








Sustainability Policy Statement

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Version 1



Revision History				
Revision Number	Issue Date	Amendment Description	Date Effective	Next Revision Date
		New document		

Sustainability Policy Statement Approval		
Authorized Approver	Date	Signature(s)
Sustainability Committee		<i>Gomez</i> <i>Leonie Lethbridge</i>
Board Remuneration, Nomination & Governance Committee	28/11/2022	<i>Hussain Alfardan</i>  <i>M. Mandani</i>
Board of Directors	29/11/2022	<i>abdulla al thani</i> <i>Hussain Alfardan</i>       <i>M. Mandani</i>

1. Purpose

The purpose of this Policy Statement (“Policy”) is to define Commercial Bank’s sustainability commitments in line with our sustainability strategy, covering both direct and indirect impacts of our business.

This is an overarching Policy which contains general principles and commitments, and not a complete set of detailed rules and procedures for implementation. Where necessary, more detailed rules are, or will be, described in topic-specific policies.

At a minimum, this Policy requires compliance with all relevant legislative and regulatory ESG requirements and that we adhere to internationally recognized sustainability principles for environmental protection, human and labour rights, and anti-corruption.

2. Scope

This Policy applies to the Commercial Bank (P.S.Q.C.) and all its subsidiaries outside of Qatar.

3. Sustainability Strategy and Commitments

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. In alignment with stakeholder expectations, we have identified sustainability topics that are most material to our business, which can be viewed as a natural extension of the 5Cs as they support the delivery of our corporate strategy.

3.1 Corporate Earnings Quality

3.1.1 Sustainable financial and economic performance

We will build our internal capacity to assess a sustainable bond framework and we will provide products and services to help corporate and retail customers reduce their emissions and tackle climate change.

We will integrate ESG into our remuneration practices when evaluating and measuring the performance of the Board members and Executive Management.

3.1.2 Risk management

We will integrate ESG risk management within the Bank's lending and investment activities. See the Bank's Environmental, Social, and Governance Risk Assessment Criteria on Lending & Investment Policy for more details.

3.1.3 Support for SMEs

We will support the growth of SMEs, microenterprises and entrepreneurs with access to transaction banking services and finance.

3.1.4 Financial inclusion and accessibility

We will improve financial inclusion of underserved or unbanked communities in Qatar and communities in recipient countries for remittances.

3.1.5 Responsible procurement and supply chain management

We will integrate ESG criteria within third party procurement policies and processes. Suppliers are required to adhere to local laws and regulations as a minimum requirement. See the Bank's Supplier Code of Conduct for more details.

3.2 Client Experience

3.2.1 Exceptional client experience

We will provide transparent and responsible financial advice and communication to our customers to enable better financial decisions and act on customer feedback and complaints to continuously improve our service. See the Bank's Customer Service Charter for more details.

3.2.2 Customer privacy and data security

We will promote a culture of risk awareness within the Bank and among our customers. We will ensure customer information is protected and respect the right to privacy within the guidelines of all applicable privacy and data protection laws and regulations. See the Bank's Privacy Policy for more details.

3.3 Creativity and Innovation (Digital Creativity)

3.3.1 Digital innovation

We will offer innovative digital solutions to our customers that enhance the Client Experience, reduce emissions related to branch visits and reduce the use of paper.

3.4 Culture

3.4.1 Environmental impact of our operations

We will reduce our greenhouse gas emissions as well as material usage. We will set targets to minimize the carbon emissions associated with our operations and improve resource efficiency (e.g. energy, water, paper, waste).

We target a 25% reduction in Commercial Bank's greenhouse gas emissions associated with our own operations by 2030 versus 2021.

We will promote a culture of environmental awareness within the Bank and we will comply with all relevant environmental laws and regulations.

3.4.2 Talent attraction, development and retention

We will provide ongoing training and career development for our employees to attract, recruit and retain the best talent. We will continue to be a major employer of Qataris in the Qatari banking sector and uphold our legacy of promoting and nurturing home-grown talent.

3.4.3 Diversity and inclusion

We will respect workplace diversity, respect the human rights of our employees and ensure a workplace in which employees are treated with equality, regardless of a person's race, religion, gender, age or language. See the Bank's Code of Conduct for more details.

3.4.4 Community investment

We are committed to delivering targeted CSR activities and sponsorships that progress socioeconomic development within the communities in which we operate in line with the Qatar National Vision 2030.

3.5 Compliance

3.5.1 Governance and Compliance

Commercial Bank firmly believes that sound corporate governance principles and practices are fundamental to maintaining the trust of our stakeholders, and is critical to support business growth, sustainability and profitability. We will operate a world-class corporate governance framework. See the Bank's Corporate Governance Charter, Board of Directors Charter, Board Committees Charter and Annual Corporate Governance Report for more details.

We will continue to adopt a zero-tolerance approach to bribery and corruption and commit to the highest standards of professionalism and integrity in all business dealings and relationships, wherever we operate. We implement and enforce effective processes, measures and systems to counter any form of corruption, money laundering and financing of criminal activity.

We encourage reporting through the Bank's confidential whistle-blowing mechanism. See the Bank's Anti-Bribery and Corruption Policy Statement and Whistleblower Policy for more details.

4. Reporting, Disclosures and Transparency

We are committed to publicly disclosing our ESG performance in Commercial Bank's Annual Sustainability Report and Annual Corporate Governance Report in accordance with leading sustainability reporting standards and regulatory requirements, as well as through ESG disclosure initiatives led by the Qatar Stock Exchange.

5. Dialogue with stakeholders

We will maintain dialogue and consultation channels with key stakeholders to understand their expectations and provide regular communications on the Bank's ESG performance.

6. Governance

This Policy is developed by Commercial Bank's Sustainability Committee (SC), chaired by the Chief Risk Officer and attended by the Group Chief Executive Officer and members of Executive Management. The SC recommends this Policy to the Board Remuneration, Nomination and Governance Committee (BRNGC), who in turn recommends the Policy to the Board for approval.

The Bank's ESG framework will be approved by the General Assembly.

The SC is responsible for the Bank's ESG strategy, commitments, performance and reporting, and the SC reports to the BRNGC which provides oversight of the aforementioned.