



Sustainability Report **2020**

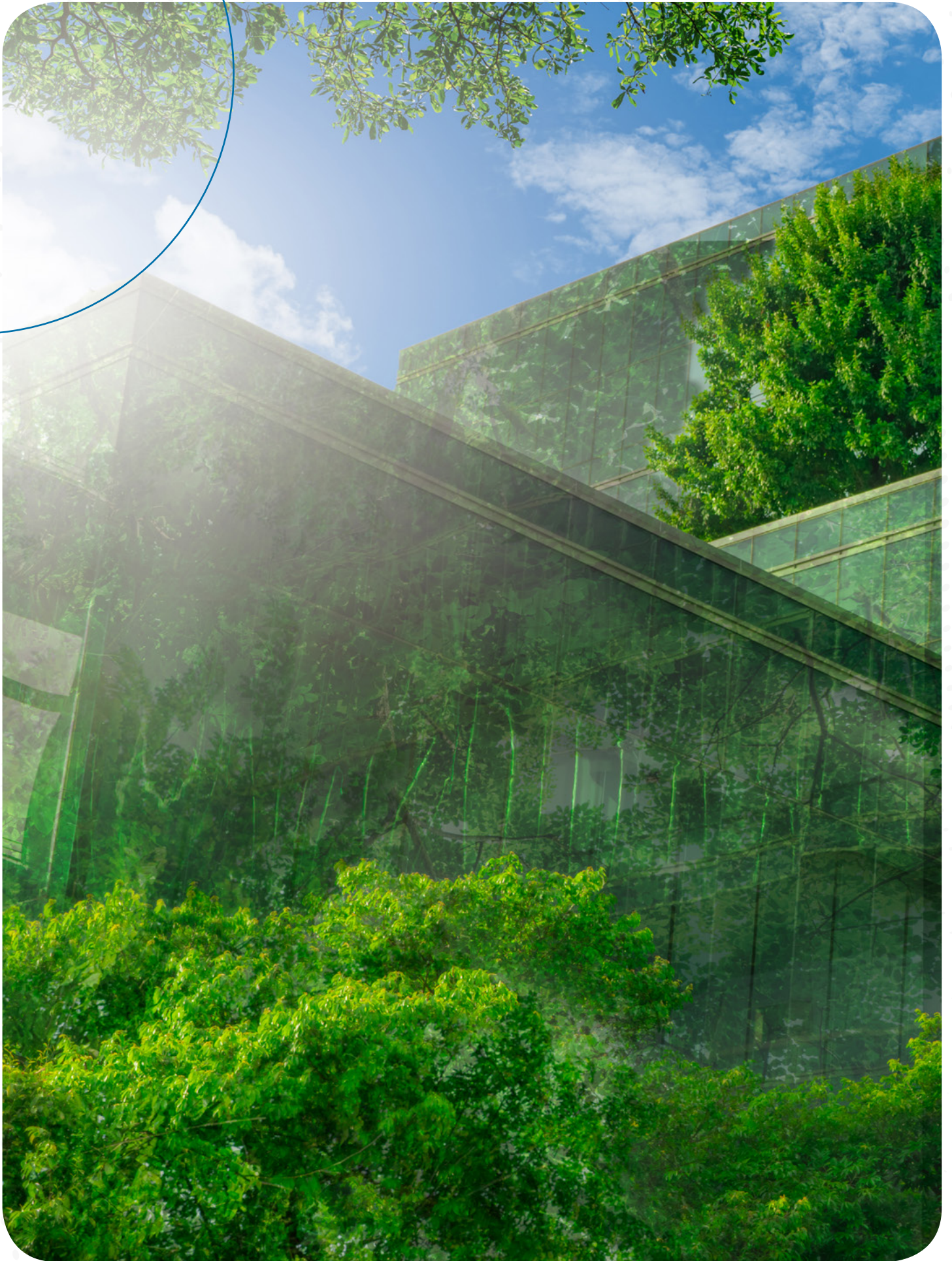


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About this report

This is Qatar Islamic Bank's first sustainability report, which reviews our environmental, social, and governance performance. The report's goal is to provide a high-level overview of our sustainability framework that covers our strategy, objectives, plans and results, and our positioning on the most important issues for our key stakeholders. With this report, we aim to highlight our efforts and achievements in the realm of sustainability.

Reporting Period

The report covers the calendar year from January 1st to December 31st, 2020 and focuses on activities in that period. Information from previous years is provided when necessary.

Reporting Guidelines

This report covers our sustainability efforts, performance, and activities.

As part of our commitment to transparency and international best reporting practices, this report is developed in line with the UN Sustainable Development Goals (the SDGs), the Qatar National Vision 2030, the Qatar Stock Exchange and ESG Disclosure Guidance for listed companies, the index of which is presented in the Appendix.

Reporting Frameworks

To promote transparency in the banking sector, QIB's non-financial reporting is presented in this first annual Sustainability Report in accordance with the Global Reporting Initiative (GRI) Standards, core option.

Report Boundary

This report covers QIB operations in Qatar only. Unless specified, information on QIB subsidiaries are not included in this report. Financial data is expressed in Qatari Riyals (QR).

Feedback

As our first report, our goal is to improve our reporting year-on-year. Hence, please email your views on our progress and ambitions at:

Communications@qib.com.qa

Investorrelation@qib.com.qa

Introduction

Message from Our Group CEO



I am pleased to present our first standalone sustainability report for QIB. It sets out our accomplishments and efforts in 2020 to support all segments of society during these turbulent times.

2020 will be a defining year in history, with the pandemic making clear the inter-dependency of people, societies and nations – and the need for ways of life that protect each other and the natural environment. With societies around the world beginning their recovery from the pandemic, it is essential to rebuild in ways that will deliver sustainable benefit to people, the environment, and the economy.

Our 2020 sustainability report demonstrates our efforts to integrate sustainability and environmental, social, and governance considerations at the core of our operations. In line with this, we started the process of developing a sustainability strategy, aligned with the objectives of the Qatar National Vision 2030 (QNV), the sustainability criteria mandated by the Qatar Stock Exchange, and the United Nations Sustainable Development Goals. With these frameworks as a guide, important elements of our strategy include how we can enhance consideration of sustainability criteria in our financing activities, continue to support local communities, and take initiatives that reduce our environmental impact.

Our sustainability commitments are grounded in the belief that technology can help solve some of the most pressing challenges we face. As part of this, we have focused on digitalizing our retail and wholesale products and services – to widen customer access, increase resource efficiency, minimize waste, and deliver better service.

While our sustainability journey has only just begun, I am proud of the contributions we are making to the QNV by financing projects that are diversifying and decarbonizing our economy, increasing food security, and supporting the private sector and local communities. I look forward to sharing information with you on the progress we make in managing environmental, social, and governance (ESG) factors, serving our customers, and reaffirming our position as a leading Islamic bank.

I take this opportunity to thank our Board of Directors, stakeholders, including our employees, customers, shareholders and other related stakeholders for their trust and support during this journey of change and resilience. Looking ahead, we will work to build on our momentum by supporting the Qatar economy, embedding ESG principles into our culture and risk management frameworks, and drawing on our sustainability goals to drive a better future for all.

Bassel Gamal,
QIB Group Chief Executive Officer

About QIB



QR 3.07 billion
in net profit



19% of portfolio
is retail banking



Total assets
QR 174 billion



QR 130.82 billion
total gross financing assets



27% of workforce are
Qatari nationals



5th largest
Islamic bank in the world



24 branches
across Qatar



QR 94.19 billion
portfolio of corporate and
institutional banking



Females make up
25%
of workforce



835 Full-time
employees



QR 7.95 billion
in Annual Revenues



Zero
security breaches

Qatar Islamic Bank (QIB) was the country's first Islamic bank and began operating in 1982.

We provide banking and financial products and services to over 500,000 retail and corporate customers across Qatar and in 2020, ranked as the 5th largest Islamic bank in the world in terms of assets.

We are based in Doha, and listed on the Qatar Securities Exchange, and by the end of 2020 was operating 24 branches in Qatar. We offer an extensive range of financial products and services.

Business lines, products, and services

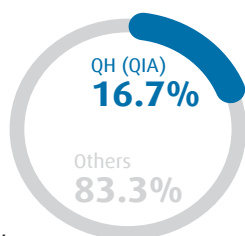
We are committed to fulfilling our vision to provide Shari'a compliant banking products and services.

Hence, we offer a comprehensive range of products and services across two principal business groups, personal banking and wholesale banking, in addition to Group functions. Personal banking products and services include deposits, current accounts, consumer finance, remittances, takaful insurance and more, and cater to three segments: individuals, affluent, and high net worth individuals. Corporate banking offers products and services such as credit facilities, trade finance, wages protection system, point of sale services, catering to government related entities, commercial, small and medium enterprises, real estate, financial institutions. The Group function covers treasury, including sukuk and local equity investment portfolio, treasury services and sales, and liquidity management.

Shareholder Structure

Shareholder Structure / Strong Government Linkage

- QIB's shares are listed on the Qatar Stock Exchanges.
- The Qatar Holding LLC ("QIA") is the single largest shareholder of QIB.
- The balance of QIB's shareholders comprise prominent Qatari individuals, families and institutions.



Note: As of 31 Mar 2020

QIB Domestic Subsidiaries & Associates

QInvest

Licensed by Qatar Financial Centre in May 2007 with authorised capital of US\$ 1 Billion, QInvest is Qatar's leading investment group with operations across the Middle East, Africa and Europe. QInvest's three business lines are investment banking, asset management, and principal investments which focuses on real estate, credit, and equity investments; all supported by a dedicated client coverage and distribution team.

QIB played a key role in establishing QInvest and holds a 58% stake in the company.

Al Jazeera Finance

Founded in 1989, Al Jazeera Finance is jointly owned by QIB (30%), Awqaf (20%) and other institutions such as Qatar Insurance Company (QIC) and QNB. Al Jazeera Finance offers a wide range of products to consumers and corporates, including vehicle finance services and marine finance services, as well as project finance products.

Aqar Real Estate

Established in 2001 as a Shari'a-compliant joint venture, Aqar is a real estate company working on the development of commercial and residential buildings in Qatar. QIB holds 49% shares in the company, Awqaf holds 34% and the General Authority for Minors Affairs hold 17%.

Damaan Islamic Insurance Company (Beema)

Beema was incorporated in September 2009 as a fully Shari'a-compliant Private Closed Qatari Shareholding Insurance Company, licensed to transact general and family takaful insurances.

The shareholders of the company are Qatar Islamic Bank (25%), Qatar Insurance Company (25%), Masraf Al Rayan (20%), Barwa Real Estate Company (20%) and QInvest (10%).

Durat al Doha Real Estate Investment and Development

Durat al Doha engages in real estate investment and development to develop homes for individuals. The company was established in 2008 and QIB currently owns around 40% of the company's shares.

International Presence

QIB has established presence in relevant markets outside of Qatar to best serve the financial needs of its Qatari customers across borders:

. QIB UK

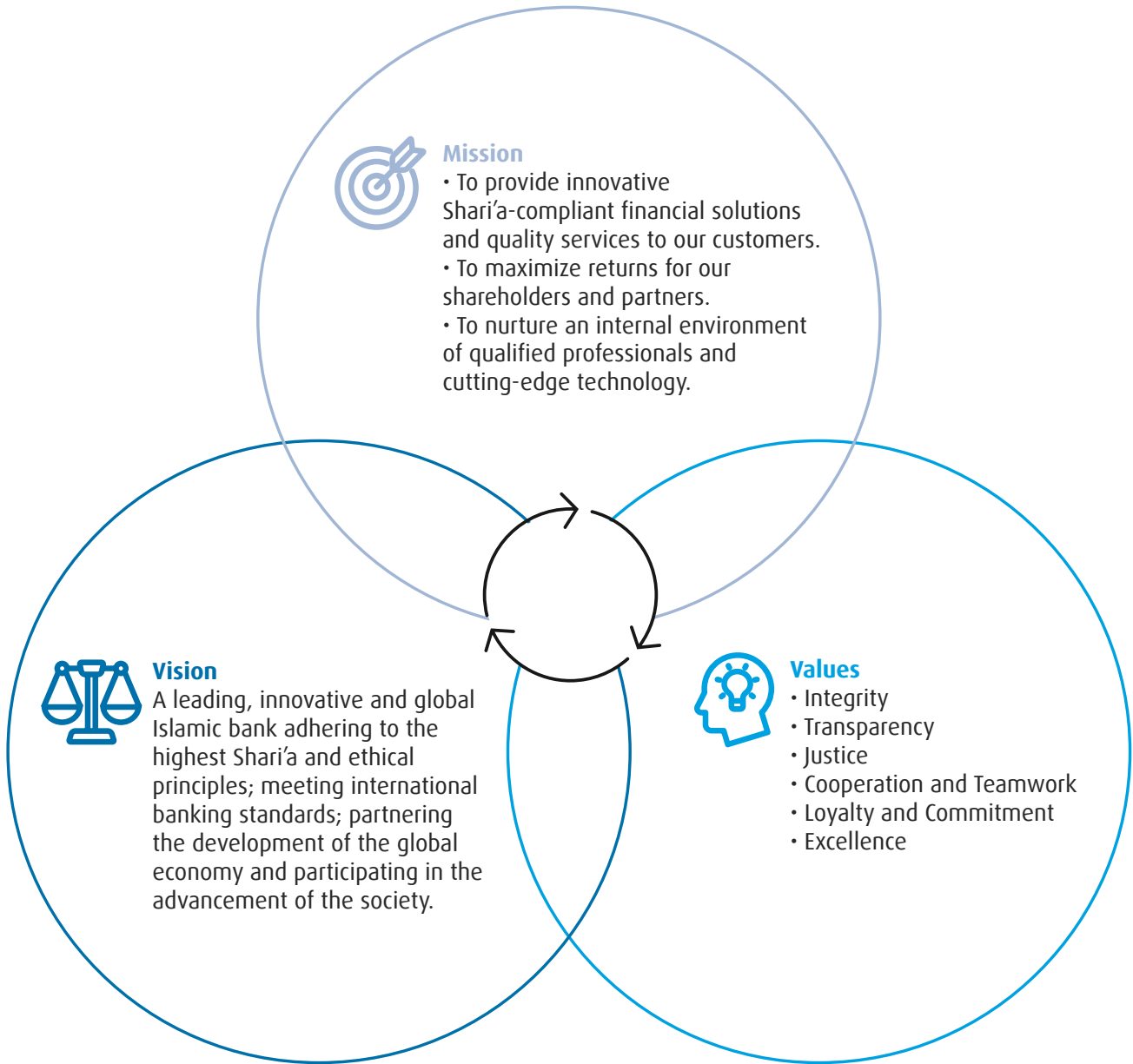
(wholly owned subsidiary). Established in 2008, covering the financial needs of Qatari high net worth individuals and companies in UK.

. QIB Sudan

(one branch): Opened in July 2013, it provides Shari'a compliant corporate finance and trade finance solutions to major corporates in Sudan, wherein Qatar is among the largest Arab investors.

. Arab Finance House (AFH) in Lebanon

Established in 2004, AFH was the first fully-fledged Islamic bank in Lebanon, offering a wide spectrum of banking tools and services to satisfy the growing local market demand under strict Shariaa rule. AFH was fully acquired by QIB in 2013.



Most Awarded Bank in QATAR in 2020



Banking

Bank of
the Year

Safest
Banks
Award

Islamic Banking

Best Islamic Bank in Qatar

Best Islamic Bank in the Middle East

Islamic Bank of the Year

Best Islamic Bank in Qatar

Best Islamic Bank in the Middle East

Best Islamic Bank in Qatar

World's Best Islamic SME Bank

Safest Islamic Bank in Qatar

Best Islamic Retail Bank in the Middle East

Best Islamic Retail Bank in Qatar

Top Innovation in Islamic Finance

Best Islamic Bank in Qatar

Best Islamic Bank in Qatar

Digital Banking

Best Digital Bank Qatar 2020

Best Digital Bank MENA 2020

Most Innovative Retail Banking APP(QIB mobile app) MENA 2020

Qatar's Best Mobile Banking App

Qatar's Best Digital Bank 2020

Best Mobile Banking App in Qatar

Qatar's Best SM Marketing & Services

Best Digital Bank in Qatar

Best Client On-boarding & Account Opening

Most Innovative Retail Banking App

Best Consumer Digital Bank in Qatar

Best Mobile Banking App in Qatar

Leadership Awards

Outstanding Crisis Leadership 2020

Best Managed Bank During COVID19- in Qatar

Best CEO Response to COVID19- in Qatar

Mr. Bassel Gamal, QIB's Group CEO, the Islamic Banker of the Year, Middle East

Sector Awards

Best Bank for SMEs in Qatar

Best Retail Bank of the year

Best SME Bank in Qatar

2020 Sustainability Performance Highlights



Financial Performance

Increased revenues by **3%** from 2019.

Maintained steady profits in **2020**

Net profit grew by a compound annual growth rate (CAGR) of **9.2%**, versus market average CAGR growth of **1.9%** over the past five years.

Total assets reached **QR 174.36 billion** with CAGR growth of **6.5%**

Cost to Income ratio of **20.1%**

Return on Equity and Return on Assets reached **16.7%** & **1.8%** respectively, both well above market average.



Climate

Reduced energy intensity by **13%***

Reduced fuel consumption by **38%***

*Due to lockdown



Digital Innovation

% of Retail Digital Transactions **98.8%**

% of Corporate Digital Transactions **71.5%**

Digitalized **65%** of retail services (end to end digital journey)

Offer **51%** of corporate services digitally (end to end digital journey)

19 key products/services available digitally (self-service).



Customer Experience

Exceeded customer satisfaction score above targeted **85%**.



Data Privacy & Security

0 recorded internal or external data breaches.



Workforce

Qatari nationals comprise **27%** of our workforce

52% of new hires in 2020 were Qatari nationals

Women make up **25%** of workforce



Financial Literacy



Successfully ran the 'How Money Works' initiative for the third consecutive year, with an increase in participation by students of **91%**

1,629 Students were trained in the last 3 years



Sustainable Finance

88% increase in number of SME customers in 2020

Financing portfolio of renewable energy projects is estimated at **QR 1.682 billion**

Financing portfolio of projects contributing to the Qatar National Vision is estimated at **QR 2.261 billion**



Local Procurement



Engaged **1,253** local suppliers via **97%** of our procurement spending.

Sustainability at QIB



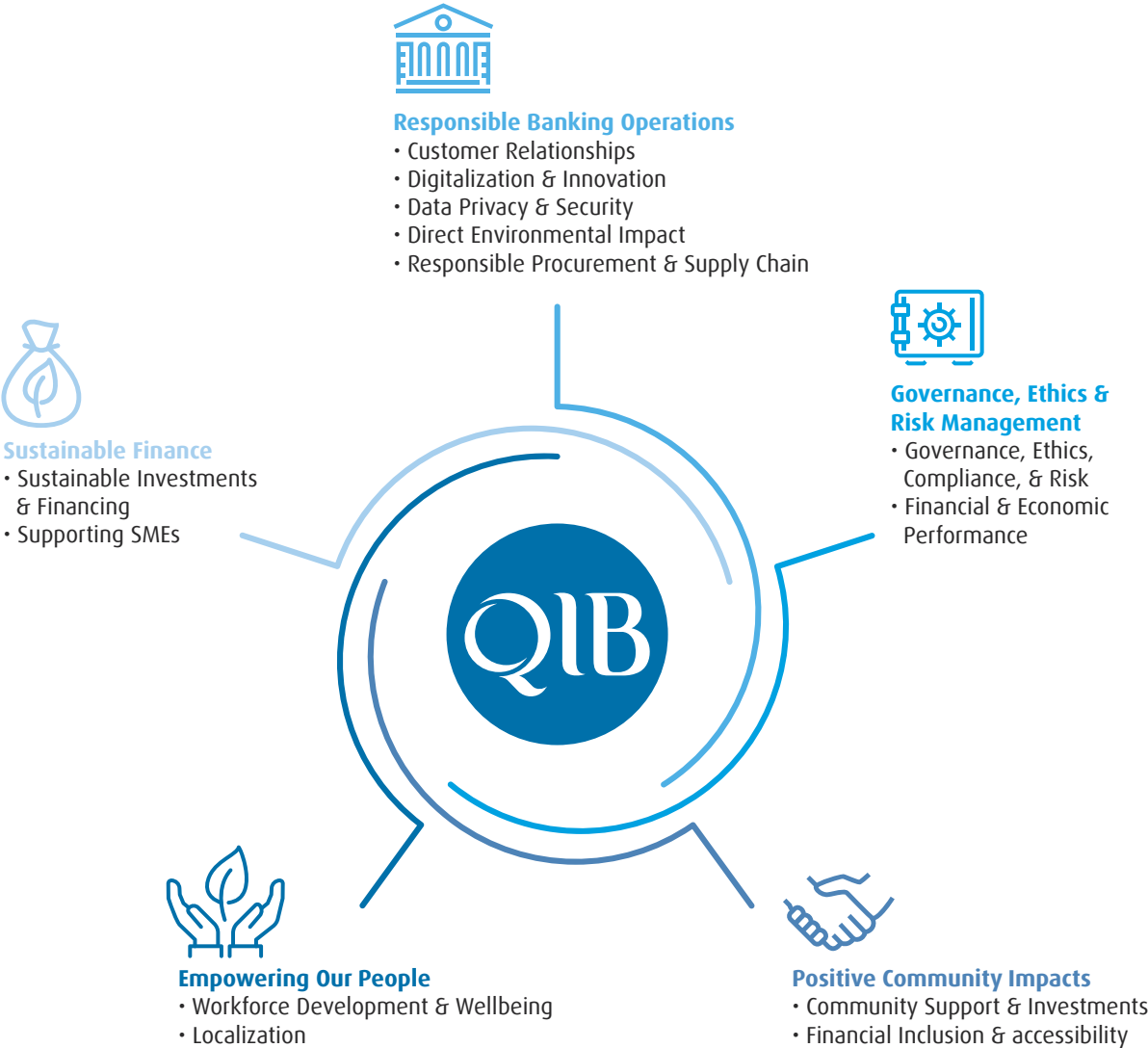
Sustainability Strategy, Framework, and Governance

In parallel with our first annual Sustainability Report, we are in the process of developing a sustainability strategy that will frame our direction for the next three years. We recognize the fact that QIB plays a strong role in contributing to the growth of Qatar, and even more so to its sustainable development, as well in supporting the Paris Agreement of net zero greenhouse gas emissions by 2050 or sooner. For this reason, we aim to integrate ESG into our corporate strategy to heighten our consideration of sustainability when making financing decisions. Our sustainability strategy will allow us to support global ambitions in the realm of the environment, society, and the economy, while strengthening our position and visibility in the marketplace.

We have also devised a sustainability framework reflecting our ESG priorities that supports the delivery of our business

strategy and responds to our material issues. Our efforts and commitments towards sustainability are an opportunity to advance and serve as proof of our vision to adhere to the highest Shari’a and ethical principles, meeting international banking standards, and partnering to participate in the advancement of society and the global economy.

The framework consists of five pillars, supporting our goal of sustainable financial performance by capitalizing on new business opportunities while addressing risks. Under each pillar, we have identified the most material topics — taking account of their importance to QIB and to our stakeholders. These pillars and their corresponding topics reflect our strategic priorities to enable sustainable growth and deliver outstanding customer experiences.









Engaging Our Stakeholders

Our approach to sustainability involves continuous engagement with stakeholders, both internal and external. Through a range of communication channels, we listen to and seek feedback from diverse groups of stakeholders. Their input guides our sustainability strategy and the issues we prioritise for action and improvement. Our goal is to create long-term value and deliver our business strategy through a collaborative and proactive approach to building and maintain relationships with stakeholders.

2020 was an extremely difficult year for all as a result of the COVID-19 pandemic. Throughout, we have strived to be transparent and responsive in our relationships and communications to build trust and confidence.

Our key stakeholder groups and the ways we engaged with them in 2020 are listed below.

Stakeholder Group	Needs & Expectations	Methods of Engagement	Our Response
 <p>Customers</p>	<ul style="list-style-type: none"> • Compliance with Islamic/Sharia principles • Competitive rates and fees • Efficient and proactive customer channels • Friendly and responsive customer service • Digital banking services • Data security • Innovative products and services • COVID19- response 	<ul style="list-style-type: none"> • Reports • Website • Customer service channels • Social media 	<ul style="list-style-type: none"> • Enriched the services of the Corporate Internet Banking Platform for our corporate customers • Launched the Corporate Mobile App • Effectively digitalized a vast number of everyday banking services on our retail platforms • Enabled digital banking operations to reduce branch visits, in line with COVID19-regulations
 <p>Employees</p>	<ul style="list-style-type: none"> • Fair compensation • Skills upgradation and training programs • Fostering a diverse and inclusive work environment • Recognition / rewards • COVID19- response 	<ul style="list-style-type: none"> • Trainings • Policies • Surveys • Reports • Internal communications 	<ul style="list-style-type: none"> • Communicated best practices to ensure health and wellbeing • Facilitated remote working with the provision of necessary equipment • Conducted training sessions virtually
 <p>Shari'a Supervisory Board</p>	<ul style="list-style-type: none"> • Compliance of QIB operations with Islamic Shari'a principles • Earnings from sources prohibited by Shari'a are disposed of to charitable causes 	<ul style="list-style-type: none"> • Reports • Financial Statements • Shari'a audit process • Shari'a approval for new products and services 	<ul style="list-style-type: none"> • Operations and financial statements do not contradict with the provisions of Islamic Sharia • Continuance of Shari'a compliant operations
 <p>Shareholders & Investors</p>	<ul style="list-style-type: none"> • Strong balance sheet and profitability • Growth • Transparency and disclosure • Strong risk management • Strong market position 	<ul style="list-style-type: none"> • Reports • Financial statements • Board Meetings • Annual General Assembly meetings • Website 	<ul style="list-style-type: none"> • Maintained financial performance • Delivered dividends • Transparently communicated opportunities, risks, and performance

Stakeholder Group	Needs & Expectations	Methods of Engagement	Our Response
 <p>Local Community</p>	<ul style="list-style-type: none"> • Financial literacy and inclusion • Sponsorships of initiatives in health, education, sports and environment 	<ul style="list-style-type: none"> • Volunteering • Donations • Campaigns • Website 	<ul style="list-style-type: none"> • Conducted the 'How Money Works' program effectively via digital channels • Founded campaign to raise community awareness of COVID19- • Blood donation initiative
 <p>Regulators</p>	<ul style="list-style-type: none"> • Compliance with legal and regulatory requirements by the Qatar Central Bank, Qatar Stock Exchange, and Qatar Financial Markets Authority • Strong risk management and governance 	<ul style="list-style-type: none"> • Audits • Internal control and risk management systems • Committees • Reports • Public disclosures • Website 	<ul style="list-style-type: none"> • Full compliance with laws and regulations • Abided by national regulatory guidelines and mandates swiftly and effectively • Upgraded a comprehensive suite of AML/CFT policies and procedures
 <p>Suppliers & other Business Partners</p>	<ul style="list-style-type: none"> • Timely payments • Open communication channels • Fair and respectful processes 	<ul style="list-style-type: none"> • Audits • RFPs & Clear scope of work • Change requests 	<ul style="list-style-type: none"> • Primarily engaged local suppliers for procurement • Clear and transparent agreements • Terms of payments schedules

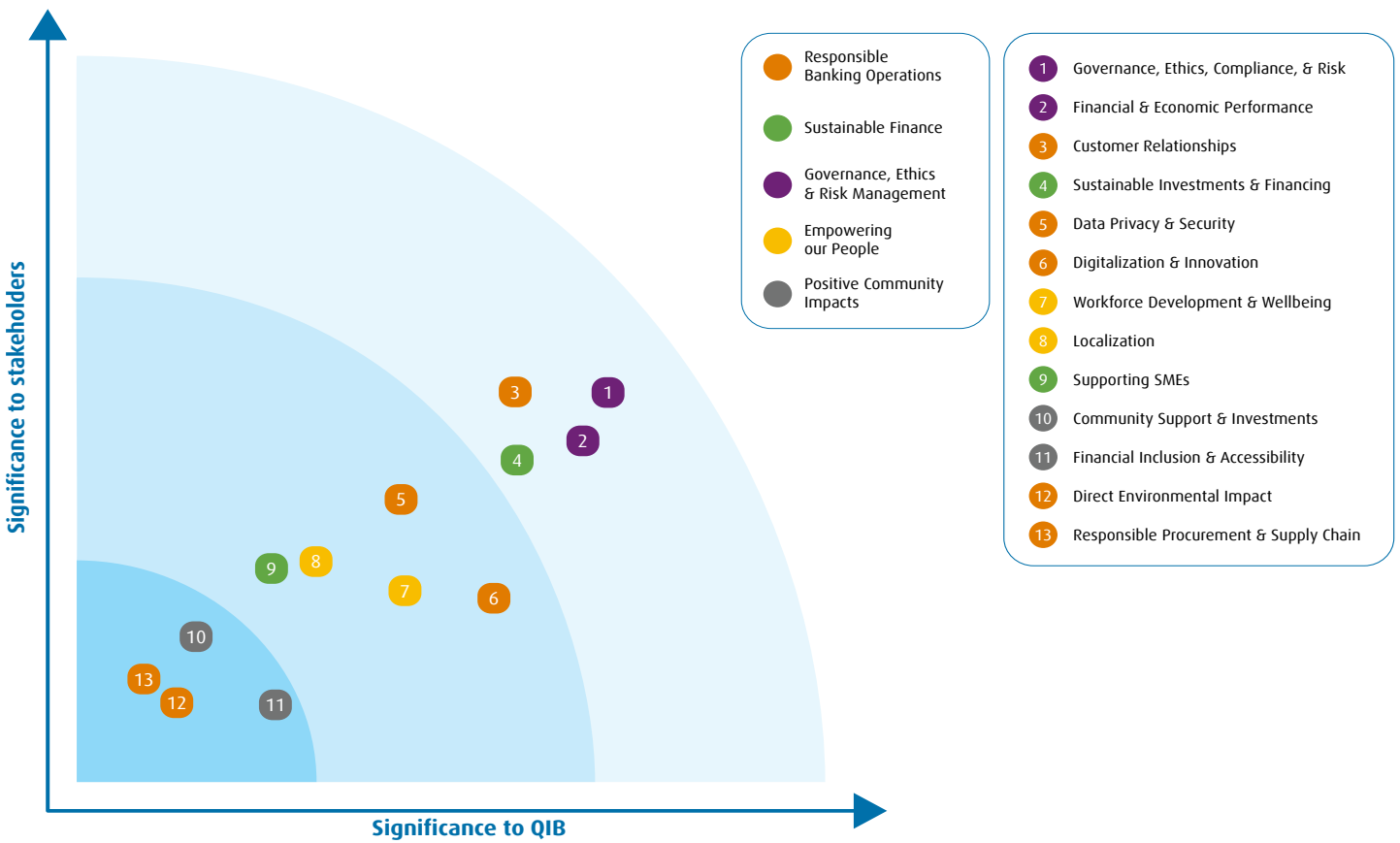
Materiality

For our first annual Sustainability Report, we used a materiality assessment process to identify issues that have the most potential to impact our ability to operate successfully and create value for our internal and external stakeholders.

In conducting our materiality assessment, we considered our strategy, the input of our Management Committee, values and code of conduct, the wants and needs of our stakeholders, recent regulatory developments, the Qatar National Vision 2030, peer companies, industry trends and global reporting standards, and the UN SDGs to identify the most relevant risks and opportunities.

The results demonstrated the focus on the social aspect of sustainability, such as the relationship with customers, employees, suppliers, and the community in consideration of COVID-19, in addition to the governance of our banking practices, including sustainable investing and lending, financial performance, and innovation.

We will continue to evaluate these topics annually to reflect the views of our internal and external stakeholders.



Measuring our Performance

Material Issue	Key Performance Indicators	2018	2019	2020
Sustainable Finance				
Sustainable Investment & Financing	Financing portfolio of projects contributing to the QNV (in QR billion)	N/A	N/A	2.261
	Financing portfolio of renewable energy projects (in QR billion)	N/A	N/A	1.682
	Number of SME customers	376	376	707
	Financing portfolio for SME & microenterprise customers (%)	0.91%	0.93%	0.82%
Responsible Banking Operations				
Digitalization & Innovation	Customers who are digitally active (%)	37%	45%	64%
	New accounts for existing customers opened digitally (%)	N/A	51%	78%
	New customers digitally onboarded (%)	N/A	10%	42%
	Credit cards sold digitally (%)	N/A	17%	38%
	Personal financing sold digitally (%)	4%	18%	47%
	Retail End to End services offered digitally (%)	N/A	N/A	65%
	Corporate End to End services offered digitally (%)	N/A	N/A	51%
	Number of products offered digitally	N/A	N/A	19
Customer Relationships	Customer satisfaction score (%)	88%	87%	N/A
Data Privacy & Security	Data security breaches (#)	0	0	0

Measuring our Performance

Material Issue	Key Performance Indicators	2018	2019	2020
Financial & Economic Performance	Revenues (in QR '000)	6,882,879	7,738,245	7,957,972
	Annual income (Million QR)	6,883	7,738	7,958
	Operating income (Million QR)	4,502	4,830	5,439
	Net profit (Million QR)	2,755	3,055	3,065
	Return on Equity	17.4%	18.1%	16.7%
	Assets (Million QR)	153,232	163,519	174,356
	Cost to Income ratio	25.4%	22.8%	20.1%

Governance, Ethics, and Risk Management

Governance, Ethics, Compliance, & Risk	Board seats occupied by independent directors (%)	0	0	0
	Incidents of non-compliance with laws and regulations (#)	0	0	0
	Number of inquiries, complaints, or issues received by the Whistleblower Team through email, an internal monitoring or reporting system	0	0	0
Direct Environmental Impact	Energy intensity per employee (GJ/employee)	N/A	53.23	45.93
	Electricity Consumption (kWh)	N/A	12,412,123	10,774,771
	Water usage intensity (m3 per employee)	N/A	28.86	24.29
Responsible Procurement & Supply Chain	Number of local suppliers engaged	600	850	1,253
	Percentage of procurement spending on local suppliers	98%	97%	97%

Measuring our Performance

Material Issue	Key Performance Indicators	2018	2019	2020
Empowering our People				
Workforce Development & Wellbeing	Percentage of female employees in management (middle management and above)	11%	11%	12%
	Average number of training hours provided per employee	15	24	30
	Percentage of females in the workforce	25%	25%	25%
Localization	Percentage of Qatari employees	27%	28%	27%
	Percentage of Qatari new hires	30%	56%	52%
Positive Community Impacts				
Community Support & Investments	Participants in financial literacy initiatives (#)	366	434	829
	Community investments (QR)	74,671,614	83,114,316	81,873,377





Supporting National and Global Goals

We are committed to following international and industry best practices and to improving the wellbeing of present and future generations. We measure and report our performance against a number of leading sustainability initiatives with the aim of improving our ESG performance.

National Goals

The Qatar National Vision 2030 is a roadmap towards Qatar becoming a more advanced society capable of sustainable


development and growth. The Vision encompasses the areas of society, the environment, the economy, and human development for the next decade. QIB's business strategy is closely tied with Qatar's National Vision (QNV) 2030 and its four pillars, human, environmental, economic, and social development, along with the government's commitment to investing in the country's infrastructure, the diversification of the economy, and the development of a strong private sector. Our contribution to the four pillars of the QNV:

 Human Development	 Environmental Development	 Economic Development	 Social Development
Managing and developing our talent	Financing of renewable energy products	Contributing to the diversification of the national economy by supporting local SMEs	Maintaining a solid and growing base of Qatari employees
Prioritizing the welfare of our employees	Contributing to making Qatar a self-sustaining nation	Maintaining strong financial growth	Continuing to grow the participation of women in the workforce
Enhance employee and customer welfare, engagement, and wellbeing	Minimizing waste and resource consumption through digitalization of products and services	Providing financing solutions to individuals and businesses contributing to national development	Providing accessible products and services to the wider community to increase inclusion

International Goals

The UN SDGs are the blueprint for achieving a better future for all by ending poverty, protecting the planet, and ensuring peace and prosperity for all.

QIB Framework alignment with UN SDGs

Pillar	Description	UN SDG alignment
Sustainable Finance	We are committed to embed environmental, social, and governance criteria in our financing and investment portfolios.	
Responsible Banking Operations	We aim to ensure positive financial and operational performance to drive shareholder and customer value.	
Governance, Ethics, & Risk Management	We continue to develop a structure that reinforces and develops policies to monitor and manage our risks and opportunities within our operations and value chain.	
Empowering our People	We strive to create a work environment where our people can develop personally and professionally, while safeguarding their wellbeing	
Positive Community Impacts	We seek to contribute to local economic development through dedicated investments, sponsorships, and campaigns	

Sustainable Finance

Sustainable finance is the integration of ESG criteria in our financing activities to deliver profit with purpose. Our goal is to support customers to manage their environmental and social risks and provide finance to businesses that contribute towards sustainable development goals. We look towards the guidance of our Islamic banking principles to contribute to global efforts of combatting climate change and supporting the local economy through sustainable financing and investing.



Sustainable Investing and Financing



As a financial institution, our biggest leverage with regards to sustainability comes from financing projects and businesses whose mission is to deliver sustainable outcomes for the environment, society, and the economy. We are exploring methodologies and processes to integrate ESG criteria into our assessments to guide our financing decisions in responsible investments that create meaningful value.

Our Approach

We apply a Shari'a review process with a high level of scrutiny to all potential transactions to ensure that these are in line with our values as an Islamic Bank by applying qualitative sector and quantitative financial screening criteria. In addition to this, ESG criteria help assess non-financial risks and opportunities of investments and are integral to responsible investment decisions that contribute to preserving and delivering long-term growth, providing of a better quality of life for all, and safeguarding the planet and its resources.

Our Risk Appetite Strategy & Framework defines our risk tolerance and describes risk limits, targets, and measures for major risk categories. The Framework includes ESG criteria, such as environmental criteria like climate change and resource depletion, social criteria like employee relations and diversity or governance criteria related to incidents of corruption, bribery, and executive remuneration. The Framework guides our departments and teams responsible for the initial assessments of finance and investment transactions to consider these criteria, depending on the customer's size and industry of operation. We discourage financing of projects that have particularly negative sustainability impacts.

The Framework is reviewed annually by the Board and senior management team to ensure its consistency with the Bank's strategy, stakeholder requirements, and the business environment. We are proactively working with industry experts to deepen our practice of applying responsible investment principles through the entire investment process, incorporating the analysis of ESG factors, alongside financial analysis, across all asset classes to target sustainable long-term returns.

Our Performance

We are making an effort to include sustainable projects in our financing and investing portfolio that contribute to the reduction of resource depletion and the environmental footprint. Below is a selection of our recent projects where ESG considerations played a role in providing financing or investment to a specific client.

- Since 2013, we have developed and fostered a strong relationship with Qatar Solar Technologies (QSTec), extending structured long-term project financing to support the construction of QSTec's polysilicon-producing plant in Ras Laffan. Polysilicon is an important material for the production of efficient solar cells and modules in photovoltaic panels and systems. Through our project financing of QR 1,682 million, we enabled QSTec to support the global solar industry by producing innovative solar solutions used locally and globally.
- In line with the Qatar National Vision 2030, mandating the contribution to human, environmental, social, and economic development, we are committed to supporting our nation in achieving its targets.
- We have participated in methods of financing for power generation and water desalination projects. Qatar Electricity and Water Company (QEWCo) is one of our key clients where greenfield power and water projects were undertaken. For this purpose, we structured an Istisna Ijara facility, the most common form of Islamic project finance structure for large, long-term financing with a procurement (Istisna'a) and forward lease (Ijara) combination for project financing of these sustainable initiatives worth QR 358 million.
- Food security is a crucial aspect to Qatar following the turbulent relations with neighbouring countries that halted food supply lines. Qatar has since strengthened its efforts in improving national food security. QIB provided the government support in this aspect by acting as the primary bank assisting QTerminals, a government owned joint venture (JV), in developing the Container Terminal 2 at Hamad Port, Qatar's main seaport, by providing QR 182 million in financing. Hamad Port plays a vital role for Qatar in terms of food security, and as such, capacity building is pivotal to stock adequate food supply and other products, especially amidst the challenging times brought forth by the pandemic. QIB financed this project with a bridge financing mechanism, bridging the gap between the time when the company's money is set to exhaust and when it can expect to receive an infusion of funds at a later stage, followed by a long-term corporate project finance, that is nearing the execution stage.
- Further to this, QIB is the main bank of Hassad Food Company, the investment arm of the Qatar Investment Authority, with a primary focus on the field of agriculture

and that has set the goal of meeting 60% of Qatar's food demand. Hassad Food Company utilizes QIB's trade finance solutions for the import of essential food items.

- In support of the government of Qatar, QIB heavily assisted the Ministry of Public Health (MoPH) in securing medical supplies for Qatar. We issued a letter of guarantee for QR 39

million to secure vaccination from the COVID-19 Vaccines Global Access (COVAX) facility to foster the availability of COVID-19 vaccines in Qatar. In addition, QIB also partook in facilitating the importation of vaccines from other suppliers as well as securing personal protective equipment (PPE) and medical supplies throughout the pandemic.

Sustainable Products and Services



We aim to work with our customers to provide expert advice and products to support their decarbonization transition while taking into consideration their unique conditions, which will require the expansion of our portfolio of finance solutions to support customers in all sectors to progressively lower carbon emissions.

While we develop and implement a robust sustainability strategy, in 2020, we focused on expanding our portfolio by introducing products and services aimed at improving positive environmental and social impacts, in addition to enhancing the features and functionalities of our existing product suite to meet evolving expectations and demand, particularly during the COVID-19 pandemic.

Our Performance

This expansion of our portfolio entailed products and services

designed to reduce environmental impact and in line with our digital transformation strategy. In effect, we have digitalized 65% of retail services and 52% of retail products as well as 51% of corporate services and 15% of corporate products in an effort to enhance consumer experience while reducing paper consumption and waste along with branch visits.

In addition to this, our commitment to expand our sustainable product offering extends to products designed to support financial inclusion and assisting customers with vulnerabilities, which are detailed in the Financial Accessibility and Inclusion chapter.

Our Outlook

As part of our sustainability strategy, we are seeking to identify and launch new products and services that offer sustainable opportunities for our customers.

Supporting SMEs



SMEs and entrepreneurs are essential for innovation and economic growth. However, many often lack the access to finance and available products or services may not meet their specific needs.

Qatar has focused on the development of SMEs to support local industries and promote a diversified national economy.

Our Approach

We support the Al-Dhameen initiative launched by the Qatar Development Bank (QDB) to encourage banks to offer financing to start-ups and SMEs unable to provide the required financing guarantees and collaterals by promising to repay up to 85% of allocated funds not exceeding QR 15 million. In turn, start-up and SME owners can obtain the financing they require from a list of participating banks, including QIB. Our support for the Al-Dhameen program focuses on enabling youth and women.

Our Performance

QIB was a pillar of support for customers that struggled as a result of the COVID-19 pandemic. In line with the Qatar Central

Bank (QCB) guideline to postpone instalments of businesses and individuals affected by the pandemic, we provided six months of instalments postponement for all affected SMEs with zero additional profit. This enabled our SME customers to be more comfortable with their cashflow and subsequently recover their businesses to normality, or even uplift their business positions.

Additionally, QIB supported its customers through financing dedicated to rentals (office space, outlets, workshops, and accommodation) as well as salaries of employees for six months, in line with the QDB's National Response Guarantee financing program. Furthermore, we have further extended additional financing up to QR 7.5 million for "lock down" sectors (classified by the QDB) and lengthened the grace period of these finances from 12 months to 24 months.

Our launch of new digital solutions that enhance our online banking features for corporate customers enabled them to manage their banking activities conveniently from home, including the introduction of remote deposit capture (RDC) machines, allowing more customers to enjoy the RDC facilities of remotely scanning cheques and sharing the scanned images to the Bank for posting and clearing. QIB has supported its customers to fulfil their banking requirements digitally, considering the health and safety measures of the pandemic.

Due to our efforts and progress, QIB Business Banking division received the prestigious award of "Best SME Bank in Qatar" by Asian banker and World's Best Islamic SME Bank by Global Finance and Best Bank for SMEs in Qatar by AsiaMoney in 2020.

SME Banking	Unit	2018	2019	2020
Total number of SME customers	Number	16,478	17,241	18,320
Value of financing portfolio for SME customers	QR ('000s)	953,192	1,097,792	1,010,379
Value of financing portfolio for Microenterprise customers	QR ('000s)	67,87	57,132	66,155

Responsible Banking Operations

We are keen on maintaining our reputation of being a responsible organization that is accountable to its stakeholders. We focus on digitalization and innovation to maximize customer satisfaction, while safeguarding and securing data. Our efforts of responsible banking extend throughout our entire value chain as we work closely with suppliers to monitor and manage our projects. Internally, we monitor our environmental impact in an effort to minimize it.



Digitalization & Innovation



Through our bank-wide digital transformation program, we aim to improve customer experience, modernize our offerings, contribute positively to our profitability, and introduce an agile methodology to continuously deliver new and innovative products to existing and new customers.

Our Approach

In addition to our bank-wide digital transformation program, we implemented a “Bank Safely from Home” campaign in response to the COVID-19 pandemic and the associated government restrictions to mitigate the spread of the virus, which led to a record increase in the adoption of digital channels by our existing and new customers.

Our Performance

Our strategic vision to transform the bank digitally provided us

with the right digital foundations to mitigate the impacts of COVID-19 all year long while only 20% of our branches were open, and less than 20% of employees working from their offices between April and June 2020. We effectively digitalized 65% and 51% of our retail and corporate banking services respectively.

We are particularly dedicated to the optimization of our channels to increase self-service and efficiency for customers as well as our internal processes. This includes advances in migrating Personal Financing, cards, and Ijara sales through our digital channels; as well as the process of digital onboarding through the QIB Mobile App.

Our extensive list of awards, including “Digital Bank of the Year” and “Best Mobile Banking Application” at The Global Retail Banking Innovation Awards 2020 by The Digital Banker Magazine, along with “Best Mobile Banking App in Qatar” and “Best Social Media Marketing and Services” by Global Finance magazine, are testament to our efforts in providing innovative solutions in our products, services, and processes.

Uptake of Digitalization Products Among Customers	Unit	2018	2019	2020
One Click Financing	Number	153	7,757	39,730
Digital Onboarding	Number	N/A	3,237	20,559
EMI Postponement	Number	N/A	N/A	12,919
Instant Credit Card	Number	N/A	132	3,930

	<p>1.5 million logins to the QIB Mobile App monthly</p> <hr/> <p>Top rated app (4.7+ Rating) in the banking sector in Qatar on both Apple Store & Google Play</p>		<p>50% increase in Mobile App active users in 2020</p> <hr/> <p>38% of credit cards sold digitally</p>		<p>90% of Transactions made through the Mobile App</p> <hr/> <p>47% of personal finance sold digitally</p>
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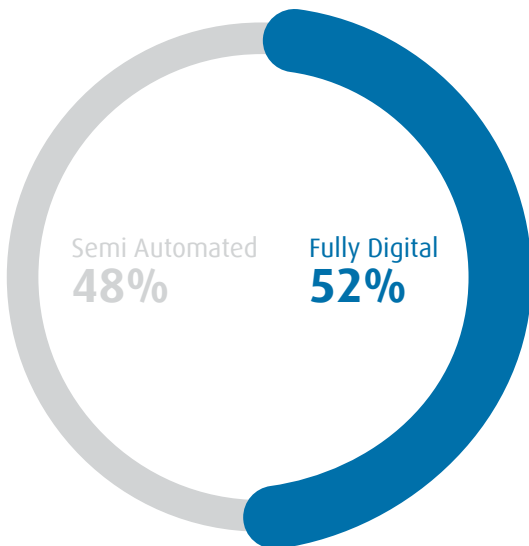
Retail Banking Performance Highlights

- We were the first Islamic bank in the world to launch one click financing through mobile banking, the fastest and simplest way to receive financing in Qatar. The innovative and fully digital new feature allows customers to apply for finance services through our award-winning mobile app. Eligible customers can benefit from finance transferred to their accounts within minutes, from the comfort of their homes.
- For the first time in Qatar, new customers have the capability to open various types of accounts within minutes through digital onboarding on our Mobile App. Through this new feature, prospective customers can open accounts in a fast, simple and convenient way through their smart devices. The app also features a live chat service that assists customers with any inquiry during the account opening process.
- We were also the first bank in Qatar to offer pre-approved customers a tailored credit card, which can be issued instantly through mobile banking. This feature provides opportunity for customers to instantly apply, get approval and receive a credit card tailored to their specific needs. We have also improved the way our customers can upload their documents to reduce paper waste and branch visits. Legal documents can be updated to the portal digitally by our customers, which are processed by our back-office team members virtually.
- As a response to the difficult economic times caused by the pandemic, we offer a Credit Card Temporary Limit Increase,

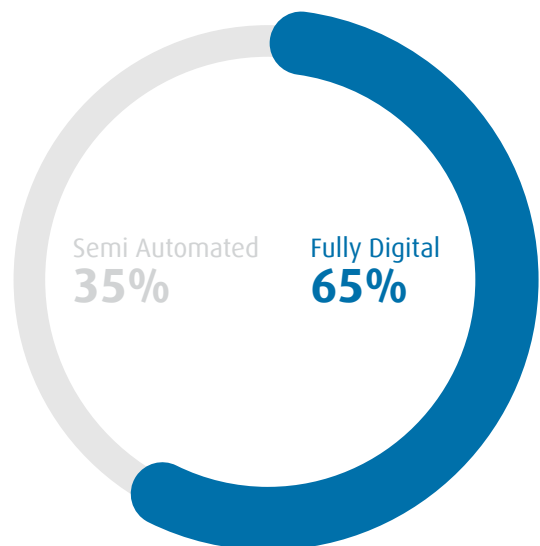
which is a digital journey on QIB's Mobile App and Contact Centre that enables customers to apply for a temporary raise in customer's credit card limit and be able to use it instantly.

- Additionally, we operate an end-to-end digital journey at QIB Branches with a computer-based application for personal finance distribution, wherein the Bank underwrites the entire application digitally, receives customer's acceptance to terms and conditions through a one-time password on SMS and disburses the finance on the spot. The journey also facilitates other paper-based features such as adding a grace period and settlement of existing finance.
- QIB offers an innovative E-IPO service both via the Mobile App and the QIB Internet Banking. Through this function, our customers can now subscribe to any future IPOs electronically. The E-IPO function allows pre-registered customers to subscribe to an IPO within a few minutes, hassle free, paperless, and without the need to visit a branch.
- We have updated our system for uploading know-your-customer (KYC) related documents digitally for both our retail and wholesale customers. This digital journey without needing to submit any physical documents, customers can scan or upload digital copies of their legal documents which will be processed digitally by our back-office team members. This service enhancement is in line with the Foreign Account Tax Compliant Act (FATCA) and the Common Reporting Standard (CRS) regulatory requirements.

Digitalization of Retail Products



Digitalization of Retail services



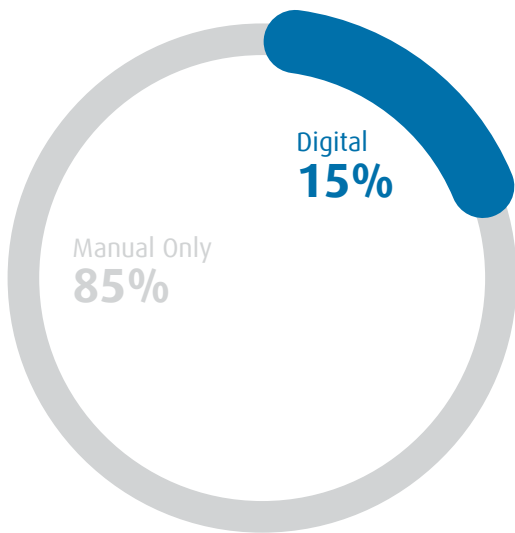
Corporate Banking Performance Highlights

- For our wholesale customers, in addition to our Corporate Internet Banking, we developed and launched the QIB Corporate Mobile App, specifically designed for our corporate and SME customers. With full automation, avoiding the need for customer visits to branches to abide by lockdown and social distancing rules, our customers can process transactions online while adhering to processes of approval, thus creating a seamless workflow to create and approve transactions.
- We also introduced the remote deposit capture (RDC) service, enabling deposits of receivable cheques through digitalized channels, as opposed to branch visits.
- The introduction of our Host-to-Host online payment integration for corporate customers allowed the integration of enterprise resource planning (ERP) accounting payables through secure channels. This has proved extremely efficient, demonstrated by the use of the Corporate Internet Banking platform for 85% of all corporate banking transfers.

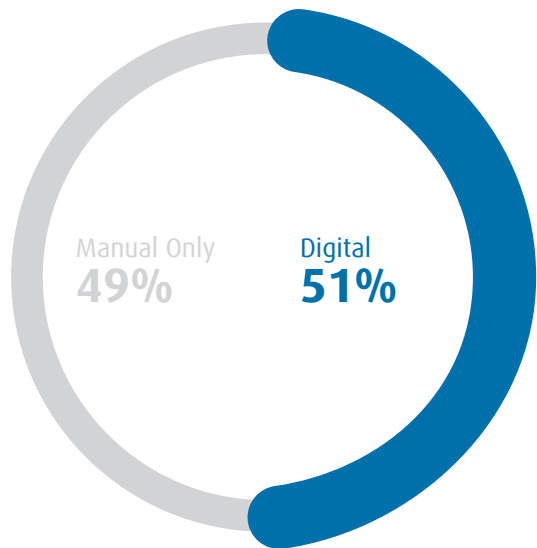
- The Corporate Internet Banking enhancements carried out in 2020 to the QIB digital platforms enable our customers to apply for deposit accounts instantly without the need to submit any paperwork. Moreover, customers can now apply for cash deposit cards fully digitally.
- Looking ahead, we have made commitments to organize internal and external discussions to understand major trends in our industry to inform our future strategic direction. We will address how digital banking is changing our operating model as well as how we can embed the transition to a low-carbon and clean technology economy, to maintain our competitive advantage.

Just as with our retail customers, the number of wholesale customers has steadily increased year on year, with a particular increase in SME customers, demonstrating our achievement in meeting our customers' needs and supporting the local economy.

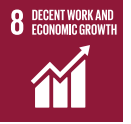
Digitalization of Corporate Products



Digitalization of Corporate Services



Customer Relationships



Customers and their experiences have always been at the heart of our operations and we strive to continually meet and exceed their expectations. During the pandemic, we particularly focused on delivering outstanding customer experiences that safeguarded our customers' health and safety.

Our Approach

Throughout 2020, a major element of our customer relationship strategies involved helping our wholesale and retail clients to address the negative impacts created by the COVID-19 pandemic. The COVID-19 pandemic and its subsequent restrictions and lockdowns has had significant economic impacts on numerous companies and individuals, affecting sectors such as tourism, real estate, aviation, and small and medium enterprises (SMEs).

To safeguard the wellbeing of our customers, we align ourselves with the national guidance and regulations issued by the QCB and the Ministry of Public Health (MoPH), as well as further digitalizing our banking services via our dedicated online platforms.

We foster and nurture our relationships with all clients by providing the best possible professional services and by continuing to improve overall customer experiences. We strive to do this by ensuring comprehensive and real time communication with all customers, introducing new products and services in a swift and secure manner, and migrating an extensive number of services from our branches and service centers to online channels.

Regarding customer experience specifically, weekly and monthly detailed complaint reports are shared with senior management to ensure awareness of the latest complaints and provide support to ensure non-recurrence of complaints. The monthly

report is also shared with the Learning and Development Team to incorporate the necessary training for staff.

To address customer feedback and concerns in relation to rendered banking services, we have developed a Complaint Management Policy that ensures customer complaints are treated in a clear, fair and timely manner, to resolve disputes with speed and objectivity and maintain our brand reputation. The Policy covers verbal or written expressions of dissatisfaction, suggestions, or comments received from customers regarding the level of quality of rendered products and services. Its objective is to ensure that complaints are resolved in an efficient and professional manner, in accordance with prevailing legal and regulatory requirements. The Management Committee is responsible for the adoption and implementation of the Complaint Management Policy. In turn, all our employees are obliged to be familiar with the Policy and act accordingly.

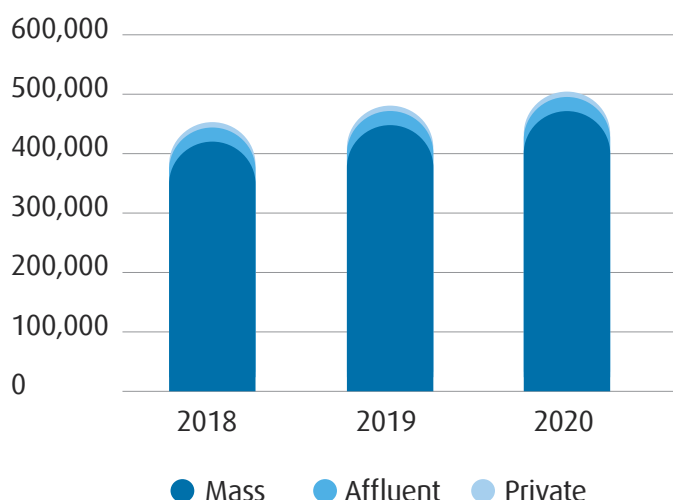
In line with the Policy, we established a Customer Care Unit specialized in handling customer complaints. All customer complaints are considered by the centralized Customer Care Unit, except in cases where the nature of the complaint necessitates assignment to another unit. In these instances, the Customer Care unit monitors the timely preparation of a reply seeking to resolve the case in view of the commitments undertaken by the Bank.

Moreover, following our conservative approach, we do not engage with and prevent predatory lending practices that involve fraudulent activities carried out by providing financing to a borrower at high fees, strips the borrower of equity, or places the borrower in a lower credit rated financing to the benefit of the financier.

Our Performance

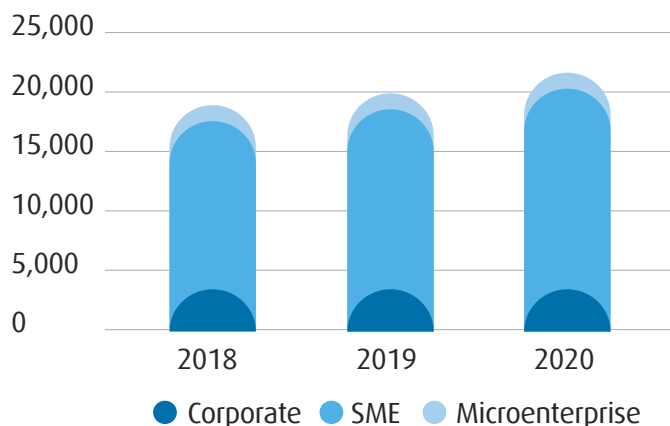
We have witnessed the progressive increase in our total number of customers. Respectively, retail customers increased by 9% and 8% in 2019 and 2020, compared to the previous year. The majority of this increase can be attributed to the growth in the number of mass retail customers as our retail customers are predominantly in the mass segment, representing 96% of total retail customers.

Retail Customer Growth



The number of wholesale customers grew by 6% in 2020 and by 4% in 2019. This growth was led by SMEs sector, in line with the QIB strategy and our commitment to the QNV to support the private sector and the diversification of Qatar’s economy.

Wholesale Customer Growth



We assess our customers’ satisfaction and receive feedback by conducting customer satisfaction surveys. Due to COVID-19 related restrictions, we were not able to perform the survey in 2020, but we look forward to continuing this activity in future years, targeting 85% overall customer satisfaction score.

Customer Satisfaction

Unit

2018

2019

2020

Target

Overall Customer Satisfaction

%

88

87

N/A

85

As a result of the COVID-19 pandemic and the challenges it posed, we received notably more complaints by our customers. Through our research and analysis, we have deduced that this increase was caused by the need to adapt to the social distancing restrictions imposed to prevent the spread of the

virus and rely on digital channels to provide our services. In effect, our customers had to adapt to shorter branch working hours, limits on the number of customers in our branches and service centers, and to the migration of transactions from branches to our online channels.

Client Claims

Unit

2018

2019

2020

Number of client claims

Number

2,627

1,942

2,677

Number of claims resolved

Number

2,627

1,942

2,677

Average response rate for client claims

Working Days

1.55

1.56

2.11

As a result of the QCB directives for financial institutions, including repayment of debt, we introduced a new banking service allowing our retail customers to postpone their monthly instalments on personal finance through our Mobile App instantly. We were the only Bank in Qatar to have offered such a rapid service. Similarly, for our corporate clients, we

offered rescheduled financing obligations for affected clients by providing moratoriums, capitalization of profits, and subsidized profits. These measures provided leeway for the corporate sector to recover from the immediate challenges posed by COVID-19.

Data Privacy & Security



Throughout a very challenging year like 2020, we had to deal with many emerging risks introduced by the pandemic, besides the inherent risks associated with the banking sector. Our data privacy and security approaches ensure the utmost confidentiality and security of data across our entire business.

Our Approach

To serve our customers and provide them with streamlined experiences, we rely on personal, business and financial information. For this reason, ensuring that information is safe and confidentiality is a top priority.

We have a dedicated Head of Information Security responsible for the Information security Department who reports to QIB’s Group Chief Risk officer. The Head of Information Security is responsible for managing our Information Security Management program, while the Information Security Team implements the defined security controls and ensures compliance with our

approved Information Security policies and procedures. These policies and procedures are based on the requirements of Qatar’s Data Privacy Protection law, ISO 27001, PCI-DSS, Cloud Security Alliance, and NIST Cybersecurity Framework, to ensure regulatory compliance.

Through the implementation of a Continuous Vulnerability Assessment Program, along with external security assessments on our Apps and infrastructure, we identify and address threats, such as data security. The program focuses on the continuous tracking and assessing of vulnerabilities within all our assets, collaborating with relevant stakeholders for remediations and to minimize opportunities for attacks, and following-up on industry resources and regulatory intelligence for new threats and vulnerability information as well as remediation plans.

Our Performance

During 2020, the emergence of COVID-19 related challenges led to a significant increase in the number of employees working remotely and volume of digital transactions by our customers, emphasizing the importance for our Information Security department to protect the systems from cyber threats and fraud. In light of this, we are proud to have successfully maintained our performance, containing any security breaches through our advanced breach and fraud detection techniques and monitoring tools which identify suspicious activity and prevent data losses.

Security breaches	2018	2019	2020
Number of data security breaches	0	0	0
Number of data security breaches involving customers’ personally identifiable information	0	0	0

While our people worked from home and connected to the Banks’s systems remotely, our information security (Infosec) unit, controlled by our Risk Department, directed and supported several measures to monitor data use and ensure complete security of data and customer data privacy.

We take a proactive approach to ensure all our people are knowledgeable in the areas of data security and confidentiality. We carry out mandatory Information Security eLearning sessions for all employees and contractors at least every six months covering topics such as data privacy and data protection. We also work with third parties, including reputable global

cybersecurity leaders, to conduct a Threat Hunting and Threat Monitoring Program to monitor our Bank’s critical assets. We periodically review our partners on assessing threats that may have an impact on the financial services industry at various levels, including global, regional, Qatar and QIB specific.

On our company website, users have access to our Security Tips page that aims to inform the community on safe online banking, mobile banking, ATM banking, and ways to avoid identity theft, supported by ongoing communications through our social media pages and monthly awareness SMSs to all out customers.

Environmental Impact



Understanding that climate change is one of the most critical challenges facing the planet, threatening the environment, societies, and economies, QIB is committed to protecting the natural environment and managing its environment impacts.

Our Approach

With 24 branches and offices across Qatar, mostly located within malls, our operational footprint is relatively small. Nevertheless, we are committed to contributing to the environmental pillar of the Qatar National Vision 2030. As such, we focus our efforts on increasing the efficiency of our spaces to reduce environmental impacts stemming from energy and water consumption and waste generation by seeking ways to drive down emissions and optimize our resources.

On a yearly and incremental basis, we implement initiatives to reduce energy use and increase energy efficiency through process redesigns, the conversion and retrofitting of our equipment, operational changes, and increasing employee awareness.

We have a Recycling and Conservation Policy, which is shared with and applies to all QIB employees. The Policy encourages the adoption of low energy lighting where practicable and the responsible use of air conditioning units. The Policy also addresses the need for employees to adopt practices of

reduction, reuse, recycling, and recovery wherever possible and encourages them to take an active role in our recycling and waste reduction programs. Additionally, we strive to reduce paper consumption by relying on digital forms, policies, manuals, and communications, encouraging our employees to reduce their printing activities and think twice about the necessity of a hard copy before printing documents.

We also monitor our fleet fuel consumption through our Fuel Portal (E-WOQOD) which allows us to keep track of all fueling of our fleet via detailed reports generated for each vehicle plate number.

Our Performance

Our efforts to minimize our environment impact are visible in the year-on-year reduction of the consumption of electricity and water, along with that of waste generated. Attributed to the COVID-19 pandemic, a large part of the reductions achieved in 2020 can be associated with working from home mandates and the closing of the majority of our branches. Notwithstanding this, we are committed to saving electricity and water on an ongoing basis, supported by our alignment with Qatari General Electricity & Water Corporation (Kahramaa)'s Tarsheed initiative to encourage conservation. The initiative encourages all people in Qatar to make their homes, workplaces, and lifestyles more sustainable, efficient, and environmentally friendly. In line with Tarsheed, we took up several activities to enhance the resource efficiency of our offices and branches, such as changing all light bulbs to LED ones and installing movement sensors to reduce electricity consumption. We are able to maintain low water consumption levels given that our branches are primarily located inside malls and therefore do not have complete washroom facilities.

Environmental Impact of Operations	Unit	2018	2019	2020
Total space used by QIB facilities (branches, offices; in square meters)	m ²	83,000	82,000	81,000
Emissions				
Direct emissions	kgCO ₂ eq	N/A	81,575	50,516
Indirect emissions	kgCO ₂ eq	N/A	5,262,740	4,568,503
Energy consumption				
Total electricity consumption	kWh	N/A	12,412,123	10,774,771
Total petrol consumption	litres	N/A	31,831	20,543
Total diesel consumption	litres	N/A	2,146	598
Water & Waste				
Total paper consumption	kg	4,500	3,300	1,000
Total paper recycled	kg	1,320	1,120	400
Total waste produced	tons	150,000	100,000	25,000
Total water consumption	m ³	N/A	24,851	20,888

Responsible Procurement and Supply Chain



Responsible procurement and supply chain practices are a vital component of enabling business continuity, sustainability, and mitigating negative social and environmental impacts. We engage and work with vendors and suppliers to manage risks and seek to enhance our positive impacts through responsible procurement practices.

Our Approach

Like many open-facing businesses, we are reliant on our vendors and other third-party service providers, even more so during the era of globalization, banking digitalization, and technological innovation. While banking relationships are becoming more complex, Vendor Management concepts have evolved significantly in the recent years to become a key component of business operations, with dedicated resources and increasing visibility of the agenda among our Executives and the Board.

We consider our vendors to be strategic assets that play a vital role in offering benefits to our business. We intend to establish strong, long-lasting, and mutually beneficial relationships with all our suppliers and vendors. However, given their access to highly sensitive information throughout their services and functions, there is a necessity to deploy a risk-based approach. Accordingly, we developed a Vendor Management Policy, defining the foundational elements of the vendor management program which provides guidance and reference to manage vendors in a clear, consistent, and comprehensive manner.

Additionally, the Policy sets out the expectations governing our arrangements with vendors.

Before entering an agreement with a vendor, we conduct consistent planning assessments including the direct effect of the vendor on the Bank, the complexity of the relationship, the potential information security implications, and other inherent risks such as human rights violations and negative environmental impact. A plan is developed for each vendor engagement, which is assessed and evaluated by the Risk Management Function before the decision to engage with the third party is made.

To ensure our vendor management practices align with our strategy and the effectiveness of our third-party relationship management (including risk management), we conduct periodic reviews by internal audit on vendor management.

Our vendors and suppliers undergo environmental and social audits by reputable firms in all areas of their operations, as a rule of engagement. These same considerations are embedded in our contracts and agreements.

Our Performance

While the pandemic contributed to the slow-down of the global and national economy, given our role as a leading national institution, we focused on Qatari businesses, to stimulate the local market.

During 2020, QIB focused on procuring locally as a result of the increased need for applications, software, hardware, and other digitally enabling products and services due to the remote working mandates. More than 97% of total annual procurement spending in 2020 was on local suppliers, with 1,253 suppliers engaged in Qatar.

Procurement	Unit	2018	2019	2020
Total number of local suppliers engaged	Number	600	850	1253
Procurement spending on local suppliers	QR Million	312	325	353
Total procurement spending	QR Million	317	336	363
Number of suppliers that are subject to audit	Number	308	697	770
Suppliers with which improvements were agreed upon as a result of audit	Number	260	690	760
Number of suppliers identified as having significant actual and potential negative impacts	Number	N/A	N/A	1
Suppliers with which relationships were terminated as a result of audit	Number	N/A	N/A	1

Governance, Ethics, and Risk Management

A solid governance structure plays a key role in shaping our corporate culture, regulatory compliance, and business practices. Through a robust governance structure and risk management system, we determine QIB's functions and responsibilities; promote principles of justice and equality; ensure robust control; manage risks, transparency, and disclosure; regulate shareholder rights, encourage the progress and development of society; overall leading to the improvement of our performance in general and our ability to leverage new opportunities that drive shareholder value.



Governance, Ethics, Compliance & Risk

Throughout the COVID-19 pandemic, our solid governance structure that managed risks, ensured transparency and compliance with national regulations, and that maintained just and ethical conduct, was an important aspect of our continuing operations.

Our Approach

Our Board of Directors has ultimate responsibility for the direction, supervision, and control of the Bank and for delivering sustainable shareholder and stakeholder value within a framework of accountable and effective controls. The Executive Committee is responsible for the oversight of the Bank's operations and strategic initiatives against targets and objectives set by the Board.

Our Governance Code targets our main principles: transparency, accountability and acknowledge of responsibility, and justice and equality.

- The principle of transparency is based on good faith, honesty and openness, and upholding QIB's values assigned to each official and employee in the Bank, including the Chairman, Board members, and Senior Executive Management. The Code establishes the necessary regulations that reduce and mitigate conflicts of interest, guided by the concept of honest investment in the market.
- Accountability and acknowledgement of responsibility, as a principle in the Code, aims to determine the rights, duties, and responsibilities within QIB and implementing an

appropriate control mechanism that enables accountability to all for their work and assesses performance, in addition to appraising the Bank's overall performance in accordance with best international standards. The principles also extend beyond the Bank as we embrace our social responsibility towards society by taking part in the achievement of its prosperity and progress, in addition to preserving the environment.

- In line with the principle of justice and equality, the Code states that stakeholders, especially shareholders, are equal in rights. As a result of this, it bans all forms of discrimination on the basis of race, gender, or religion, and shall have the same rights ensuing from their ownership of shares or their capacities in the Bank.

The Board of Directors and the Senior Executive Management of QIB are committed to upholding high standards of corporate governance, reflecting best practice and applicable regulatory guidelines, including those of the Qatar Central Bank (QCB).

Our Corporate Governance Framework, approved by the Board, covers a range of activities, responsibilities, policies, and procedures that oversee the operations of the entire bank to manage and monitor compliance, ethics, and risks. We expect all our people to be informed on the Bank's Code of Ethics and Code of Conduct, and act in a manner aligned with our vision and principles. Our people also receive training on ethical practices to ensure their awareness and understanding of our practices and expectations.

The Corporate Governance Framework also covers the Board Nominations Policy, which is drafted in full accordance with the QCB, the QFMA, and Commercial Company Law requirements. The Policy sets out a rigorous process for identifying, assessing, and selecting candidates on a "best fit" basis.

Board of Directors	Unit	2018	2019	2020
Board of Directors Members	Number	9	9	9
Independent members of the Board of Directors	Number	0	0	0
Non-independent members of the Board of Directors	Number	9	9	9
Executive members of the Board of Directors	Number	5	5	5
Non-executive members of the Board of Directors	Number	4	4	4
Female members of the Board of Directors	Number	0	0	0
Male members of the Board of Directors	Number	9	9	9

Governance, Ethics, Compliance & Risk

Internal Compliance, Audit and Reporting

We have established an Internal Control System (ICS), proposed by the Audit Committee, that develops a mechanism for exercising control, determining the functions and competencies of our various departments and sections, the rules and procedures regulating responsibilities, the programs for informing and educating employees on the importance of abiding our Code of Conduct, the internal control works, and our risk management plans.

The ICS entails the establishment of independent and effective units in charge of risk assessment and management, financial audit and, our compliance with financial transactions controls, especially with related parties. A Board resolution is issued to appoint the heads of the ICS whom must be qualified and experienced internal auditors, determining their functions and remunerations and holding them accountable before the Board. The ICS is in charge of reviewing business operations and reporting relevant adjustment reports and recommendations as per appraisals, management of risk and financial control, and external audits.

Our Internal Control Department is commissioned with the following specific roles and tasks:

- Overseeing the implementation and auditing of the ICS
- Shall be run by a qualified, independent and adequately trained work team
- Directly report to the Audit Committee
- Enjoy access to the entire activities of the Bank

The Compliance Division, which reports directly to the Audit & Risk Committee, is commissioned by the Bank's governance to support compliance Executives with ensuring full compliance with local and international regulations. The team assumes an active role in reviewing policies and laws and the Board's competencies adopted to ensure full adherence to the requirements of QCB and Qatar Financial Markets Authority (QFMA).

We also have a dedicated Audit Department, an independent department that enriches our internal controls, procedural systems, service quality, and offers advice on to how to update our training programs and upgrading plans. The Internal Audit team carries out analyses of accounting audit reports and detects any weaknesses therein, regularly prepares and submits quarterly reports on the control and supervision procedures over financial affairs, investments, risk management, and ICS implementation. The Department consistently reviews and updates its auditing methodology to ensure effective responses. In addition, the Department upgrades its planned and unplanned audit commitments in order to make proper recommendations as to the changes to be introduced to consolidate governance, risk management, and internal controls and compliance. As such, the Department's role has transformed from being a function requiring the assistance of external sources, to a body fully capable to self-assume the entire internal audit task of the bank.

The team undergoes self-appraisals, designed to be flawless and avoid employees' over-estimating their own performance

and reinforcing the procedure itself. The self-appraisals entirely remove normally occurring errors. QIB intends to further expand this process to develop proper training tools for the workforce in the future.

We introduced a Whistleblowing Policy in September 2018 that requires the reporting of all corrupt and fraudulent practices, including unlawful and improper payments and breaches of internal policies and guidelines, by all QIB staff. In 2018, 2019, and 2020 no incidents were reported.

Risk Management



Identifying and proactively managing risk in all aspects of our business is essential to the long-term success of QIB. We aim to minimize potential adverse effects on our financial performance and our operations by balancing our risks and returns exposure.

Embedding a risk management culture in all our business processes ensures that a proper culture is adopted throughout our organization. We strive to improve our risk management practices are in line with industry standards, QCB guidelines, and ESG considerations. Our policies require thorough credit risk assessments for our financing and investment practices including comprehensive credit risk analyses. Collateral to support any exposure is a key consideration and evaluated regularly to verify coverage. QIB does not engage in any activity or exposure that may pose reputational risks to the Bank.

We are dedicated to combat corruption, fraud, bribery, and terrorism financing and have the implemented the following practices and procedures:

- **AML/CFT:** We have developed a comprehensive suite of laundering and combatting financing terrorism (AML/CFT) policies and procedures that cover customer risk profiling, customer due diligence, transaction monitoring, aml/cft monitoring and training, name screening, and payment screening. Our automated AML/CFT transaction monitoring system was implemented to identify potentially suspicious transactions. Additionally, the Bank has an embargo solution which works to block swift transactions in accordance with legal and regulatory requirements and our AML/CFT policy. The Compliance Department works with QIB Learning and Development to deliver basic AML/CFT awareness training sessions annually to all staff, as well as tailored AML/CFT training to specific staff, including our Board of Directors, on the basis of their specializations.
- **Antibribery and Corruption:** The prevention of bribery and corruption practices is of critical importance to us to uphold our Bank's and Qatar's reputation. As such, we are further enhancing our management systems by investing in the Financial Crime Compliance unit, which reports to the Compliance division, that will be responsible for implementing an anti-bribery and corruption policy and

Governance, Ethics, Compliance & Risk

framework in addition to other measures to mitigate financial crime.

- Fraud Prevention:** In our efforts to prevent fraud, QIB's Enterprise Risk Management (EFRM) unit implemented Use Cases (UCs) based on data analysis and fraud trends pertained to external fraud for phishing and smishing cases. ERFM closely monitors and enhances UCs to reduce false positive alerts and improve efficacy. The unit has circulated advisories internally to explain the Fraud Triangle, three-legged model outlining three components that increase the risk of fraud (opportunity, incentive, and rationalization), and to create awareness on the importance of creating anti-fraud culture in the Bank. We regularly communicate to our customers that QIB will never ask for any confidential personal or financial information and that it should not be shared with anyone. We monitor Visa/MasterCard alerts pretraining to newly identified fraud campaigns and take necessary actions. Lastly, we observe merchants for any suspicious transactions and activities, blocking them in the event that the merchant demonstrates fraudulent transactions based on QIB analyses and investigations.

We conduct credit risk assessments which are based on QIB's internal risk rating and the QCB rating. Our risk model was developed by BCG Consulting Company and is responsible for generating probability of value according to a number of variables, such as CAS salary, workplace, age, average month to date value, internal risk rating, debit amount, and more. The risk scoring was added as an element of the Operating Cash Flow.

We incorporate the results of stress tests in our capital adequacy planning, strategy and other business activities on the basis of the Internal Capital Adequacy Assessment Process (ICAAP), which is a regulatory mandated requirement. QIB has a Capital Management Policy in place that establishes a governance structure around decisions pertaining to capital planning. The Policy provides guidelines on how the inputs from the ICAAP and stress testing exercises are to be integrated into our capital management decisions. Furthermore, it provides guidance on maintaining capital adequacy as the Board approved Risk Appetite Framework.

Our Board of Directors has allocated significant resources to develop a strong and resilient compliance function. While the target operating model for the function has been agreed, we look forward to carrying out the necessary and significant restructuring and recruitment to develop the new function and upgrade our existing compliance suite of our automated regulatory solutions, through a dedicated strategy and budget.

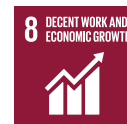
Our Performance

We monitor our liquidity risk through two key ratios, the liquidity coverage ratio (LCR) which monitors our liquidity short term resilience, and the capital adequacy ratio (CAR) which reflects our ability to absorb loss, as per QCB's guidelines. Our CAR is higher than the regulatory minimum requirements prescribed by QCB and the Basel Committee

Risk Management	Unit	2018	2019	2020
Liquidity Coverage Ratio (LCR)*	%	115.8	105.3	101.9
Capital Adequacy Ratio (CAR)	%	18.8	19.5	19.4

Internal Compliance; Monitoring and Reporting	2018	2019	2020
Total incidents of non-compliance with laws and regulations	0	0	0
Number of inquiries, complaints, or issues received by the Whistleblower Team through email, an internal monitoring or reporting system	0	0	0
Percentage of inquiries, complaints, or issues received by Whistleblower Team through email, an internal monitoring or reporting system that were substantiated	0	0	0

Financial & Economic Performance



We are dedicated to maintaining our outstanding reputation of delivering smart and sustainable financial growth through offering sustainable returns and financial services to all our customers.

Our Approach

Year on year, we continue to make progress by maintaining financial strength, despite challenges, such as the COVID-19 pandemic, and continue to nurture a sustainable business.

Building on our achievements, and our overcoming of the challenges posed by the pandemic, we have embarked on a Bank-wide digital transformation journey that is enabling us to broaden our horizons and foster a deeper commitment to sustainability. We are targeting new areas of growth and diversifying into new business streams that contribute positively to our profitability, driving our shareholders' value.

Our Performance

During 2020, despite the challenges related to the pandemic, we sustained a strong financial performance. This is evident through our growth in profit as well as QIB's total assets increasing by 5% to over QR 130 billion, making us the fifth largest Islamic bank in the world in terms of asset size.

Financial Performance	Unit	2018	2019	2020
Key Financials				
Total Revenues	QR M	6,883	7,738	7,958
Operating costs	QR M	1,144	1,101	1,092
Operating income	QR M	4,502	4,830	5,439
Total expenses	QR M	4,244	4,743	4,926
Employee wages and benefits	QR M	653	640	657
Dividends paid to shareholders*	QR M	1,181	1,241	945
Net profit	QR M	2,755	3,055	3,065
Total Assets	QR M	153,232	163,519	174,356
Market Cap	QR M	35,917	36,224	40,430
Financing	QR M	102,210	113,754	119,072
Deposits	QR M	100,598	111,621	118,144

Financial Performance	Unit	2018	2019	2020
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Key Ratios

Return on Assets (ROA)	%	1.8	2.0	1.8
Return on Equity (ROE)	%	17.4	18.1	16.7
Cost to Income Ratio	%	25.4	22.8	20.1

* The bank has adopted a conservative policy in distribution of dividend for 2020, mainly due to the COVID-19 pandemic and with a cautious approach to retain more equity.



Empowering Our People

We strive continually to create a work environment where individuals can grow through career development and advancement opportunities and enjoy a high degree of job satisfaction. We pride ourselves on our human resources services and always seek to keep our employees healthy and safe.



Workforce Development and Wellbeing



We strive to create a fulfilling environment for every employee to reach his or her full potential. Our employees' personal and professional development, and their wellbeing, are essential to create engaged and efficient teams that have the power to achieve the best outcomes.

Our Approach

At QIB, we are committed to the development of our people, both professionally and personally. Our overall approach regarding workforce development and wellbeing concerns policies and measures targeting diversity and equal inclusion, health and safety, training and career development, benefits, and grievance mechanisms.

We embrace talented individuals with different backgrounds and perspectives that drive innovation, increase job satisfaction, and produce better business outcomes. Diversity and inclusion are integral to our sustainability strategy and as an equal opportunity employer, we consider all qualified candidates for employment without regard to gender, age, ethnicity, disability, religion or marital status. We place particular focus on gender balance in our workforce and put great effort into building a workforce that reflects our values and commitments to create a safe and inclusive environment based on respect, fairness, and collaboration among our people.

During the COVID-19 pandemic, we implemented a remote working strategy to safeguard our employees' health and reduce their risk of infection. To facilitate this, we took the necessary measures to enable this new way of working by providing them with the equipment needed to continue productivity and maintain high levels of efficiency, such as the provision of virtual meeting tools and VPN access. Additionally, we conducted surveys to gather information on the advantages of working from home, and employee preferences.

For our employees' training and career development, we have a dedicated QIB Learning & Development program that is primarily aligned with and driven by QIB's business needs, providing specific trainings to employees on the basis of their functions and responsibilities and their employment level, in addition to general corporate trainings. The program focuses on developing internal capability, drawing on external knowledge where applicable. Training initiatives are structured into business-focused and individual development-focused curricula, covering technical and soft-skills development in corporate learning. These include individual development plans for employees, providing personalized and focused career development opportunities at all levels using coaching and mentoring. Our training programs are governed by the QIB Learning Policy, which is embedded in our Human Capital Policy. All training is managed via streamlined training requests and fulfillment processes and delivered through our Learning Management System.

In our efforts to foster a stimulating work environment, we strive to offer our people competitive benefits to attract and retain our talent, as well as providing them with a grievance mechanism to voice any concerns they may have, as part of QIB's Official Grievance process.

We are also mindful of informing our people of any significant changes, including matters regarding their pension fund or employment redundancies. Employees are provided with a standard official notice as part of the contractual obligations based on Qatar Labor Law.

Our Performance

Our remote working strategy comprised having staff work from home and the office at 80% and 20% respectively. In this manner, we maintained the Bank's productivity, and even enhanced performance and engagement levels of all staff, while safeguarding their health and wellbeing.

Our workforce consists of 36 different nationalities. Of our 835 people, 27% are Qatari nationals.

Employment	Unit	2018	2019	2020
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Full time employees	Number	860	861	835
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Break down by career level

Full time employees in senior management	Number	26	24	24
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Full time employees in middle management	Number	240	229	234
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Total employees in top and middle management	Number	266	253	258
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Females in top and middle management	Number	29	28	31
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Female employees in top and middle management	%	11	11	12
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Full time employees in lower management and non-managerial positions	Number	594	608	577
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Trainees and sponsored students	Number	40	40	28
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Break down by age

Workforce by age 18-30	Number	119	107	95
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Workforce by age 31-50	Number	601	600	584
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Workforce by age 51+	Number	140	154	156
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Break down by gender

Male full-time employees	Number	649	646	623
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Female full-time employees	Number	211	215	212
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Female employees	%	25	25	25
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Diversity and Equal Opportunities

We have made progress toward gender balancing with our organization and, over the past three years, we maintained a high ratio of female to male new hires. Currently, women make up a quarter of our employees and have roles across various levels of management. We recognize that there is more work

to be done to achieve greater gender diversity and thus are committed to providing equal pay for equal work, flexible work arrangements, and actively encouraging more women to leadership positions.

New Hires and Turnover		Unit	2018	2019	2020
Total new employee hires	Number		41	58	17
New employees by age					
Age 18-30	Number		18	40	11
Age 31-50	Number		19	16	5
Age 51+	Number		4	2	1
New employees by gender					
Male	Number		13	24	7
Female	Number		28	34	10
New Qatari employees					
New hires that are Qatari nationals	%		30	56	52
Employee turnover					
Total employee turnover (voluntary and involuntary)	Number		41	51	56
Employee turnover (voluntary and involuntary)	%		4.76	5.92	6.70

Health and Safety

In early 2020, we delivered a social-focused COVID-19 awareness training program to all staff. The program focused on creating awareness and the precautionary steps to help contain the spread of the virus in the workspace and the community, and best practices and guidelines for safely and effectively working remotely. We included counselling sessions for staff on pandemic-related anxiety, panic, and stress management. We continued to communicate with our people throughout the

year on safety measures, providing tips on how to maintain a healthy life by following hygiene best practices, abiding by public health guidelines implemented by the Ministry, and staying fit during the national lockdown.

To engage our people and ensure they were satisfied with their working conditions, all divisional heads were instructed to conduct daily team meetings, encouraging employees to seek guidance and training, if needed.

Health and Safety	Unit	2018	2019	2020
Employee fatalities	Number	0	0	0
Contractor fatalities	Number	0	0	0
Employee lost time injuries	Number	0	0	0
Contractor lost time injuries	Number	0	0	0
Employee total recordable injuries	Number	0	0	0
Contractor total recordable injuries	Number	0	0	0
Employee lost-day rate	Rate	0	0	0
Contractor lost-day rate	Rate	0	0	0
Employee occupational disease rate	Rate	0	0	0
Contractor occupational disease rate	Rate	0	0	0
Work hours (employees)	Number	8	8	8
Work hours (contractors)	Number	8	8	8

Training & Career Development

We carry out regular performance assessments to empower our people with insight into their performance and areas of improvement. The performance reviews are conducted on all

first party employees, except for the employees that resigned within the end of 2020 as well as those who are on full-year incentives given that their performances are assessed based on their achievements of targets.

Training & Performance Reviews	Unit	2018	2019	2020
Total training delivered	Hours	17,462	27,422	32,734
Average training per employee	Hours	15	24	30
Employees who received a performance and career development review*	%	79.39	76.16	83.41

*Staff who are under the probation during the Annual Performance Review cycle are not eligible to be part of the annual performance review exercise.

Benefits

We provide all members of staff with medical insurance policies covering themselves, their spouses and three children up to the age of 18 years. We also provide life insurance policies to all our people covering up to 12 times the individual's basic salary for natural deaths due to accidents or illness total disabilities.

Our female employees who have completed one year of service at QIB are entitled to a fully paid maternity leave of 50 days, including pre and postnatal periods.

Parental Leave	Unit	2018	2019	2020
Number of female employees that took parental leave	Number	27	22	11
Number of female employees who returned to work after parental leave ended (return to work)	Number	26	22	11
Number of female employees returned from parental leave who were still employed twelve months after return to work (retention)	Number	24	20	11
Return to work rate (%)	%	96%	100%	100%
Retention rate (%)	%	88%	90%	100%

Grievance mechanism

Of all the grievances reported during 2018, 2019, and 2020, none were related to human rights violations. We to establish an Investigation and Grievance Committee tasked

which assessing reported grievances and impose appropriate penalties according to the Committee's final decision and in line with the Human Capital Policy and procedures.

Grievances	Unit	2018	2019	2020
Number of grievances filed in the reporting period	Number	4	5	4
Number of these grievance addressed or resolved	Number	4	5	4

Localization



We are committed to recruiting and developing local talent and aspire to empower Qatari nationals by offering them fulfilling careers and development opportunities. As Qatar’s largest Islamic bank, we value our investments in the development of a new generation of Qatari professionals, contributing to the overall growth of Qatar.

Our Approach

It is our strategic objective to empower Qatari nationals professionally. Having Qatari nationals occupy key roles at QIB is a testament to the success of our Localization strategy.

We designed the Emerging Banker program to attract, train and motivate local talent to work in the private banking sector

and fast-track their careers, including recent graduates. The program features intensive learning offers, rotation between different departments and units in QIB, recognized professional certifications, as well as mentoring and coaching sessions. The program facilitates our Human Capital Group’s assessment of graduates, who, upon a successful final assessment, are given a permanent position at QIB.

We also participate in the Kawader program, a five-month development programme designed for Qatari graduates who have just graduated from university/college. Similarly, this program enables them to acquire skills and build competencies in cross-functional areas in the financial sector.

We encourage the application of Qatari nationals to open positions on our Careers portal.

Our Performance

We are proud to have employed 221 Qatari nationals, of which 144 are female, within our workforce. We continue our efforts to maintain a solid and growing base of Qatari employees.

Localization	Unit	2018	2019	2020
Total national employees	Number	233	239	221
Qatari nationals in the workforce	%	27	28	27
Female national employees	Number	149	159	144



Positive Community Impacts

We seek to contribute to the development of local economic aspects of the National Vision through dedicated investment, sponsorship, and volunteer programs through our Corporate Social Responsibility (CSR) drives. This year's initiatives provided continuous support to the community through human, educational, and sports activities, in line with the QIB vision, as well as proactively contributed protecting, helping, and supporting our local community during the pandemic.



Community Support and Investments



We are committed to adding value to local communities in monetary and non-monetary ways, by promoting sustainable development, protection and conservation of human life, health, natural resources, and the environment.

Our Approach

Our focus for community support has been on the development and endorsement of activities, conferences, exhibitions and events in fields such as education, culture, health, sports, and humanitarianism. Our Donations and Sponsorships Policy guides our contributions to these projects. All charitable contributions are aligned with state directives and are made through Qatari authorized charitable institutions. Within the organization, we

strive to enhance our people’s knowledge of environmental and social topics regularly through our CSR initiatives along with our products and services designed to create value for society.

Our Performance

In response to the COVID-19 challenges, we took action at various levels to help the community. We collaborated with the Ministry of Public Health (MoPH) to allocate QR 1 million to lead nationwide awareness initiatives to spread awareness of safe practices during the COVID-19 crisis, and successfully implemented social media campaigns that helped educate the community on practices such as wearing masks and hand washing. In addition, we initiated campaigns to support the community, including the distribution of food baskets in collaboration with Qatar Charity, and a blood donation campaign in collaboration with Blood Center at Hamad Medical Corporation.

Sponsorships and Donations	Unit	2018	2019	2020
Projects sponsored	Number	5	6	7
Amount of community investment	QR	74,671,614	83,114,316	81,873,377
Community investment as a % of pre-tax profit	%	3%	3%	3%

We look forward to continuing our support of the community through activities that are consistent with our strategy and to adopt purposeful programs adding value in the fields of

education, health, environmental preservation, and other activities consistent with our vision.



Accessibility and Inclusion



We are dedicated to being an inclusive institution, serving to make a positive impact in our communities. We support low-income individuals and educate a range of customers on financial management.

Our Approach

QIB is committed to serving all customers regardless of gender, ethnicity, nationality, religion, or profession and seeks to increase financial inclusion by offering products and services catering to typically underserved individuals. We also ensure to provide our services to our customers that are less familiar with banking services, by having QIB branches and ATMs in areas considered less economically advantaged within Qatar.

Our Performance

We have introduced a range of accounts that support this commitment:

- **Front liner Certificate of Deposit:** As a tribute to the efforts of the front-line workers during the pandemic, we launched a new Deposit program, which offers preferential rates for front-line workers. This service is also in real-time through the QIB Mobile App. We are proud to be the only Bank to offer this service.
- **Wage Protection System Accounts:** In line with introduction Qatar's Ministry of Labour and Social Affairs (MoLSA) and QCB's Wages Protection System (WPS) to ensure that all salaries are received on time, QIB introduced specialized banking services to streamline banking processes for the low-income worker segment. This resulted in the receipt of salaries and payments on time, hassle-free remittances, and proper records of salary and expenses, helping migrant workers to better manage their finances.
- **Student Accounts:** This account is designed to cater to university students, providing them with the opportunity to open their first banking account in an easy, fast and modern way and enabling them to become acquainted

with a spectrum of banking products and services. With this account, students receive a Misk savings account, offering them a chance to win cash prizes, along with debit card to access their funds. They are provided with a first of its kind Student Credit Card in Qatar and a novel onboarding Mobile App, simplifying the process of opening an account without having to visit a branch.

- **Domestic Worker Account:** These accounts are intended to support all segments of society and promote digital banking solutions. Domestic workers can download the QIB Mobile App and open an account in just a few steps. Once completed, the domestic worker's sponsor will receive notification to approve the account opening, after which the account will be automatically activated with no need to visit a QIB branch. As part of this service, domestic workers also receive a debit card to access their funds.
- **Remittances:** As a part of our ongoing effort to offer the most convenient services to our customers, we offer instant remittances across the globe through our Mobile App. Customers can also instantly send money to more than 200 countries and territories worldwide through the QIB Mobile App available 24/7 through Western Union Money Transfer.
- **Western Union Transfers:** This digital journey enables QIB's customers to remit money across the world in partnership with Western Union money transfers. QIB's customers can now transfer money around the world using the app in a paper-less way and without the need to visit any branches or service centers.
- **How Money Works:** In 2020, we held our annual financial literacy program, in collaboration with Injaz Qatar, to deliver educational sessions to students in secondary schools and in Qatar University on money management. How Money Works is a program designed to spread knowledge of concepts and practices related to finance and business, inspire future generations, and provide QIB people with the chance to volunteer. Despite the challenges we faced this year to hold the program as a result of the COVID-19 restrictions and social distancing rules, we were able to reach 1,629 students from 82 schools and universities across Qatar. The sessions were successfully delivered via digital channels to 829 students that participated in the program with the support of 41 QIB volunteers.

Financial Accessibility & Inclusion		Unit	2018	2019	2020
Number of WPS (Wages Protection System) accounts	Number		147,000	167,451	187,804
Number of student accounts	Number		220	885	1,077
Number of Domestic worker accounts	Number		0	0	175
Number of participants in financial literacy initiatives for individuals with limited previous banking experience	Number		366	434	829

“

Mrs Mashaal Abdulaziz Al Derham, Assistant General Manager, Head of Corporate Communications & Quality Assurance at QIB said:

We believe in the importance in empowering the next generation and future leaders and equipping them with the proper financial knowledge. The “How Money Works” Program has achieved outstanding results and we have surpassed the total number of students by 30% that we had initially targeted to support across the program.” “QIB launched its financial literacy program as a demonstration of its contribution and commitment towards the achievement of Qatar’s National Vision 2030 in developing human capital and advancing all of society through knowledge. The huge interest this program received reflects our commitment and we are very appreciative of the efforts of the QIB volunteers in delivering this highly successful program,” she concluded. “We would like to thank INJAZ Qatar for this great collaboration and we look forward to continuing our fruitful partnership in favor of new generations and future leaders of the Qatari society.”

”

Results of How Money Works program survey:



100%

of the students participated in the program have come to realize the importance of planning budgeting.



91%

of students understood the risks of financial transactions.



93%

of students rated the program as great or excellent.



90%

of students gained significant information about credit & debit.



84%

of the students fully aware of the risks involved in dealing with banks & financial management.

Appendix 1 – QSE Dashboard



QSE indicator	2018	2019	2020
Environment			
Any legal or regulatory responsibility for an environmental impact? Yes/No	No	No	No
Does the company publish and follow an environmental policy? Yes/No	No	No	No
Energy used (GJ/employee)		53.23	45.93
Percentage of renewable energy used (%)	0	0	0
Specify the primary source of energy used by the company	Electricity	Electricity	Electricity
The total volume of water recycled/reused in m3 by the organization per year	N/A	N/A	N/A
Total amount of energy used (GJ)		45,834	39,500
Total greenhouse gas emissions (tons)	N/A	5,344,315	4,619,019
Total waste produced (kg)	150	100	25
Total water use (m3)	N/A	24,851	20,888
Social			
Average hours of training per employee (hours)	15	24	30
Disclosure and adherence to a Human Rights Policy? Yes/No	Yes	Yes	Yes
Does the company prohibit the use of child or forced labor throughout the supply chain? Yes/No	Yes	Yes	Yes
Does the company publish and follow a policy for occupational and global health issues? Yes/No	Yes	Yes	Yes
Employee turnover rate (%)	4.76	5.92	6.7
Employee wages & benefits (USD million)	179.35	175.78	180.44
Nationalisation rate (%)	27	28	27
Number of grievances about human rights issues filed, addressed and resolved	0	0	0

QSE indicator	2018	2019	2020
Pre-tax profits invested in the community (%)	3%	3%	3%
Spending on locally-based suppliers (%)	98%	97%	97%
Total number of injuries and fatal accidents (contractors)	0	0	0
Total number of injuries and fatal accidents (employees and contractors)	0	0	0
Total number of injuries and fatal accidents (employees)	0	0	0
Total workforce (FTE)	860	861	835
Women in the workforce (%)	25	25	25

Corporate Governance

CEO pay ratio	N/A	N/A	N/A
Disclosure of the voting results of the latest AGM. Yes/No	No	No	Yes
Does the company publish and follow a Bribery/Anti-Corruption Code? Yes/No	Yes	Yes	Yes
Does the company publish and follow a Supplier Code of Conduct? Yes/No	Yes	Yes	Yes
Does the company publish and follow an Ethics Code of Conduct? Yes/No	Yes	Yes	Yes
Executive compensation linked to performance indicators. Yes/No	Yes	Yes	Yes
Female directors on the board (%)	0	0	0
Independent directors on the board (%)	0	0	0
Median female salary to median male salary (%)	N/A	N/A	88%
Role separation of Chairman and CEO. Yes/No	Yes	Yes	Yes
Sustainability report published. Yes/No	No	No	Yes
Use a firm in third-party assurance of non-financial information. Yes/No	No	No	No

Appendix 2 – Material Issues



Material topic	Definition
1. Governance, Ethics, Compliance, & Risk	The ethical principles underlying our business conduct, covering the entire organization. This includes compliance with regulations, laws, policies, standards and code of conduct, and also refers to any sanctioning of misbehaviour. This also includes the transparent, timely, and complete reporting of positive and negative information to stakeholders.
2. Financial & Economic Performance	The overall profit and losses of a company. This includes the performance of the company as a whole, as well as the sustainable returns to shareholders.
3. Customer Relationships	Our clients' levels of satisfaction with our products and services. This includes QIB's efforts to monitor customer satisfaction, provide outstanding customer service and managing complaints.
4. Sustainable Investments & Financing	The integration of environmental, social, and governance considerations in investment decisions, focusing on more long-term investments in sustainable activities and projects. This includes projects directed at mitigating climate change and tackling issues of inequality and human rights.
5. Data Privacy & Security	The responsibility of QIB to maintain the utmost confidentiality of customer personal information, including information on transactions and finances, as well as to ensure security of data and of internal processes.
6. Digitalization & Innovation	QIB's serves to enhance customer banking experiences and safeguarding their health during the pandemic by launching digital services, providing them with the ability to make transactions in the comfort of their homes. In addition, QIB is undertaking initiatives that are symbolic of achieving a paperless environment and increasing the digital footprint.
7. Workforce Development & Wellbeing	The intention of maintaining a workforce that is motivated, engaged, healthy, and professional, seeking to empower our people. This refers to the activities and programs to enhance the workforce's professional development, satisfaction, and diversity.
8. Localization	The strengthening of the Qatar job market and human capacities. This relates to the creation of occupation and development opportunities for the national population (e.g. scholarships, internships, etc.), providing professional perspectives for Qataris and to develop a solid national workforce.
9. Supporting SMEs	We are committed to contributing to the local economy and promoting a diversified national economy by meeting the needs of micro, small, and medium enterprises through dedicated products and services.

Material topic	Definition
10. Community Support & Investments	Our programs and initiatives that aim to positively benefit the health and wellbeing of communities and society as a whole. This includes our support for various social, humanitarian and cultural projects in the form of monetary donations as well as employee volunteering.
11. Financial Inclusion & Accessibility	Educating society on the importance of financial planning and management through financial literacy initiatives.
12. Environmental Impact	The proactive and organized management of resource consumption within the organization. This includes efforts to save energy and water, increase energy efficiency, reduce waste, as well as greenhouse gas emissions.
13. Responsible Procurement & Supply Chain	The processes used to manage our expectations of our suppliers. This includes supplier assessments, codes of conduct and ethics, and contractual clauses setting the expectations for suppliers to adhere to the company values and holding them accountable for their performance. This also includes the practices to ensure compliance with human rights throughout the supply chain.

