

# **The Commercial Bank (P.S.Q.C.)**

## **Financial Results**

**For the quarter ended 31 March 2024**

## Forward Looking Statements

- This presentation and subsequent discussion may contain certain forward-looking statements with respect to certain plans and current goals and expectations of Commercial Bank and its associated companies relating to their future financial condition and performance. These forward-looking statements do not relate only to historical or current facts but also represent Commercial Bank's expectations and beliefs concerning future events. By their nature forward-looking statements involve known and unknown risks and uncertainty because they relate to future events and circumstances including a number of factors which are beyond Commercial Bank's control. As a result, Commercial Bank's actual future results or performance may differ materially from the plans, goals and expectations expressed or implied in such statements.
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- **ECONOMY AND FIVE YEAR PLAN TARGETS**
- CONSOLIDATED HIGHLIGHTS AND PERFORMANCE
- SUBSIDIARY PERFORMANCE

## Qatar Outlook economy well positioned for 2024 and beyond



- Qatar continues to be one of the **world's largest LNG exporter**. In 2023, the largest exporters of LNG were USA, followed by **Qatar** and then by Australia.
- **Economic activity continue** to be supported by investment related to the **North Field gas expansion and robust growth in logistics, manufacturing, and trade**.
- The North Field gas expansion plans to **increase Qatar's LNG output to 110 million tonnes per annum (mtpa) by 2025 and thereafter to 126 mtpa by 2027**. A further expansion plan was unveiled to **boost the LNG output to 142 mtpa by 2030**.
- Qatar laid foundation on **\$6 billion Ras Laffan petrochemical project**, Middle East's **largest ethane cracker** and capacity to produce 2.1 million mt/year of ethylene, to begin production in 2026.
- **Qatar's GDP growth** is projected at **2.0 percent** in 2024, aligning with the near-term economic goals outlined in **Qatar National Vision 2030**, the country is also pursuing long-term strategies to **diversify its economy and ensure sustainable development**.
- **Qatar's non-hydrocarbon sector** is projected to grow by **2.4 percent** as compared to fiscal year 2023.
- Qatar approved its budget for the 2024 fiscal year, with particular **focus on health and education sectors**.
- Fitch Ratings has **upgraded** Qatar's Long-Term Foreign-Currency Issuer Default Rating (IDR) to **'AA'** from **'AA-'**, with Stable outlook.
- Moody's had **raised the country's credit rating from (Aa3) to (Aa2)** with a stable outlook, while Standard & Poor's **had raised the country's credit rating from (AA-) to (AA)** with a stable outlook.
- The improvement in the country's credit rating confirms the **strength and flexibility of the local economy**, in addition to **the financial stability** witnessed by the country, which increases the country's **attractiveness to foreign investments** and contributes to **reducing the cost of borrowing** for the country and the institutions operating in it.
- Qatar has announced **additional infrastructure projects worth QR70 billion (\$19.2 billion)** in late 2023.

## Our progress to date and next five year plan targets

Strategic intent		2016	5 Year 2021 Targets	2021 Actual	5 Year 2026 Targets	2023 Actual	2024 Guidance	Q1 2024 Actual
CET1	CET1 :	9.7%	11.0% - 11.5%	11.7%	13.0% - 14.0%	10.6%	11.5% - 12.0%	11.7%
	CAR :	15.2%	16.0% - 16.5%	18.1%	18.5% - 19.0%	14.9%	16.5% - 17.0%	16.4%
Risk Management	NPL :	5.0%	4.0% - 4.5%	4.7%	2.5%	5.9%	5.4 – 5.9%	6.0%
	CoR :	164 bps	50 bps	111bps	60 - 80 bps	105 bps	120 – 135 bps	58 bps
Reshape loan book	Gov/public sector:	10%	16%	18%	25%	15%	18% - 20%	14%
	Real estate :	28%	20%	19%	16%	21%	18% - 20%	21%
Cost to Income Ratio*	Consolidated :	45.7%	35%	24.1%	< 20%	26.2%	< 26%	25.9%*
	Domestic :	40.2%	30%	20.5%	< 17%	22.2%	< 21%	21.5%*
Return on Equity (ROE)	ROE:	2.7%	10%	10%	13% - 15%	12.3%	12.5% - 13.0%	12.9%







\* The cost to income ratio for Q1 2024 is presented excluding performance scheme impact to show actual underlying business trend.

- ECONOMY AND FIVE YEAR PLAN TARGETS
- **CONSOLIDATED HIGHLIGHTS AND PERFORMANCE**
- SUBSIDIARY PERFORMANCE

# Executive Summary

## Strategic Focus

## Progress

 <b>Results</b>	<p>We have restated the Q1 2023 numbers due to the restatement of the year-end 2023 financial statements for the underlying derivative on the share option performance scheme. Accordingly, the current Q1 2024 figures provided are compared with the previous year restated numbers.</p> <ul style="list-style-type: none"><li>• Net profit of QAR 801.6 million, up by 6.7% on a reported basis and 38.9% on a restated basis.</li><li>• Operating profit of QAR 1,012.5 million, up by 18.9%.</li><li>• Cost-to-income ratio improved to 19.0% from 34.0%.</li><li>• Strong capital adequacy ratio at 16.4%.</li><li>• Return on average assets (ROAA) has improved to 1.9% from 1.4%</li><li>• Total assets of QAR 166.2 billion, up by 2.0%.</li><li>• The Group reported a non-cash “net monetary loss” of QAR 40.6 million in Q1 2024 as a result of application of hyperinflation accounting to Alternatif bank in accordance with International Accounting Standards (IAS) 29.</li></ul>
 <b>Capital &amp; Funding</b>	<ul style="list-style-type: none"><li>• CET1, Tier 1 and Total Capital Ratios at 11.7%, 15.0% &amp; 16.4% respectively, as compared to 11.7%, 15.2% and 16.4% at 31 March 2023.</li><li>• Successful issuance of US Dollar denominated international bond of a total size USD 750 million.</li><li>• Low-cost deposits were 37.3% of total customer deposits compared with 39.6% in Q1 2023.</li></ul>
 <b>Reshaping Loan Book</b>	<ul style="list-style-type: none"><li>• Consolidated loan book contracted by 4.7% to QAR 89.7 billion at 31 March 2024 compared with QAR 94.1 billion at 31 March 2023. This is largely due to effects of rising interest rates and at Alternatif Bank level, due to the Turkish lira depreciation.</li><li>• Focus remains on re-shaping profile of the lending book.</li><li>• Continued diversification of risk across a range of sectors including increasing exposure to government and public sector.</li></ul>
 <b>Provisioning</b>	<ul style="list-style-type: none"><li>• Non-performing loan (NPL) ratio at 6.0% at 31 March 2024 compared with 5.0% at 31 March 2023.</li><li>• Loan coverage ratio (including ECL) decreased to 107.0% compared with 115.9% at 31 March 2023.</li><li>• Net cost of risk decreased to 58 bps compared to 66 bps in 2023.</li></ul>
 <b>Costs</b>	<ul style="list-style-type: none"><li>• Consolidated cost to income ratio improved to 19.0% in Q1 2024 from 34.0% in Q1 2023. This reduction in expenses was largely attributed to decreased staff related LTIP compensation costs, a consequence of IFRS 2 due to the decline in share price.</li><li>• In Qatar, cost to income ratio improved to 16.7% in Q1 2024 from 27.5% in Q1 2023.</li></ul>
 <b>Subsidiary</b>	<ul style="list-style-type: none"><li>• Alternatif Bank reported net profit of TL 78.7 million (QAR 8.6 million) in Q1 2024 compared to a net profit of TL 11.1 million (QAR 2.1 million) in Q1 2023. The results were impacted by the hyperinflation accounting amounted to TL 347.5 million (QAR 40.6 million) in Q1 2024 and TL 218.2 million (QAR 42.1 million) in Q1 2023.</li></ul>

## Financial Progress

	Reported				Excluding LTIP <sup>(1)</sup>		
	Q1 2024	Q1 2023 <i>(Restated)</i>	Variance Q1 2024 v Q1 2023 (%)	FY 2023 Actual	Q1 2024	Q1 2023	Variance Q1 2024 v Q1 2023 (%)
Operating Income	1,249	1,291	-3.3%	5,489	1,266	1,309	-3.2%
Costs	(237)	(440)	46.1%	(1,441)	(328)	(326)	-0.6%
Operating Profit	1,013	851	18.9%	4,049	939	983	-4.5%
Net Provisions <sup>(2)</sup>	(240)	(273)	12.1%	(917)	(240)	(273)	12.1%
Share of Associates' Results	79	70	13.2%	294	79	70	13.2%
Net Monetary Loss due to Hyperinflation	(41)	(42)	3.6%	(335)	(41)	(42)	3.6%
Tax	(9)	(29)	70.0%	(80)	(9)	(29)	70.0%
Net Profit	802	577	38.9%	3,010	728	708	2.7%
Lending Volume	89,677	94,093	-4.7%	91,490	89,677	94,093	-4.7%
Deposit Volume	79,364	76,063	4.3%	76,541	79,364	76,063	4.3%
NIM	2.7%	2.8%	-0.1%	2.8%	2.7%	2.8%	-0.1%
C/I Ratio	19.0%	34.0%	15.0%	26.2%	25.9%	24.9%	-1.0%
COR (bps) – net	58	66	8	105	58	66	8
NPL Ratio	6.0%	5.0%	-1.0%	5.9%	6.0%	5.0%	-1.0%
Coverage Ratio <sup>(2)</sup>	107.0%	115.9%	-8.9%	105.1%	107.0%	115.9%	-8.9%
CET 1	11.7%	11.7%	0.0%	10.6%	11.7%	11.7%	0.0%
CAR	16.4%	16.4%	0.0%	14.9%	16.4%	16.4%	0.0%

(1) Excluding LTIP table shows the figure after removing the impact of share option scheme, to show actual underlying business trend.

(2) includes ECL



## Movement in Loans and Advances

Key Movements	Mar 31 2024 (QAR m)	Mar 31, 2023 (QAR m)	Movement Mar 24 vs Mar 23 (QAR m)	Movement Mar 24 vs Mar 23 (%)
Acceptances	5,484	2,437	3,047	125%
Alternatifbank Net Lendings	3,959	5,876	(1,918)	(33%)
MoF Overdraft	1,088	1,088	-	-
Retail	11,214	11,140	74	1%
Corporate & International	67,933	73,552	(5,620)	(8%)
<b>Net Loans &amp; Advances to customers</b>	<b>89,677</b>	<b>94,093</b>	<b>(4,417)</b>	<b>(5%)</b>

- We continue to focus and grow the retail book which is helping our NIM.
- In addition, due to the situation in Turkey, decrease in Alternatif Bank loans has positive impact on net interest margin.

## Group Financial Performance – Quarter ended 31 March 2024

### Group Profitability

QAR Million	Q1 2024	Q1 2023	%
Net interest income	958	987	-3.0%
Non-interest income	292	304	-4.2%
Total costs	(237)	(440)	46.1%
Net provisions	(240)	(273)	12.1%
Share of associates' results	79	70	13.2%
Non-cash net monetary loss	(41)	(42)	3.6%
Tax	(9)	(29)	70.0%
<b>Net profit after tax</b>	<b>802</b>	<b>577</b>	<b>38.9%</b>

### Performance Ratios

	Q1 2024	Q1 2023
ROAE	12.9%	10.0%
ROAA	1.9%	1.4%
NIM	2.7%	2.8%

### Consolidated Balance Sheet

QAR Million	Mar 2024	Mar 2023	%
Total assets	166,240	162,991	2.0%
Loans and advances	89,677	94,093	-4.7%
Investment Securities	28,125	29,816	-5.7%
Customer Deposits	79,364	76,063	4.3%
Total Equity	25,293	22,379	13.0%

### Capital

QAR Million	Mar 2024	Mar 2023
RWA (QAR million)	132,351	125,148
CET 1 ratio (Basel III)	11.7%	11.7%
Total Capital ratio (Basel III)	16.4%	16.4%

# Leader in Digital Innovation Driving Customer Experience and Cost Benefits



## Corporate

- Best Cash Management Bank (2016 – 2021) from The Asian Banker
- Best Transaction Bank in Qatar (2018-2021) from The Asian Banker
- Best Trade Finance Service (2019 – 23) from Global Finance
- Best Mobile Banking App (2021-22) from Global Finance
- Best Bank for Corporate Banking in Qatar from Euromoney (2022)
- Best Integrated Corporate Banking Site from Global Finance (2022)
- Market Leader in Qatar in Corporate Banking from Euromoney Digital Rankings (2022)
- Best Leading Corporate for Investor Relations in Qatar from MEIRA Annual Conference & Awards (2022)
- The Most Innovative Mobile Trading App award in Qatar by International Finance (2023)
- The Fastest Growing Brokerage House award in Qatar by International Finance (2023)
- The Best Digital Bank for Trade Finance Services award in Qatar by Global Finance (2023)
- The Best Corporate Mobile Banking App award in the Middle East by Global Finance (2023)

## Retail

- The “Serving Business Owners” in Private Banking and Wealth Management in Qatar - Euromoney (2021 – 22)
- Best Mobile Banking App from Global Finance (2021)
- Best Mobile Banking App from International Finance (2023)
- Best in Social Media Marketing and Services from Global Finance (2021-22)
- Best Online Deposit, Card and Investment Product Offerings from Global Finance (2022)
- Best User Experience (UX) Design from Global Finance (2022)
- Best Open Banking APIs from Global Finance (2022)
- Best in Social Media Marketing and Consumer Services in the world from Global Finance (2021-22)
- Market Leader in Qatar in Digitals Solutions from Euromoney Digital Rankings (2022)
- The Best Consumer Mobile Banking App award in Qatar by Global Finance (2023)

## Innovation

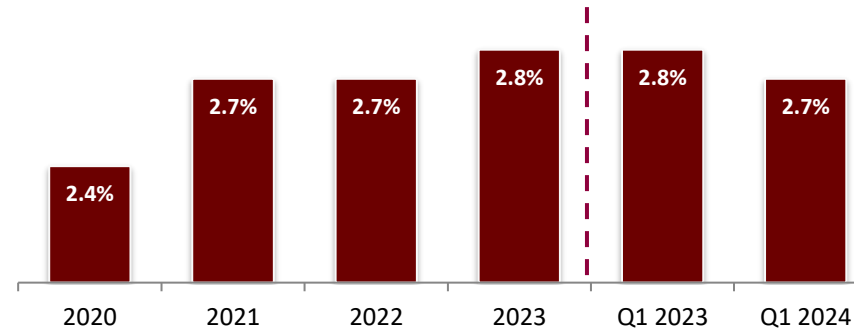
- The Most Outstanding Innovation in Fraud Detection award in the world from Global Finance (2022)
- Most Innovate Mobile Trading App from International Finance (2021-2022)
- Best Bank in Qatar from Global Finance (2019, 2021-22)
- Best in Social Media Engagement in the Middle East from The Asian Banker (2021)
- Bank of the Year in Qatar from The Banker (2022)
- Best Customer Service Initiative from International Finance (2023)
- Most Innovative Mobile Banking App in the world from Global Finance (2023)
- The Most Innovative Bank award in the Middle East by World Finance (2023)

# Earnings Performance – Quarter ended 31 March 2024

## Profitability

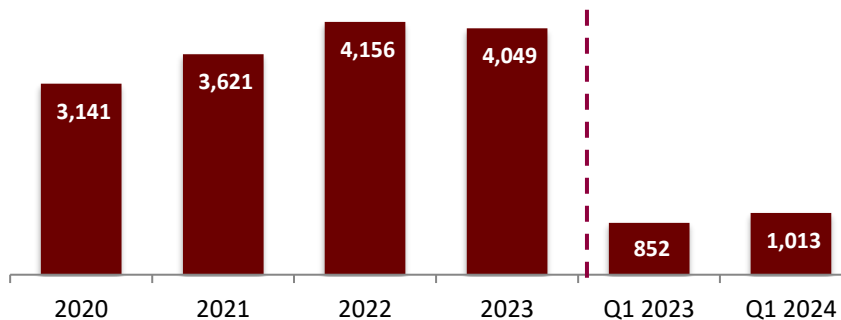
- ◆ Net interest income decreased by 3.0% to QAR 957.7 million in Q1 2024 v Q1 2023.
  - ◆ NIM decreased to 2.7% in Q1 2024 from 2.8% in Q1 2023.
  
- ◆ Non-interest income down by 4.2% to QAR 291.7 million in Q1 2024 v Q1 2023.
  - ◆ The overall decrease in non-interest income was mainly due to reduced FX and trading income.

## Net interest margin



Net interest income as a % of average interest earning assets, including (i) Loans and advances to customers (ii) bonds and (iii) loans to other credit institutions

## Operating Profit

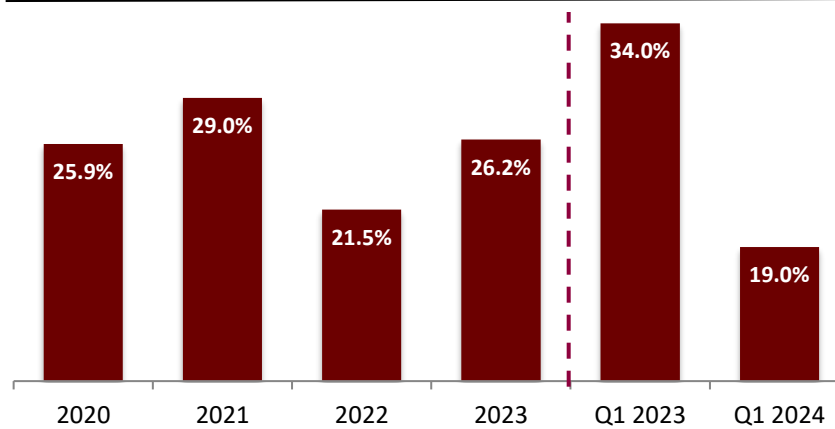


# Cost to income ratio improved due to decreased staff related LTIP compensation costs, a consequence of IFRS 2 due to the decline in share price

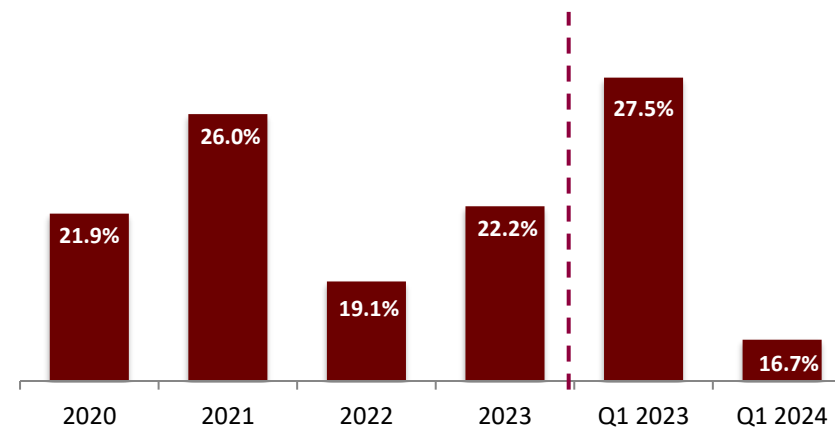
## Operating Expenses

- ◆ Cost to income ratio decreased to 19.0% in Q1 2024 from 34.0% in Q1 2023.
- ◆ The cost decrease is mainly on account of decreased staff related LTIP compensation costs, a consequence of IFRS 2 due to the decline in share price.
- ◆ Although cost decreased, the bank continue focus on digital processes, technology and tight expense management.

## Cost to Income Ratio Consolidated



## Cost to Income Ratio Domestic



# Retail portfolio and performance on the rise, delivering strong growth

## Summary

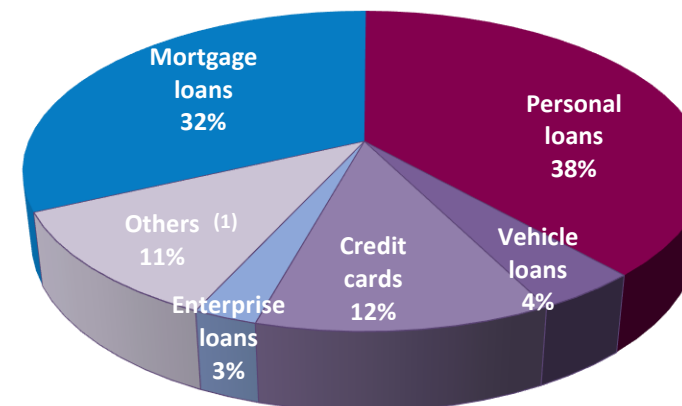
### Portfolio

- ◆ The retail portfolio improved by 11.5% to QAR 11.6 billion, representing 12.9% of overall loan book.
- ◆ The increase is supported by growth in personal loans, vehicle loans and balances from cards.
- ◆ Qatari acquisition doubled over the same period last year and remains a key focus area for 2024, within overall customer acquisition strategy.

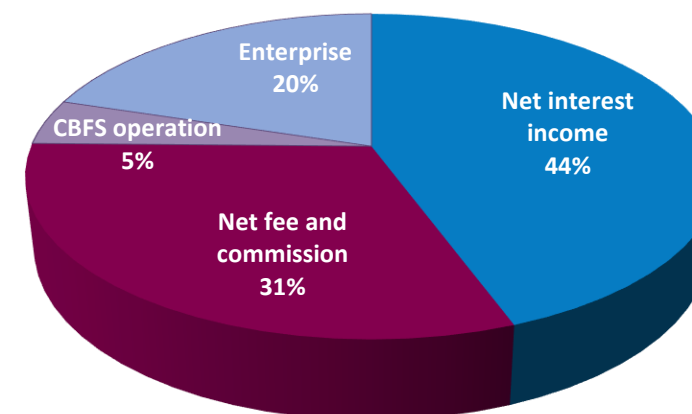
### Performance

- ◆ Retail operating income for Q1 has grown up to 35% of CB revenues.
- ◆ Retail fee revenues for Q1 are up 14% y-o-y leveraging on cards, wealth sales, remittance fx, brokerage fees and insurance products.

## Retail book breakdown by division – March 2024



## Key retail income drivers



Notes:

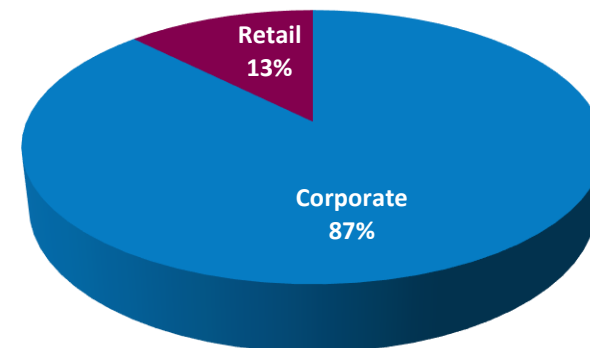
(1) Others include overdrafts, term, trade and margin related loans

# Loan book structure

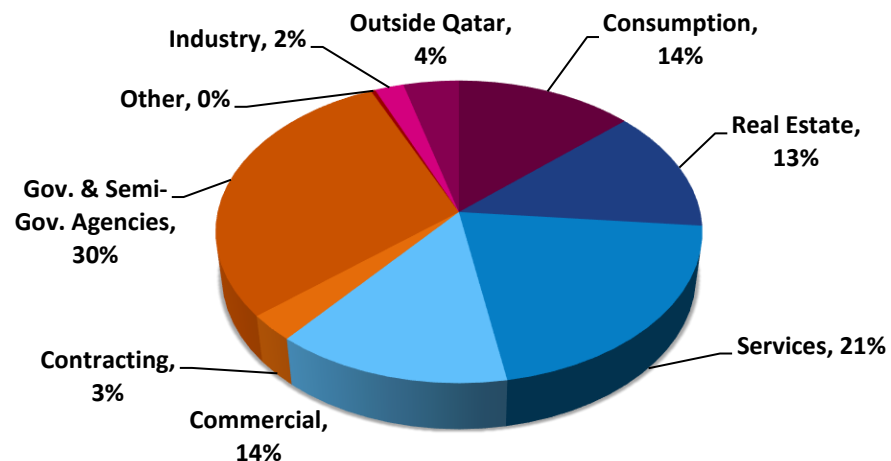
## Summary

- ◆ Loans to customers decreased by 4.7% to QAR 89.7 billion.
- ◆ The reason for the decrease was largely due to effects of rising interest rates and at Alternatif Bank level, due to the Turkish lira depreciation.
- ◆ Focus continues on diversifying loans and improving market share in Government and Public sector.

## Loan book breakdown by division – March 2024



## Qatari banks credit facilities breakdown by sector – February 2024



Source: QCB

## Loan book breakdown by sector – March 2024

Sector	Mar-24	Mar-23	Dec-16
Govt and Public Sector	14%	16%	10%
Industry	7%	8%	7%
Commercial	17%	16%	12%
Services	27%	27%	18%
Contracting	3%	4%	10%
Real Estate	21%	20%	28%
Consumption	10%	7%	12%
Others*	2%	2%	3%
	<b>100%</b>	<b>100%</b>	<b>100%</b>

\*Others include non-banking financial institutions

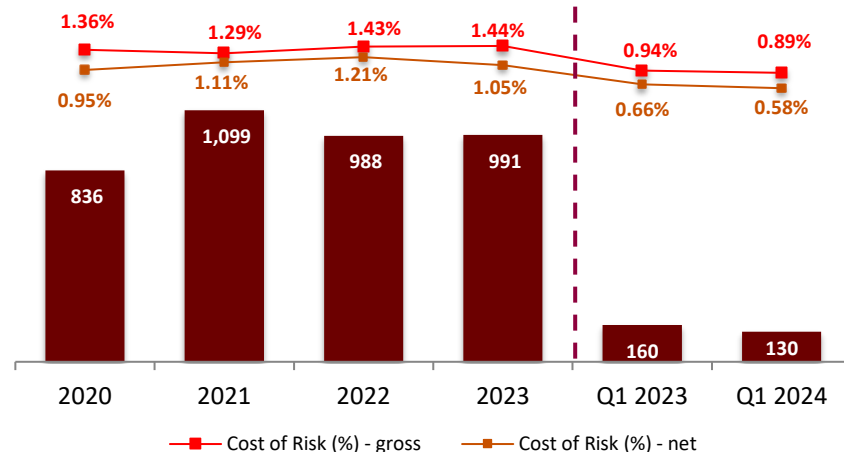


# Asset Quality – 31 March 2024: Continued Prudent Approach on Provisioning

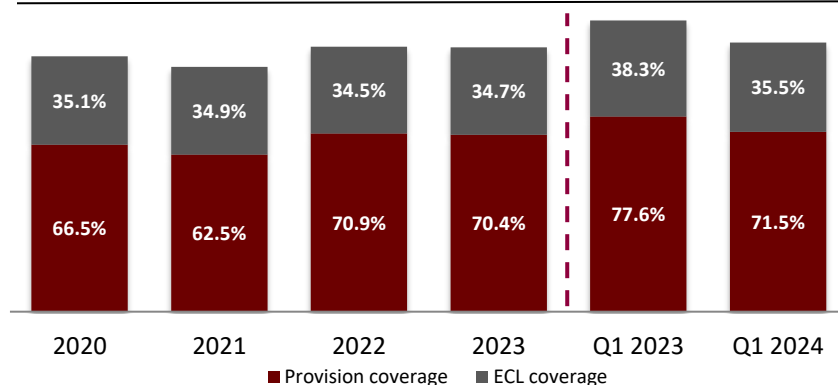
## Summary

- ◆ Net provision charge for loans and NPLs of QAR 130.4 million vs QAR 160.0 million in Q1 2023.
  - ◆ QAR 114.8 million for Corporate
  - ◆ QAR 44.9 million for Retail
  - ◆ QAR 29.4 million provision reversal for Alternatif Bank
- ◆ NPL ratio increased to 6.0% as at 31 March 2024 from 5.0% as at 31 March 2023.
- ◆ Net Cost of Risk decreased to 58 bps in Q1 2024 Vs 66 bps in Q1 2023.
- ◆ Loan coverage decreased to 107.0% from 115.9% in March 2024.
- ◆ Risk reserve maintained at 2.5% of total loans and advances in addition to credit impairment losses and interest in suspense. Risk reserve stands at QAR 2.3 billion as at 31 March 2024.

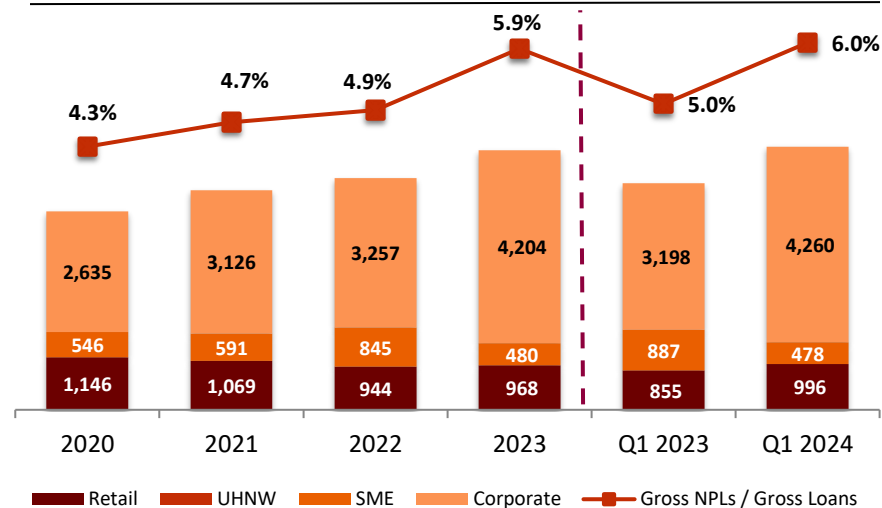
## Net Provision Charge for Loans and NPLs (QAR million)



## Loan coverage ratio



## Non-performing loan ('NPL') ratio (90 day basis)





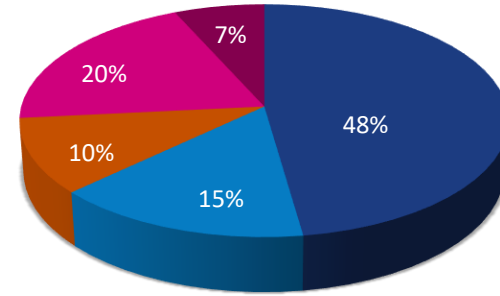
# Funding : Continue to build up diverse sources of funding

## Summary

- ◆ Customers' deposits at QAR 79.4 billion, up by 4.3% vs March 2023 representing 47.7% of the total balance sheet.
- ◆ Well diversified funding mix
- ◆ Total equity represents 15.2% of funding mix.

## Total funding mix – 31 March 2024

- Customers' Deposits
- Total Shareholders' Equity
- Due to Banks and Financial Institutions
- Debt Securities & Other borrowings
- Other Liabilities



## Debt issued and other borrowed funds

Issuance Type (QARm)	Mar-24	Mar-23
EMTN	9,805	10,301
Senior Notes	32	14
Subordinated Notes	-	732
Other loans (including CPs)	23,192	17,894
<b>Total</b>	<b>33,030</b>	<b>28,941</b>

## Commercial Bank credit ratings

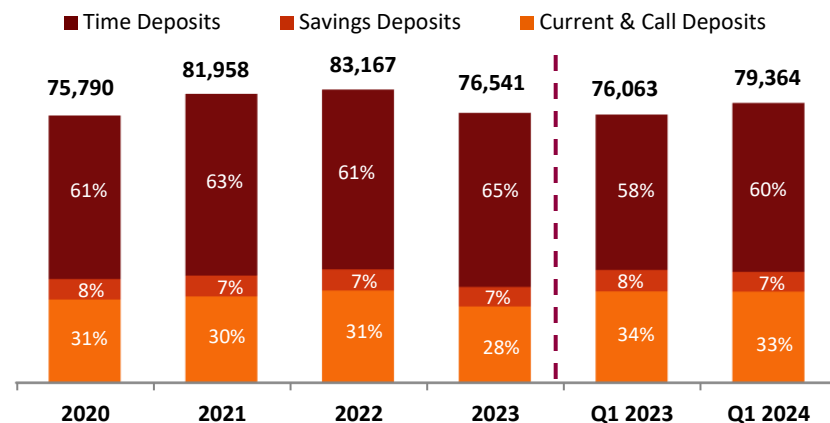
Rating Agency	Credit ratings/IDR		Bank Strength	Outlook	Date
	LT	ST			
Moody's	A2	P-1	ba1	Stable	Dec 23
Fitch	A	F1	bb+	Stable	Mar 24
S&P	A-	A-2	bbb-	Stable	Oct 23

# Well diversified deposit portfolio

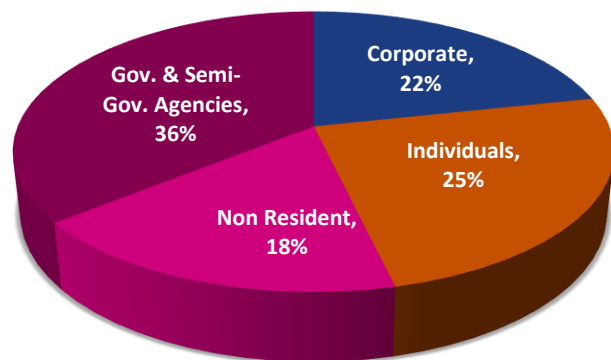
## Summary

- ◆ Diversified deposit mix with Government and Semi-Government at 32% , corporate at 28% and individuals at 28%
- ◆ Current and Savings accounts deposit composition at 40% of the deposit base.
- ◆ The mix of Qatar non-resident deposit is 15%.

## Customer deposits (QAR million)

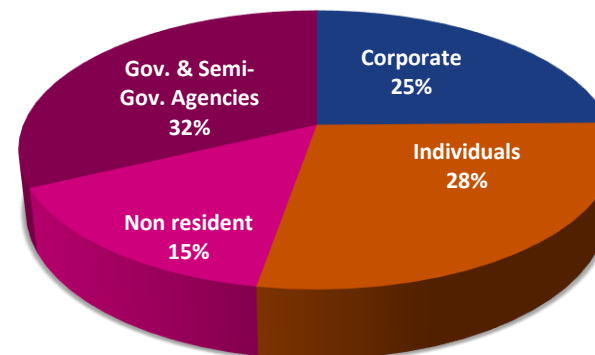


## Qatari banks deposits breakdown by sector – February 2024



Source: QCB

## Deposits by customer type – March 2024

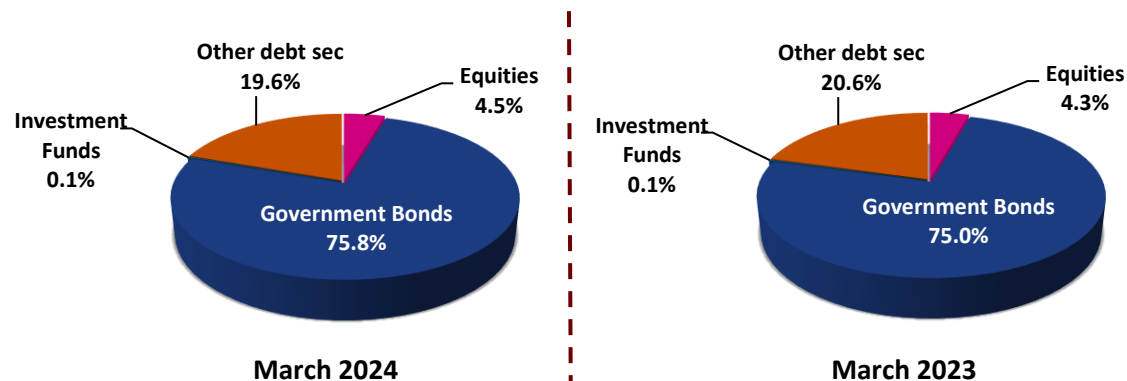


# Investment Portfolio – 31 March 2024: High asset quality with 75.8% of the portfolio invested in HQLA Government Bonds

## Summary

- ◆ Investment portfolio at QAR 28.1 billion at March 2024, was down as compared to QAR 29.8 billion at March 2023.
  - ◆ Investments in highly rated Sovereign Bonds provides stability to the portfolio and makes it less volatile.
- ◆ 75.8% Government Bonds.
- ◆ 78.6% AAA+ to A- rated securities.

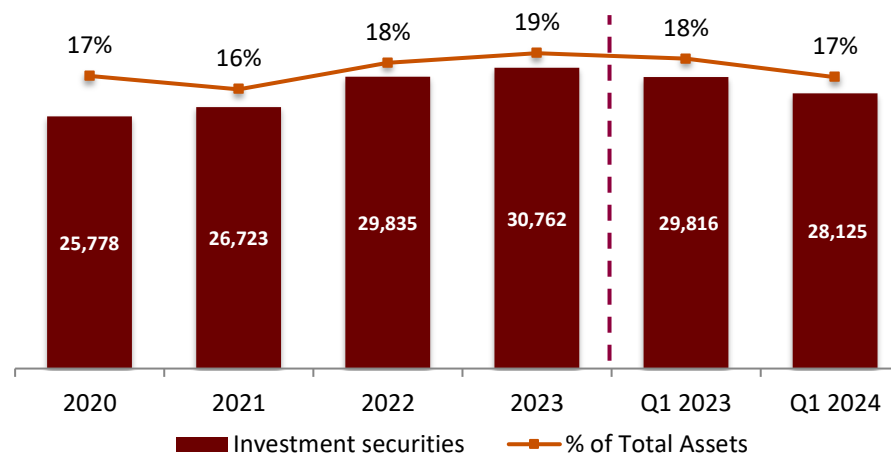
## Investment portfolio – 31 Mar 24 vs 31 Mar 23



## Investment portfolio by credit rating

Credit Rating	Portfolio Weight
AAA+ to A-	78.6%
BBB+ to BB-	5.5%
B+ to B-	2.6%
Unrated	13.3%

## Investment portfolio evolution (QAR million)



# Capitalization Levels – 31 March 2024

## Summary

◆ During the year, movement in Capital Adequacy Ratio (CAR) is as follows:

**CAR as at 31 December 2023** **14.9%**

*Movements:*

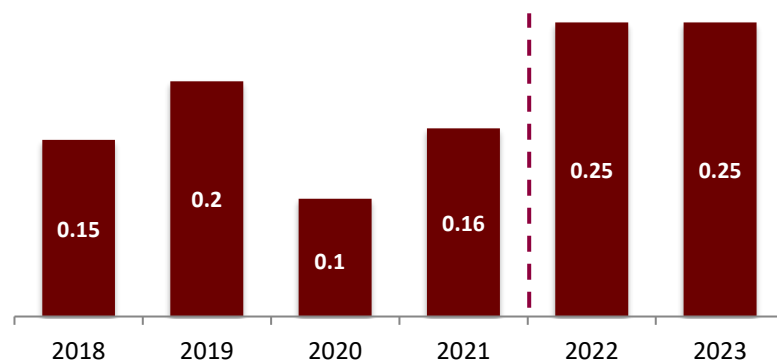
Increase due to capitalisation of YE 2023 profits and Q1 2024 profits less pay outs **2.6%**

Increase in risk weighted assets mainly due to market risk on account of new Basel guidelines. **-1.1%**

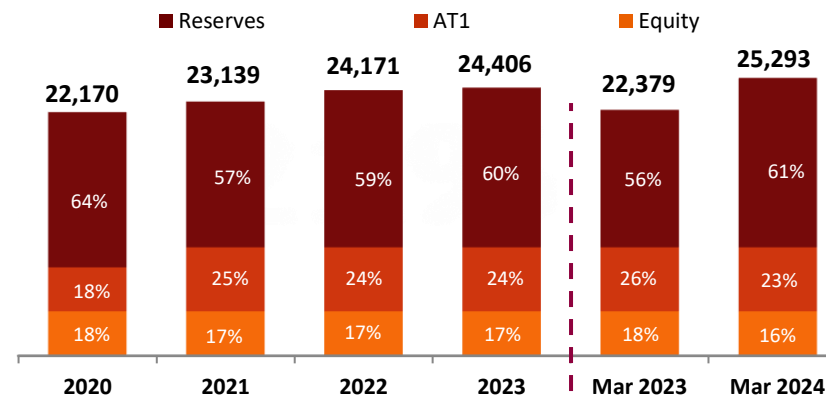
**CAR as at 31 March 2024** **16.4%**

◆ The directors have declared dividend of QAR 0.25 per share.

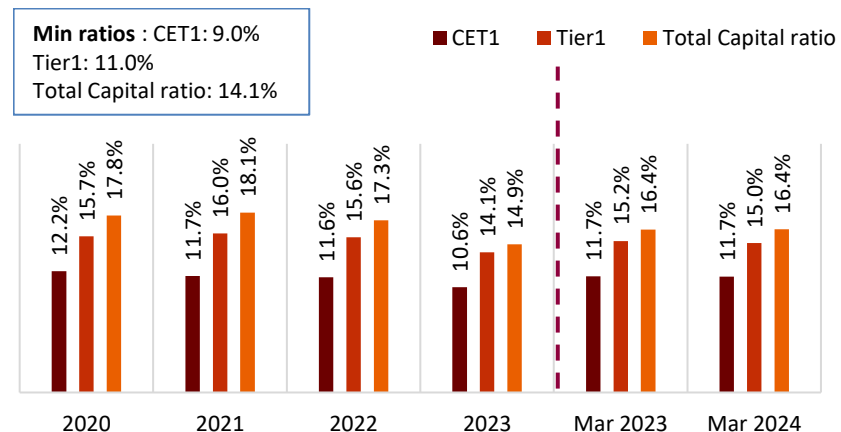
## Dividend distribution per share (QAR)



## Total Equity (QAR million)



## Capital Adequacy Ratio (Basel III)



## Commercial Bank Financial Performance – Year ended 31 March 2024 (CB Domestic)

### Profitability

QAR Million	Q1 2024	Q1 2023	%
Net interest income	868	926	-6.2%
Non-interest income	89	367	-75.7%
Total costs	(160)	(355)	55.0%
Net provisions	(264)	(263)	0.5%
Net profit	532	674	-21.0%

### Performance Ratios

	Q1 2024	Q1 2023
ROAA	1.3%	1.7%
NIM	2.6%	2.8%
Cost to income	16.7%	27.5%

### Balance Sheet

QAR Million	Mar-24	Mar-23	Var %
Total assets	160,957	155,866	3.3%
Loans and advances	85,718	88,563	-3.2%
Investment securities	27,953	29,759	-6.1%
Customer deposits	76,611	71,579	7.0%
Total equity	26,808	23,616	13.5%

### Capital

QAR Million	Mar-24	Mar-23
RWA (QAR million)	122,873	112,169
CET 1 ratio (Basel III)	10.8%	10.6%
Total Capital ratio (Basel III)	15.0%	15.7%

# Commercial Bank is committed to enhancing its Environmental, Social and Governance practices

## Selected ESG highlights

- Inaugural Sustainable Finance Framework launched December 2023
- Formal sustainability governance: Management-level Sustainability Committee with Board-level oversight
- ESG risk assessment criteria on lending and investment
- Remuneration linked to ESG
- First bank in Qatar to introduce deferred bonuses for Executive Management with provisions for malus and clawback
- Mandatory bonus deferrals for Executive Management in performance rights
- Signatory to UN Global Compact

## Sustainability strategy integrated with the corporate 5Cs

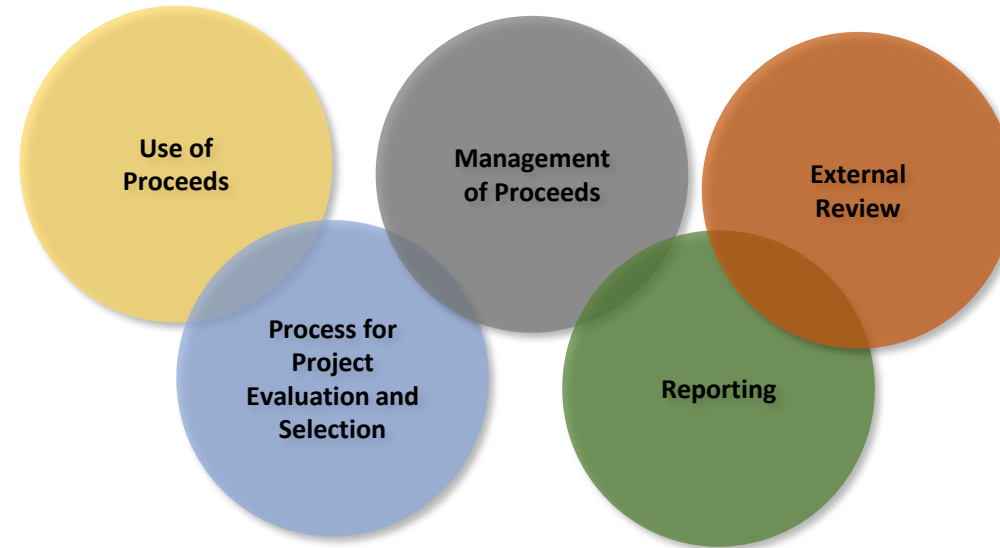


# Commercial Bank's Sustainable Finance Framework

## Purpose & Use

- To support the National Vision 2030 and Qatar's National Environment and Climate Change Strategy through enabling business growth and supporting our clients in their transition towards to sustainability.
- To use this Framework as the basis to issue Green, Social or Sustainability Bonds, Loans or other debt instruments ("Sustainable Financing Instruments").
- The relevant standards to be complied with are Green Bond Principles (GBPs), Social Bond Principles (SBPs), Sustainability Bond Guidelines (SBGs) from the International Capital Market Association (ICMA). Green Loan Principles (GLPs), Social Loan Principles (SLPs) from the Loan Market Association/Asia Pacific Loan Market Association (LMA/APLMA).

## Framework Process



- Commercial Bank appointed Sustainalytics as the Second Party Opinion (SPO) provider to assess the Sustainable Finance Framework and its alignment with the GBPs, SBPs, SBGs, GLPs and SLPs and provided with their confirmation.
- Further the Bank will engage a third party reviewer to provide an annual assessment on the alignment of the allocation of funds with the Framework's criteria to provide timely and transparent information.

# Commercial Bank's Sustainable Finance Framework

## Eligible Categories

### Eligible Green Categories

-  Renewable Energy
-  Clean Transportation
-  Green Buildings
-  Energy Efficiency
-  Sustainable Water and Wastewater Management
-  Pollution Prevention and Control



### Eligible Social Categories

-  Employment Generation, and Programs Designed to Prevent and/or Alleviate Unemployment Stemming from Socio-economic Crises
-  Food Security and Sustainable Food Systems
-  Access to Essential Services (Healthcare and Education)
-  Affordable Basic Infrastructure

**CBgreen**  
نحو الاستدامة



- ECONOMY AND FIVE YEAR PLAN TARGETS
- CONSOLIDATED HIGHLIGHTS AND PERFORMANCE
- **SUBSIDIARY PERFORMANCE**

## Alternatifbank Results – For the quarter end 31 March 2024

### Balance Sheet

TL million	Q1 2023	Q1 2024	%
<b>Assets</b>			
Cash and Balances with Central Bank	4.768	9.429	<b>98%</b>
Due from Banks	2.374	4.618	<b>95%</b>
Loans and Advances	30.968	35.140	<b>13%</b>
Investment Securities	11.463	17.001	<b>48%</b>
All Other Assets	4.895	8.770	<b>79%</b>
<b>Total Assets</b>	<b>54.468</b>	<b>74.957</b>	<b>38%</b>
<b>Liabilities &amp; Equity</b>			
Due to banks	3.180	6.440	<b>103%</b>
Customer deposits	23.627	24.498	<b>4%</b>
Other Borrowed Funds	19.052	30.983	<b>63%</b>
Other Liabilities	2.931	3.220	<b>10%</b>
Shareholders Equity	5.678	9.817	<b>73%</b>
<b>Total Liabilities and Equity</b>	<b>54.468</b>	<b>74.957</b>	<b>38%</b>

### Profitability

TL million	Q1 2023	Q1 2024	%
Operating Income	805	848	<b>5%</b>
Operating Expense	-377	-555	<b>47%</b>
Provisions	-53	204	<b>-482%</b>
Profit Before Tax	375	497	<b>33%</b>
Income Tax Expense	-145	-70	<b>-52%</b>
Net Monetary Loss	-218	-348	<b>59%</b>
<b>Net Attributable Profit</b>	<b>11</b>	<b>79</b>	<b>609%</b>

### Alternatifbank of Turkey

- ◆ Operating income up by **43 million TL** v Q1 2023.
- ◆ Net provisions decreased by **257 million TL** v Q1 2023.
- ◆ Net Attributable Profit as of Q1 2024 at **553 million TL** before IAS29 (up by 240 million TL v Q1 2023).
- ◆ Profit before tax increase at **33%**.
- ◆ The net monetary losses due to hyperinflation is **348 million TL**.
- ◆ Q1 2024 **Net Attributable Profit** at **79 million TL** with **609% (YoY)** increase.
- ◆ Positive effect of IAS 29 on equity is **3.037 million TL**

# Q&A