0	0
Total number of injuries and fatal accidents (employees)	0	0	0	0	0
Total number of injuries and fatal accidents for contractors in FTE <sup>2</sup>	0	0	0	0	0
Total number of injuries and fatal accidents for employees and contractors in FTE	0	0	0	0	0
Disclosure and adherence to a Human Rights Policy?	Yes	Yes	Yes	Yes	Yes
Employee turnover rate	13.9%	14.6%	16.5%	14.1%	13.7%
Total workforce	1,533	1,445	1,415	1,416	1,452
Spending on locally-based suppliers (%)	79.3%	76.3%	86.9%	85.8%	87%
Employee wages and benefits (million USD) <sup>2</sup>	121	98	202	115	162
Average hours of training per employee	30.05	17.96	13.69	22.13	26.70
Women in the workforce (%)	38%	38.4%	40.1%	41.1%	39.7%
Does the company publish and follow a policy for occupational and global health issues?	Yes	Yes	Yes	Yes	Yes
Pre-tax profits invested in the community (%)	2.79%	2.83%	3.06%	2.75%	2.76%
Governance					
Disclosure of the voting results of the latest AGM	Yes	Yes	Yes	Yes	Yes
Median male salary to median female salary	1.14	1.11	1.02	0.95	0.89
Does the company publish and follow a Supplier Code of Conduct?	Yes	Yes	Yes	Yes	Yes
Role separation of Chairman and CEO	Yes	Yes	Yes	Yes	Yes
Independent directors on the board	27.27%	33.33%	33.33%	33.33%	33.33%
Female directors on the board	0	0	0	0	0
Executive compensation linked to performance indicators	Yes	Yes	Yes	Yes	Yes
Does the company publish and follow an Ethics Code of Conduct?	Yes	Yes	Yes	Yes	Yes
Sustainability report published	Yes	Yes	Yes	Yes	No
Does the company publish and follow a Bribery/Anti-Corruption Code?	Yes	Yes	Yes	Yes	Yes

<sup>1</sup> The headcount for FTE (full time equivalents) is the total of full time employees and outsourced workers

<sup>2</sup> Corresponds to the parent company operations in Qatar and does not include international subsidiaries





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