



# Investor Relations Presentation

March 2024



Download our IR Application



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Notes:

All figures in US Dollars have been converted from Qatari Riyals based on the exchange rate of 1 US Dollar = 3.6405 Qatari Riyals  
In certain cases, numbers may be rounded for presentation purposes



## **QNB at a Glance**

# QNB is a strong and highly rated bank with international footprint



-  #1 bank in the Middle East and Africa across all balance sheet metrics
-  International network with presence in more than 28 countries
-  Most valuable banking brand in the Middle East and Africa, worth USD 7.7 Bn<sup>1</sup>
-  About 30,000 employees operating from more than 900 locations

## Solid financial strength

## Top-tier credit ratings

<b>USD 36.1 Bn</b>	<b>USD 1.14 Bn</b>
Market Cap.	Net Profit <sup>2</sup>
<b>USD 339.7 Bn</b>	<b>USD 0.12</b>
Assets	EPS

<b>A+</b>	<b>Aa2</b>
Standard & Poor's	Moody's
<b>AA</b>	<b>A+</b>
Capital Intelligence	Fitch

## Key Strengths



# QNB's International Footprint

## Sub-Saharan Africa

 **South Sudan:** (1 Branch)

 **Togo:** (669 Branches<sup>3</sup> across Africa, through 20.1% stake in Ecobank)

## Asia

 **Indonesia:** (8 Branches, 95.63% stake in QNB Indonesia)

 **Singapore:** (1 Branch)

 **India:** (1 Branch)

 **China / Hong Kong:** (1 Representative office, 1 Branch)

 **Vietnam:** (1 Representative office)

## North Africa

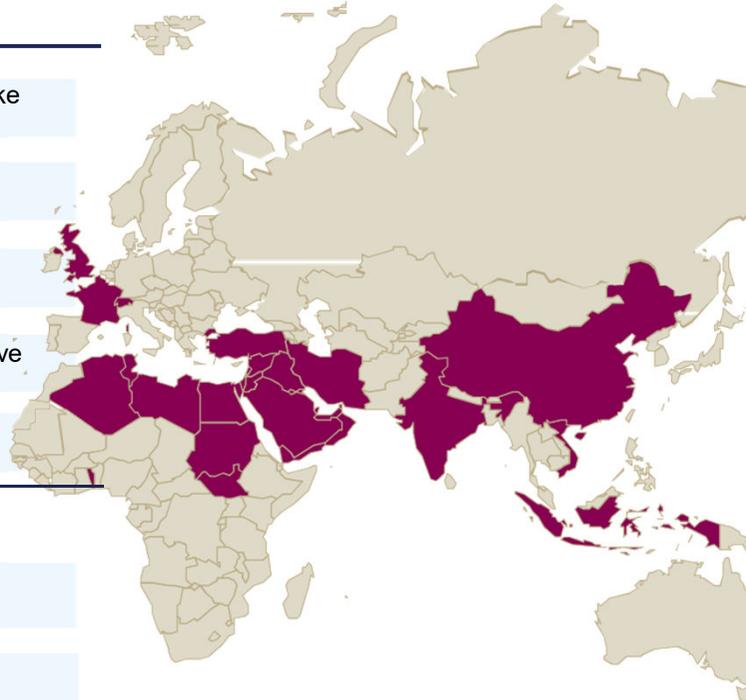
 **Egypt:** (234 Branches, 95.0% stake in QNB ALAHLI)

 **Libya:** (1<sup>1</sup> Representative office)

 **Tunisia:** (29 Branches, 99.99% stake in QNB Tunisia)

 **Sudan:** (1 Branch)

 **Algeria:** (9<sup>1</sup> Branches)



## Middle East

**Qatar:** (48 Branches) 

**KSA:** (2 Branches) 

**UAE:** (6<sup>1</sup> +1<sup>1</sup> Branches, 40.0% stake in CBI) 

**Syria:** (8 +29<sup>1</sup> Branches, 50.8% stake in QNB Syria) 

**Palestine:** (15<sup>1</sup> Branches) 

**Iraq:** (8 +1<sup>1</sup> Branches, 54.2% stake in Mansour Bank) 

**Oman:** (5 Branches) 

**Bahrain:** (1<sup>1</sup> +1<sup>1</sup> Branch) 

**Kuwait:** (1 Branch) 

**Lebanon:** (1 Branch) 

**Yemen:** (1 Branch) 

**Iran:** (1 Representative office<sup>2</sup>) 

**Jordan:** (106<sup>1</sup> +3<sup>1</sup>) Branches, 38.6% stake in Housing Bank of Trade & Finance) 

## Europe

**United Kingdom:** (1 +1<sup>1</sup> Branch and 100% stake in Digital Q-FS Limited) 

**France:** (1 Branch) 

**Switzerland:** (1 Branch, 100% stake in QNB Suisse SA) 

**Turkiye:** (435 Branches, 99.88% stake in QNB Finansbank) 



1: Includes the branches / representative offices from subsidiaries and associates

2: Dormant

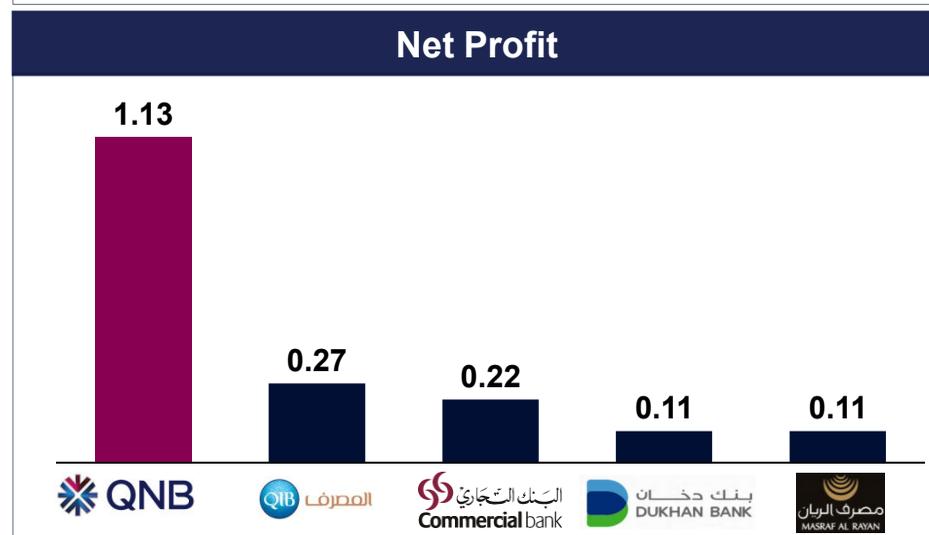
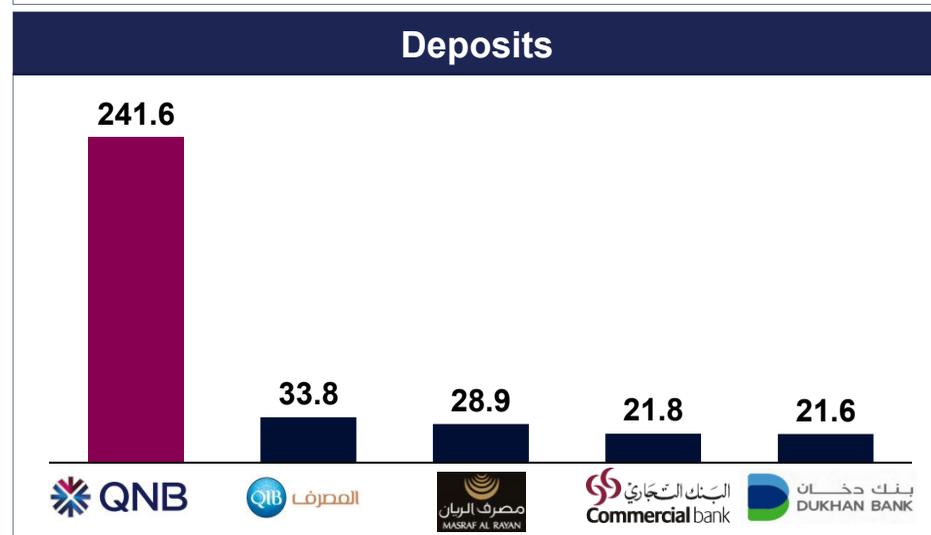
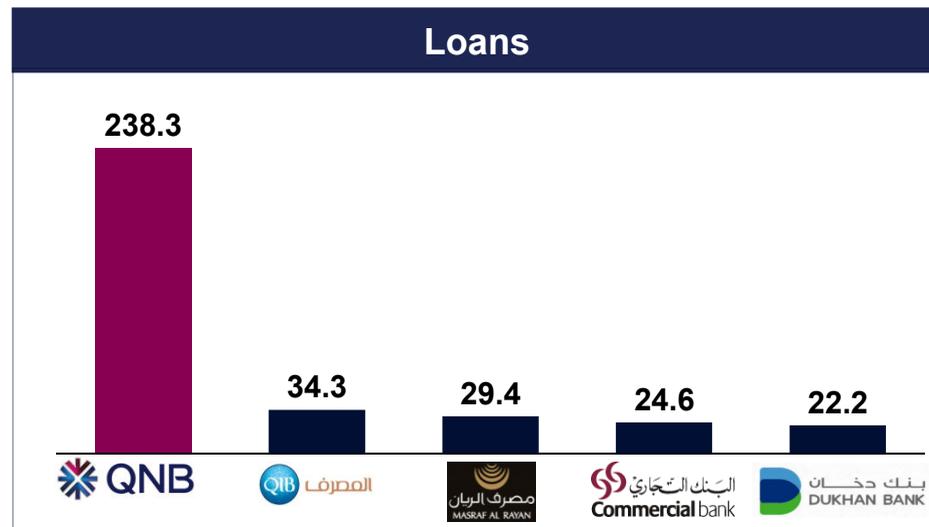
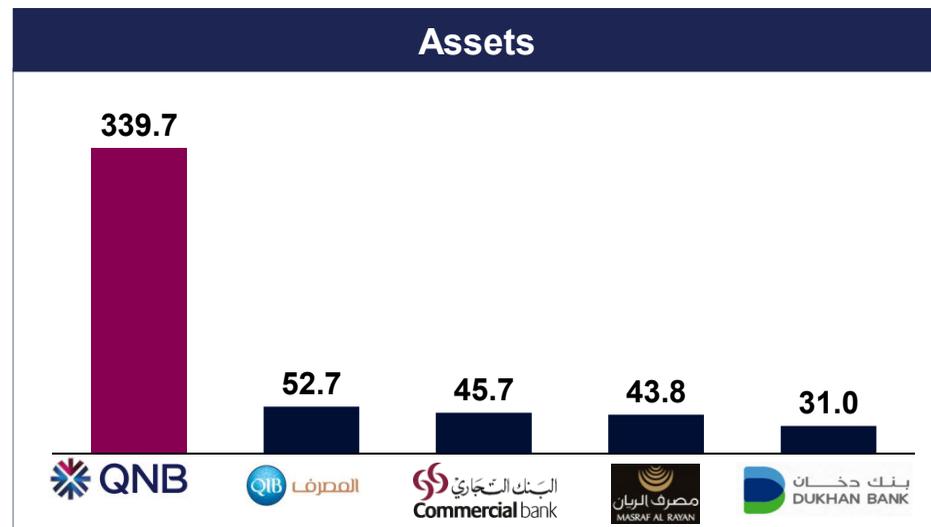
3: The branch data for Ecobank is as at September 2023



# **QNB Comparative Positioning – Qatar and MEA**

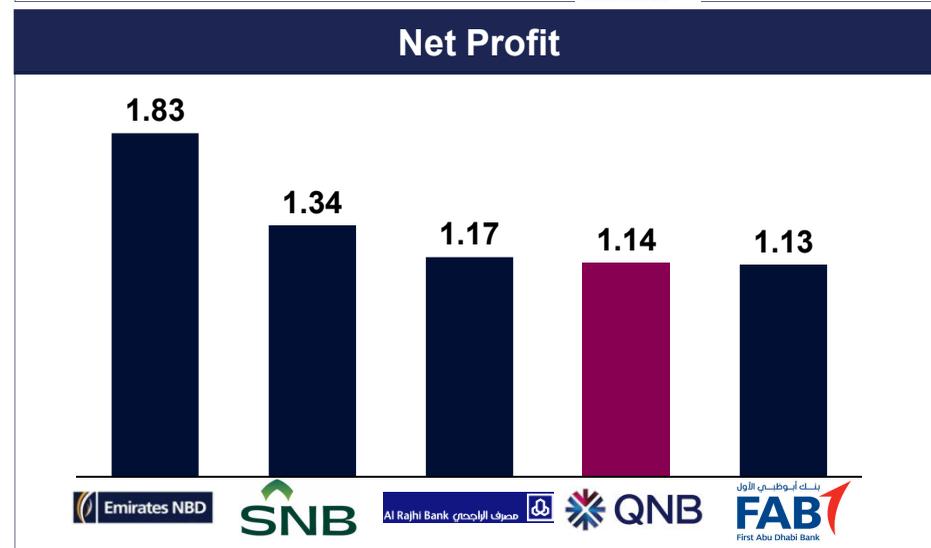
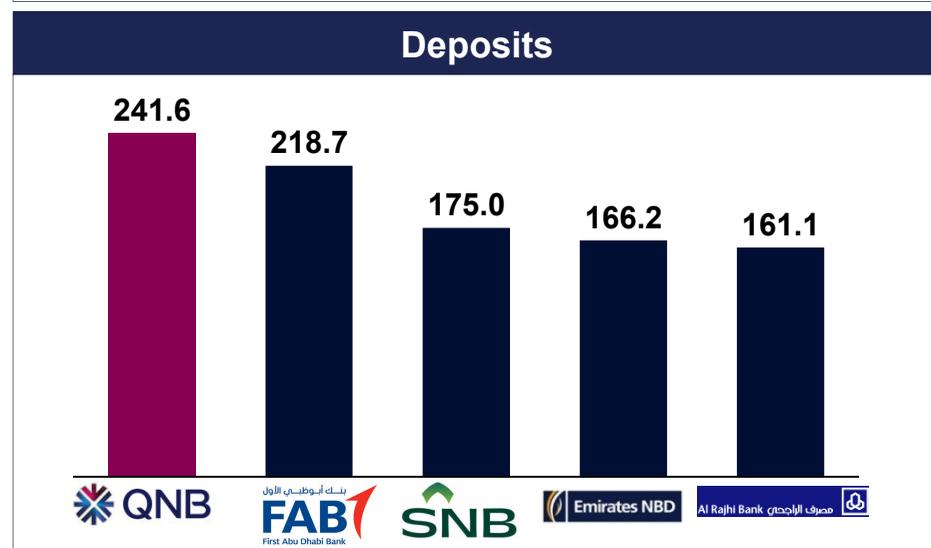
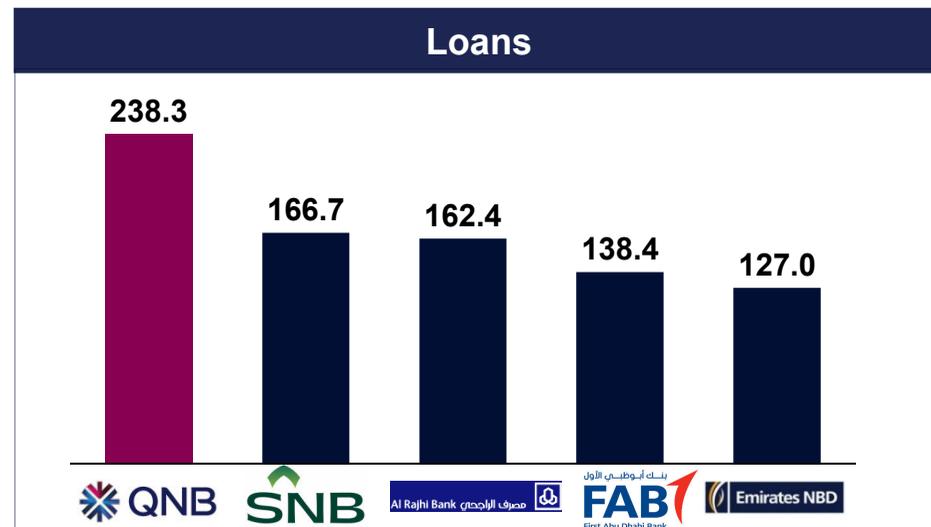
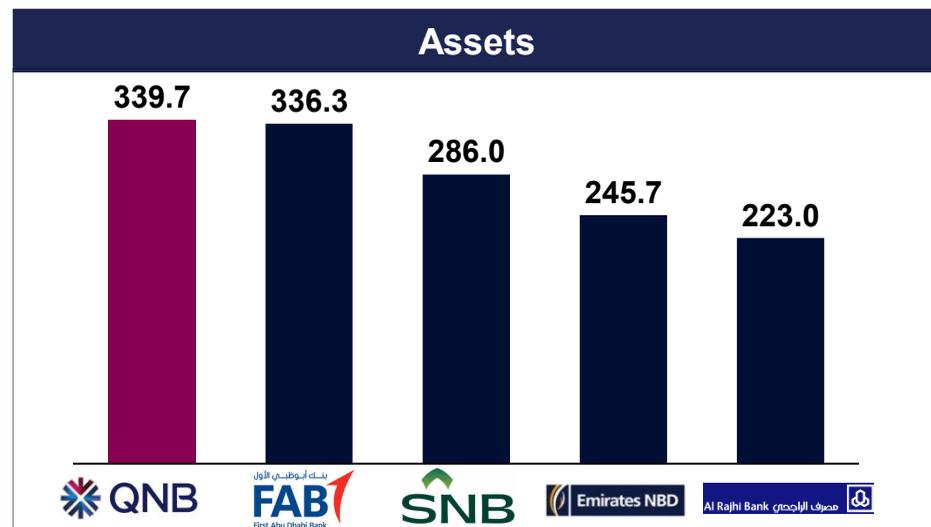
# Top 5 Listed Domestic Banks – March 2024

QNB continues to excel in the domestic market



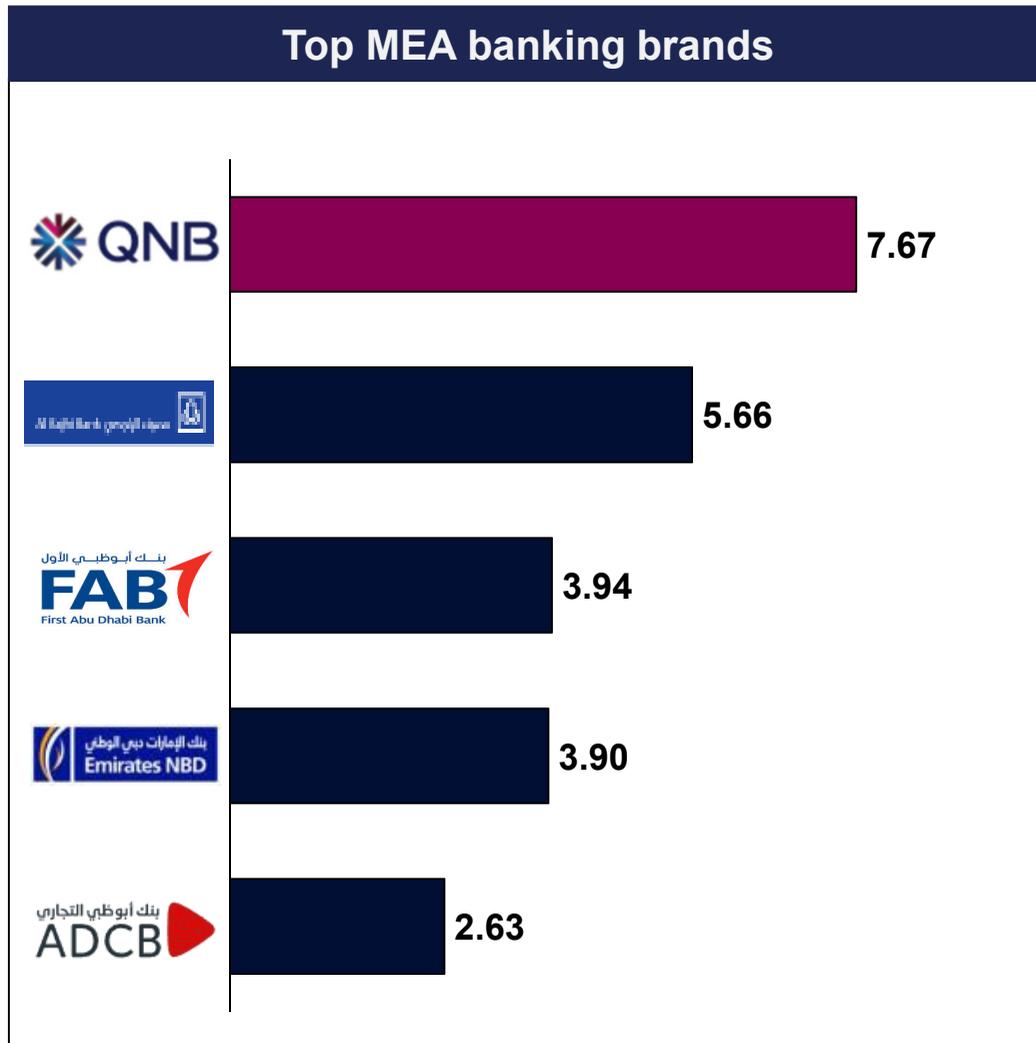
# Top 5 Listed MEA Banks – March 2024

QNB maintains its position as the leading bank in the region across all balance sheet categories



# QNB is the leading financial institution in the MEA region with regards to brand value

Brand value (USD Bn)



### Key highlights

- QNB retains the most valuable Banking Brand in Middle East and Africa region
- 2023 Brand Value for Group increased to USD 7.67 billion
- Brand Strength Index (BSI) for QNB Group increased by 1.7 to 85.2
- In the 2023 Global Banking Brands League Tables, QNB rank remained unchanged at 45<sup>th</sup> position
- In the 2023 Global 500 Brands (all categories), QNB moved up 15 places to 290<sup>th</sup> position from 305<sup>th</sup> spot in 2022





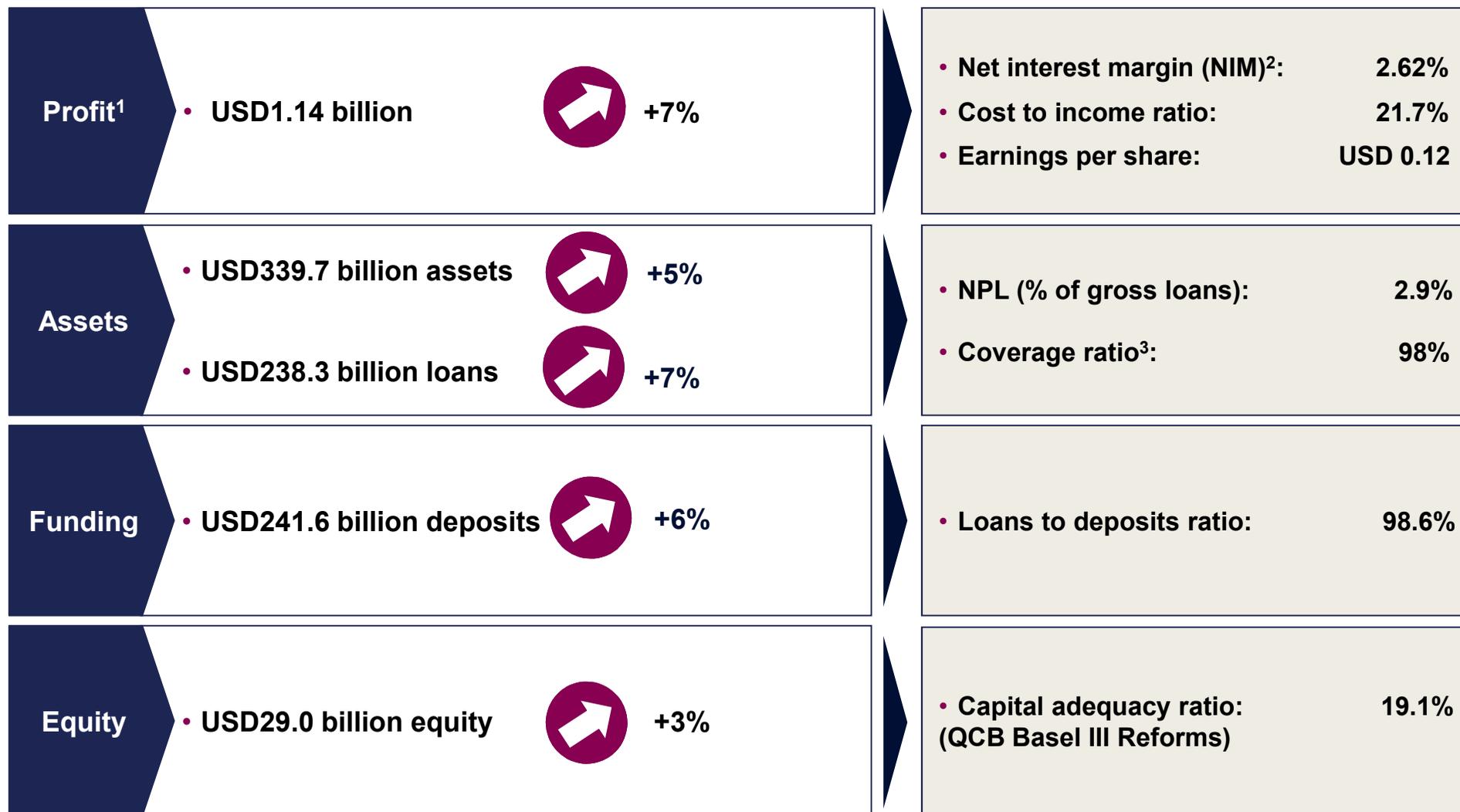
# Financial Highlights

# QNB Group demonstrate sustainable growth

## Financial Highlights (as at 31 March 2024)



Growth vs. March 2023



# QNB ALAHLI

## Financial Highlights (as at 31 March 2024)



Growth vs. March 2023

<b>Profit<sup>1</sup></b>	<ul style="list-style-type: none"> <li>• <b>USD176.6 million</b> (EGP6.3 billion)</li> </ul>	 <b>27%</b> (+50%)	<ul style="list-style-type: none"> <li>• <b>Net interest margin (NIM)<sup>2</sup>:</b> <b>6.72%</b></li> <li>• <b>Cost to income ratio:</b> <b>17.9%</b></li> </ul>
<b>Assets</b>	<ul style="list-style-type: none"> <li>• <b>USD15.5 billion assets</b> (EGP735.1 billion)</li> <li>• <b>USD6.4 billion loans</b> (EGP303.4 billion)</li> </ul>	 <b>-9%</b> (+40%)   <b>-17%</b> (+28%)	<ul style="list-style-type: none"> <li>• <b>NPL (% of gross loans):</b> <b>5.3%</b></li> <li>• <b>Coverage ratio<sup>2</sup>:</b> <b>82%</b></li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• <b>USD13.1 billion deposits</b> (EGP619.1 billion)</li> </ul>	 <b>-9%</b> (+41%)	<ul style="list-style-type: none"> <li>• <b>Loans to deposits ratio:</b> <b>49.0%</b></li> </ul>
<b>Equity</b>	<ul style="list-style-type: none"> <li>• <b>USD1.5 billion equity</b> (EGP71.1 billion)</li> </ul>	 <b>-17%</b> (+28%)	<ul style="list-style-type: none"> <li>• <b>Capital adequacy ratio:</b> <b>21.5%</b> (QCB Basel II)</li> </ul>

Source: QNB ALAHLI under International Financial Reporting Standards

1: Profit Attributable to Equity Holders of the Bank

2: Net interest margin calculated as net interest income over average earnings assets on a standalone basis

3: Based on Stage 3 provisions, excluding interest accrued

# QNB FINANSBANK

## Financial Highlights (as at 31 March 2024)



Growth vs. March 2023

<b>Profit<sup>1</sup></b>	<ul style="list-style-type: none"> <li>• <b>USD3.0 million</b> (TRY0.1 billion)  <b>-98%</b> (-96%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Net interest margin (NIM)<sup>2</sup>:</b> <b>7.10%</b></li> <li>• <b>Cost to income ratio:</b> <b>32.8%</b></li> </ul>
<b>Assets</b>	<ul style="list-style-type: none"> <li>• <b>USD37.1 billion assets</b> (TRY1,202 billion)  <b>+5%</b> (+78%)</li> <li>• <b>USD21.6 billion loans</b> (TRY699.3 billion)  <b>+3%</b> (+73%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>NPL (% of gross loans):</b> <b>1.5%</b></li> <li>• <b>Coverage ratio<sup>3</sup>:</b> <b>131%</b></li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• <b>USD22.3 billion deposits</b> (TRY721.1 billion)  <b>-3%</b> (+63%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Loans to deposits ratio:</b> <b>97.0%</b></li> </ul>
<b>Equity</b>	<ul style="list-style-type: none"> <li>• <b>USD3.3 billion equity</b> (TRY106.8 billion)  <b>+7%</b> (+82%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Capital adequacy ratio:</b> <b>13.1%</b> <b>(QCB Basel III)</b> <i>After BRSA Relaxation Measures</i> <b>14.2%</b></li> </ul>

Source: QNB Finansbank under International Financial Reporting Standards

1: Profit Attributable to Equity Holders of the Bank

2: Net interest margin calculated as net interest income over average earnings assets on a standalone basis

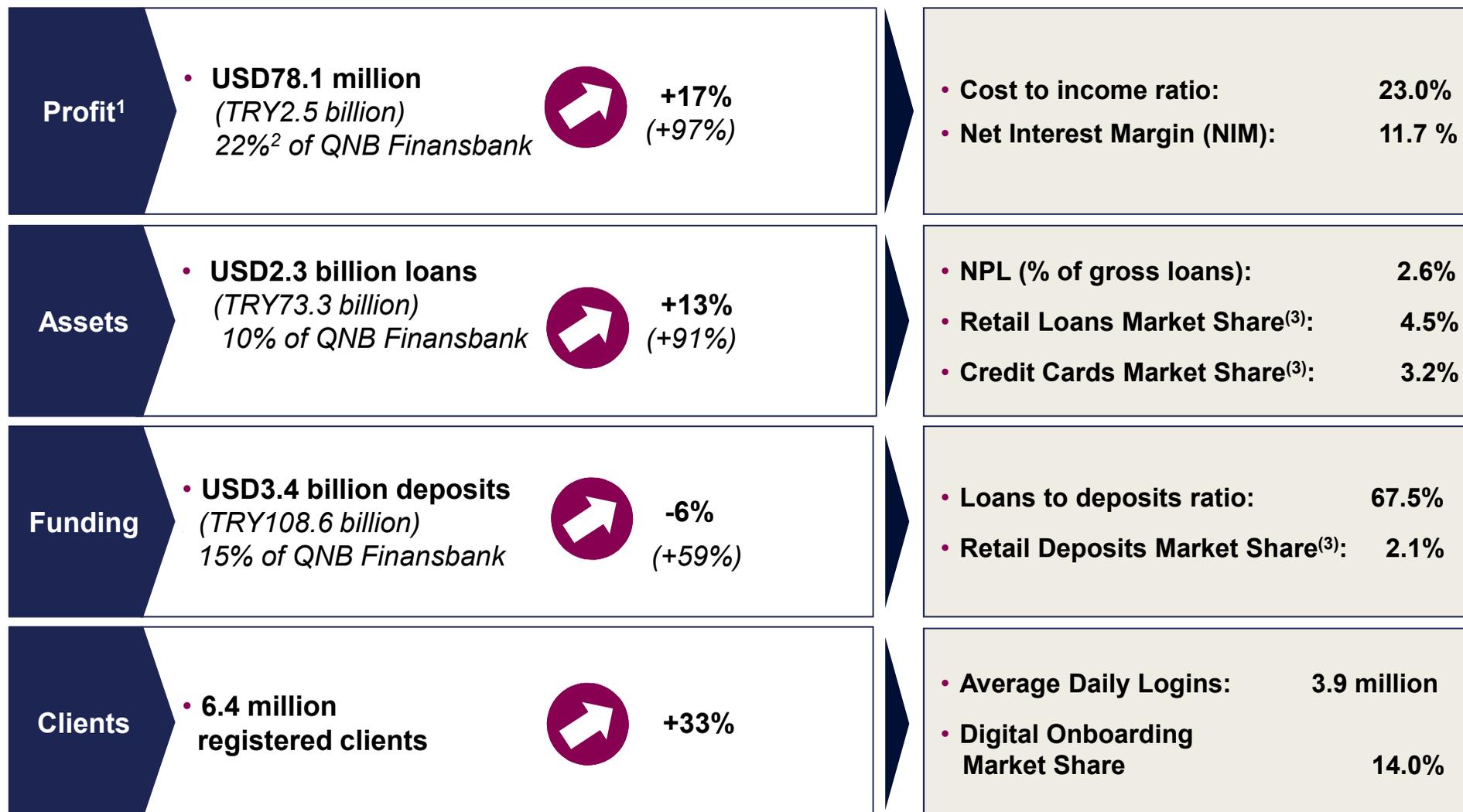
3: Based on Stage 3 provisions, excluding interest accrued

# Enpara Digital Bank (pro-forma standalone operations)

## Financial Highlights (as at 31 March 2024)



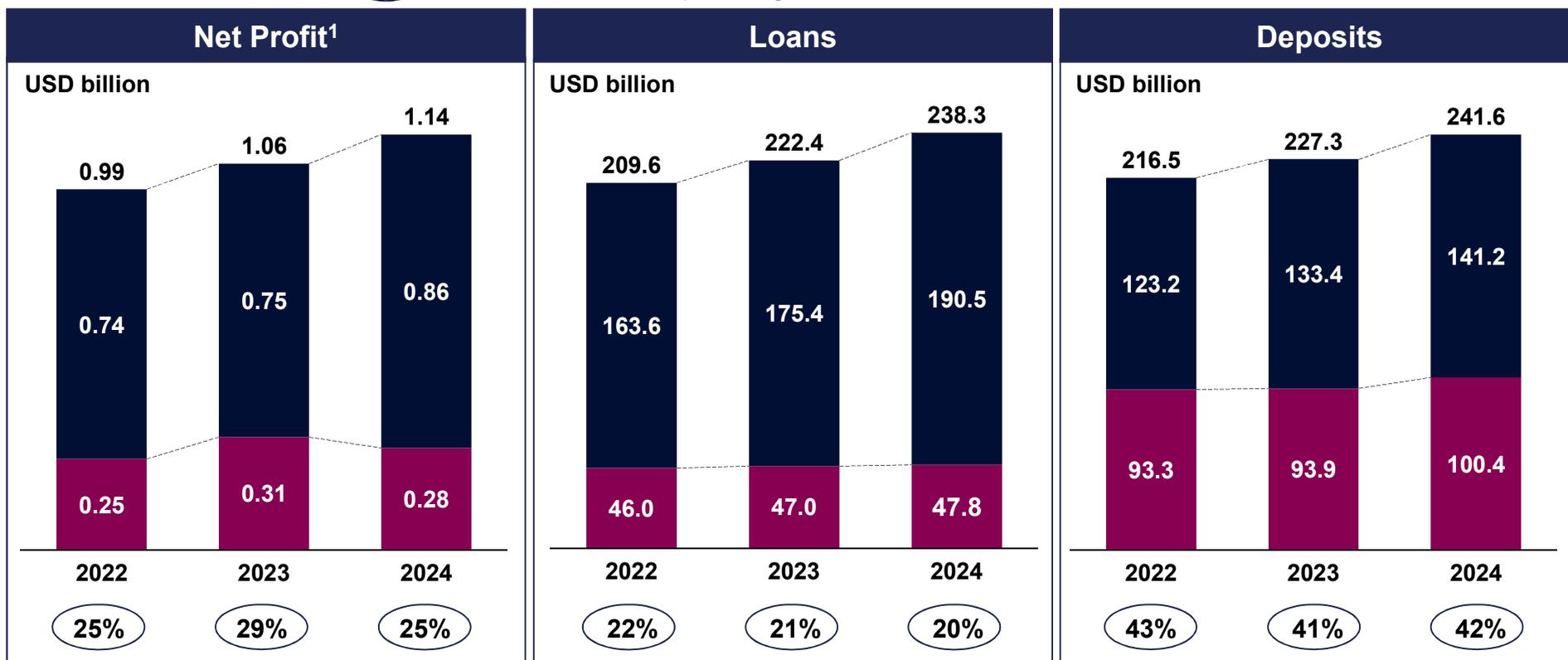
Growth vs. March 2023



# Strong domestic franchise with widespread geographical footprint contributes to diversification and growth

## Geographical Contribution (as at 31 March)

■ Domestic ■ International (%) Share of International as percentage of the total

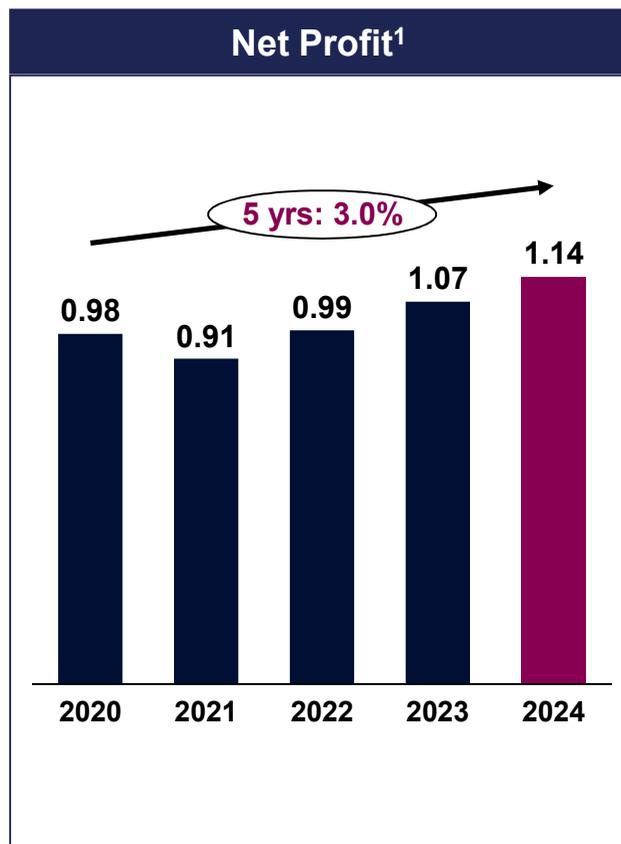


- Profit from international operations increased by USD0.03 Bn (13%) from 2022 to 2024

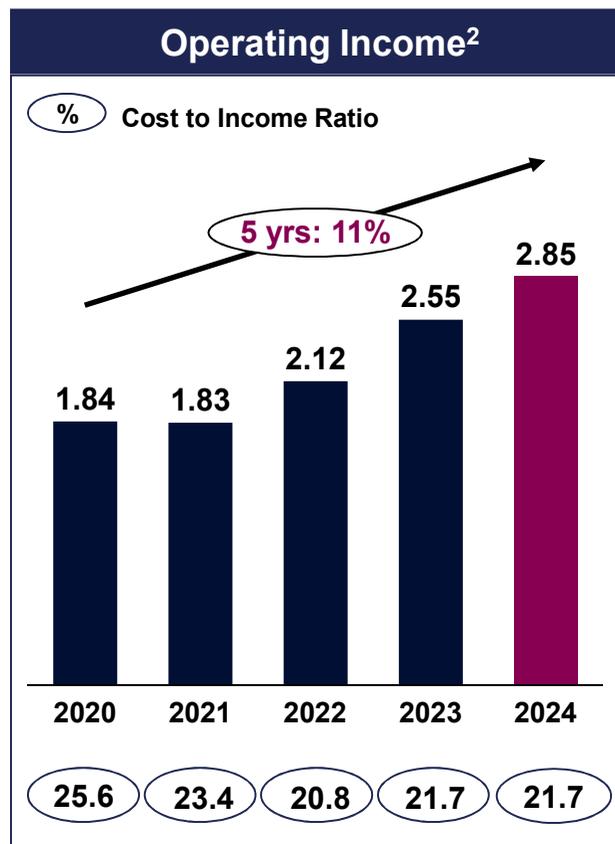
- Loans from Intl operations increased by USD1.8 Bn (4%) from 2022 to 2024
- Deposits from Intl operations increased by USD7.1 Bn (8%) from 2022 to 2024

# Consistent Profitability and Cost Discipline

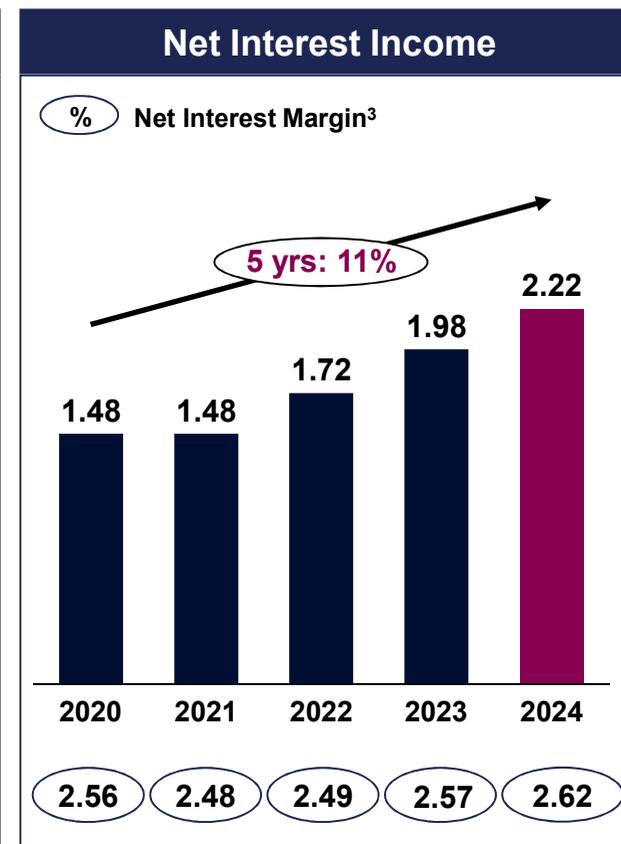
## Income Statement Breakdown (USD billion as at 31 March)



- Net Profit increased by 6.7% from March 2023



- Operating income increased by 11% from March 2023
- Best-in-class efficiency



- NII increased by 12% from 2023
- Strong NIM with the current size of USD340 billion of total assets

Source: Financial Statements

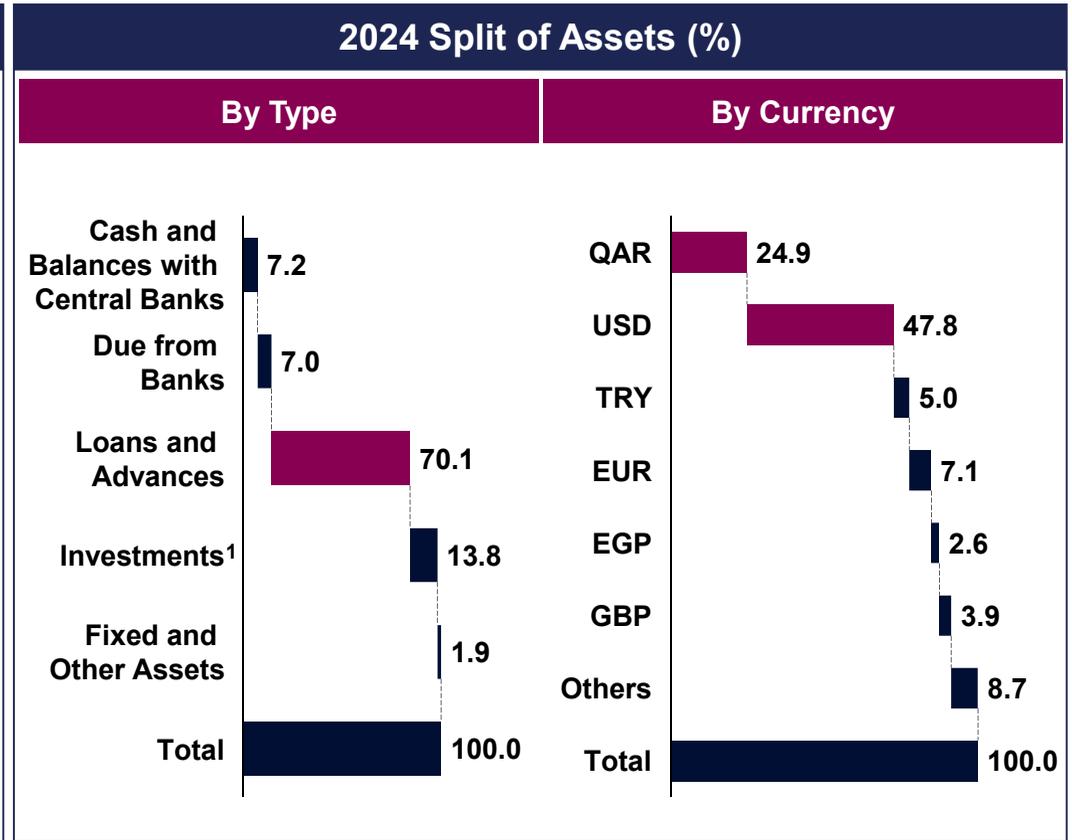
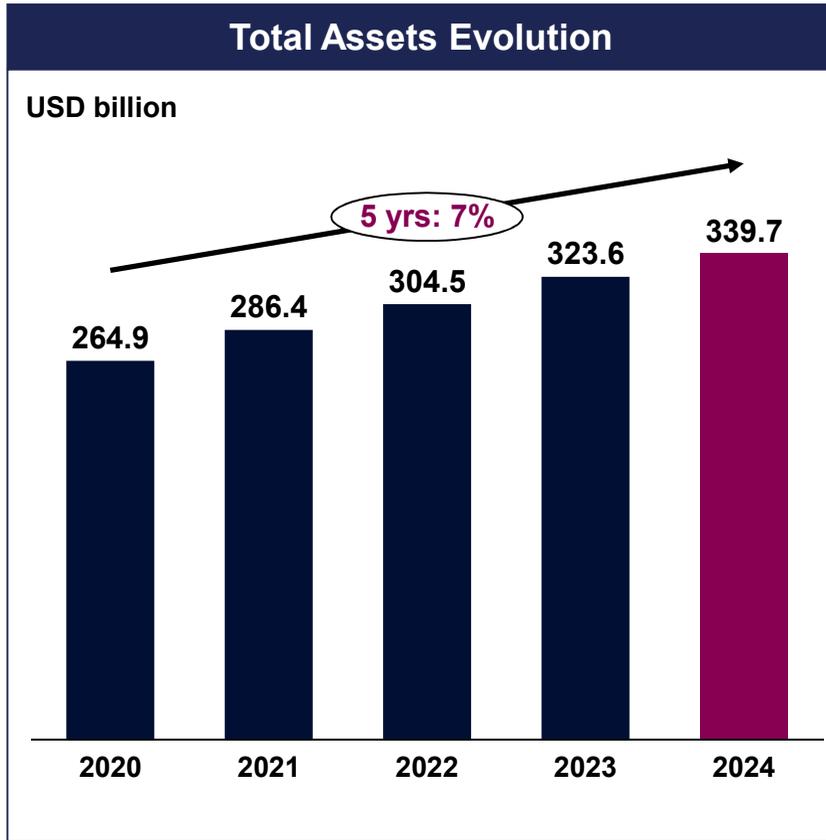
1: Profit Attributable in Equity Holders of the Bank

2: Operating Income includes Share of Results of Associates

3: Net interest margin calculated as net interest income over average interest earning assets

# Asset growth driven by lending activities mainly in USD and QAR

## Assets Analysis (as at 31 March)

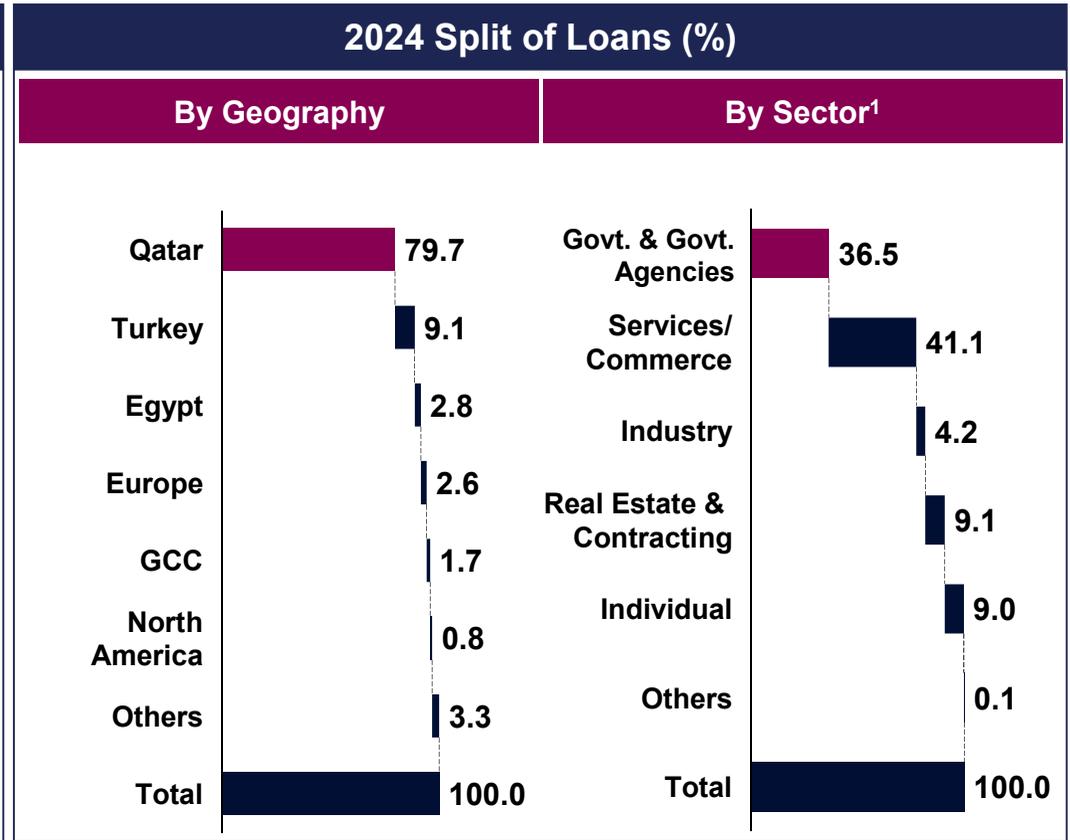
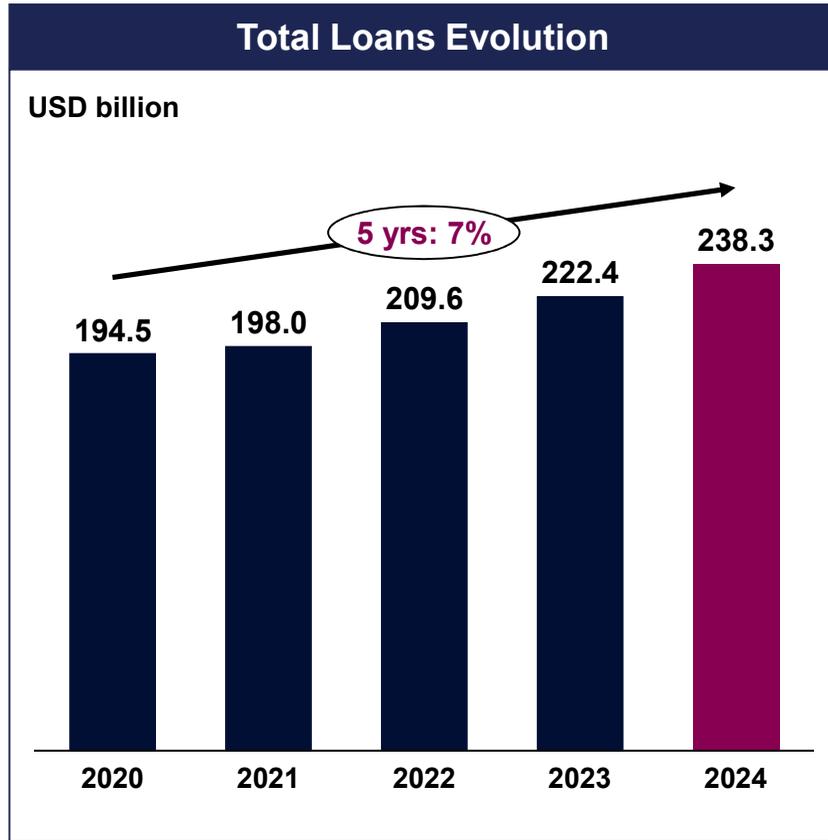


- Assets increased by 5% from March 2023

- Loans and advances represent 70% of total assets
- USD and QAR currencies account for about 73% of total assets

# Stable loan momentum

## Loan Analysis (as at 31 March)



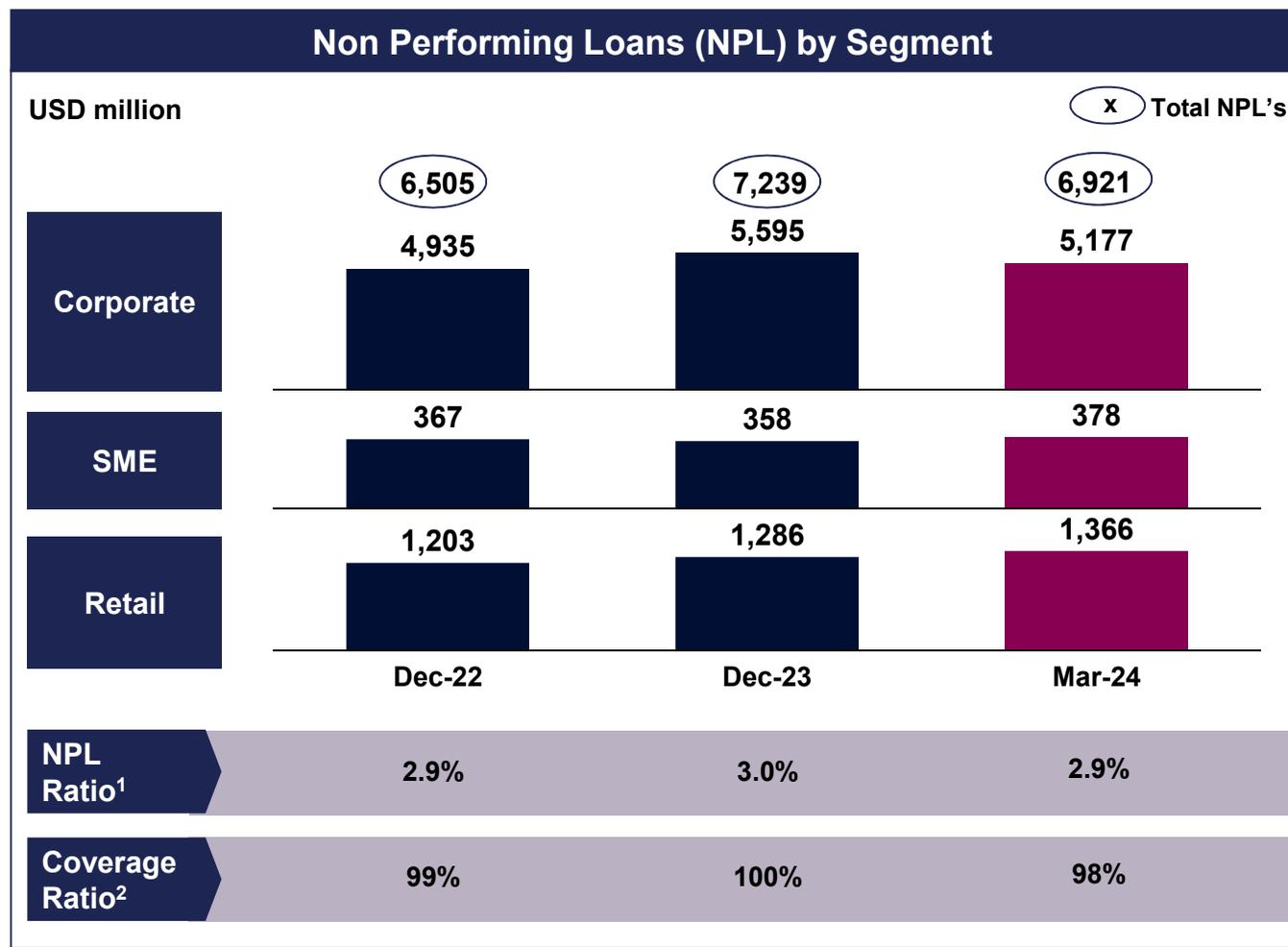
- Loans increased by 7% compared to March 2023
- 2019-2024 CAGR of 7%

- Loans denominated in USD represent 64% of total loans
- Loan exposures are of a high quality with 37% concentration to Government and public sector entities



# High quality lending portfolio is underpinned by low NPL ratios

## Asset Quality Analysis

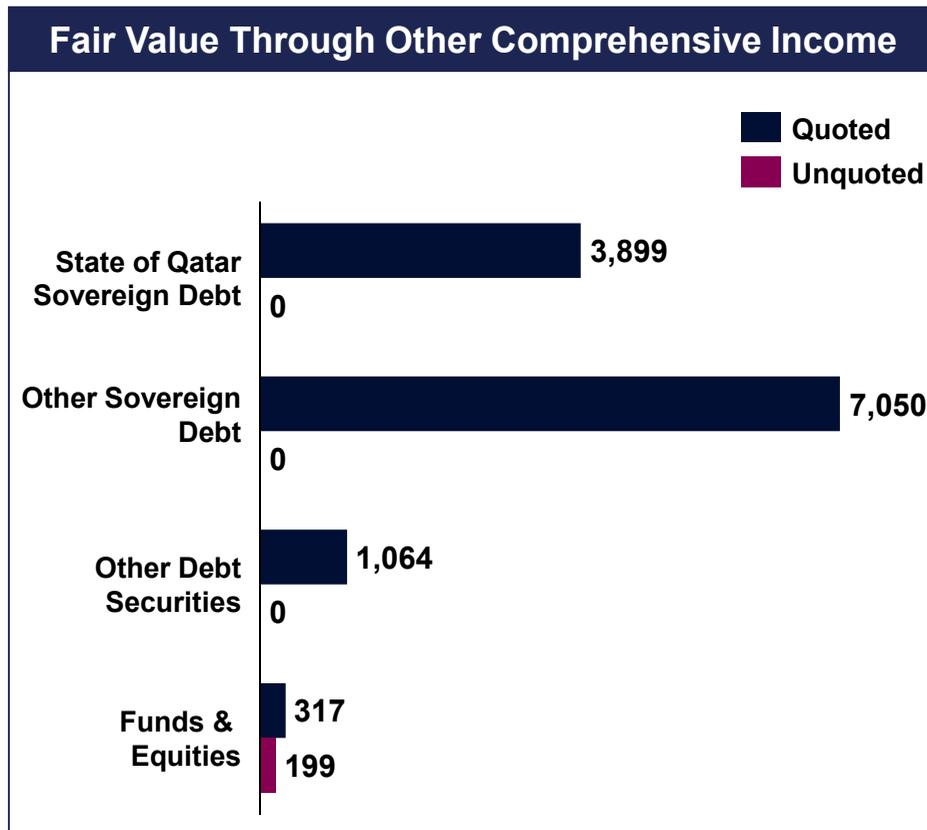


- QNB has continued to increase its provisions in response to the global economic situation on account of economic headwinds and uncertainties
- The bank's coverage ratio has remained robust amidst the economic slowdown, with a coverage of 98% as at March 2024
- Past dues are NPL after 90 days default
- There is an additional risk reserve of USD3,296 million which is greater than the 2.5% QCB requirements

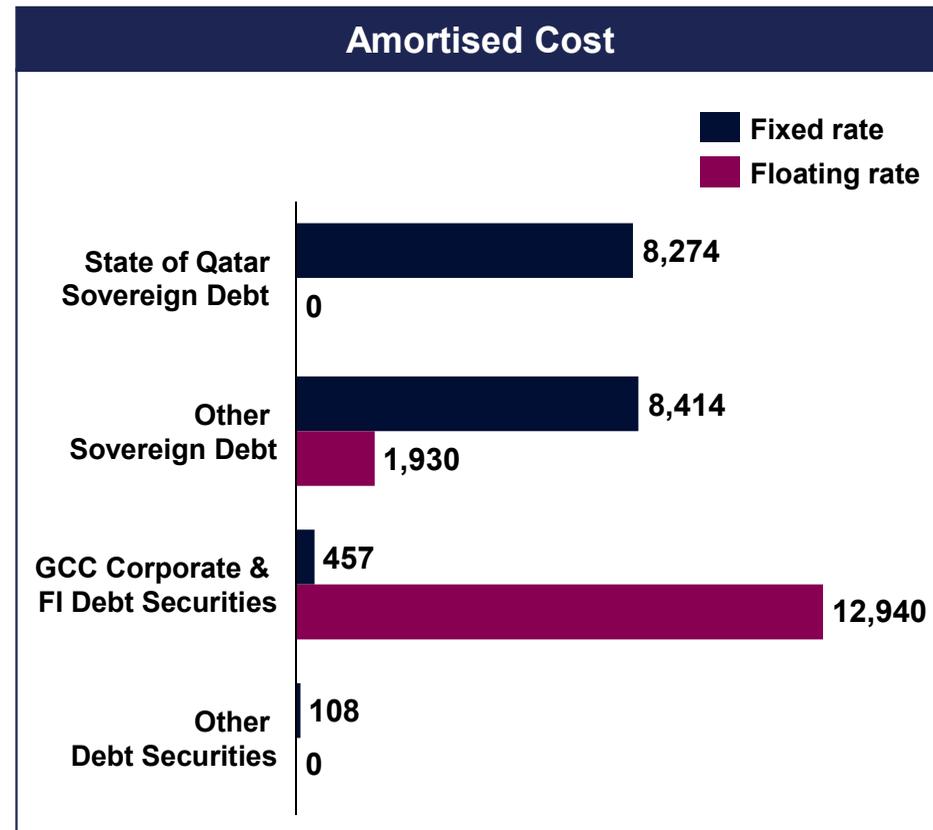


# High quality investment portfolio with 66% of securities rated AA or Sovereign

Investments Analysis (USD million as at March 2024)



- Quoted securities account for 98% of FVOCI Investment securities

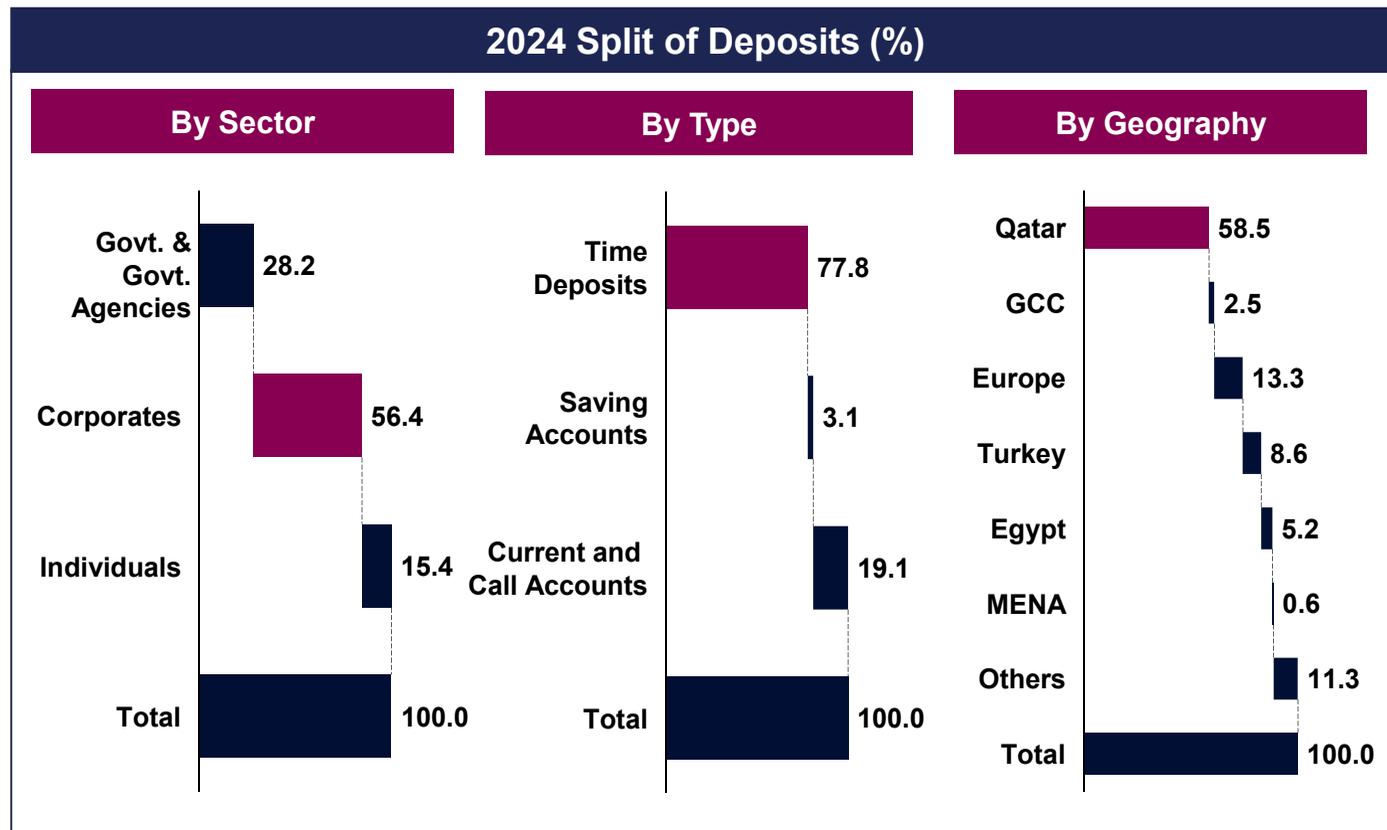
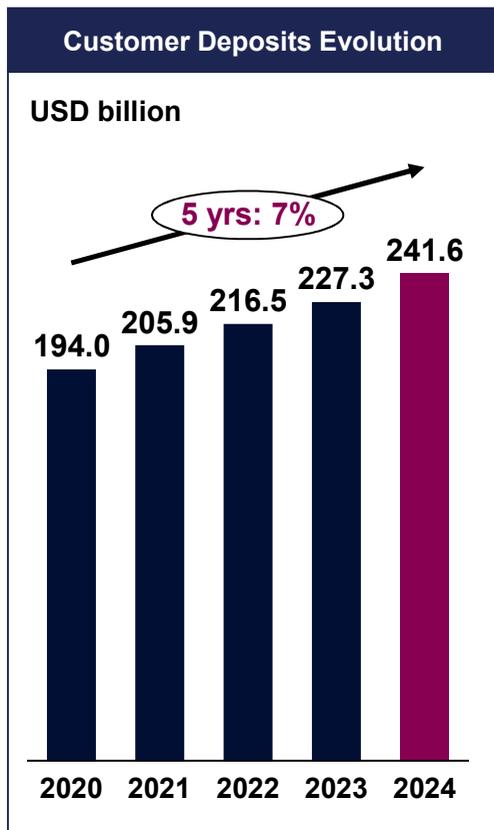


- Good mix of both fixed and floating rates securities



# Robust growth in customer deposits and funding

## Funding Analysis (as at 31 March)



- Deposits increased by 6% from March 2023

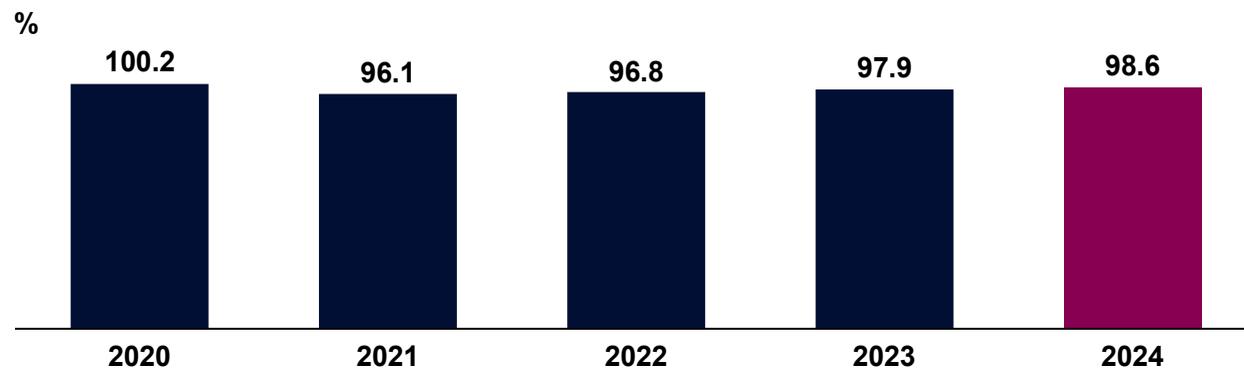
- QNB remains the public sector's preferred bank
- USD, EGP and TRY denominated deposits represent 47%, 4% and 5% of total deposits respectively



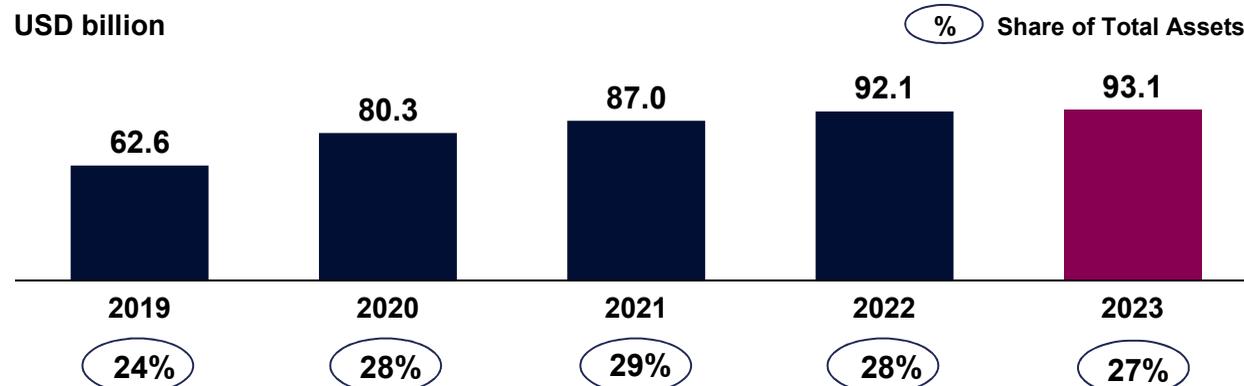
# Solid liquidity profile

## Liquidity Analysis (as at 31 March)

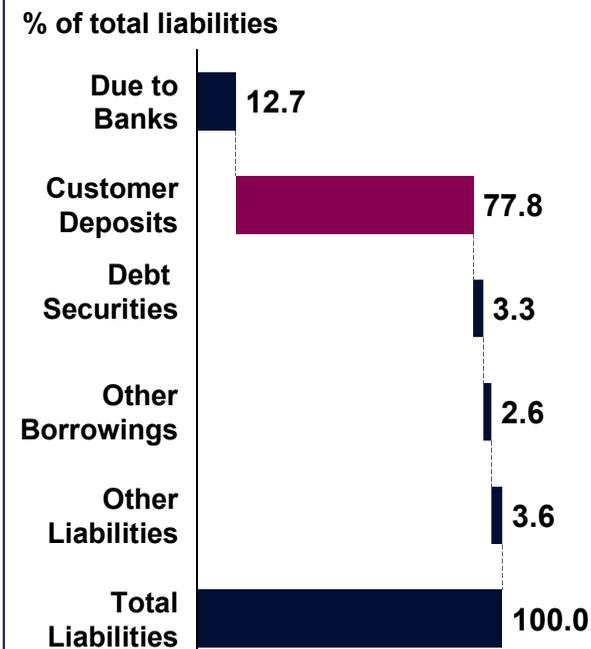
### Loans to Deposits Ratio Evolution



### Liquid Assets<sup>1</sup> Evolution



### Sources of Liquidity



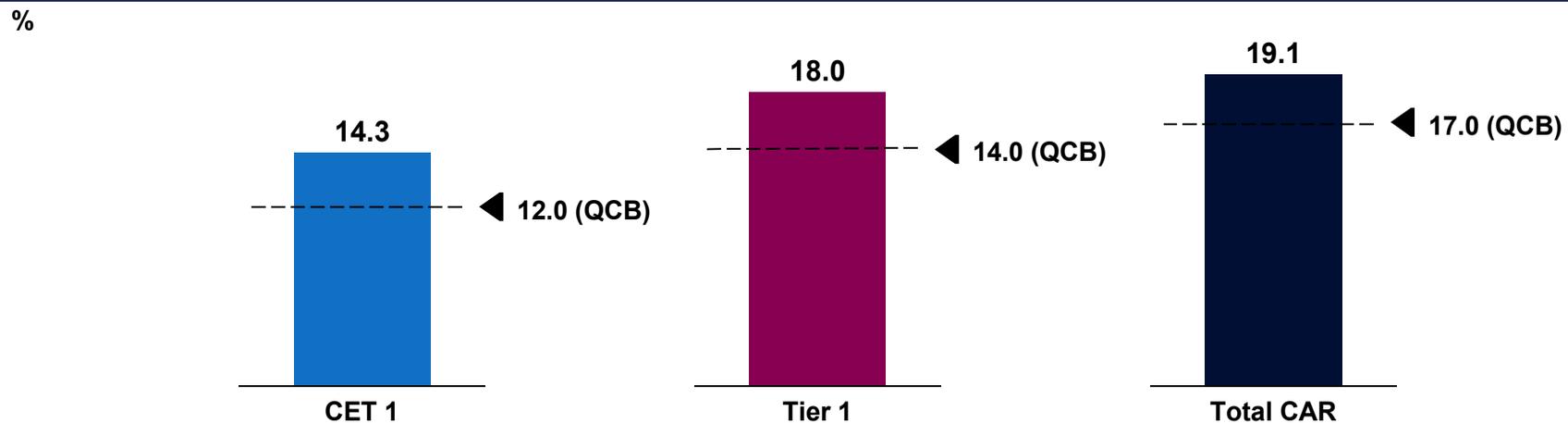
### Key QCB Liquidity Ratios<sup>2</sup>

QCB LCR	162%
QCB NSFR	104%

# Strong capital adequacy ratio maintained above both QCB and Basel III reform requirements

Capital Analysis (as at 31 March)

## Basel III Capital Adequacy Ratio including Reform Requirements



- Capital adequacy ratio is above QCB and Basel III reform requirements including the applicable DSIB<sup>1</sup> buffer of 3.5%

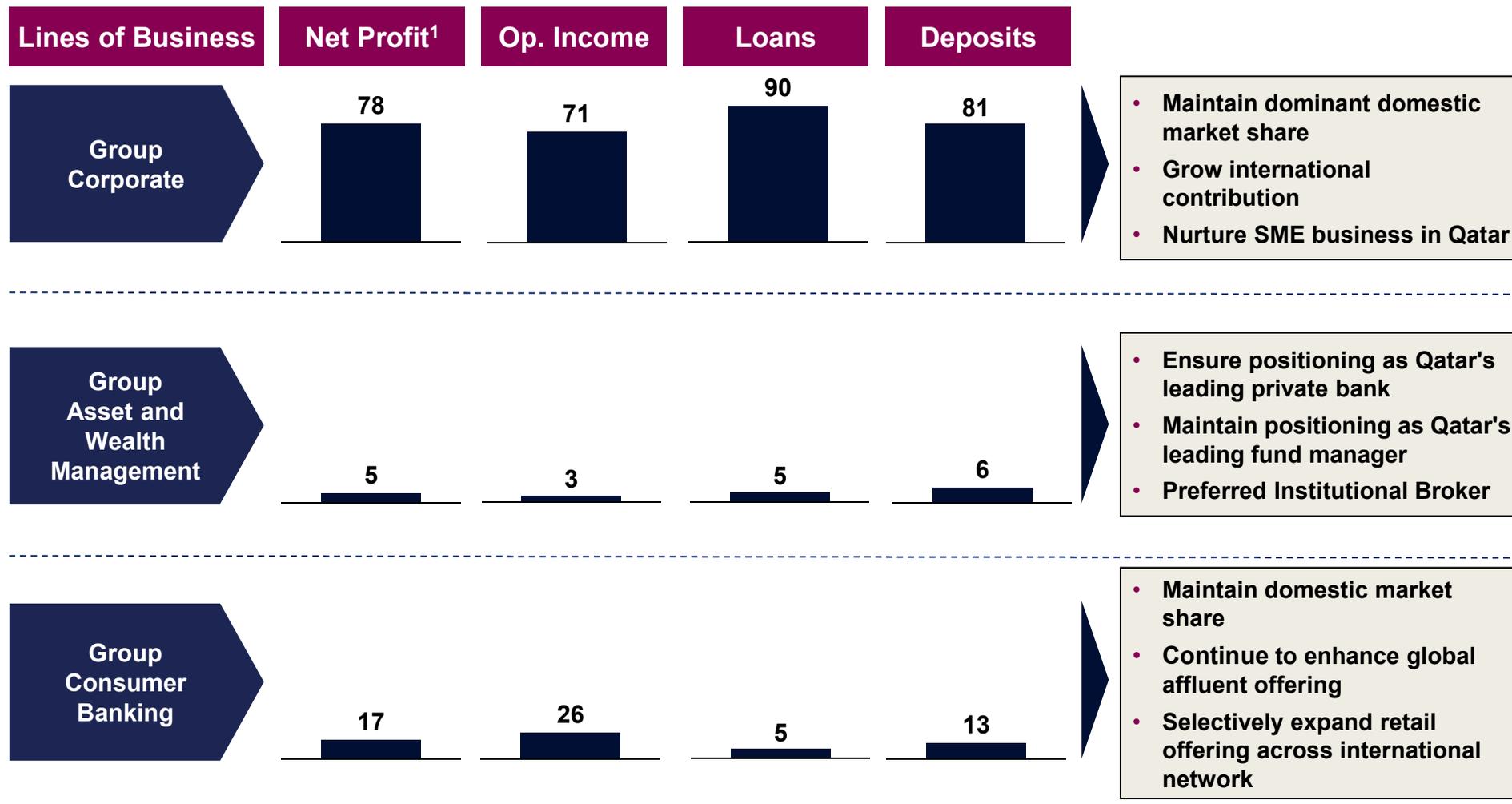
## Minimum CAR Requirements

%	Without buffers	Capital Conservation Buffer	DSIB Charge <sup>1</sup>	ICAAP Charge	Total Requirement
CET 1 ratio	6.0	2.5	3.5	-	12.0
Tier 1 ratio	8.0	2.5	3.5	-	14.0
Total CAR	10.0	2.5	3.5	1.0	17.0



# Diversifying business mix will bolster sustainable growth

Business Mix Contribution (% share as at 31 March)



# IFRS 9 – Additional buffers for long-term earnings stability

## Financial Impacts

- QNB implemented IFRS 9 with effect from 1 January 2018 based on the QCB guidelines.
- As per QCB instructions, ECL impact has been treated as Tier 2 Capital for CAR purposes with no amortisation of the transition impact.

## Coverage ratio<sup>1</sup>

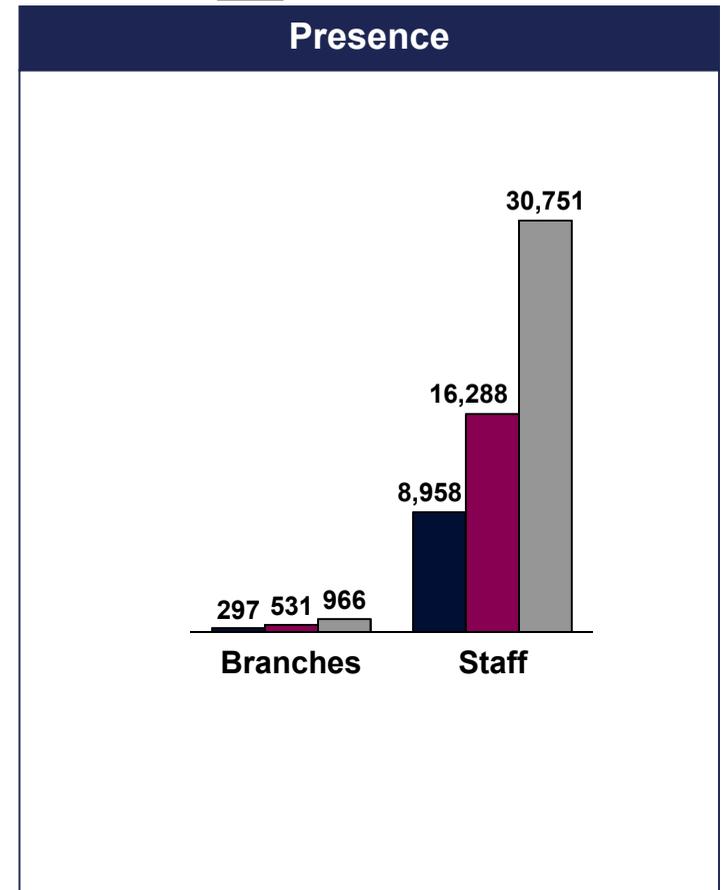
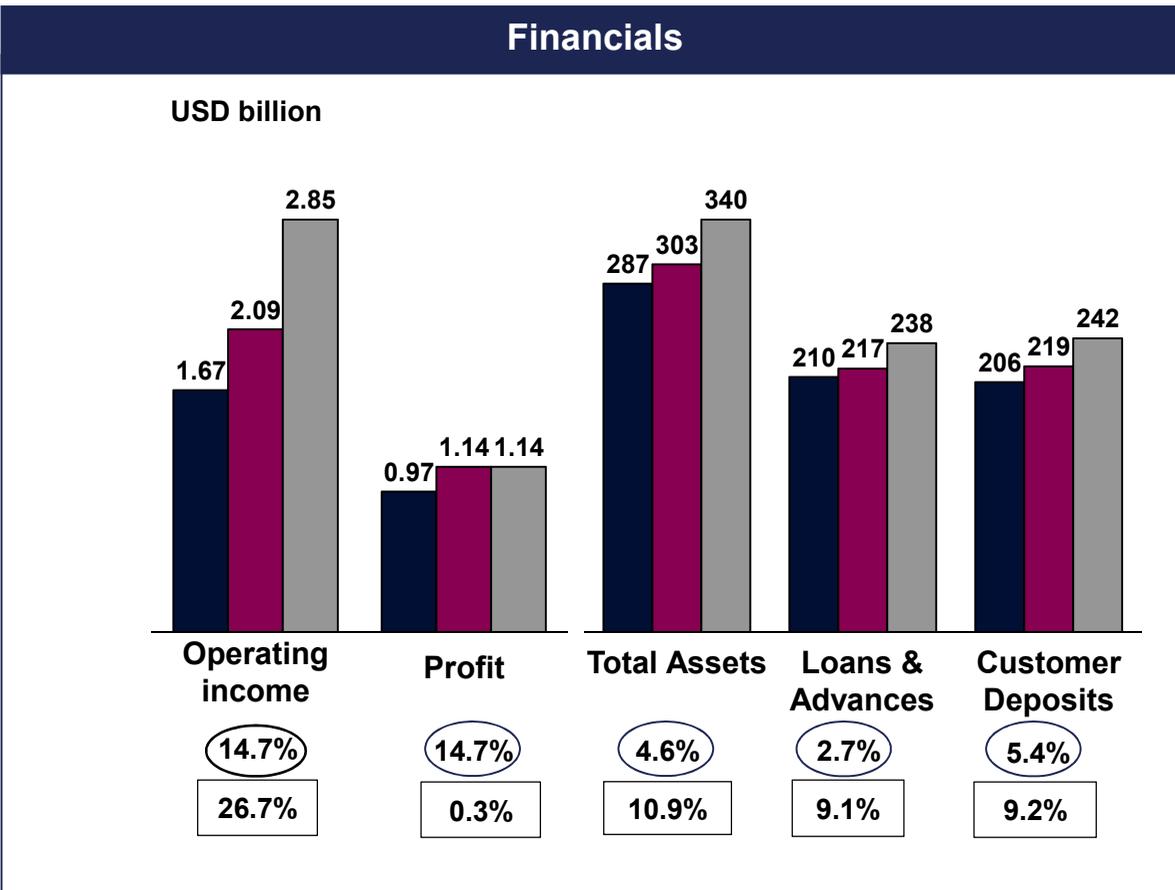
March 2024	Stage 1	Stage 2	Stage 3
<b>Due from Banks and Balances with Central Banks</b>	0.2%	0.5%	80.7%
<b>Loans</b>	0.3%	9.3%	97.5%
<b>Investments</b>	0.1%	10.1%	93.9%
<b>Off balance sheet</b>	0.2%	5.0%	53.1%

## Cost of Risk for Lending<sup>2</sup>

March 2024	Stage 1	Stage 2	Stage 3 (NPL)	Total
<b>Cost of Risk</b>	3bps	7bps	67bps	77bps

# QNB Group Financials

Key data (as at March 2024)





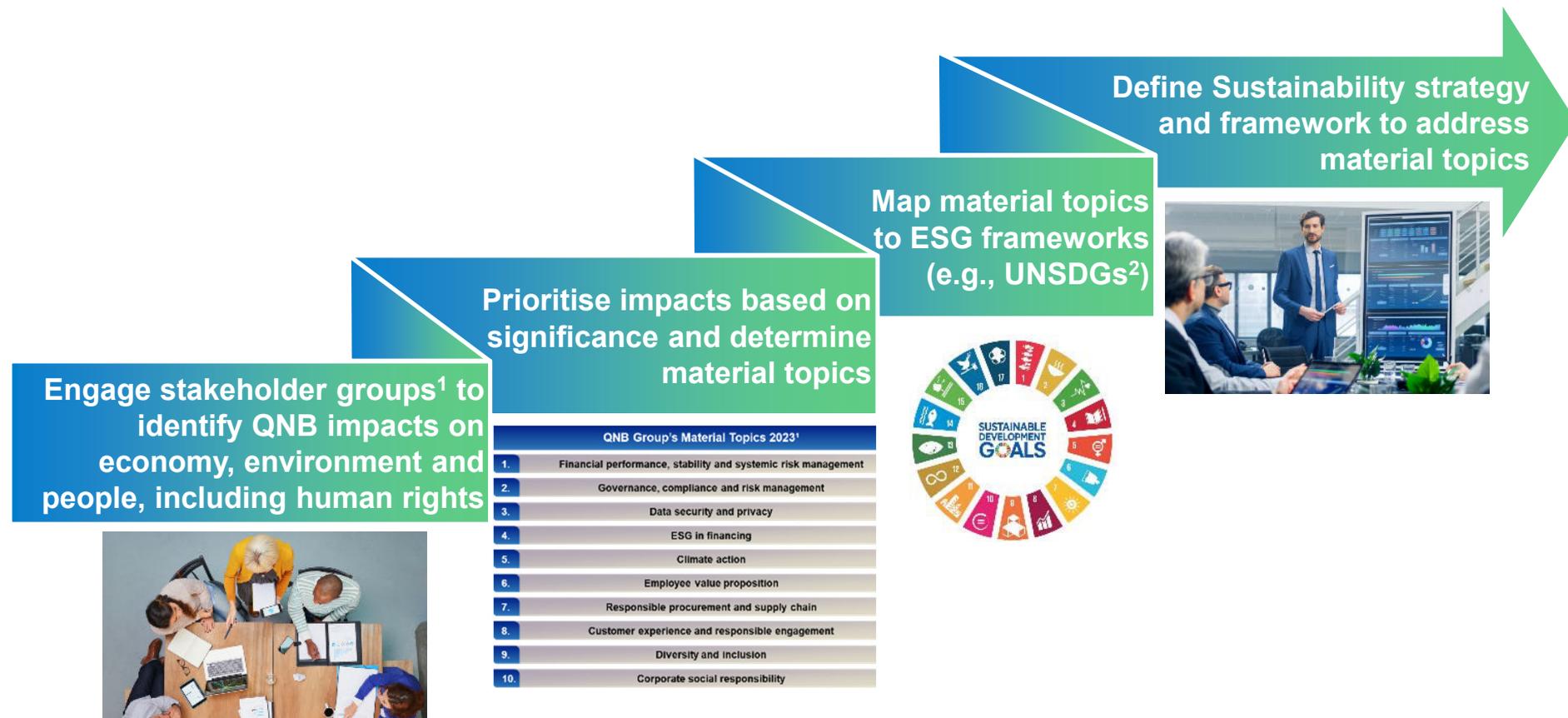
# Sustainability

# Sustainability entails delivering positive impact in the pillars and topics of Environmental, Social and Governance (ESG)

## Universal sustainability topics mapped against the pillars of ESG

ESG Pillars	Environmental 	Social 	Governance 
Sustainability topics	Climate change	Human rights	Board oversight
	Carbon emissions	Labour practices	Gender diversity
	Resource scarcity	Talent management	Business ethics
	Energy efficiency	Inclusion and diversity	Code of conduct
	Consumption	Data privacy	Cyber security
	Waste	Community investment	Controversies
	...	...	...

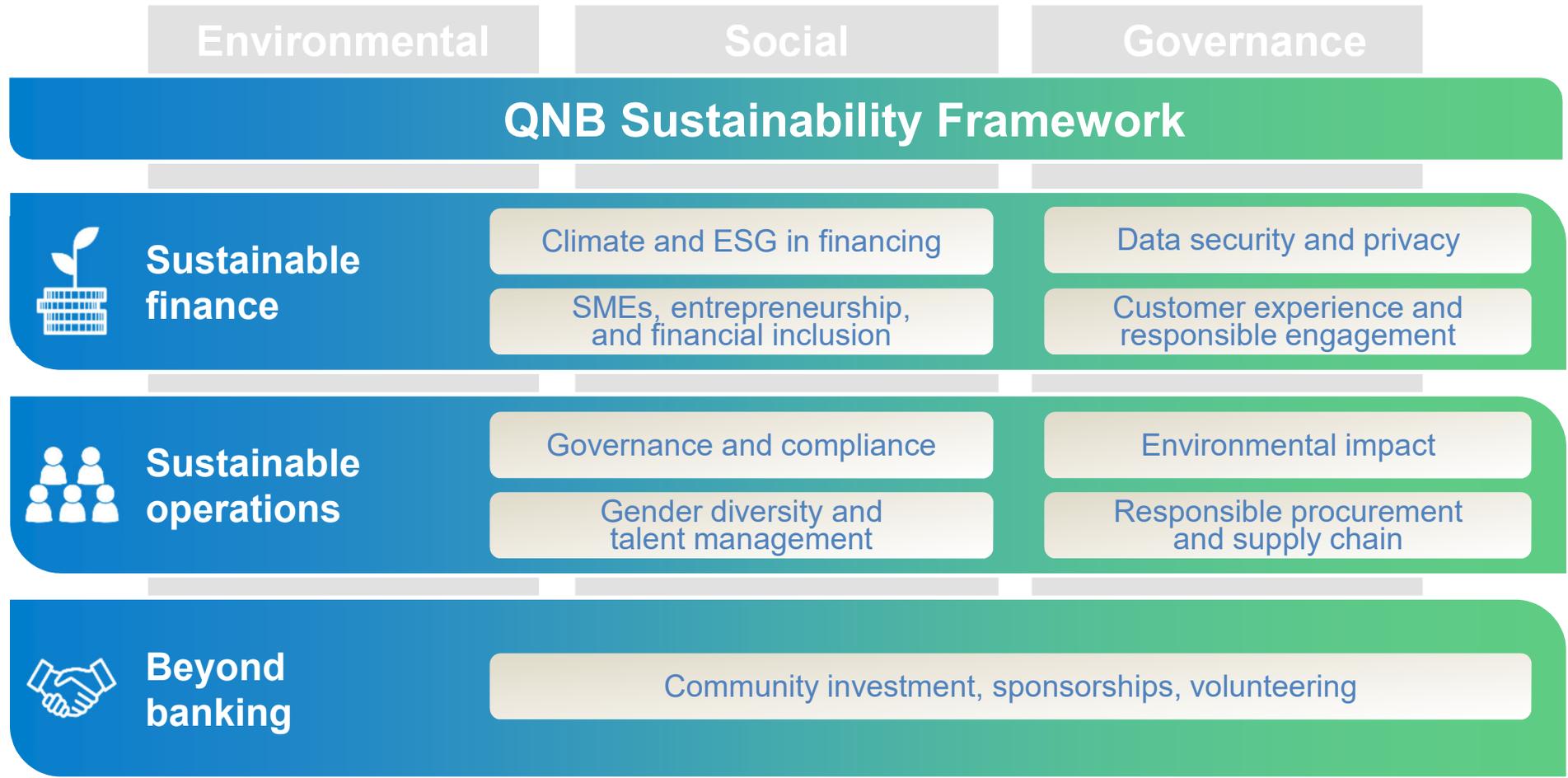
# QNB engages key stakeholder groups to formulate, prioritise and report upon the sustainability topics most material to them



**Based upon this approach, QNB has compiled a comprehensive list of relevant economic, ethical, social and environmental impact areas**



# QNB has established its sustainability framework and strategy along the pillars of ESG to actively and positively address material topics



# QNB has delivered and achieved a number of key ESG milestones across all areas of our sustainability framework

As at 31 December 2023

Non-exhaustive



## Sustainable finance

*Transition to Greener Economy*



**USD 9 Bn**  
of sustainable financing



Sustainable Finance and Product Framework



ESRM<sup>1</sup>, climate scenarios, scope 3 emissions



37 sustainable products and services



## Sustainable operations

*Operate to Succeed*



Independent assurance for GRI and selected KPIs



UNGC, UNEP FI, UN WEP Signatory<sup>2</sup>



Carbon reduction initiatives



Employee & third-party focus



## Beyond banking

*Contribute to Society*



Health and Environment



Youth and Education



Social and Humanitarian



Sport and Culture



# Sustainable finance at a glance

As at 31 December 2023

Non-exhaustive

Financing	
<p><b>Climate scenarios and scope 3 financed emissions</b> Covering &gt;95% portfolio</p> 	<p><b>USD 9 Bn</b> Sustainable financing portfolio, including environmentally friendly, low carbon activities</p> 
<p><b>Award-winning SFPP<sup>1</sup></b> Market-leading and comprehensive ESG financing framework</p> 	<p><b>USD 3.8 Bn</b> Value of loan portfolio to SMEs and microenterprises</p> 
<p><b>Limited high-risk sector exposure</b> Direct exposure to high-risk sectors<sup>2</sup> limited to approx. 1% of total loan book</p> 	<p><b>37</b> Number of sustainable financial products and services offered to customers</p> 

Customer experience	
<p><b>87%</b> Digital transactions (online &amp; mobile as a % of total)</p> 	
<p><b>0</b> Data security breaches</p> 	
<p><b>79</b> Net Promoter Score (NPS) achieved in Qatar</p> 	



<sup>1</sup> [QNB Sustainable Finance and Product Framework](#)

<sup>2</sup> High risk sectors including coal, oil and gas, metals and mining, and palm oil

# QNB is proactively addressing both climate risk and opportunities in its governance, financing and engagement activities

## Evaluating and managing risks

- Group governance in line with TCFD
- ESRM: exclusions, sector guidelines, prohibited activities, risk categorisation
- Climate portfolio analysis, including physical and transition risk
- Scope 3 financed emissions



Our direct exposure to high-risk sectors<sup>2</sup> is approximately 1% of loan book

## Identifying and capturing opportunities

- Market leading Sustainable Finance and Product Framework
- Targets, KPIs, link to Executive and employee compensation
- Client and market dialogue and engagement
- Partnerships and collaboration
- Industry standards and developments



1 Commitment to exclude and exit coal financing in our major subsidiary QNB Finansbank. All legacy exposure was successfully run-off in 2023, ahead of 2032 target

2 High risk sectors including coal, oil and gas, metals and mining, and palm oil

# QNB's SFPF<sup>1</sup> is the first of its type in Qatar, market leading in region, and aligned with international principles

## Framework and SPO



- [QNB Group Sustainable Finance and Product Framework \(SFPF\)](#)
- [ISS Corporate Solutions Second Party Opinion \(SPO\)](#)

## SFPF scope

### Sustainable Finance

#### Green/ Social Activities

#### Sustainability-Linked

## Transition Finance<sup>2</sup>

## Classification

Dedicated Green/  
Social Use of Proceeds (UoP)  
activity or project

Financing "Pure Play" company  
>90% revenue from Green/ Social UoP

Financing with Sustainability-Linked  
pricing component

Financing for "Hard-to-abate" sectors<sup>2</sup> to transition business practices

Non-green sectors

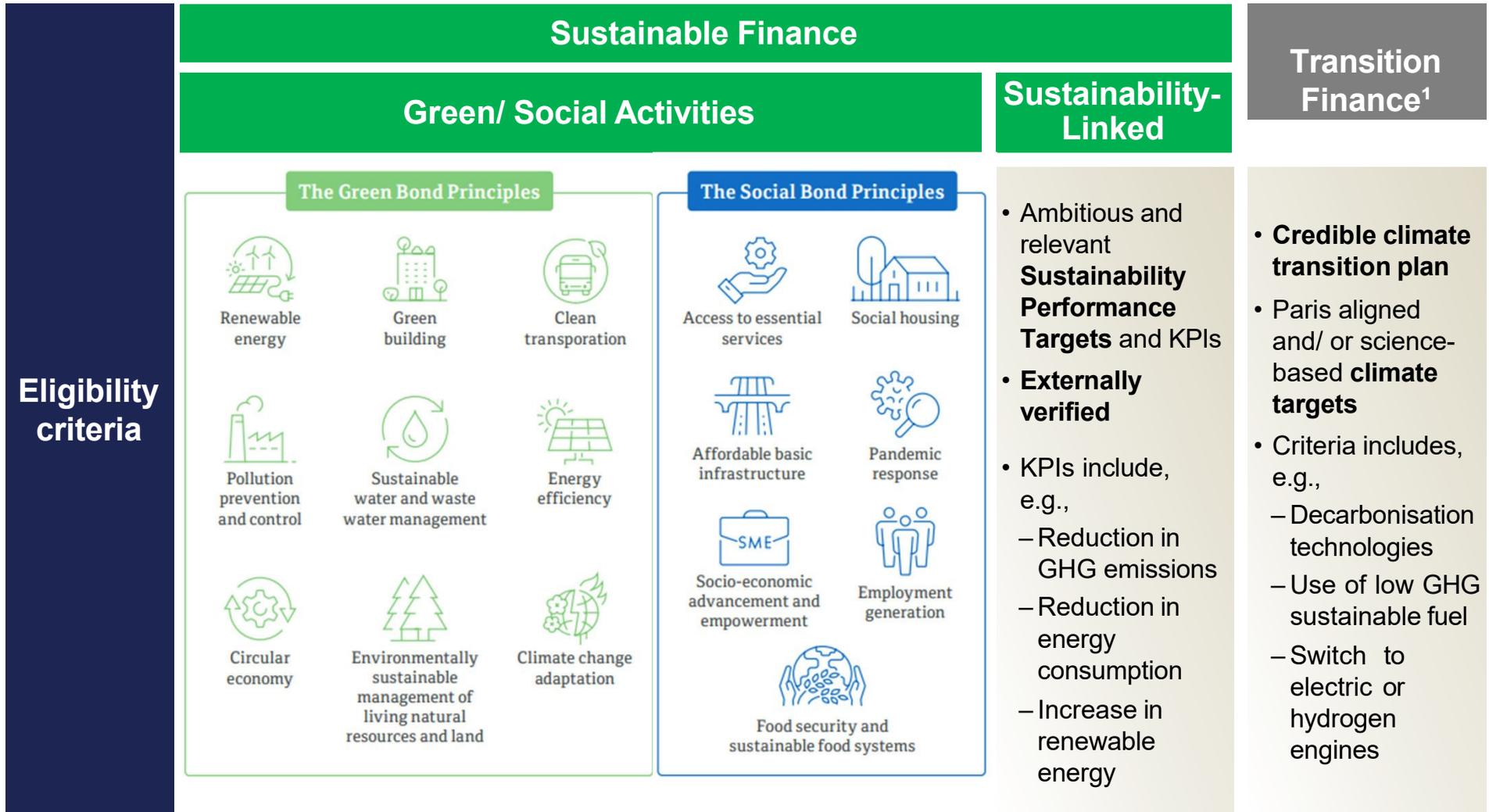
## International principles, taxonomies, and guidelines



<sup>1</sup> Sustainable Finance and Product Framework

<sup>2</sup> Includes Manufacturing, Transportation, Energy, Non-Green hydrogen, in line with international/ regional peer frameworks

# QNB's SFPF is aligned with international taxonomies, eligibility criteria, and standards to enable and drive ESG and climate financing



<sup>1</sup> Includes Manufacturing, Transportation, Energy, Non-Green hydrogen, in line with international/ regional peer frameworks

# QNB continues to leverage the SFPF and client engagement to further develop and grow its sustainability portfolio

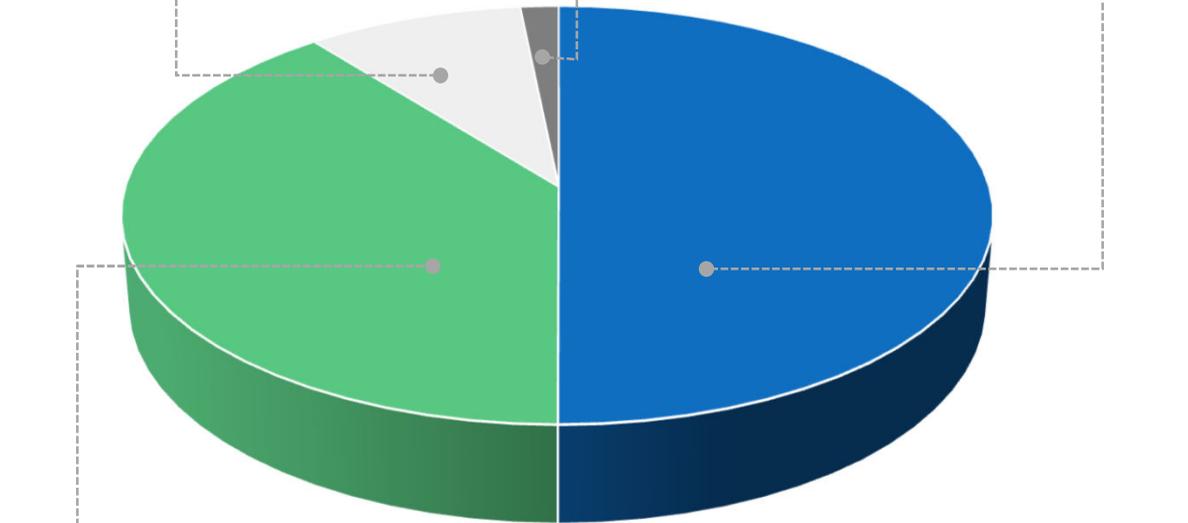
As at 31 December 2023

## QNB Group's total sustainable lending portfolio USD 9 Bn

Sustainability-linked loans  
USD 820 Mn

Sustainable investments<sup>1</sup>  
USD 145 Mn

Social loans  
USD 4,516 Bn



Green loans  
USD 3,530 Mn



>70%

Increase in green financing since 2020

Participation in sustainability-linked syndicated lending worth

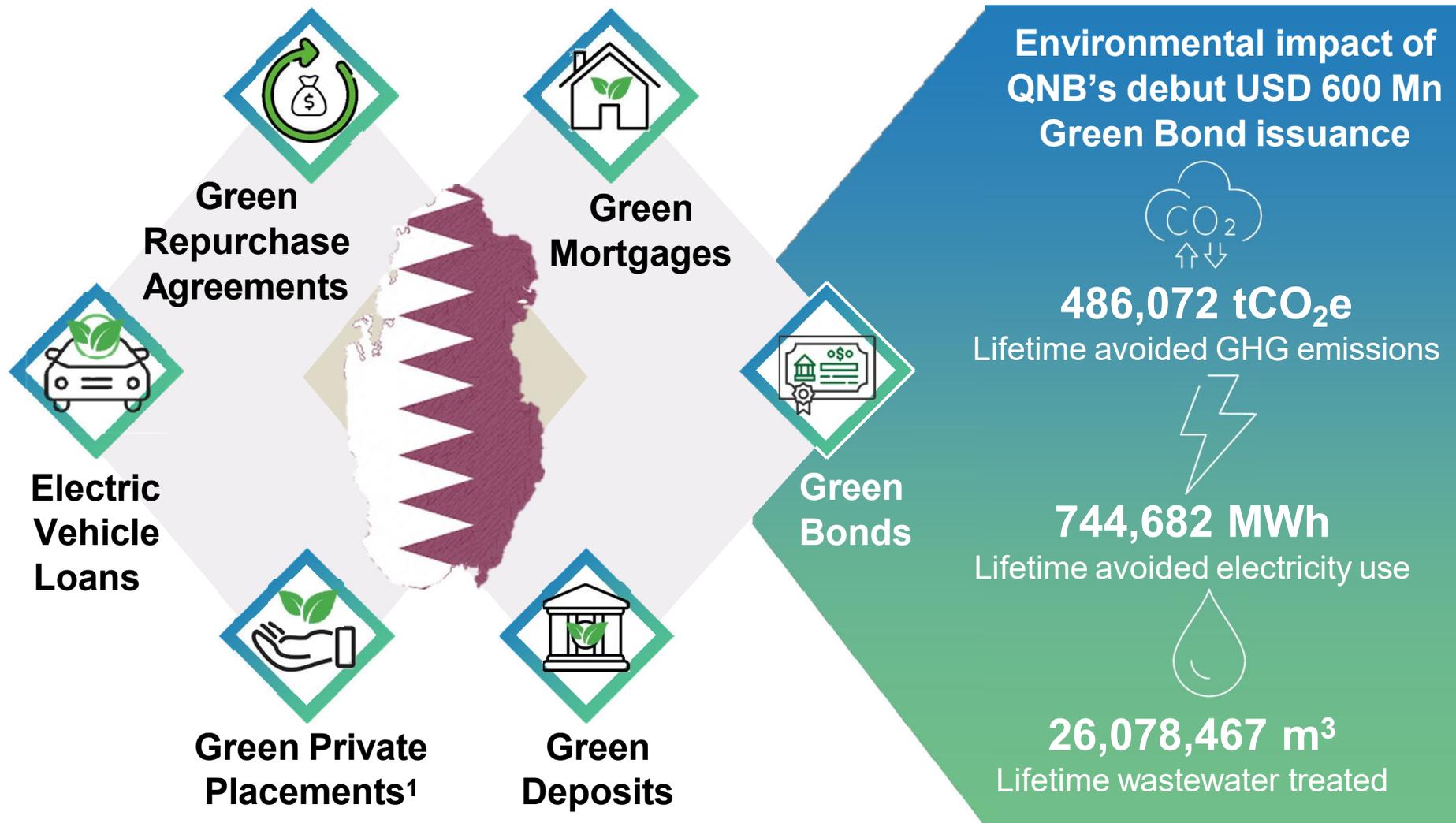
USD >13 Bn

with direct participation of over

USD 820 Mn

EBRD's first investment in a green bond private placement<sup>2</sup>

# QNB is recognised as a leader in sustainable financing, launching a number of pioneering products and transactions into the market



<sup>1</sup> First green bond private placements by Qatari banking group, through major subsidiary QNB Finansbank

# Sustainable operations at a glance

As at 31 December 2023

Non-exhaustive

## Environmental impact



**100%**

Energy from renewable sources in QNB Finansbank



**14001 & 50001**

ISO certifications for Environmental and Energy<sup>2</sup> Management



**48% reduction in GHG emissions<sup>1</sup>**

Total reductions since 2017

## Gender diversity



**20%**

% Women Board members in our subsidiaries



**0.92**

Female/male pay ratio



**33%**

% Women in middle and senior management



**48%**

% Female employees

Deloitte & Touche Middle East provided independent limited assurance in 2023 on: Female employment rate, Percentage of female Board members in subsidiaries, and GHG Scope 1 and Scope 2 emissions

# Integrating ESG into our operations to align with international best practices and embed sustainability in our DNA

## Commitment to global and regional frameworks



## Focus on our people – employee value proposition



- Continued emphasis on **diversity, inclusion, and nationalisation** for our people and talent
- Focus on learning and development, capabilities building, and succession

## Independent assurance on reporting<sup>1</sup>



- **100% renewable energy** sources for operations in Türkiye
- **Installed solar energy stations** in all owned, stand-alone, buildings in Egypt

## Protecting environment and society

- Established Third Party Risk Management assessments
- Embedded **Supplier Code of Conduct** as part of centralised procurement requirement
- Conducted **site visits and inspections for 100% of manpower suppliers<sup>2</sup>** in Qatar



Supplier Code of Conduct



## Enhancing Third Party Risk Management (TPRM)

# QNB is recognised as a regional leader in climate financing and ESG initiatives through external ratings and international awards

As at 31 March 2024

Disclosures	2021	2022	2023	Rank (GCC Banks)
<b>MSCI</b> 	AA First in GCC	A	A	#1= 
<b>S&amp;P Global</b>	42 (62 <sup>nd</sup> percentile)	46 (83 <sup>rd</sup> percentile)	50 (85 <sup>th</sup> percentile)	#1 
 <b>SUSTAINALYTICS</b>	Medium risk (22.4)	Medium risk (22.9)	Medium risk (21.1)	#3
 <b>CDP</b>	D	C	B	#1 



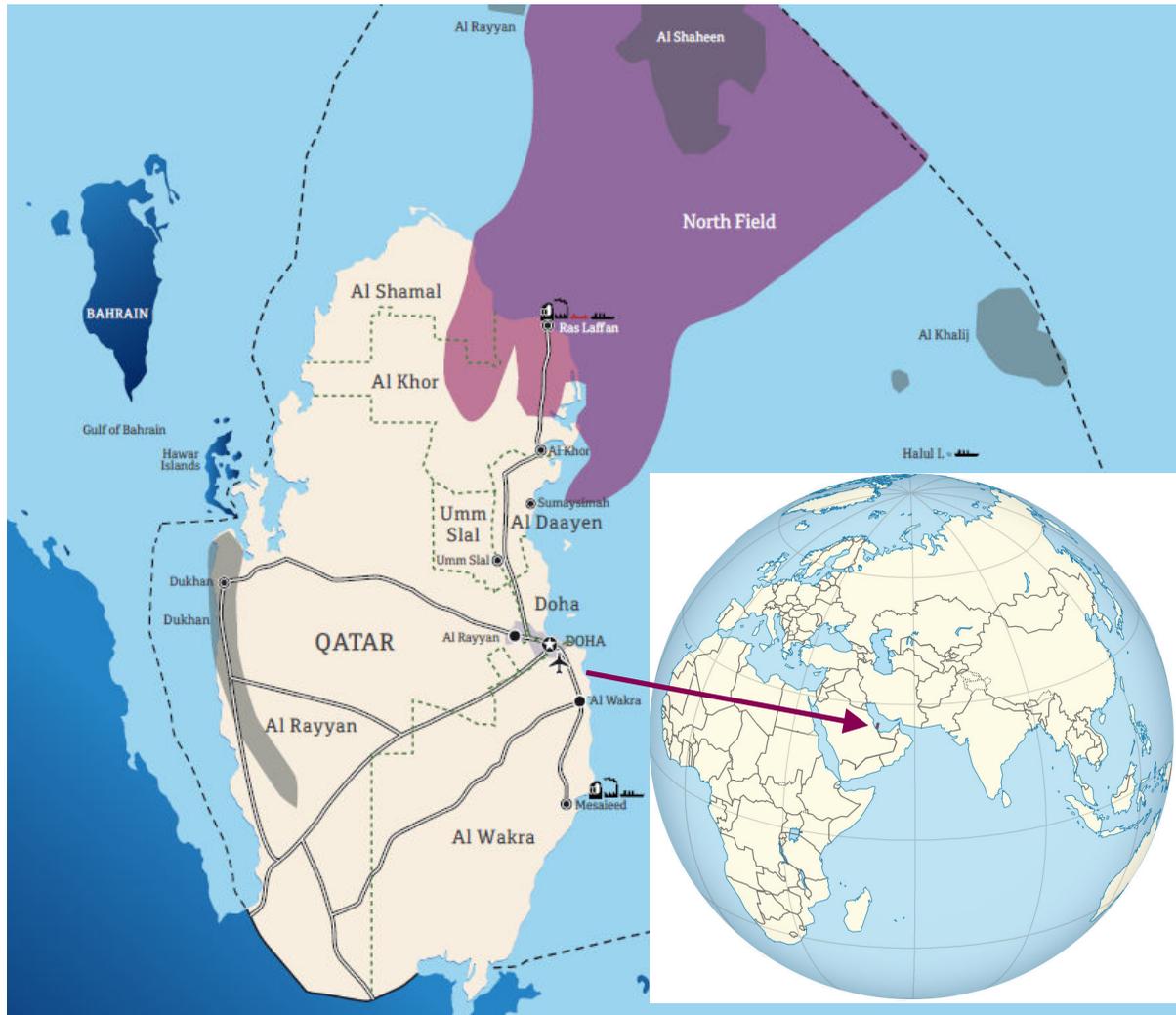
**5x** Sustainable Finance Awards in 2024 (Global Finance)

- Best bank for Sustainable Finance in ME and Qatar
- Best bank for Green Bonds in ME
- Best bank for Sustainable Project Finance in ME



# Economic Overview

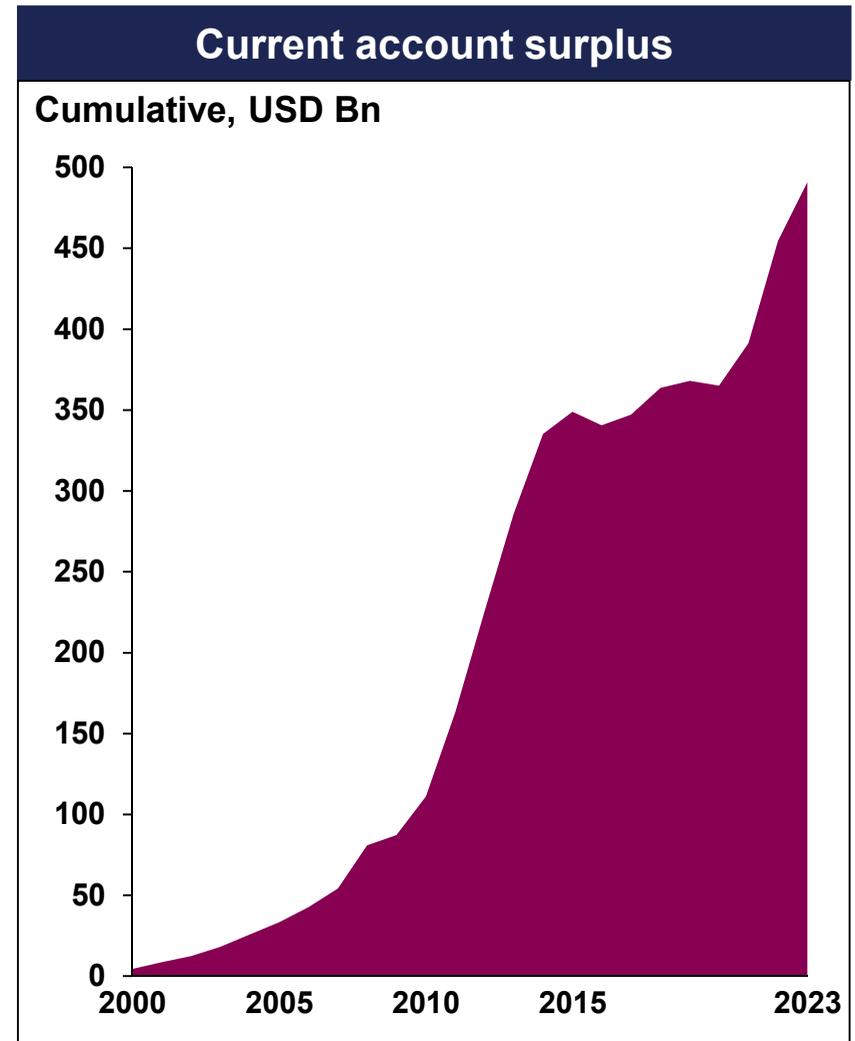
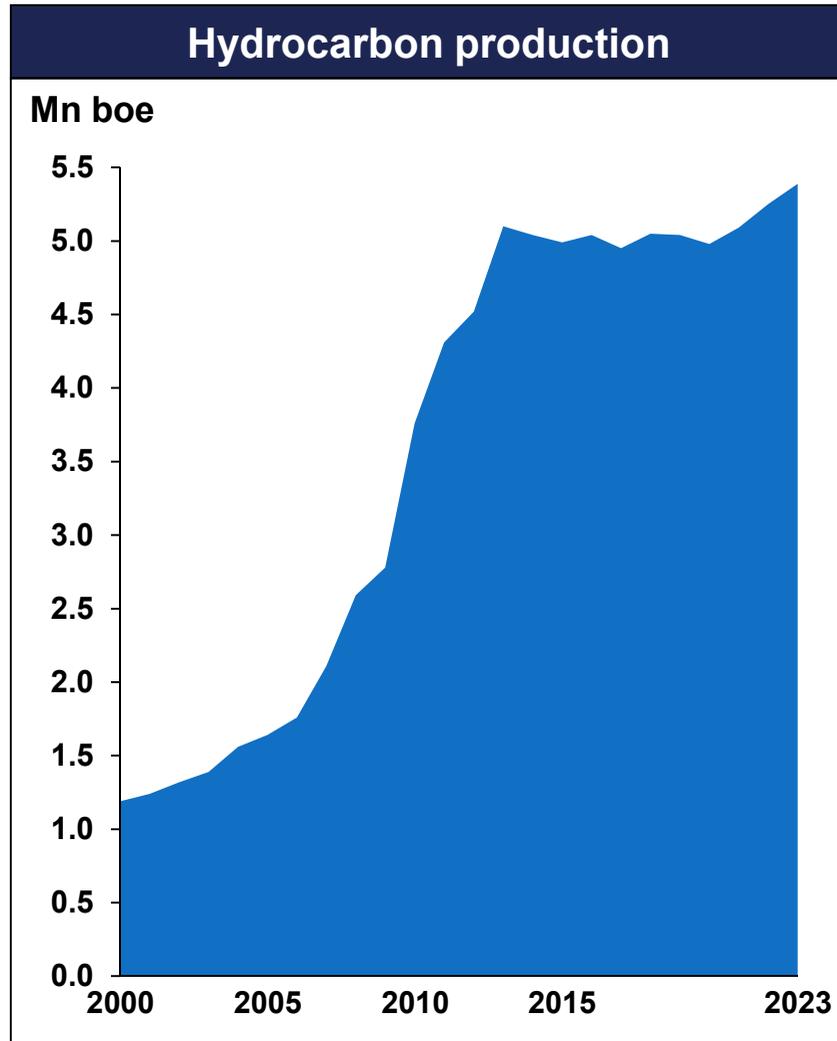
# Qatar is strategically located between Europe and Asia and possesses one of the largest gas reserves in the world



## Comments

- Qatar is a peninsula located in the Persian Gulf and is a member of the Gulf Cooperation Council (GCC)
- Qatar's total population is around 3 million
- Qatar is endowed with the world's largest hydrocarbon reserves on a per capita basis
- Qatar's hydrocarbon reserves are mostly held in the North Field; the world's largest non-associated gas field
- Qatar is one of the world's largest exporters of liquefied natural gas (LNG)

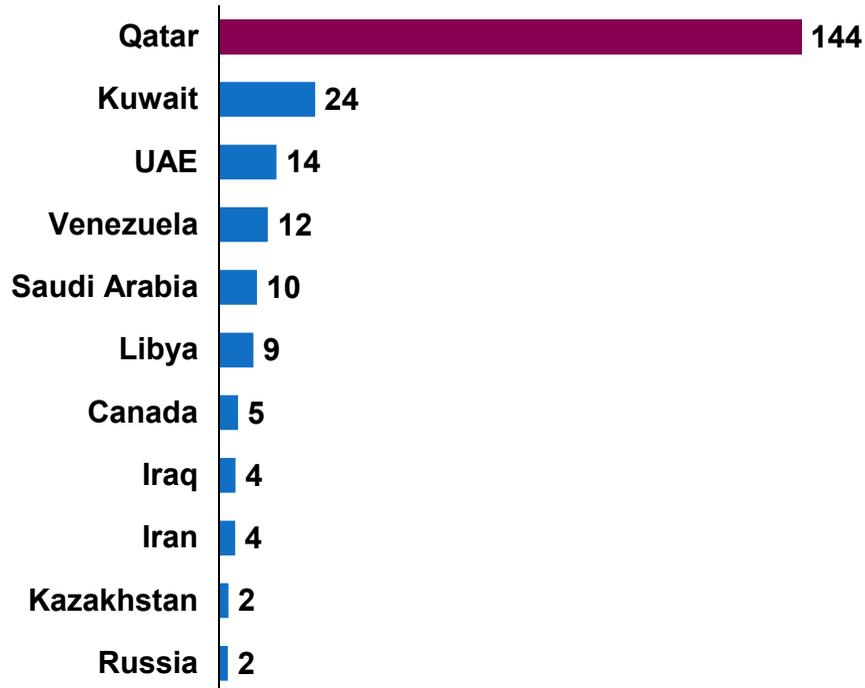
# Qatar's hydrocarbon production generates significant wealth via exports and has fueled substantial current account surpluses



# The development of Qatar's vast hydrocarbon reserves make it one of the richest countries in the world

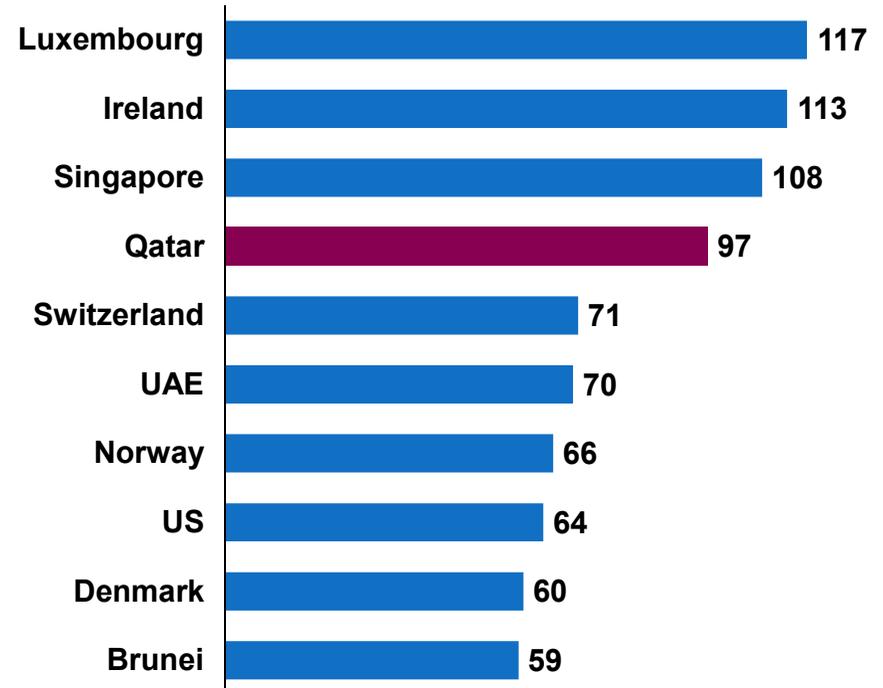
## Hydrocarbon reserves per capita (2021)

thousand barrels of oil equivalent (boe)



## GDP per capita (2022)

thousand USD PPP

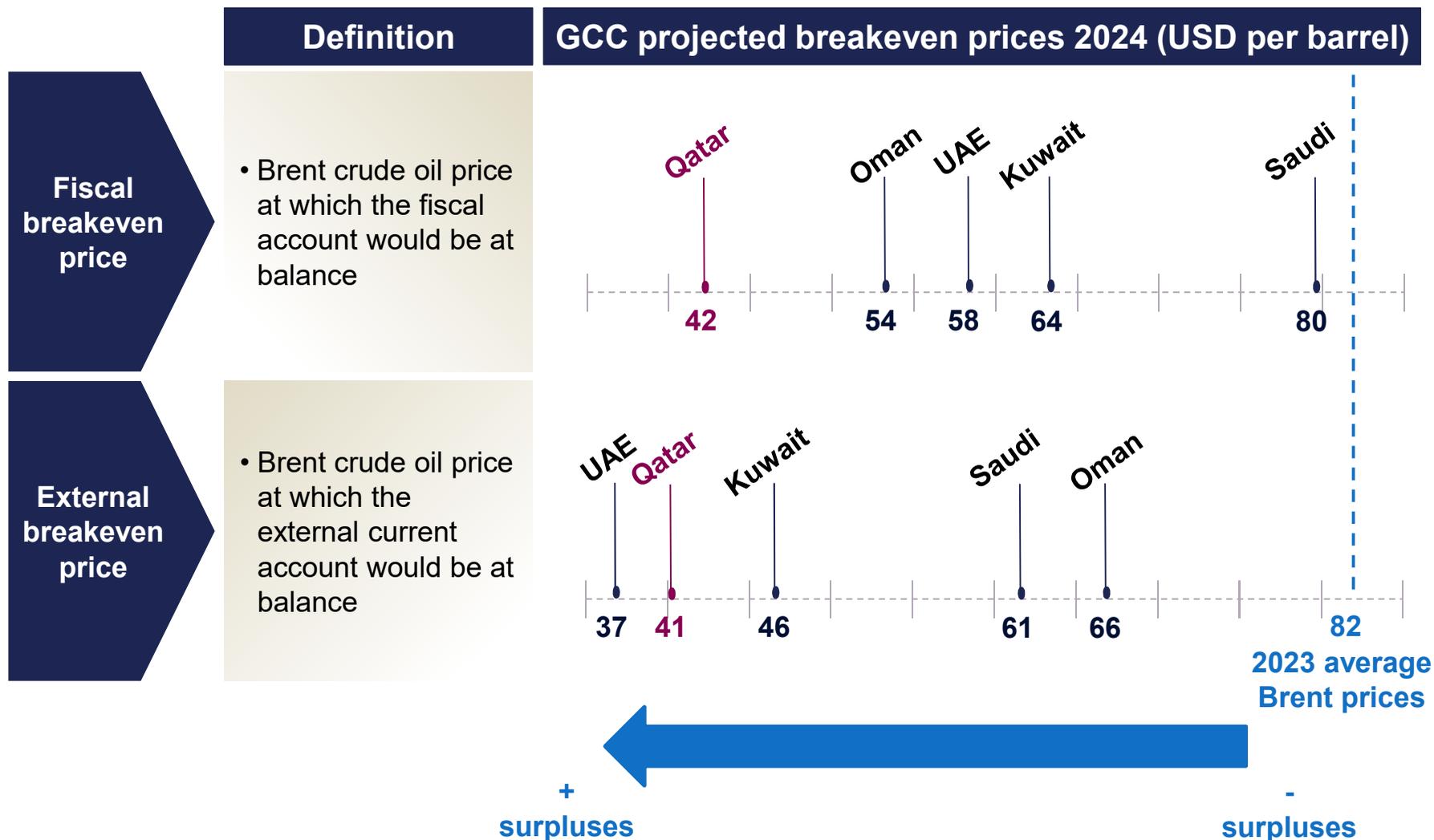


At current extraction rates, Qatar's proven gas reserves would last for over a hundred years

Development of the hydrocarbon sector has made Qatar one of the world's richest countries



# Robust fiscal and external position allows for significant surpluses even at much lower oil prices



# Qatar benefits from solid trade relations and robust energy partnerships

## Qatar's external sector

### Directions of trade (2022)

Exports		Imports	
Destination	(USD Bn)	Source	(USD Bn)
China	20.8	China	5.4
India	15.1	US	4.9
South Korea	14.3	India	2.1
Japan	12.6	Italy	1.9
UK	8.6	Germany	1.7
Belgium	7.2	Turkey	1.5
Singapore	6.7	UK	1.3
Italy	6.5	Switzerland	1.1
UAE	5.7	Oman	1.0
Pakistan	3.9	France	0.9

### Exports

- **HC:** LNG, condensates, oil, gas
- **Non-HC:** petrochemicals, fertilizers, chemicals, plastics, steel, aluminium, machinery and transport equipment

### Imports

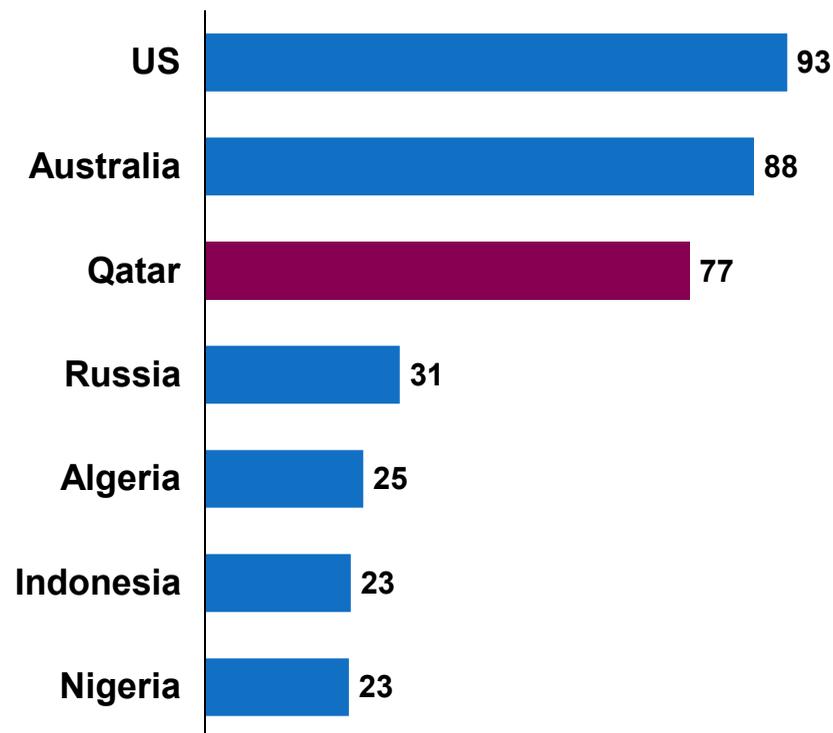
- **Investment related:** capital goods and intermediary goods used as inputs for production
- **Consumer goods:** finished products that are ready for consumption or distribution for end user



# Qatar is a leading LNG exporter and benefits from a clear cost advantage vis-à-vis other exporters

## LNG export capacity (2024)

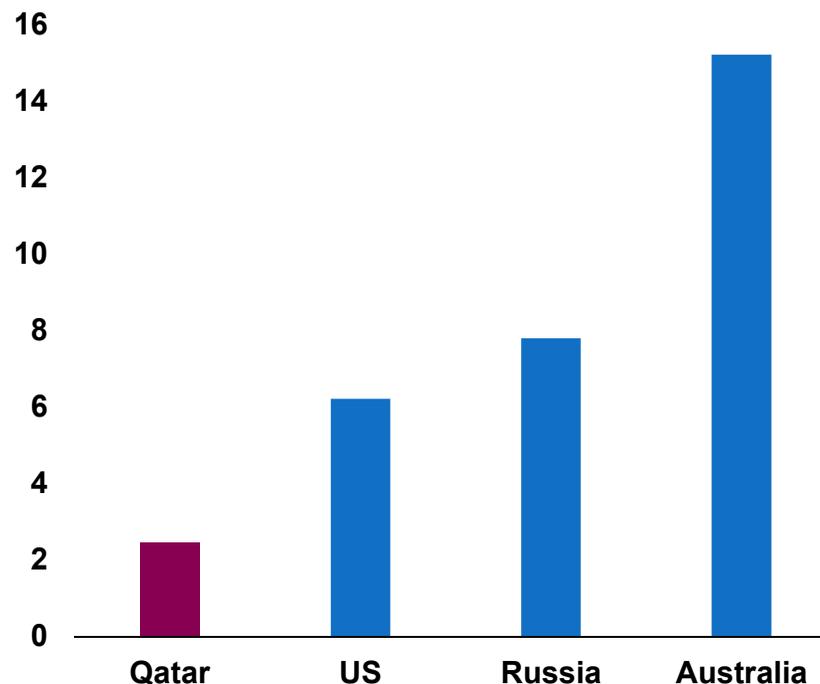
Million metric tons per annum (Mtpa)



Qatar is consistently amongst the three largest exporters of LNG globally

## LNG projects cost curve

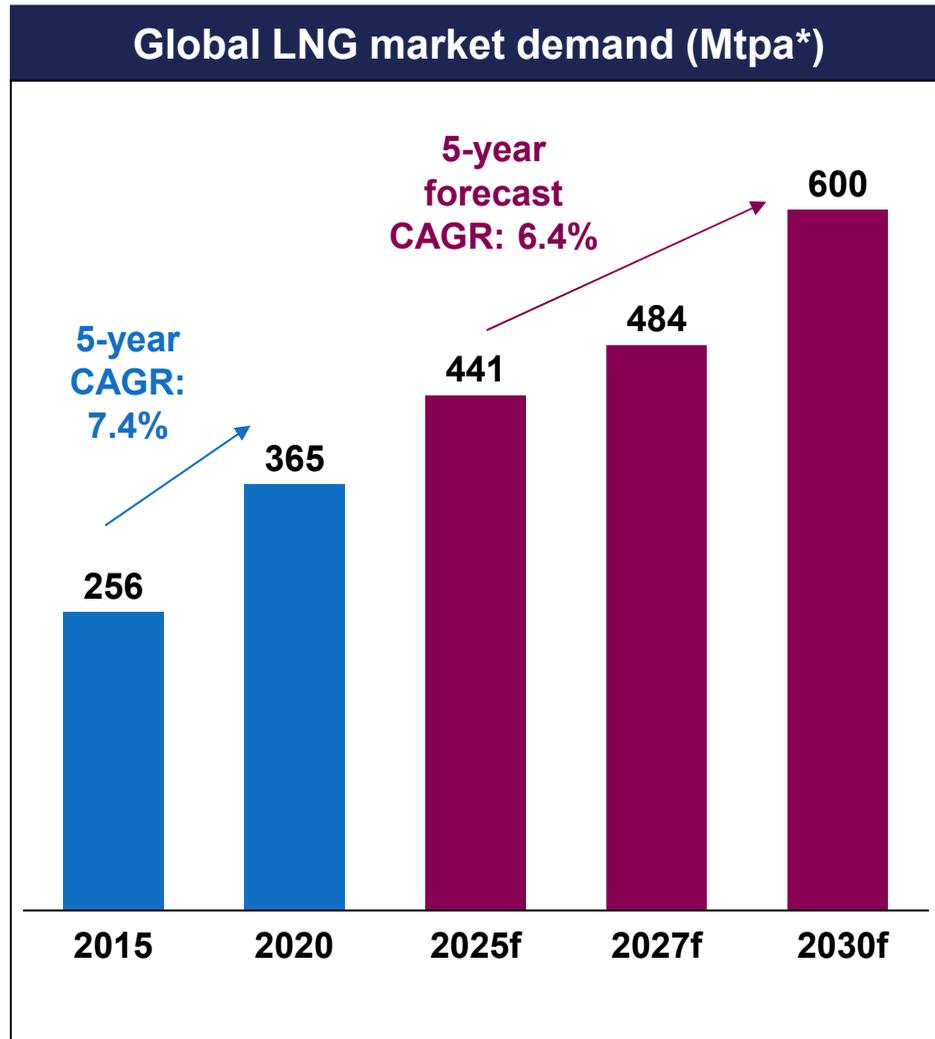
USD/mmBtu



Qatar's LNG production is at the bottom of the global LNG cost curve, allowing for flexibility and resilience



# Long-term prospects for LNG demand remain robust, creating attractive opportunities for suppliers that are competitive and reliable



## Rationale – the case for gas

### Energy security

- Natural gas is critical to global energy demand

### Sustainable position

- Natural gas is the cleanest fossil fuel in terms of carbon dioxide emission
- Natural gas is generally considered a “transition” fossil fuel

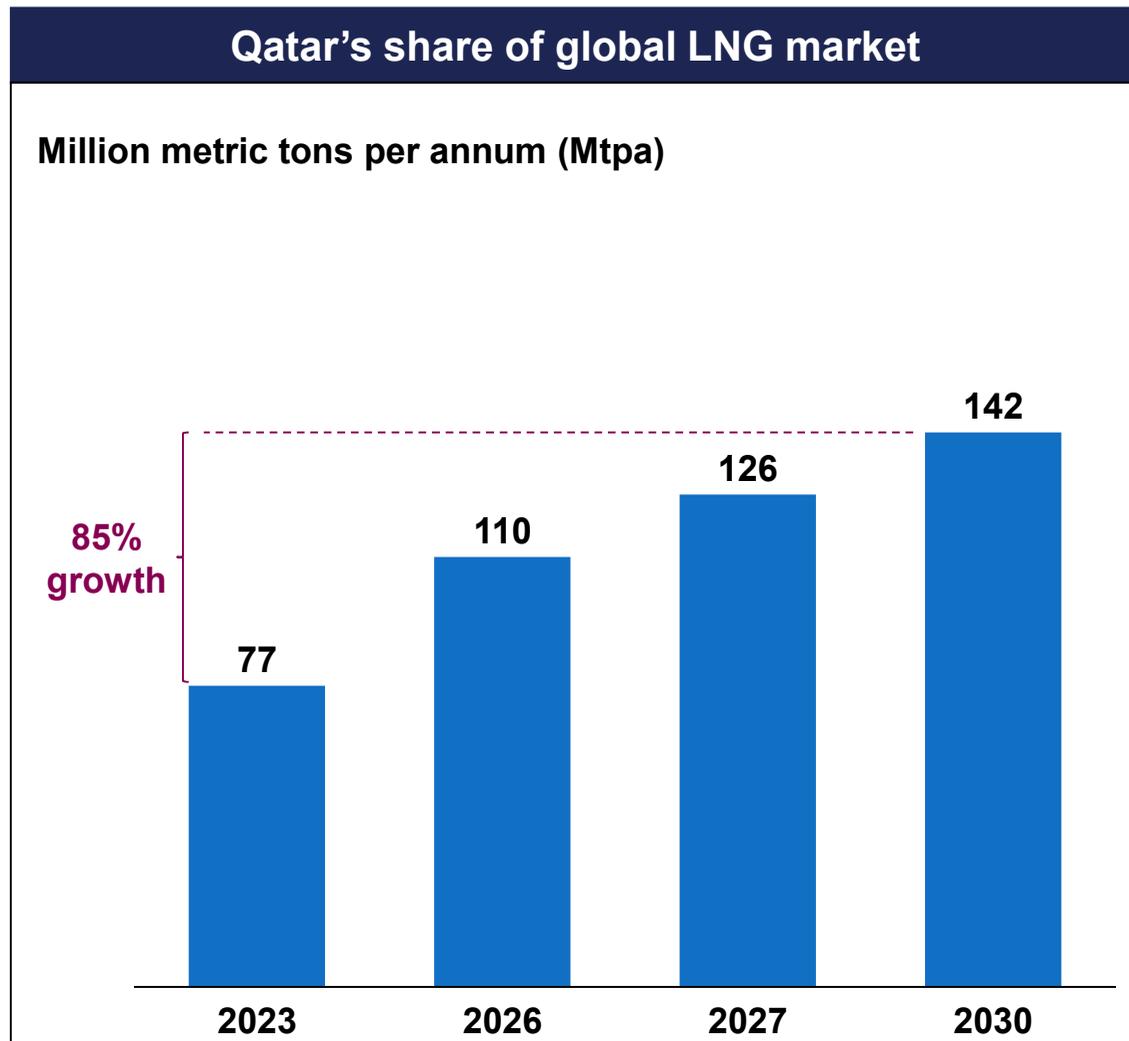
### Robust growth potential

- Increase in demand from Asia due to growth and the bigger share in energy matrixes

**Given the size and quality of its reserves, Qatar has a global competitive cost advantage that makes it a low cost producer**



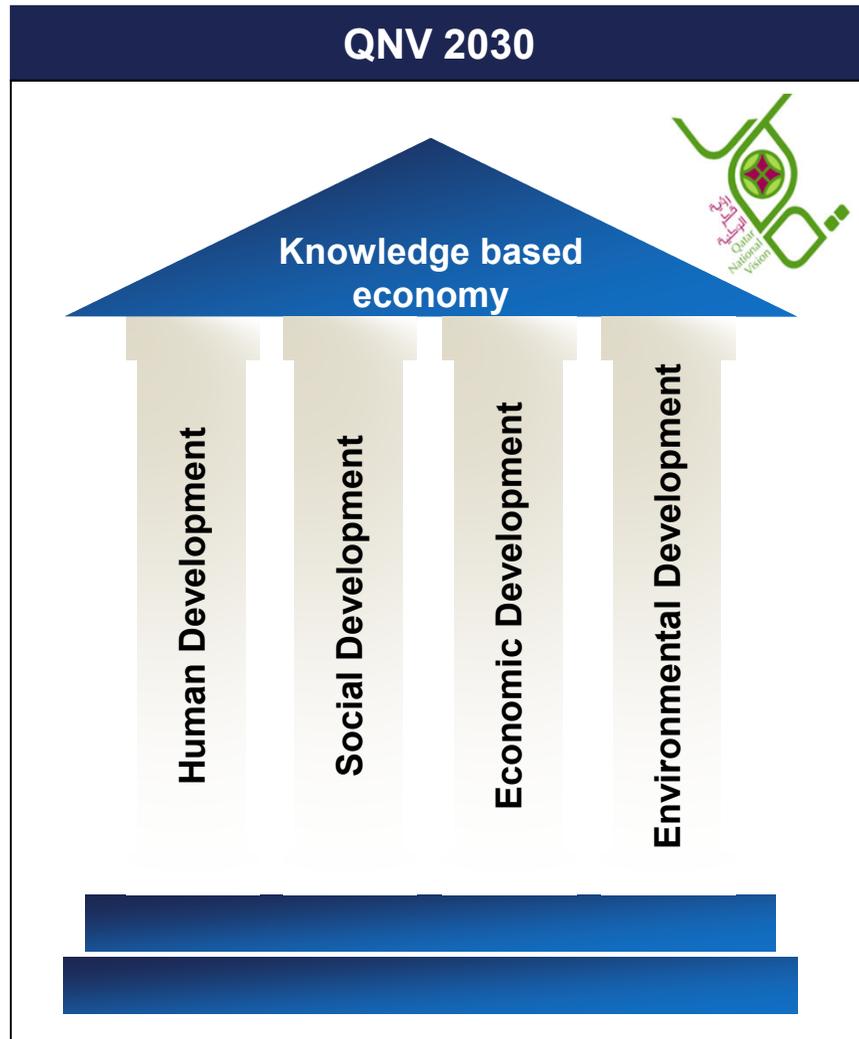
# Qatar is responding to this demand and opportunity with the North Field Expansion project, which will increase LNG output by 85%



- Globally Qatar is the largest LNG exporter with a market share of 20-30% of total LNG exports
- In 2017, Qatar decided to lift the moratorium on the North Field output
- Eight new LNG trains will increase Qatar's LNG production by 85% to 142 million tonnes per annum. There are three phases within the North Field Expansion:
  - Phase I, North Field East, will increase Qatar's annual production from 77 to 110 million tonnes, with first gas expected from four trains by 2026
  - Phase II, North Field South, will increase production to 126 million tonnes, with first gas by 2027
  - Phase III, North Field West, will then further boost output to 142 million tonnes by 2030
- The LNG expansion will also unleash further downstream growth, as abundant feedstock favors the petrochemical and manufacturing sector



# To reduce reliance on hydrocarbon (HC) revenues, Qatar introduced a diversification strategy via Qatar National Vision 2030 (QNV 2030)



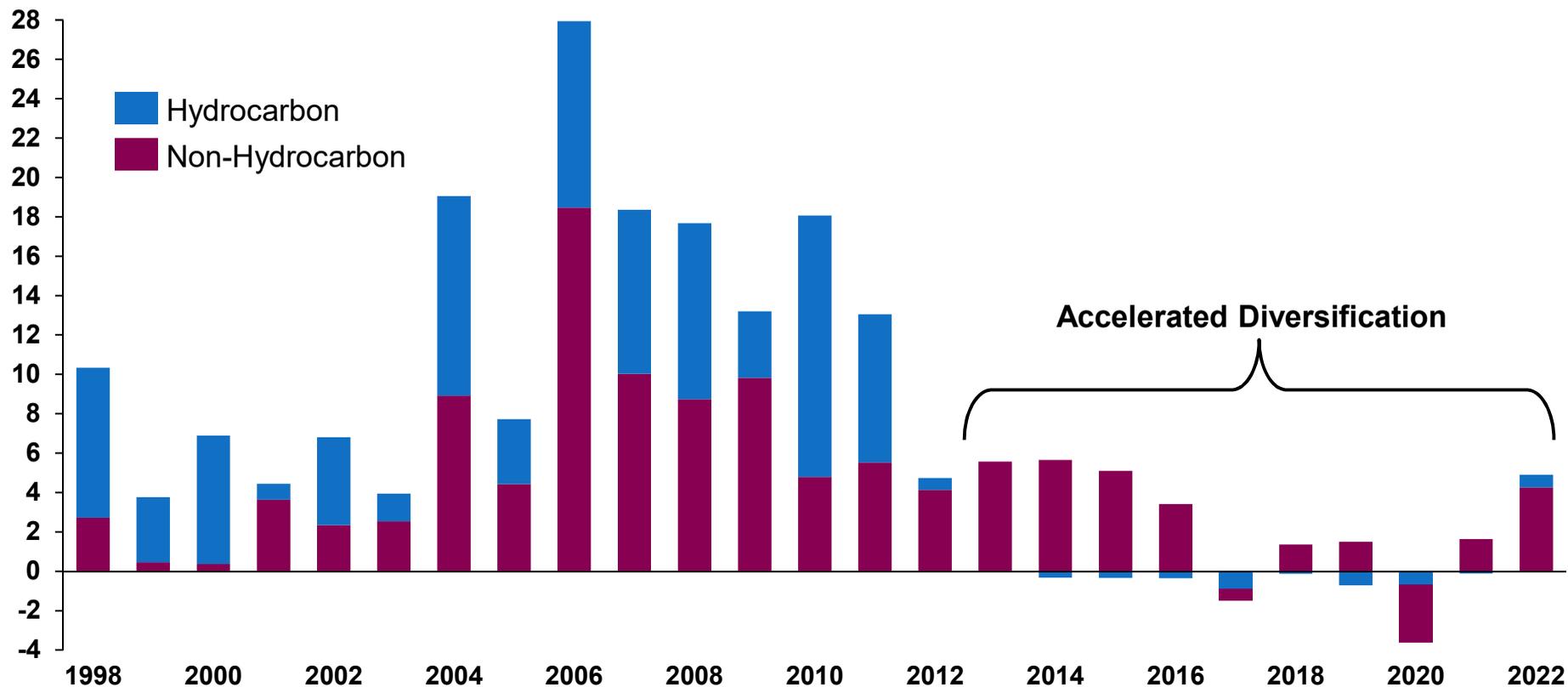
Comments
<p><b>QNV 2030 aims to promote diversification away from oil and foster human, social, economic and environmental development:</b></p> <p><b>Human development</b></p> <ul style="list-style-type: none"><li>• To enable all of Qatar's people to sustain a prosperous society</li></ul> <p><b>Social development</b></p> <ul style="list-style-type: none"><li>• To maintain a just and caring society based on high moral standards and capable of playing a prominent role in the global partnership for development</li></ul> <p><b>Economic development</b></p> <ul style="list-style-type: none"><li>• To achieve a competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for, all its people for the present and for the future</li></ul> <p><b>Environmental development</b></p> <ul style="list-style-type: none"><li>• To ensure harmony among economic growth, social development and environmental protection</li></ul>



# Economic diversification has accelerated over the last decade in order to achieve the QNV 2030

## Real GDP Growth by Sector

%, year-on-year



# Qatar's 3<sup>rd</sup> National Development Strategy (QNDS3) aims to support the execution of the QNV 2030 through seven key strategic outcomes

## Qatar's NDS 3 (2024 – 2030)

### 1. Sustainable Economic Growth



- Adopt a sustainable growth model to transform into a competitive, productive, diversified, and innovative economy.

### 2. Fiscal Sustainability



- Strengthen the long-term stability, health, and resilience of the government budget and its balance sheet.

### 3. Future-ready Workforce



- Enable and develop citizens into globally competitive individuals and attract high-skilled expatriates as long-term partners in Qatar's transformation journey.

### 4. Cohesive Society



- Preserve Qatar's values and strong family bonds, fostering active citizenship, an integrated community, and harmonious society to thrive in a globalized world.

### 5. Quality of Life



- Provide quality of life for all through excellence in healthcare and public safety, with a vibrant cultural life, becoming a best-in-class environment for families.

### 6. Environmental Sustainability



- Conserve natural resources, protect ecosystems, reduce greenhouse gas emissions, and build resilience against future environmental threats.

### 7. Government Excellence



- Become a world-class provider of government services to citizens, residents, businesses, and institutions, and a top nation for effective, efficient, and transparent governance.



# Qatar's sustainable economic growth model incorporates four key elements

## Qatar's NDS 3



## Sustainable Economic Growth Model

### Energy Sector

- Qatar will further strengthen its role as a global energy leader and build a position in new emerging fields of low-carbon energy.

### Business Environment

- To position Qatar to have one of the top business environments for both domestic and international investors.

### Diversification Clusters

- Four identified clusters: growth clusters (manufacturing, logistics, tourism), enabling clusters (IT & digital, financial services, education), national resilience clusters (food & agriculture, health services), and future clusters (green tech, media)

### Innovation

- Bolster Qatar's innovation ecosystem and increase its impact in propelling productivity advancements and economic growth.

# Qatar's development strategy spurs economic growth along two dimensions

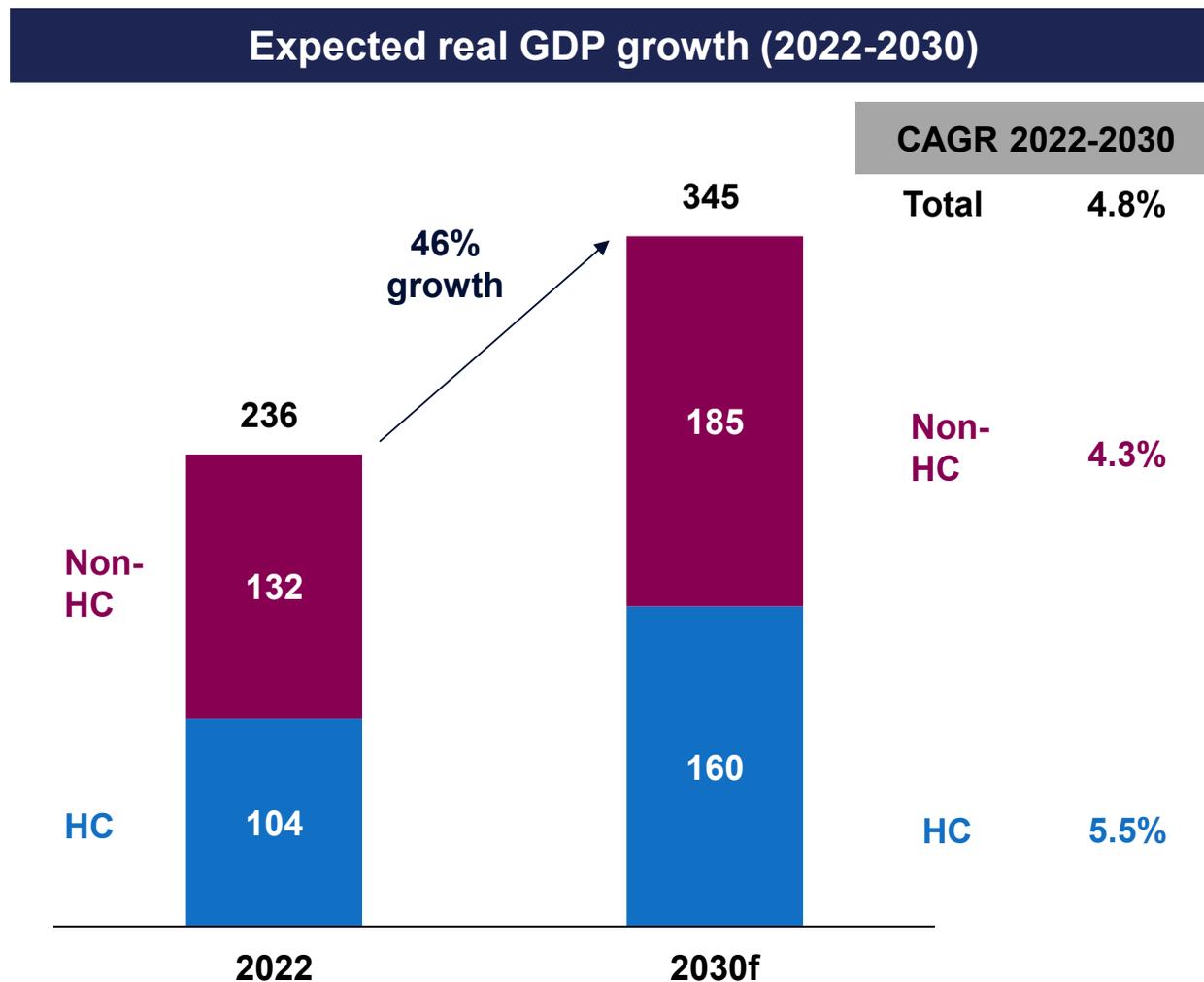


- **North Field Expansion**
  - North Field East
  - North Field South
  - North Field West
- **Project Ru'ya**
  - Third phase of Al-Shaheen's development
- **Brownfield projects**
  - Al-Shaheen and Dukhan

- **Downstream manufacturing projects**
  - Ras Laffan Petrochemical Project
  - Ammonia 7 Project by QAFCO
  - New PVC plant by Qapco
- **Capex packages**
  - Infrastructure and public services
- **Tourism**
  - 6 million tourists per year by 2030
- **Other diversification projects**



# Qatar's development strategy is set to achieve significant growth over the next several years

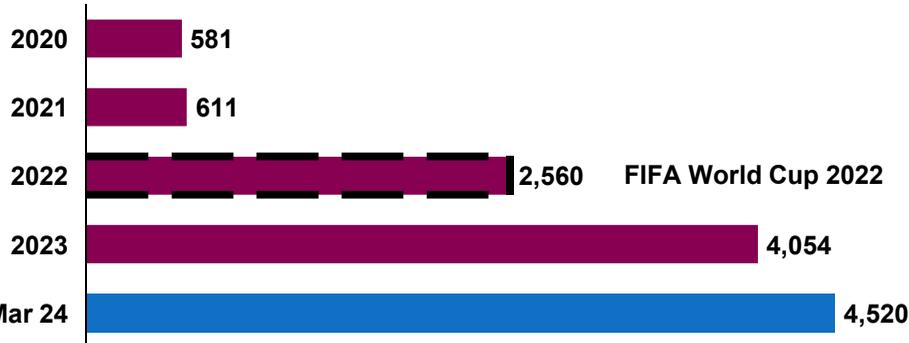


Comments
<b>Assumptions</b>
<ul style="list-style-type: none"> <li>• HC <ul style="list-style-type: none"> <li>– All phases of the North Field Expansion project are delivered</li> <li>– Ru'ya and brownfield projects advance</li> </ul> </li> <li>• Non-HC <ul style="list-style-type: none"> <li>– Full development of major petrochemical and fertilizer projects</li> <li>– Continued development of other priority sectors (tourism, healthcare, education)</li> </ul> </li> </ul>

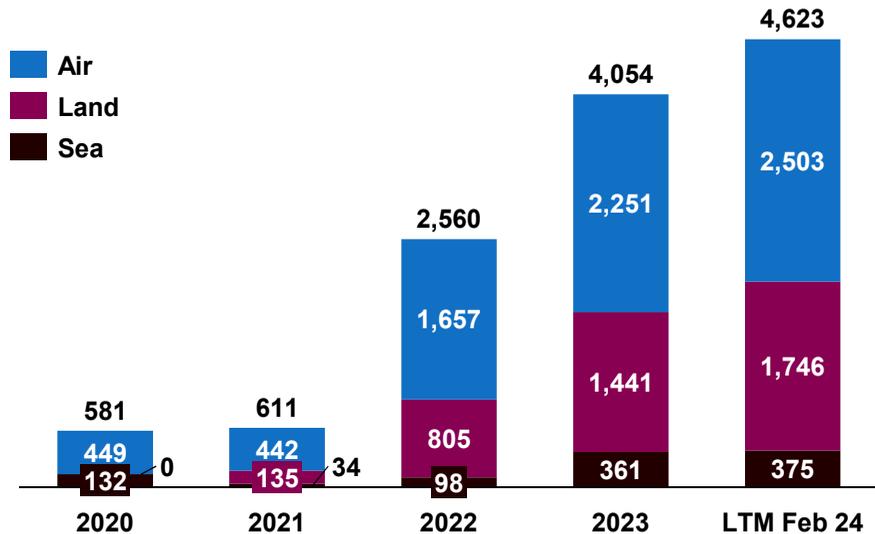
# Qatar hospitality sector: Post World Cup visitor surge driven by state of the art infrastructure and value; targeting adjacent markets

## Visitors (thousands)

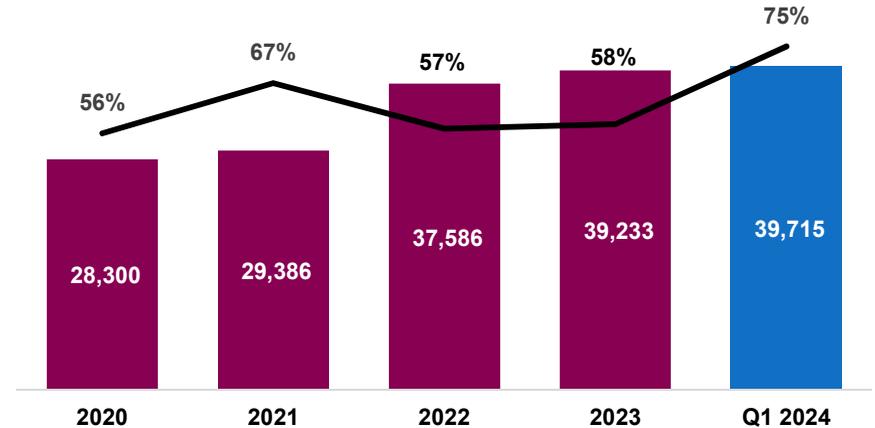
### Total Visitors<sup>1</sup>



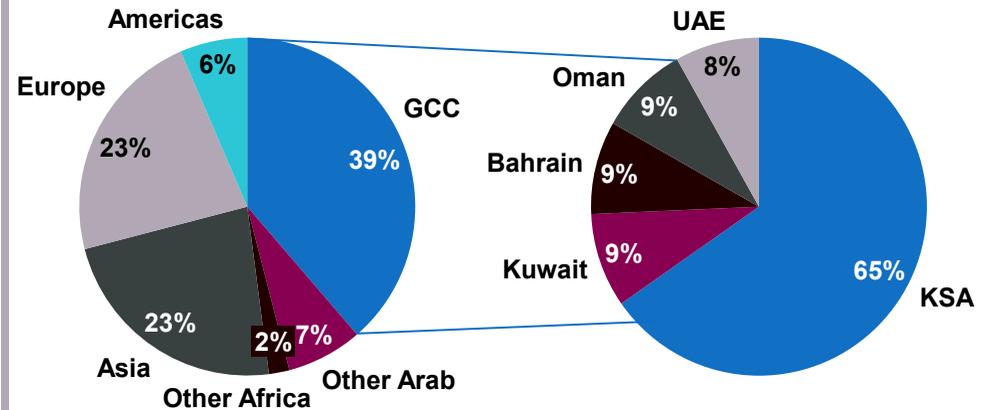
### Mode of Arrival<sup>1</sup>



## Hotel Room Keys and Occupancy<sup>1</sup>



## Visitor Arrivals by Region (2023)<sup>2</sup>



# Given its wealth and stable outlook, Qatar is one of the highest rated sovereigns in the world

		Standard & Poor's Sovereign Ratings*						Moody's Sovereign Ratings*					
Investment Grade	<b>AAA</b>	Germany, Canada, Switzerland, Norway, Sweden, Netherlands, Luxembourg, Singapore						<b>Aaa</b>	Germany, Canada, Switzerland, Norway, Sweden, Netherlands, Luxembourg, Singapore, US				
	<b>AA+</b>	US, Austria, Finland, Taiwan, Hong Kong						<b>Aa1</b>	Austria, Finland				
	<b>AA</b>	Qatar, France, UK, South Korea, Abu Dhabi, Ireland						<b>Aa2</b>	Qatar, France, South Korea, Abu Dhabi				
	<b>AA-</b>	Czech Republic, Slovenia, Estonia						<b>Aa3</b>	Czech Republic, Ireland, Taiwan, Hong Kong, UK				
	<b>A+</b>	China, Japan, Kuwait, Lithuania, Slovakia, Iceland						<b>A1</b>	China, Japan, Kuwait, Estonia, Saudi Arabia				
	<b>A</b>	Saudi Arabia, Chile, Spain						<b>A2</b>	Chile, Iceland, Lithuania, Slovakia, Poland				
	<b>A-</b>	Portugal, Poland, Malaysia						<b>A3</b>	Slovenia, Malaysia, Portugal				
	<b>BBB+</b>	Thailand, Philippines, Croatia						<b>Baa1</b>	Thailand, Spain				
	<b>BBB</b>	Italy, Mexico, Indonesia, Panama						<b>Baa2</b>	Mexico, Indonesia, Philippines, Croatia, Hungary, Kazakhstan				
	<b>BBB-</b>	India, Hungary, Kazakhstan, Romania						<b>Baa3</b>	Italy, India, Romania, Panama				
<b>Non-Investment Grade</b>													
<b>Standard &amp; Poor's</b>		<b>BB+</b>	<b>BB</b>	<b>BB-</b>	<b>B+</b>	<b>B</b>	<b>B-</b>	<b>CCC+</b>	<b>CCC</b>	<b>CCC-</b>	<b>CC</b>	<b>C</b>	
<b>Moody's</b>		<b>Ba1</b>	<b>Ba2</b>	<b>Ba3</b>	<b>B1</b>	<b>B2</b>	<b>B3</b>	<b>Caa1</b>	<b>Caa2</b>	<b>Caa3</b>	<b>Ca</b>	<b>C</b>	



# Qatar's banking and financial system remains resilient and healthy

## Financial Soundness Indicators (2019-2022, %)

	2019	2020	2021	2022
<b>Capital Adequacy</b>				
Tier 1 capital/risk-weighted assets	17.5	17.6	18.0	18.1
Regulatory capital/risk-weighted assets	18.6	18.8	19.2	19.3
<b>Asset Quality</b>				
Non-performing loans/total loans	1.8	2.0	2.4	3.7
<b>Liquidity</b>				
Liquid assets/total assets	30.2	28.1	28.4	26.3
Total loans/total deposits	120.1	122.9	121.5	123.3
Total loans/total assets	67.3	67.6	67.2	66.6
<b>Profitability</b>				
Return on assets	1.6	1.4	1.4	1.4
Return on equity	15.8	13.7	14.7	14.0

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