



Investor Relations Presentation

September 2020

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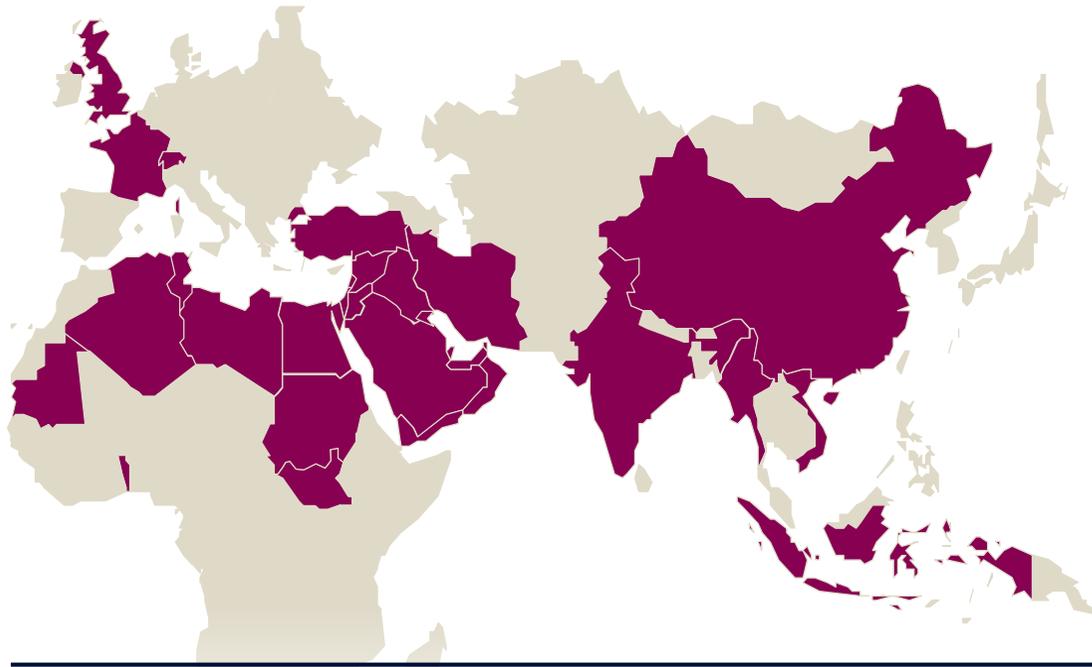
All figures in US Dollars have been converted from Qatari Riyals based on the exchange rate of 1 US Dollar = 3.6405 Qatari Riyals

In certain cases, numbers may be rounded for presentation purposes

QNB at a Glance



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



-  #1 bank in the Middle East and Africa across all financial metrics
-  International network with presence in more than 31 countries
-  Most valuable banking brand in the Middle East and Africa, worth USD 6.0 Bn¹
-  About 29,000 employees serving more than 20 million customers

Solid financial strength

Top-tier credit ratings

USD 46.2 Bn
Market Cap.

USD 2.61 Bn
Net Profit²

A
Standard & Poor's

Aa3
Moody's

USD 270.9 Bn
Assets

USD 0.26
EPS

AA-
Capital Intelligence

A+
Fitch

Key Strengths



Source: September 2020 Financial Report
 1: Brand Finance ® 2020
 2: Profit Attributable to Equity Holders of the Bank

QNB's International Footprint

Sub-Saharan Africa

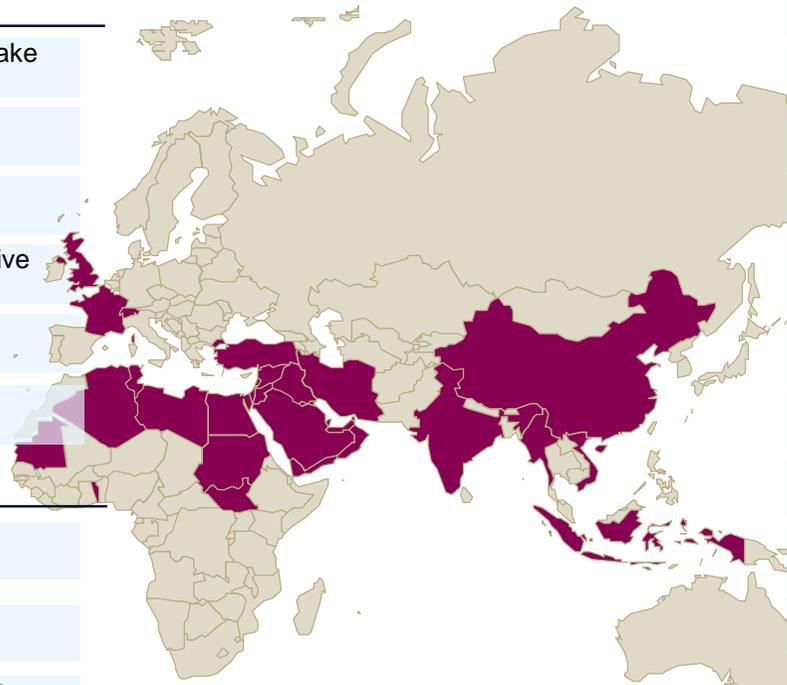
	South Sudan: (1 Branch)
	Togo: (733 Branches ⁴ , 20.1% stake in Ecobank)

Asia

	Indonesia: (18 Branches, 92.48% stake In QNB Indonesia)
	Singapore: (1 Branch)
	India: (1 Branch)
	China / Hong Kong: (1 Representative office, 1 Branch ³)
	Vietnam: (1 Representative office)
	Myanmar: (1 Representative office)

North Africa

	Egypt: (229 Branches, 95.0% stake in QNB ALAHLI)
	Libya: (1 ¹ Representative office)
	Tunisia: (34 Branches, 99.99% stake in QNB Tunisia)
	Sudan: (3 Branches)
	Algeria: (7 ¹ Branches)
	Mauritania: (1 Branch)



Middle East

Qatar: (54 Branches)	
KSA: (1 Branch)	
UAE: (8 (+1 ¹) Branches, 40.0% stake in CBI)	
Syria: (15 (+30 ¹) Branches, 50.8% stake in QNB Syria)	
Palestine: (15 ¹ Branches)	
Iraq: (8 (+1 ¹) Branches, 54.2% stake in Mansour Bank)	
Oman: (6 Branches)	
Bahrain: (1 ¹ (+1 ¹) Branch)	
Kuwait: (2 Branches)	
Lebanon: (1 Branch)	
Yemen: (1 Branch)	
Iran: (1 Representative office ²)	
Jordan: (120 ² (+3 ¹) Branches, 34.5% stake in Housing Bank of Trade & Finance)	

Europe

United Kingdom: (1 (+1 ¹) Branch)	
France: (1 Branch)	
Switzerland: (1 Office, 100% stake in QNB Suisse SA)	
Turkey: (514 Branches, 99.88% stake in QNB Finansbank)	



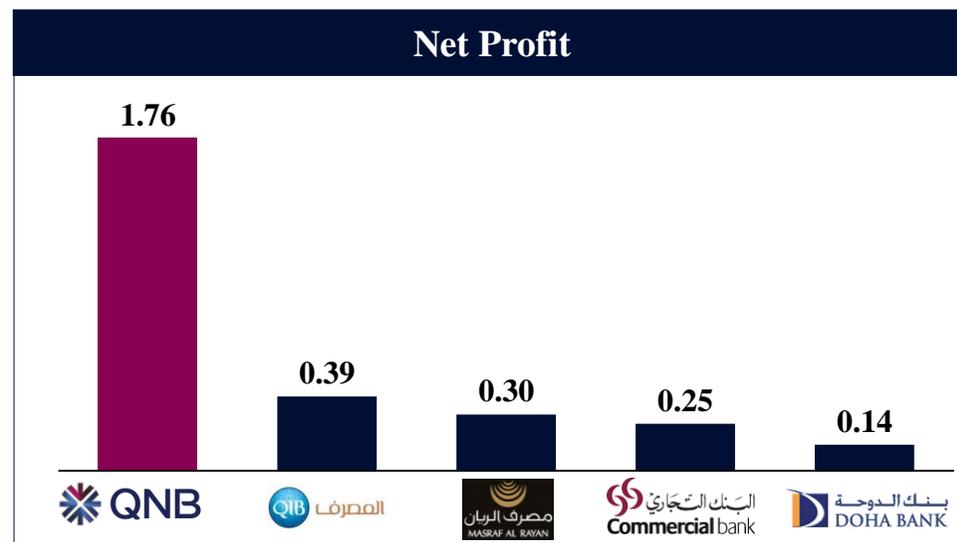
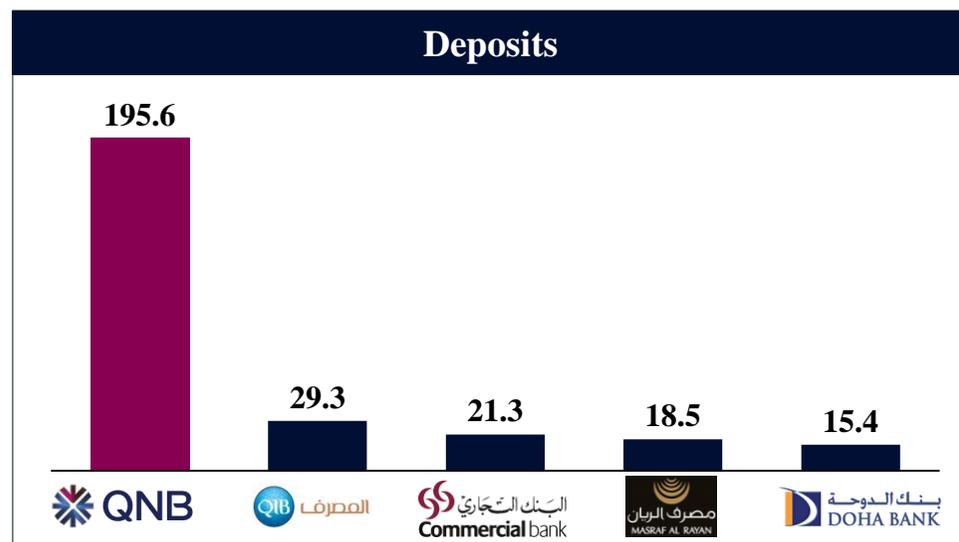
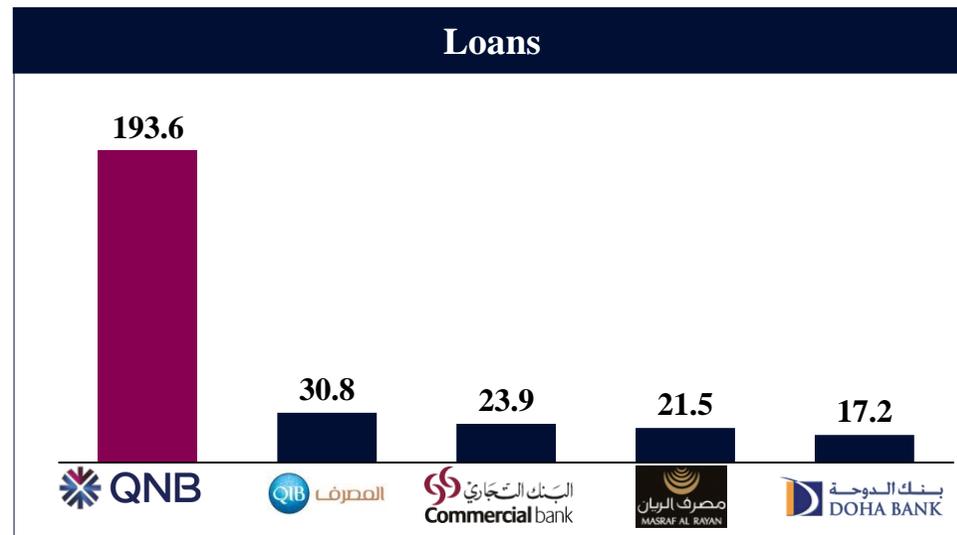
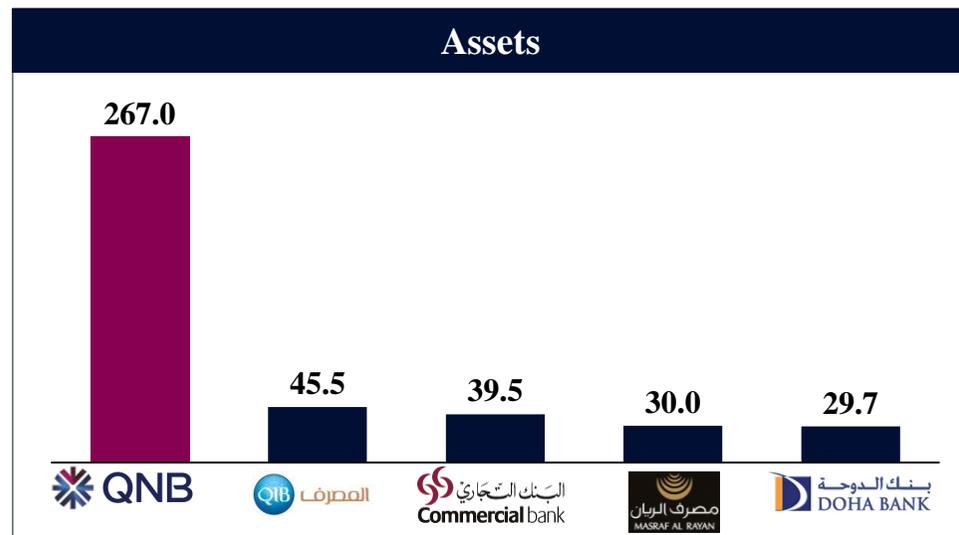
1: Includes the branches / representative offices from subsidiaries and associates
 2: Dormant
 3. Regulatory approval has been obtained by QNB Group to open a branch in Hong Kong
 4: The branch data for Ecobank is as at 30 June 2020



QNB Comparative Positioning – Qatar and MEA

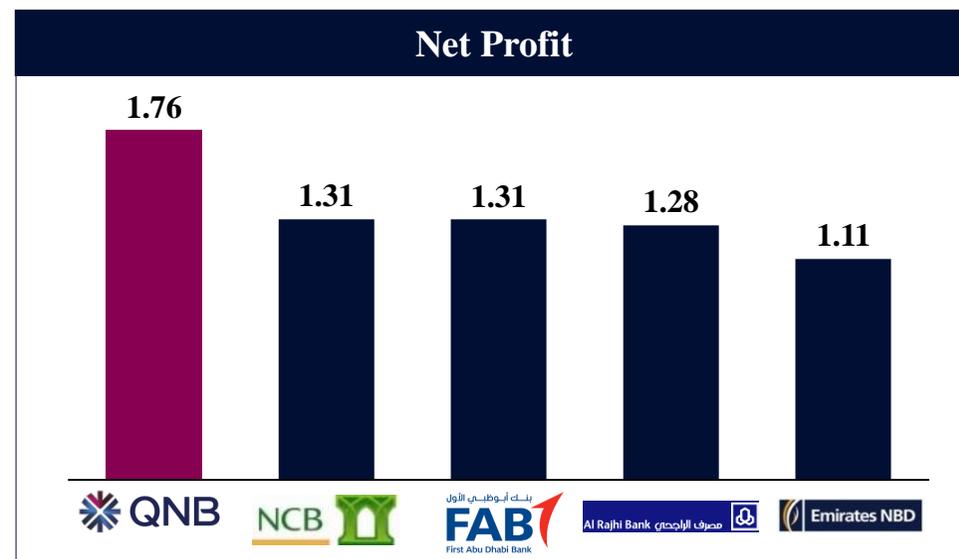
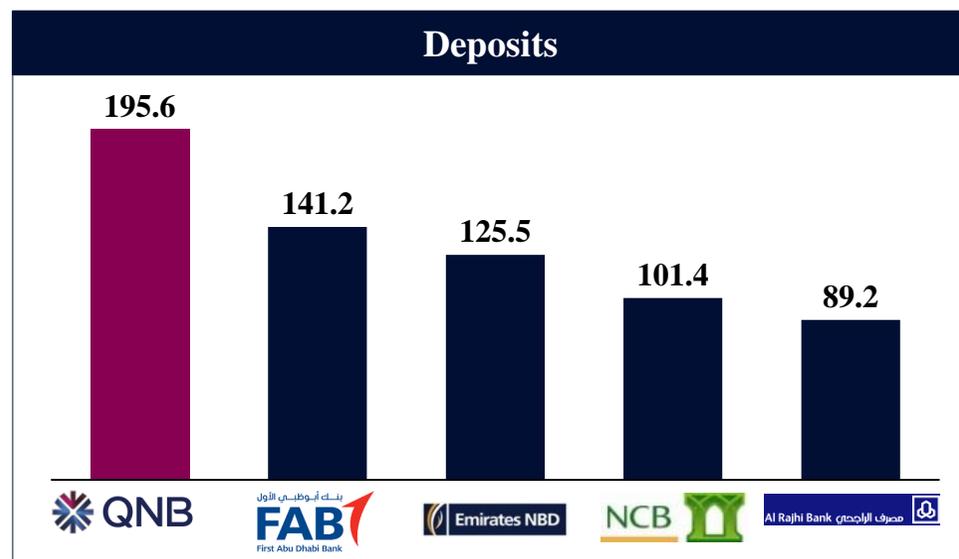
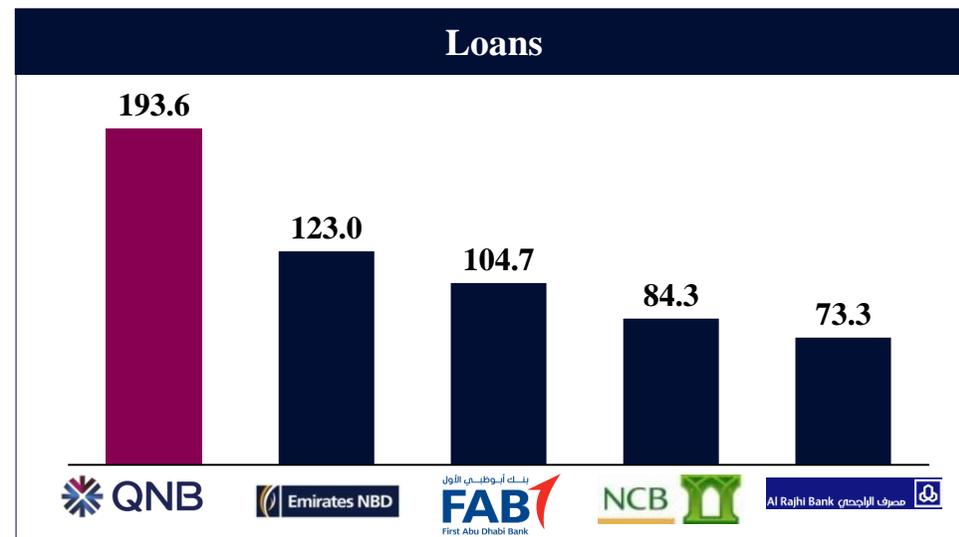
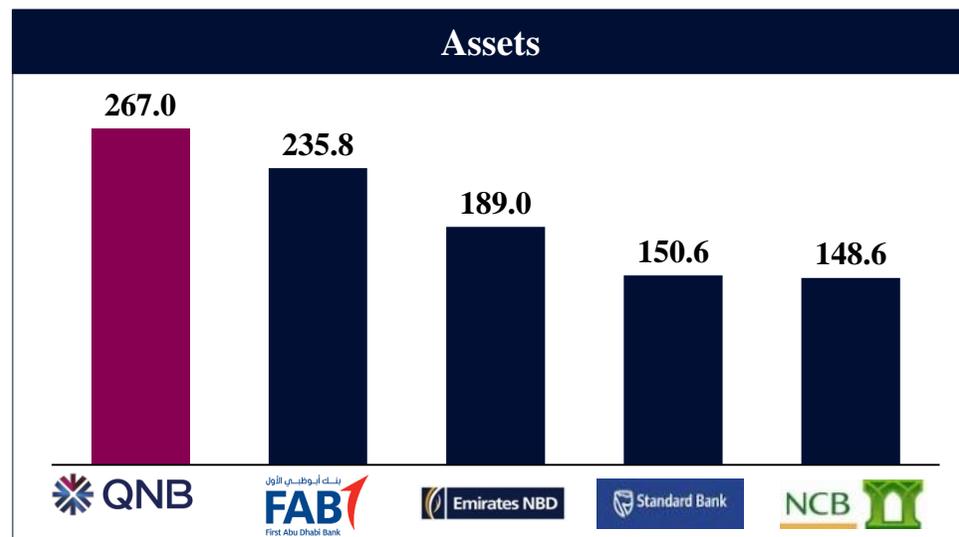
Top 5 Domestic Banks – June 2020

QNB continues to excel in the domestic market



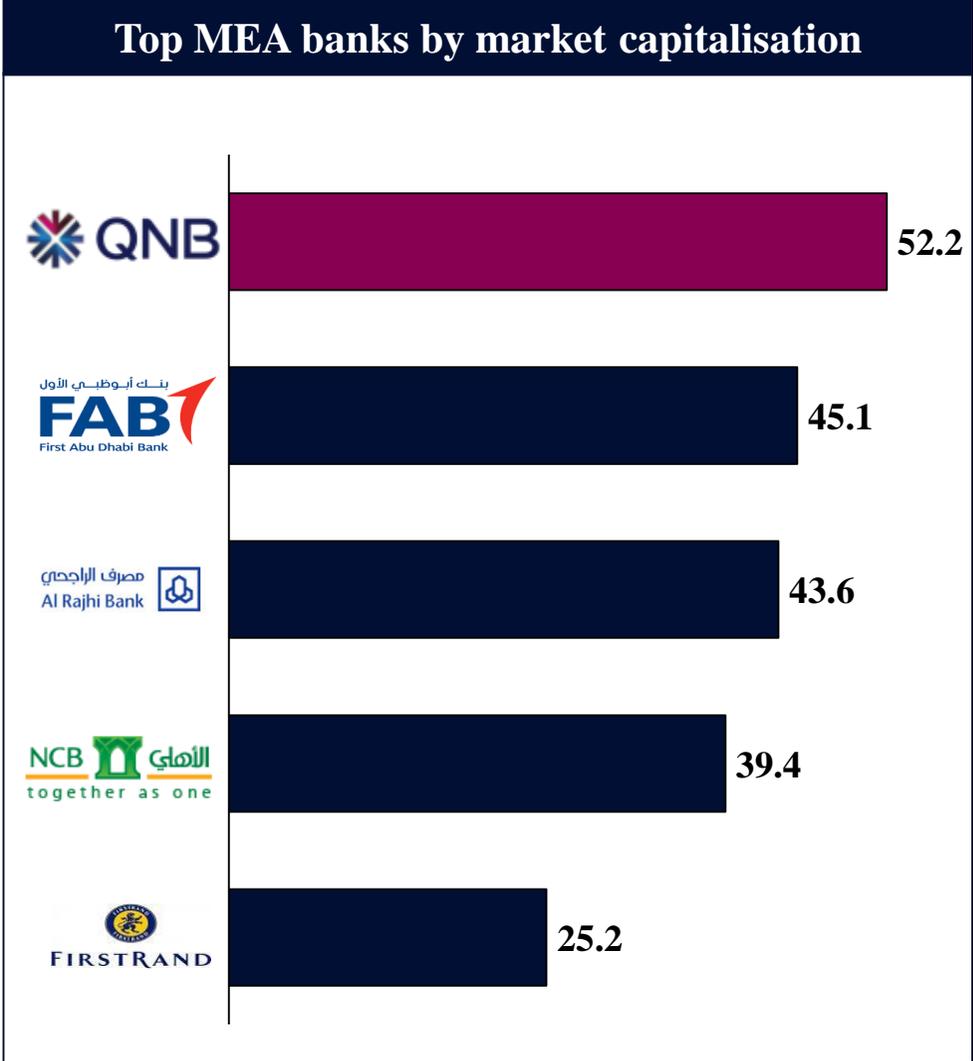
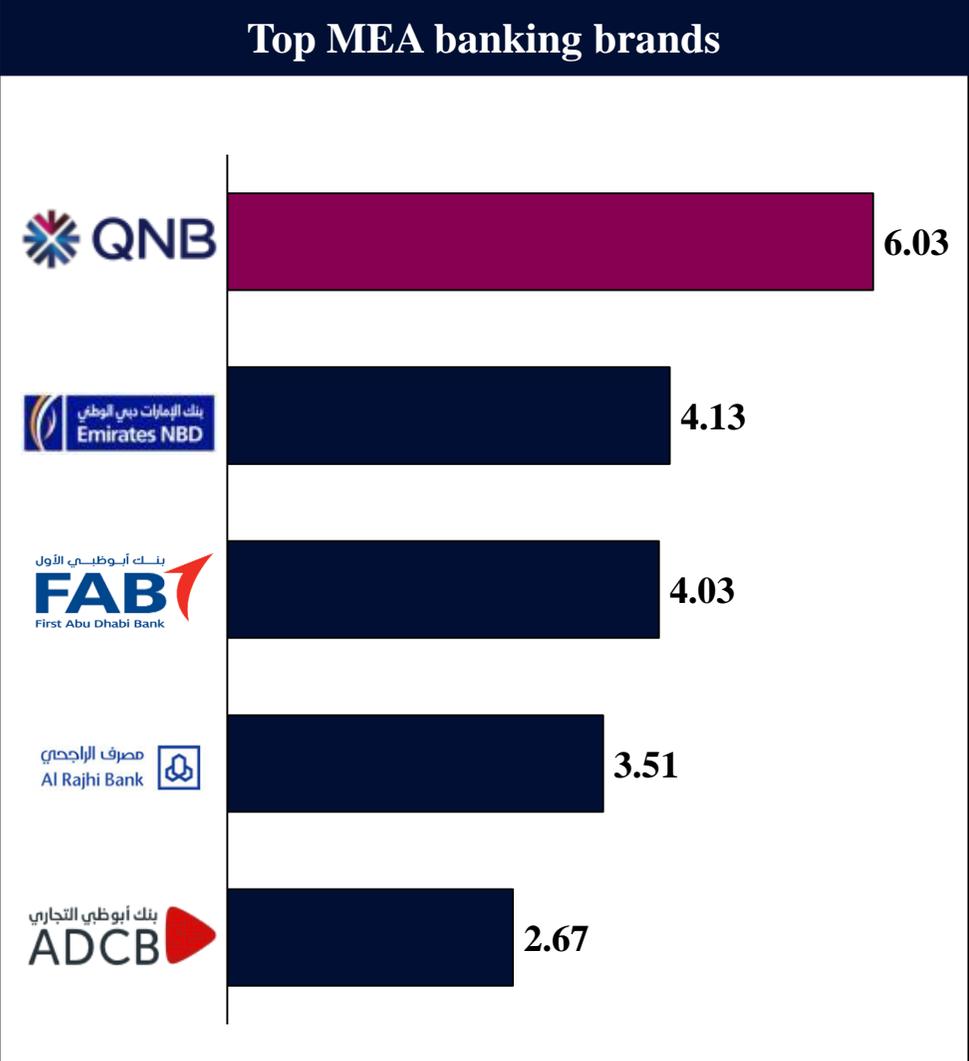
Top 5 MEA Banks – June 2020

QNB maintained its position as the leading bank in the region across all categories



QNB is the leading financial institution in the MEA region with regards to brand value and market capitalisation

Brand value and market capitalisation (USD Bn as at 31-Dec-19)



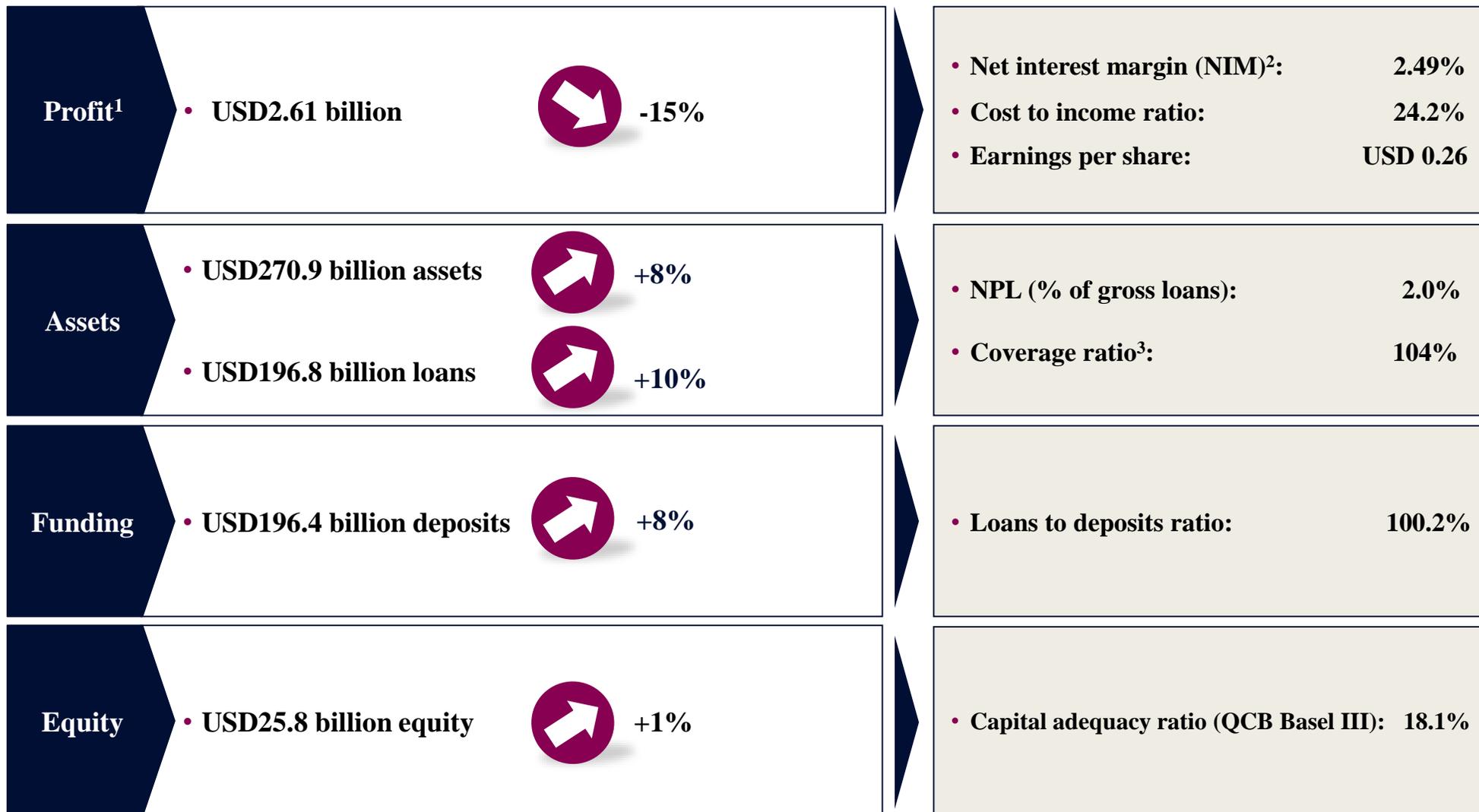


Financial Highlights – as at 30 September 2020

QNB demonstrate sustainable growth

Financial Highlights (as at 30 September 2020)

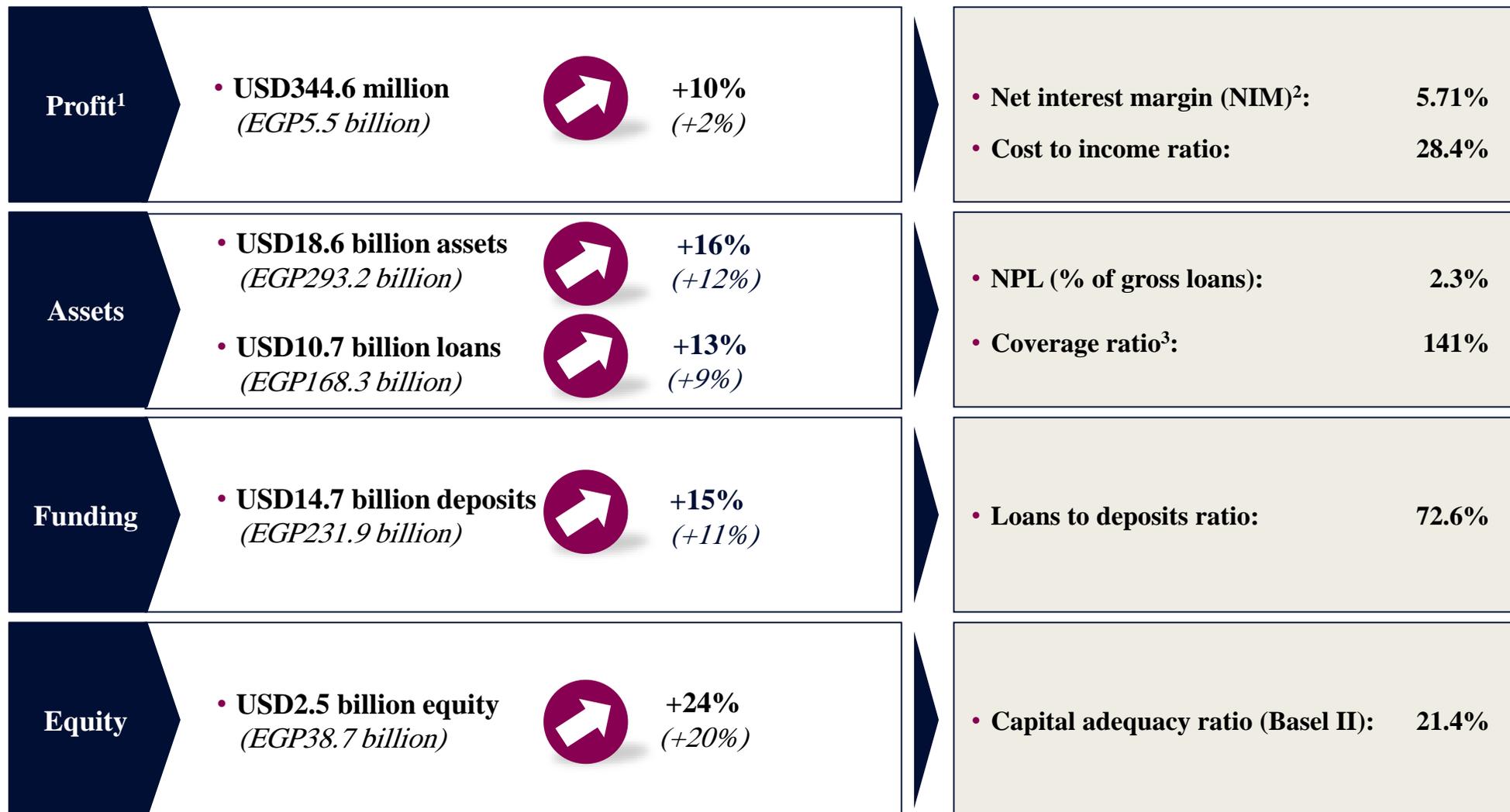
 Growth vs. September 2019



QNB ALAHLI

Highlights (as at 30 September 2020)

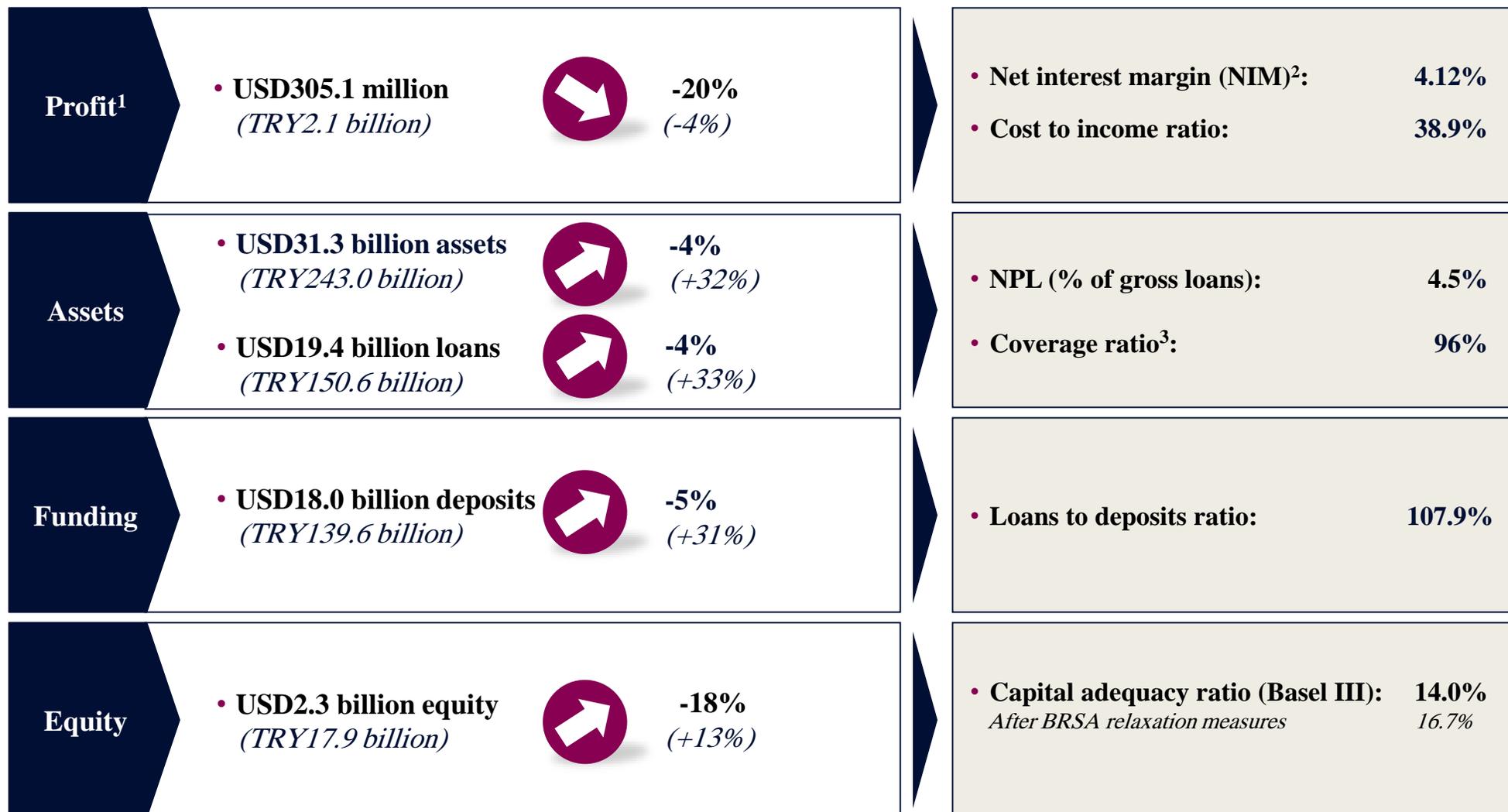
 Growth vs. September 2019



QNB FINANSBANK

Highlights (as at 30 September 2020)

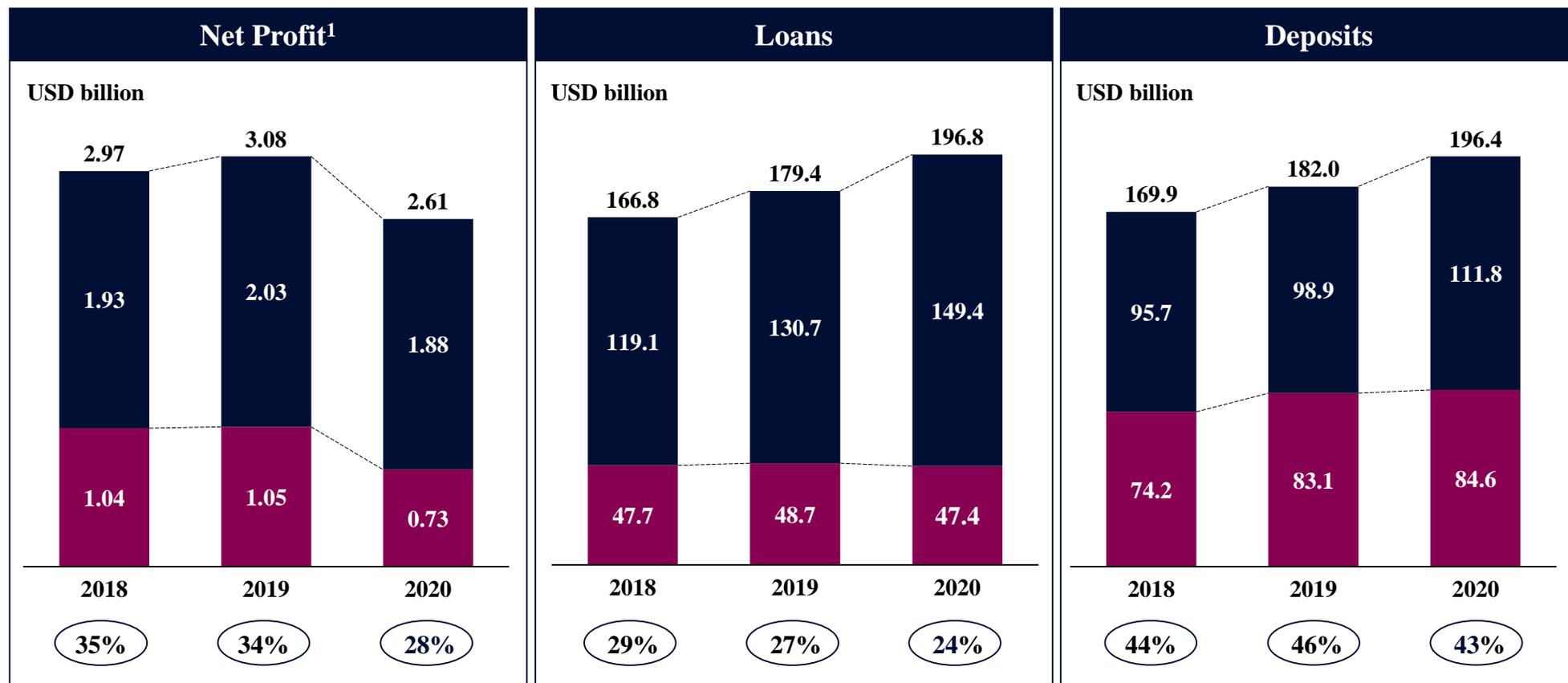
 Growth vs. September 2019



Geographical diversification contributes to growth

Geographical Contribution (as at 30 September)

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

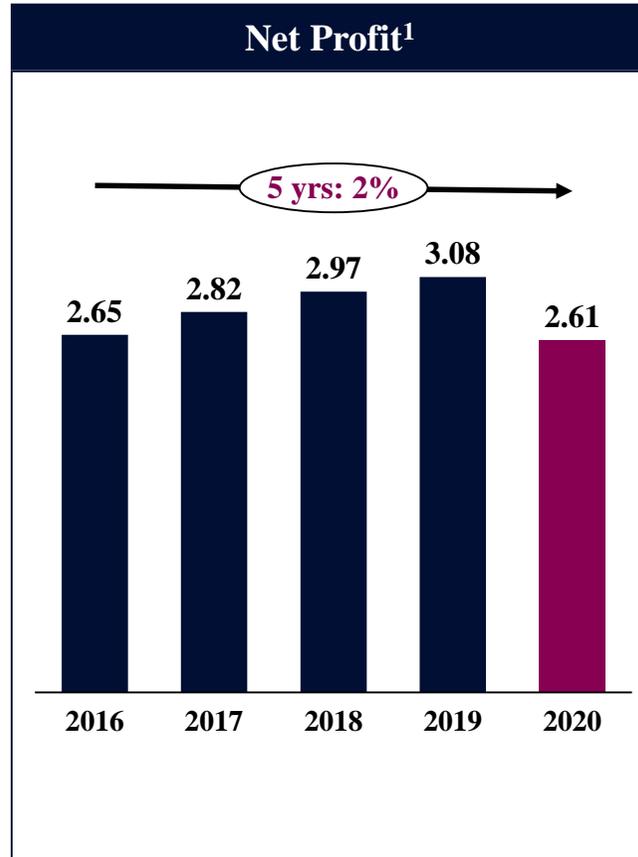


- Profit from international operations decreased by USD315.6 Mn (30%) from 2018 to 2020

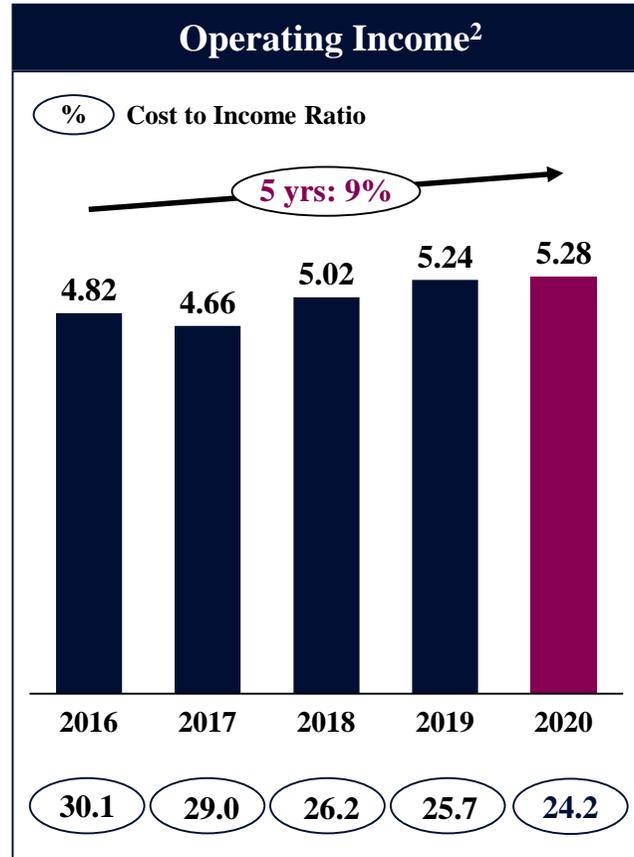
- Loans from Intl operations decreased by USD0.3 Bn (1%) from 2018 to 2020
- Deposits from Intl operations increased by USD10.4 Bn (14%) from 2018 to 2020

Consistent Profitability and Cost Discipline

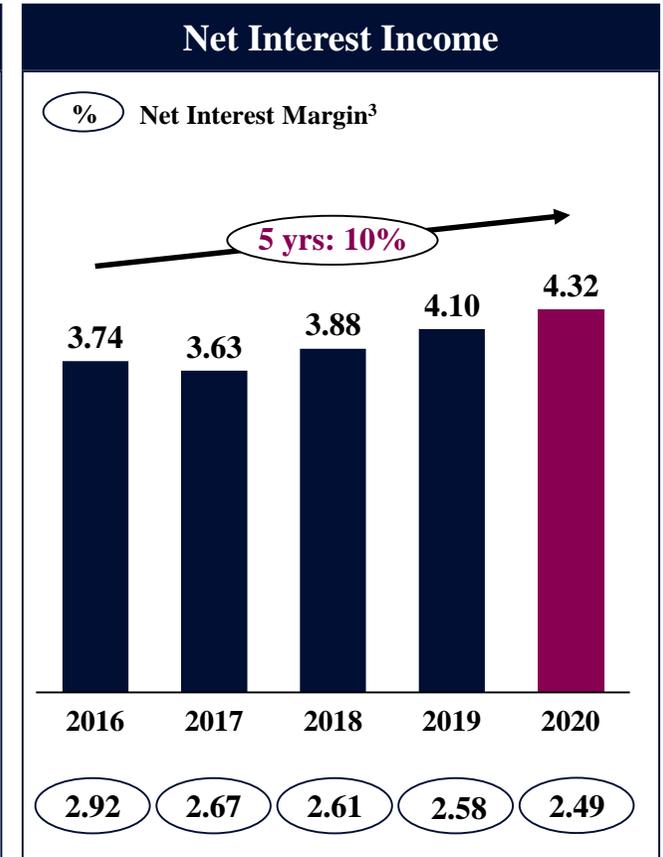
Income Statement Breakdown (USD billion as at 30 September)



- 2015-2020 CAGR of 2%



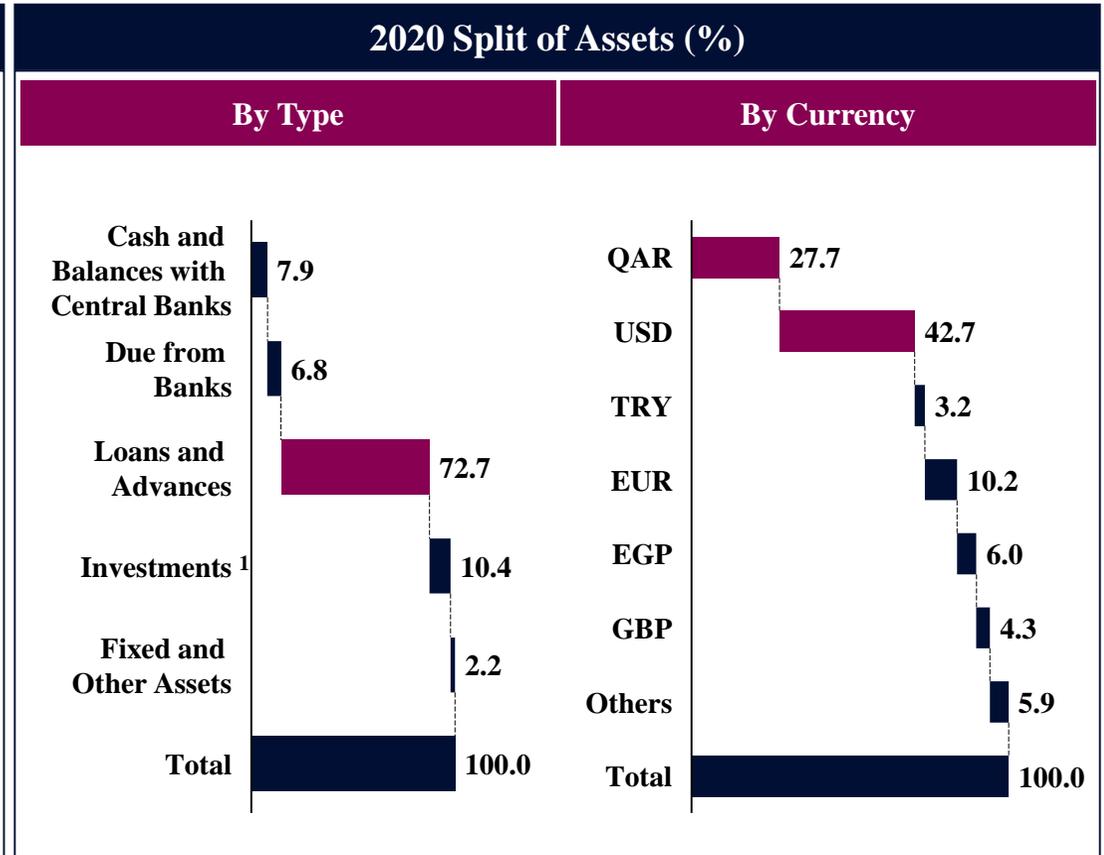
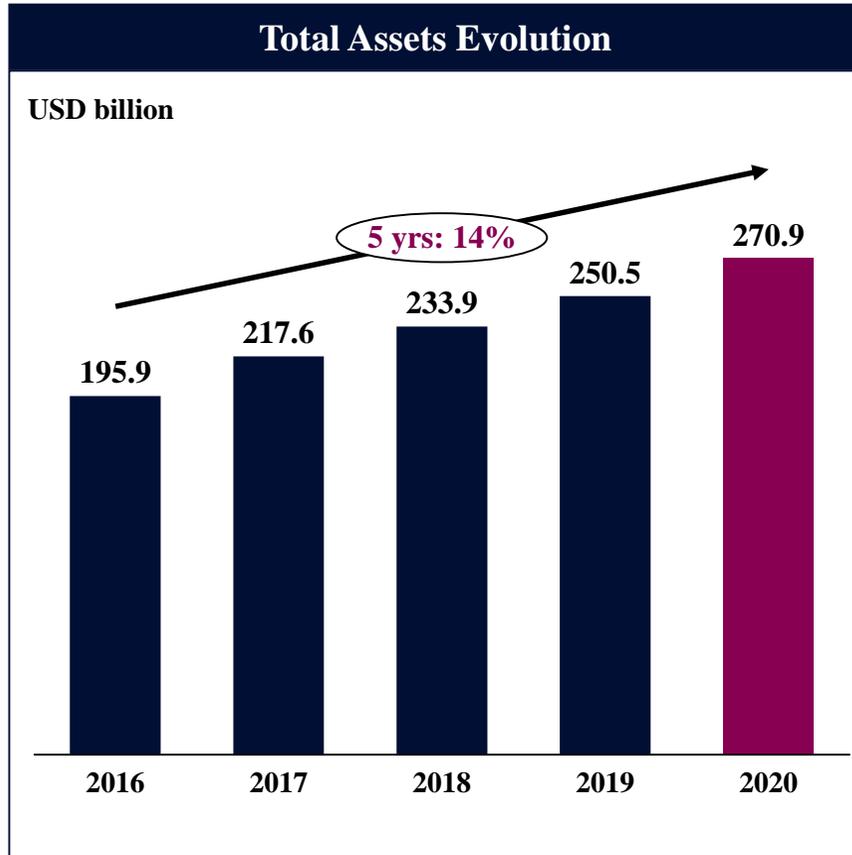
- Cost discipline resulting in constant decline in Cost to Income Ratio
- 2015-2020 CAGR of 9%



- NII increased by 5% from September 2019
- Strong NIM with the current size of more than USD250 billion of total assets

Asset growth driven by lending activities mainly in QAR and USD

Assets Analysis (as at 30 September)

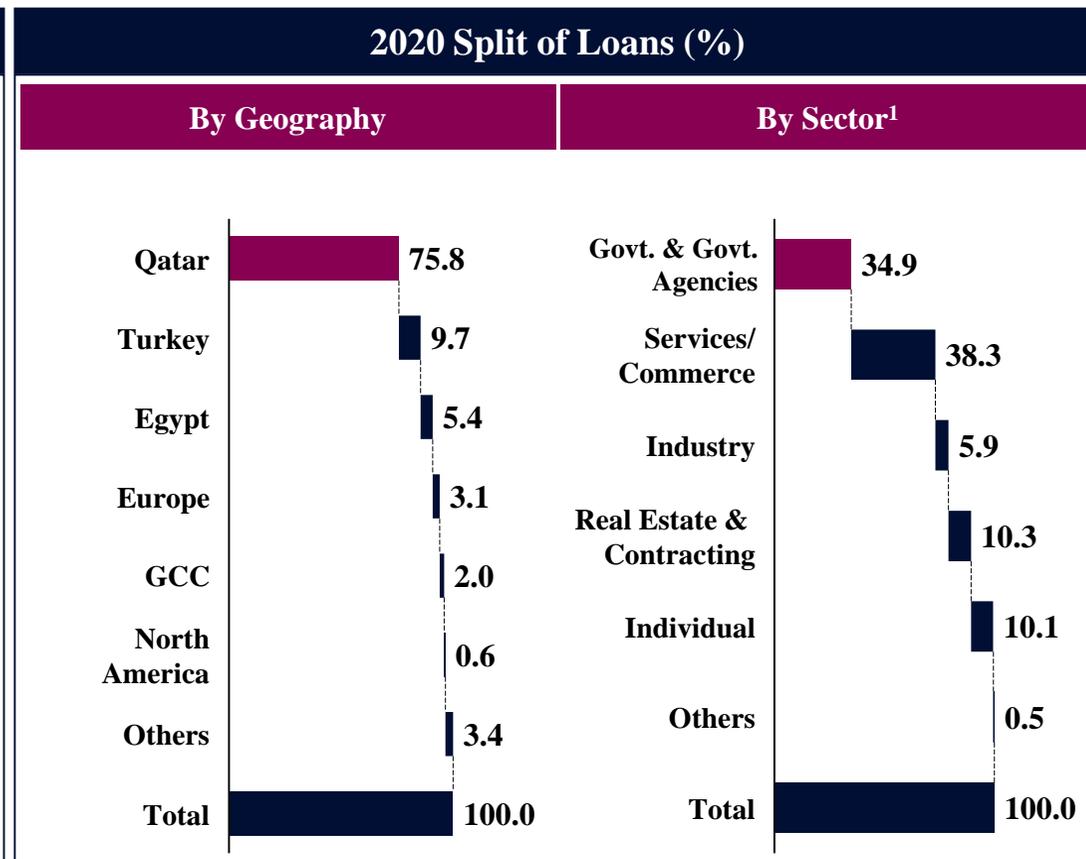
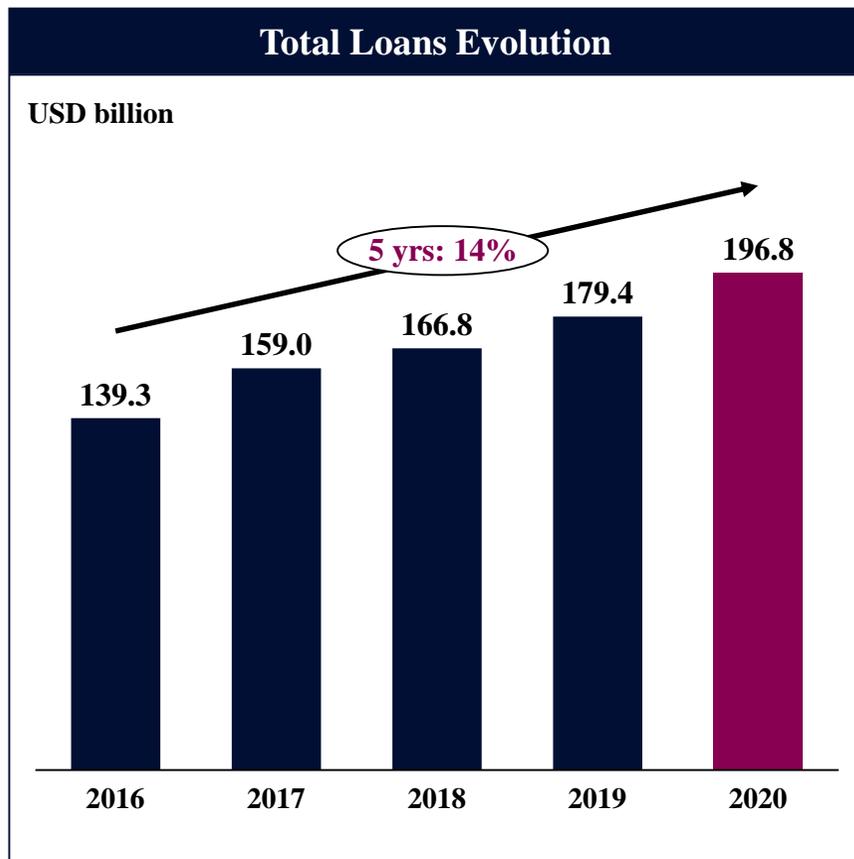


- Assets increased 8% from September 2019
- 2015-2020 CAGR of 14%

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

Good loan growth

Loans Analysis (as at 30 September)

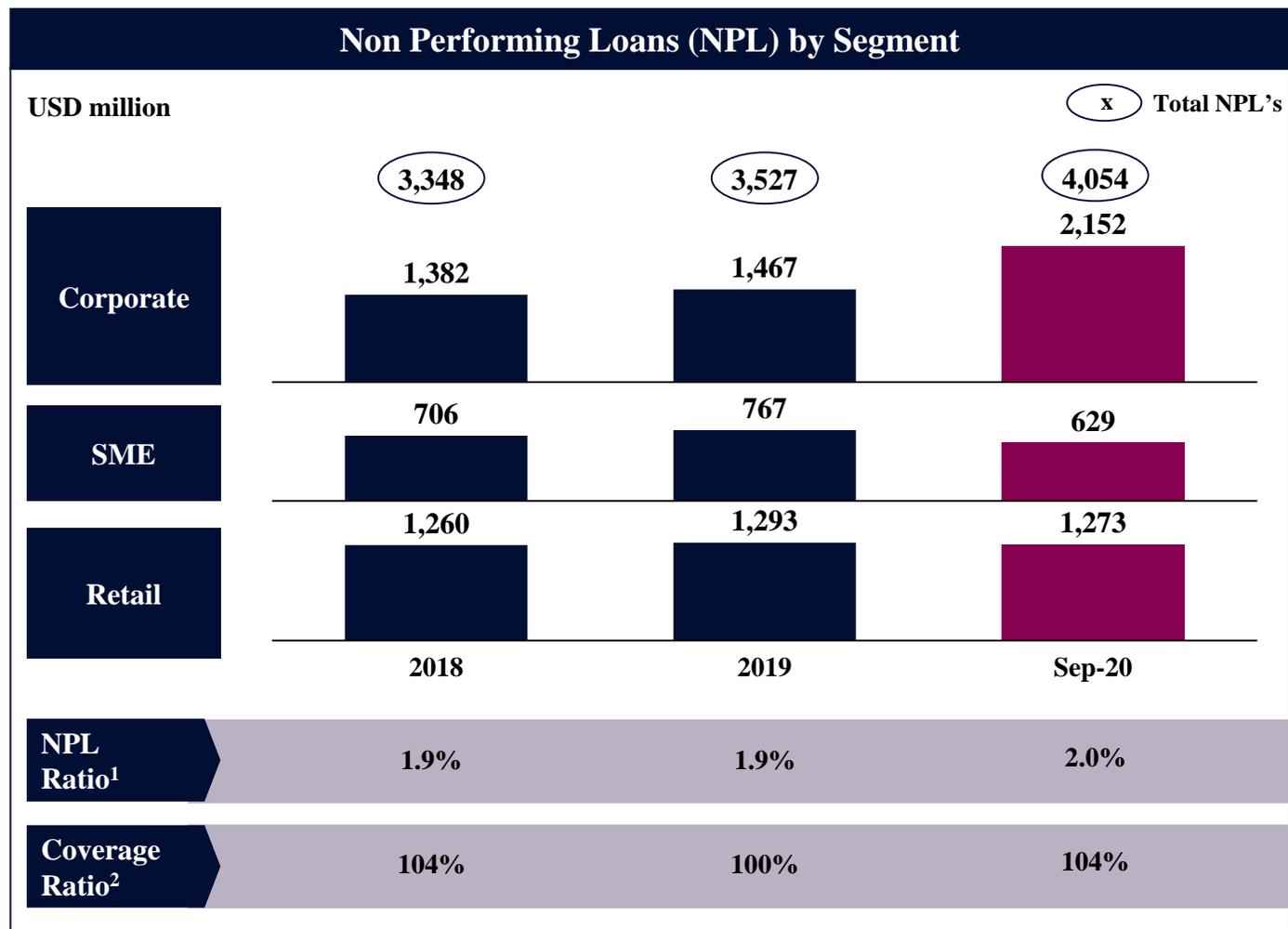


- Loans increased 10% from September 2019
- 2015-2020 CAGR of 14%

- Loans denominated in USD represent 57% of total loans
- Loan exposures are of a high quality with 35% concentration to Government and public sector entities

High quality lending portfolio is underpinned by low NPL ratios

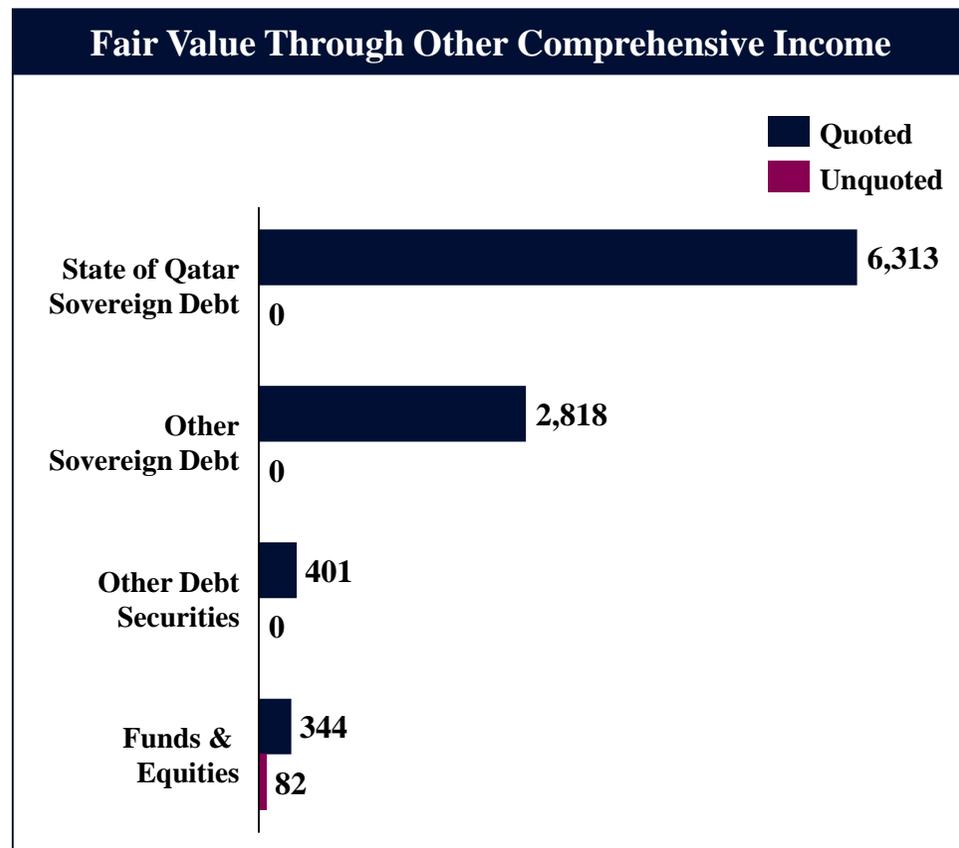
Asset Quality Analysis (as at 30 September)



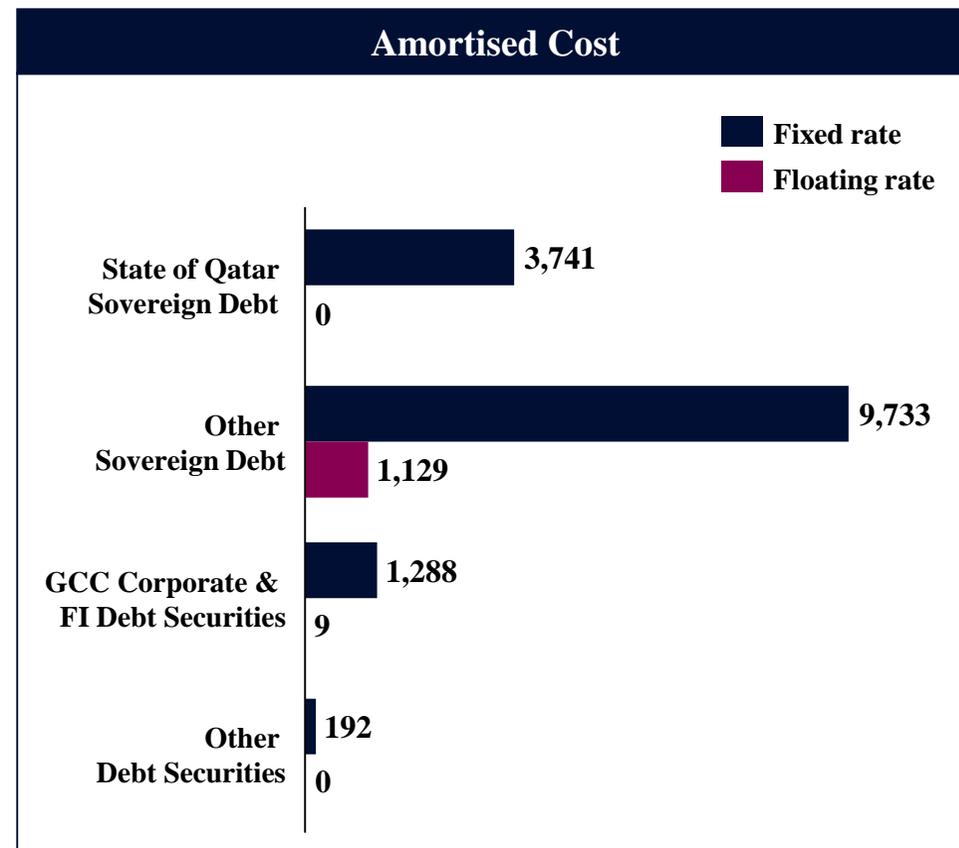
- QNB has continued to increase its provisions in response to the global economic situation as a result of COVID-19 pandemic
- The bank's coverage ratio has remained robust amidst the economic slowdown, with a coverage of 104% as at 30 September 2020
- Past dues are NPL after 90 days default
- There is an additional risk reserve of USD2,335 million which is greater than the 2.5% QCB requirements

High quality investment portfolio with 91% of securities rated AA or Sovereign

Investments Analysis (USD million as at 30 September 2020)



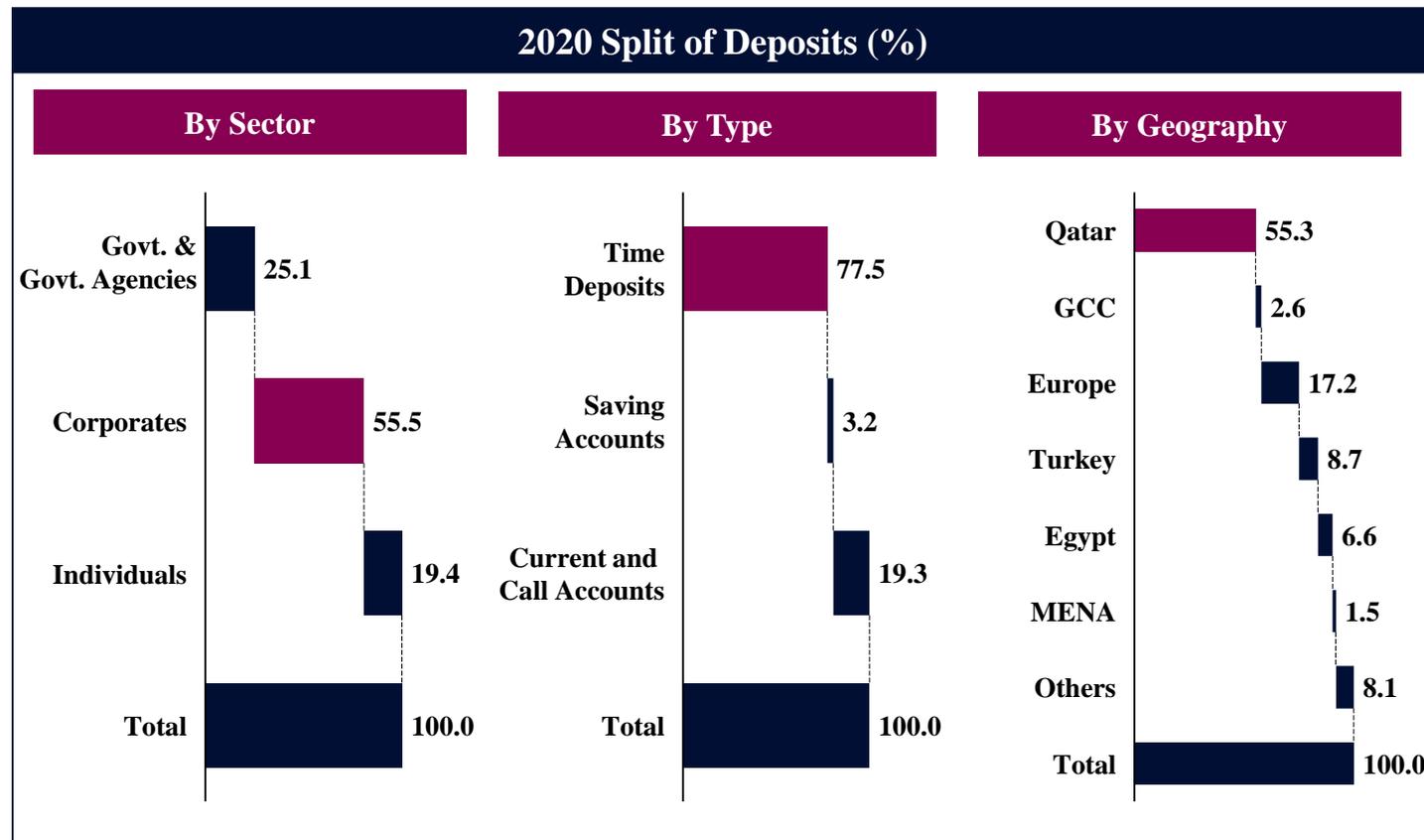
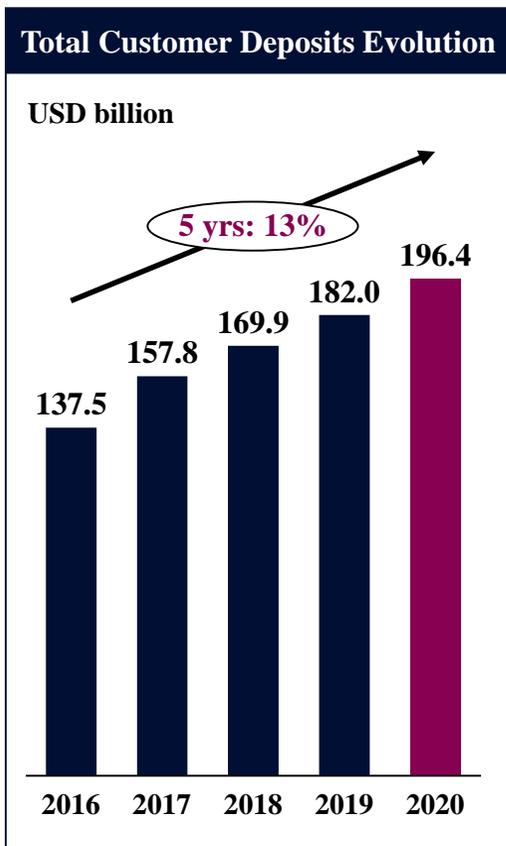
- Quoted securities account for 99% of FVOCI Investment securities



- Majority of the Amortised Cost Investment Securities are Government Guaranteed

Robust growth in customer deposits and funding

Funding Analysis (as at 30 September)

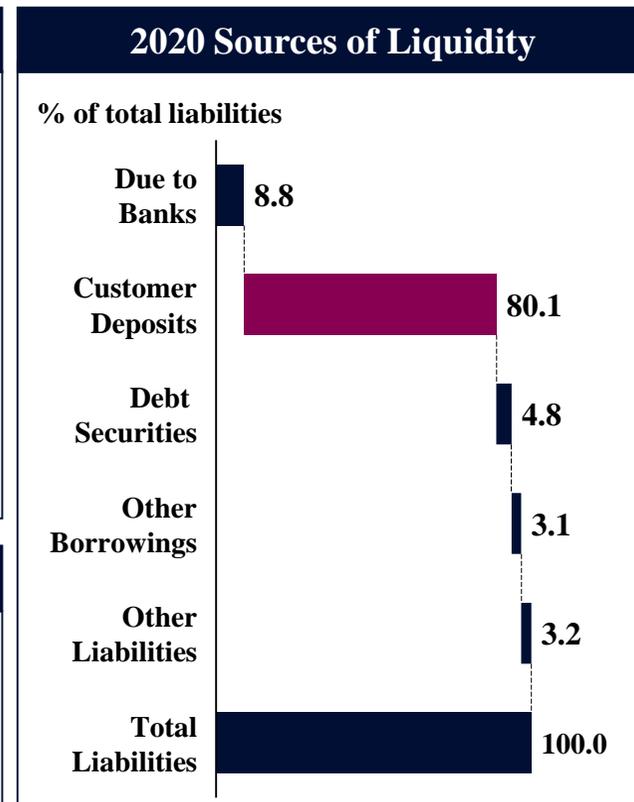
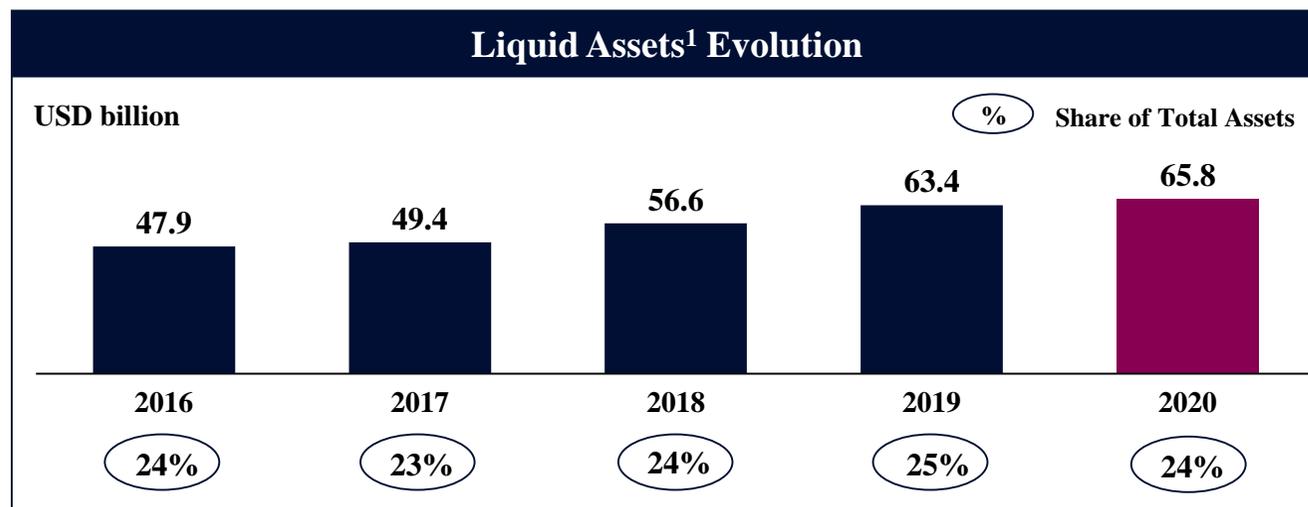
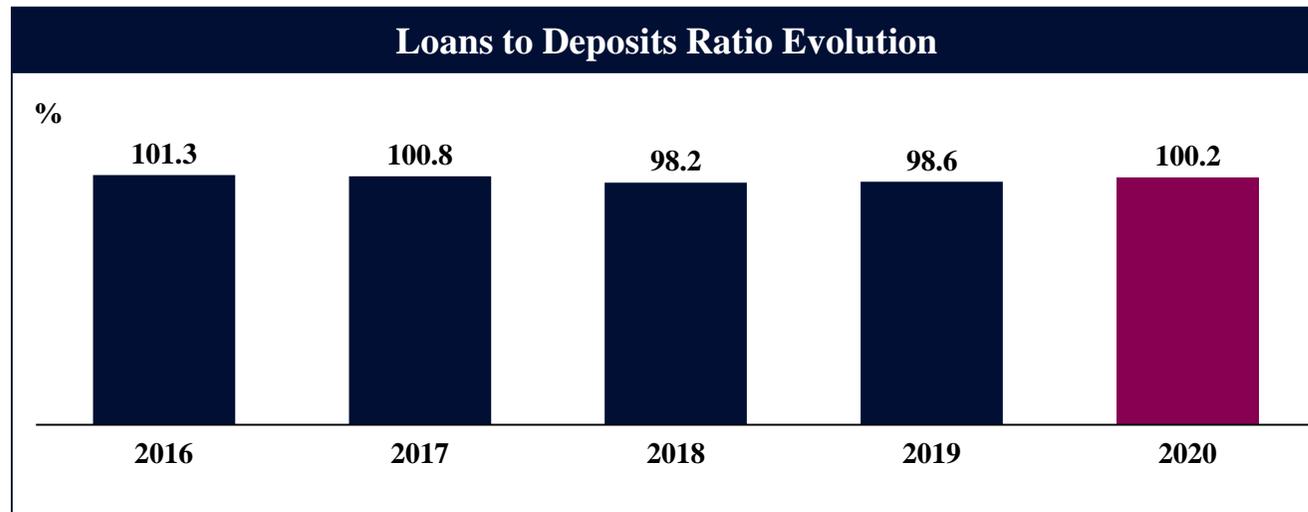


- Deposits increased 8% from September 2019
- 2015-2020 CAGR of 13%

- QNB remains the public sector's preferred bank
- USD, EGP and TRY denominated deposits represent 45%, 6% and 4% of total deposits respectively

Solid liquidity profile

Liquidity Analysis (as at 30 September)

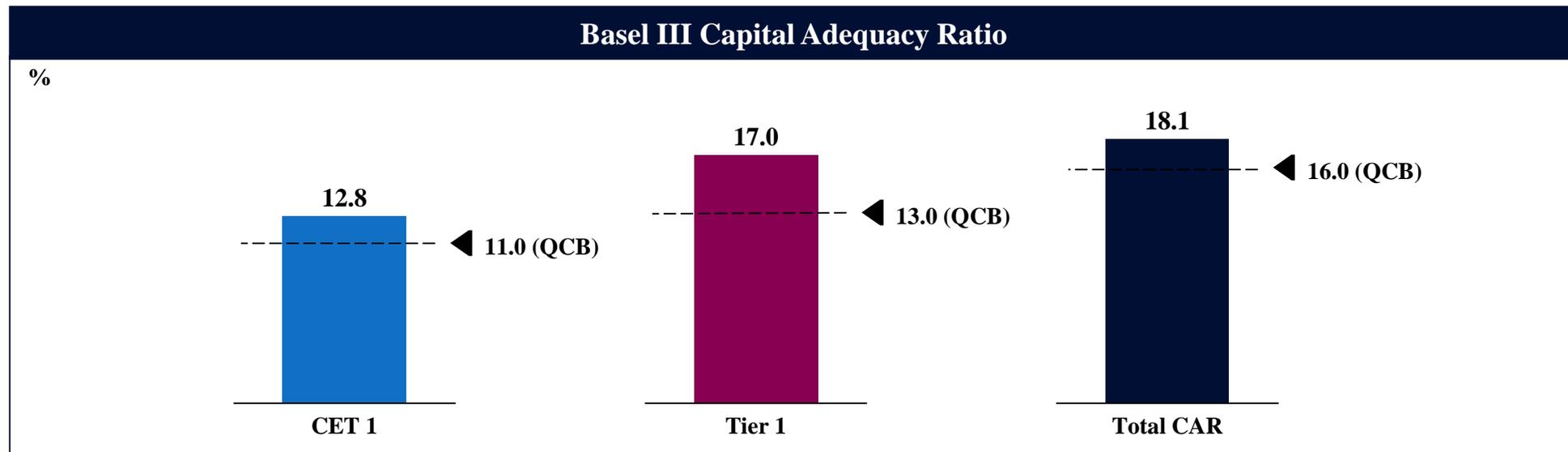


2020 Liquidity Ratio

• LCR:	173%
• NSFR:	104%

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

Capital Analysis (as at 30 September)



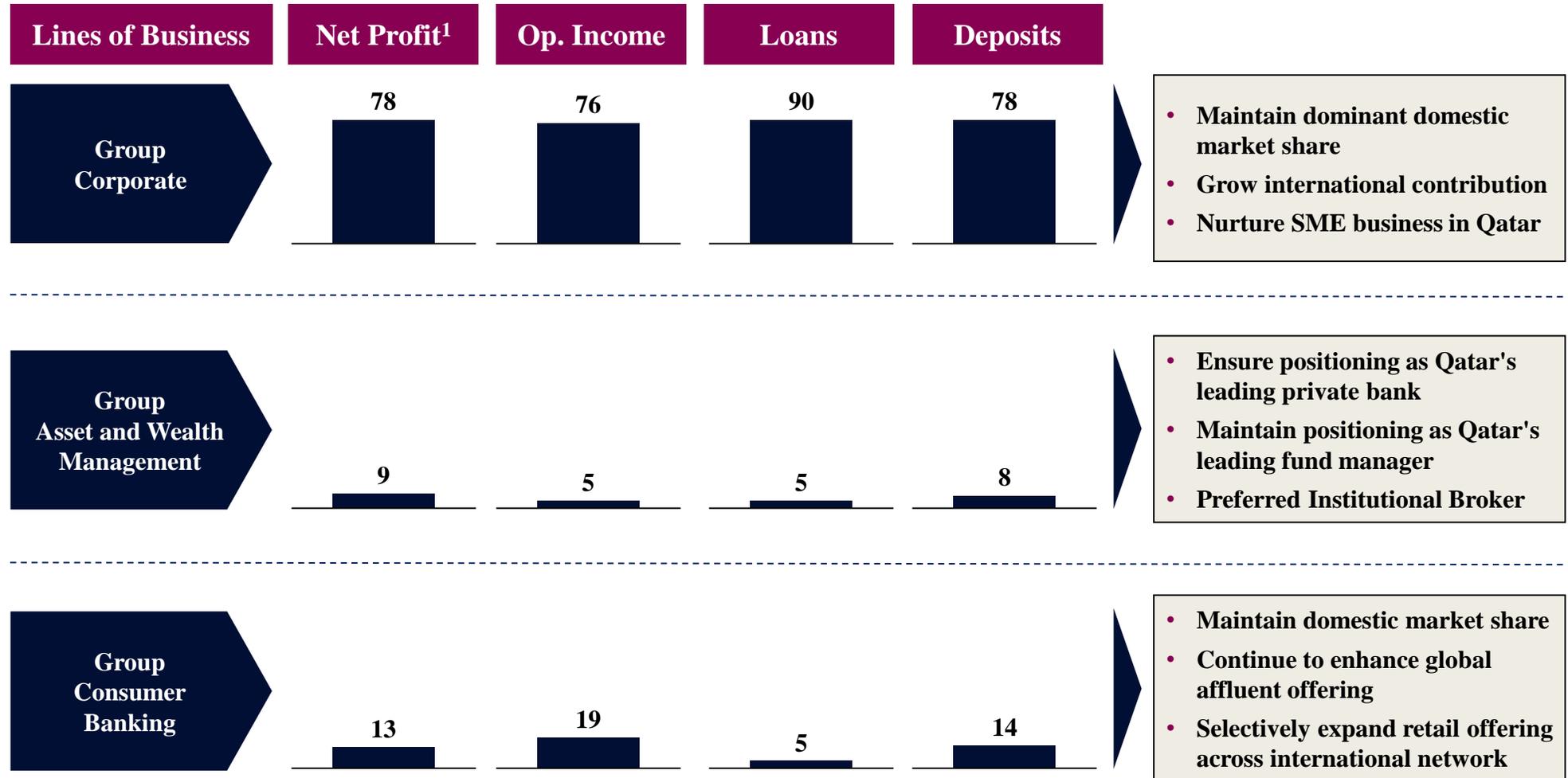
- Capital adequacy ratio is above QCB and Basel III requirements including the applicable DSIB buffer of 2.5% (effective 01-Jan-19)

Minimum CAR Requirements

%	Without buffers	Capital Conservation Buffer	DSIB Charge	ICAAP Charge	Total Requirement
CET 1 ratio	6.0	2.5	2.5	-	11.0
Tier 1 ratio	8.0	2.5	2.5	-	13.0
Total CAR	10.0	2.5	2.5	1.0	16.0

Diversifying business mix will bolster sustainable growth

Business Mix Contribution (% share as at 30 September 2020)



IFRS 9 - Additional buffer 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 ratio¹

<i>As of 30 September 2020</i>	Stage1	Stage2	Stage3 (NPL)
Due from Banks and Balances with Central Banks	0.05%	1.4%	-
Loans	0.2%	7.4%	103.9%
Investments	0.1%	-	103.8%

Cost of Risk²

<i>30 September 2020</i>	Stage1 and Stage 2 (Combined)	Stage3 (NPL)	Total
Cost of Risk	16bps	55bps	71bps

QNB Group Financials

Key data (as at 30 September 2020)

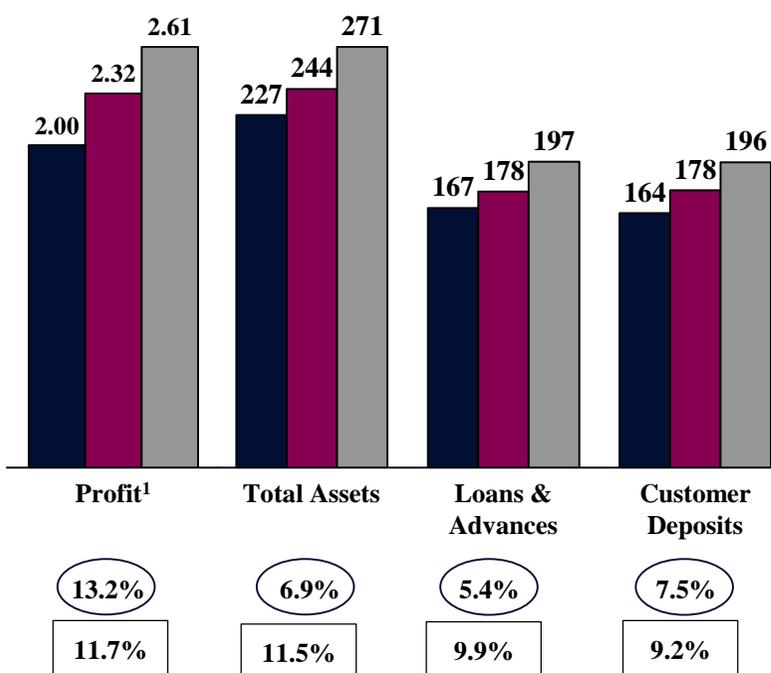
■ QNB ■ QNB incl. QNB ALAHLI ■ QNB incl. QNB Finansbank

○ Contribution of QNB AA

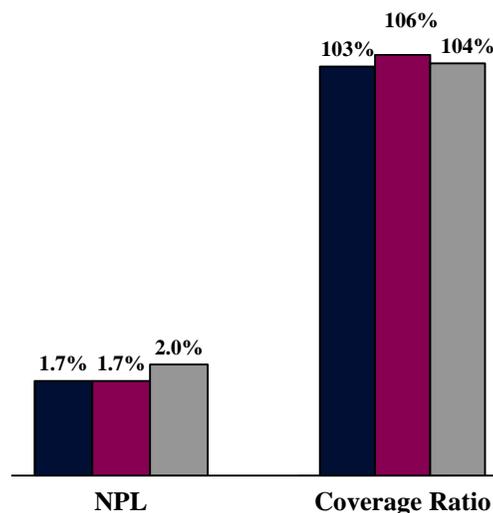
□ Contribution of QNB Finansbank

Financials

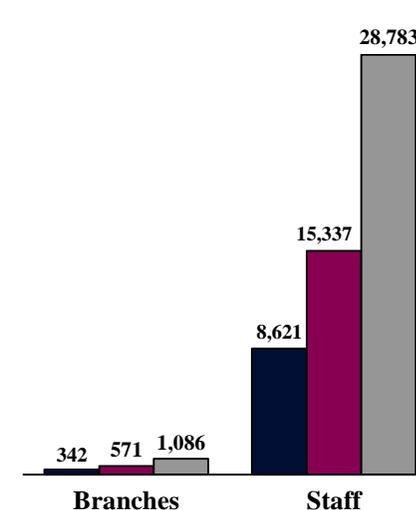
USD billion



Ratios



Presence



- Results finalised under International Financial Reporting Standards (IFRS)
- Capital Adequacy Ratio: 18.1%

Sustainability



QNB Group is committed to enhancing its Environmental, Social and Governance (ESG) Practices

Established QNB Group Sustainability Strategy, Policy and Governance



External Commitments

Qatar National Vision 2030



United Nations SDGs



Signatory of UN Global Compact

Reporting & Disclosures

Annual GRI Sustainability Report



100% ESG disclosure to Qatar Stock Exchange

MSCI ESG Rating



Constituent of FTSE4Good

Green, Social and Sustainability Bond (GSSB) Framework

Second Party Opinion on QNB GSSB Framework



Pre-Issuance Review of GSSB Eligible Portfolio



- ✓ Successful completion of first green benchmark bond issuance and first green bond issued in Qatar
- ✓ Issued USD600 million tranche on 15 Sep 2020 in the form of Senior Unsecured Notes with a maturity of 5 years

Sustainability for QNB is the delivery of long-term value in financial, environmental, social and ethical terms, for the benefit of our stakeholders

QNB Group Sustainability Framework

Our sustainability framework consists of three pillars:

Sustainable finance is the integration of ESG criteria into QNB’s financing activities to deliver profit with purpose.

Sustainable operations is the integration of ESG criteria into our business operations and across our supply chain

Beyond banking refers to QNB’s Corporate Social Responsibility (CSR) activities in the communities where we operate.

The pillars support our sustainable financial performance, through reducing risks, opening up new business opportunities and strengthening our brand.

QNB 2019 Sustainability highlights

- 29% women Group Executive Management
- 23 sustainable financial products and services offered to customers
- 20% reduction in carbon intensity (CO₂/ employee) since 2015
- QR 21.1 billion loan portfolio to SMEs and microenterprises
- 41% transactions completed via digital channels
- 2.8% community investment as a % of pre-tax profit

Stakeholder engagement



Customers
24 million businesses & individuals

- Engagement through customer satisfaction survey, Customer Care Centre, mobile and online banking and complaints management



Investors
50% QIA / 50% Public

- Public reports, quarterly calls and investor road shows



Employees
29,000

- Employee engagement survey, learning and development programs and training needs analysis



Regulators & Government

- Strict adherence to laws and regulations
- Public disclosures (e.g., Annual and Corporate Governance Report)



Society

- Products and services with environmental or social benefits and CSR activities



Suppliers
3,000+ suppliers

- Transparent tendering and bidding
- Timely payments and supplier audits

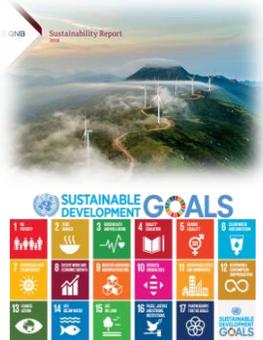
The 2019 highlights are published in our 2019 Sustainability Report available here:

<https://www.qnb.com/sites/qnb/qnbqatar/page/en/enesgreportsanddisclosures.html>

Introduction to QNB Green, Social and Sustainability Bond Framework

Defining an ambitious Framework, in line with best practices and standards

Rationale for issuing



- QNB intends to:**
- Align its sustainability strategy to its funding strategy
 - Support the development of a sustainable financial market
 - Contribute to the UN Sustainable Development Goals (SDGs)
 - Diversify the investor base targeting sustainable outcomes, while fostering relationship with existing investors

Following best practices & recent market standards



- QNB's Framework:**
- Is in line with the ICMA Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines
 - Follows the recommendations of draft EU Technical Expert Group (TEG) report on the EU Taxonomy
 - Reflecting current best practices and standards

QNB Green, Social, Sustainability Bond Framework description

	Use of Proceeds	<ul style="list-style-type: none"> • Under this Framework, Green and Social and Sustainability Bonds can be issued to (re)finance loans with environmental and/or social benefit
	Project Evaluation & Selection	<ul style="list-style-type: none"> • In accordance with the Eligibility Criteria and carried out by the Green, Social and Sustainability Bond Committee (“GSBC”)
	Management of proceeds	<ul style="list-style-type: none"> • Bonds net proceeds will be managed in a portfolio approach
	Reporting	<ul style="list-style-type: none"> • Allocation reporting annually until full allocation • Impact reporting at issuance or post-issuance
	External Review	<ul style="list-style-type: none"> • Second Party Opinion (SPO) by Sustainalytics • Third part pre-issuance review by Sustainalytics

QNB's Framework is aligned with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines

QNB Green and Social “Use of Proceeds”

Applying strict Eligibility Criteria when selecting green and/or social projects



Green Bond Use of Proceeds



Green Buildings

New and existing certified buildings, top 15% most energy efficient buildings, refurbished buildings with 30% improvement in energy efficiency



Renewable Energy

Wind, Solar, Hydro (less than 25MW), Bioenergy, Geothermal, Tidal, Grid infrastructure for renewable energy



Clean Transportation

Low carbon vehicles (EVs, hybrid, hydrogen) and related infrastructure (Electric Rail, EV charge points)



Energy Efficiency

District heating & cooling, Smart grids, energy meters and improvements to electricity transmission efficiency



Sustainable management of living natural resources and land

Sustainable and certified agriculture, forestry and fishery



Sustainable water and wastewater management

Waste water treatment, sustainable urban drainage systems, improvements to water infrastructure



Pollution Prevention and Control

Waste management and recycling, waste to energy and technologies to reduce emissions to air



Social Bond Use of Proceeds



Access to essential services

Public, not-for-profit, free or subsidised essential services such as healthcare and education



Socio-economic advancement and empowerment

Loans to SMEs, microfinance and entrepreneur clients



Social Housing

development, construction, operation and maintenance of affordable or social housing

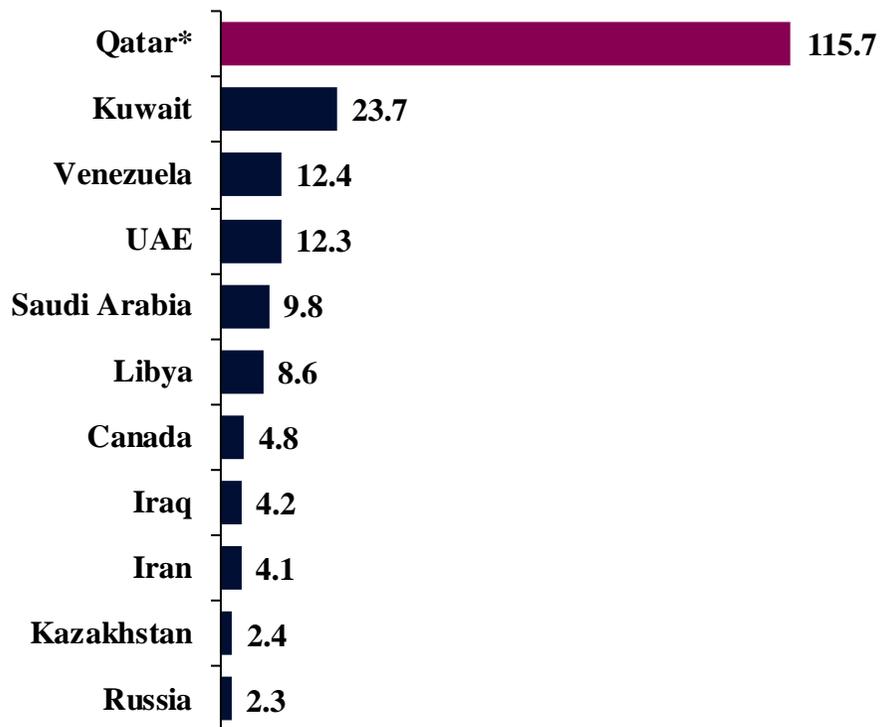


Economic Overview

Qatar's hydrocarbon wealth makes it the world's richest country

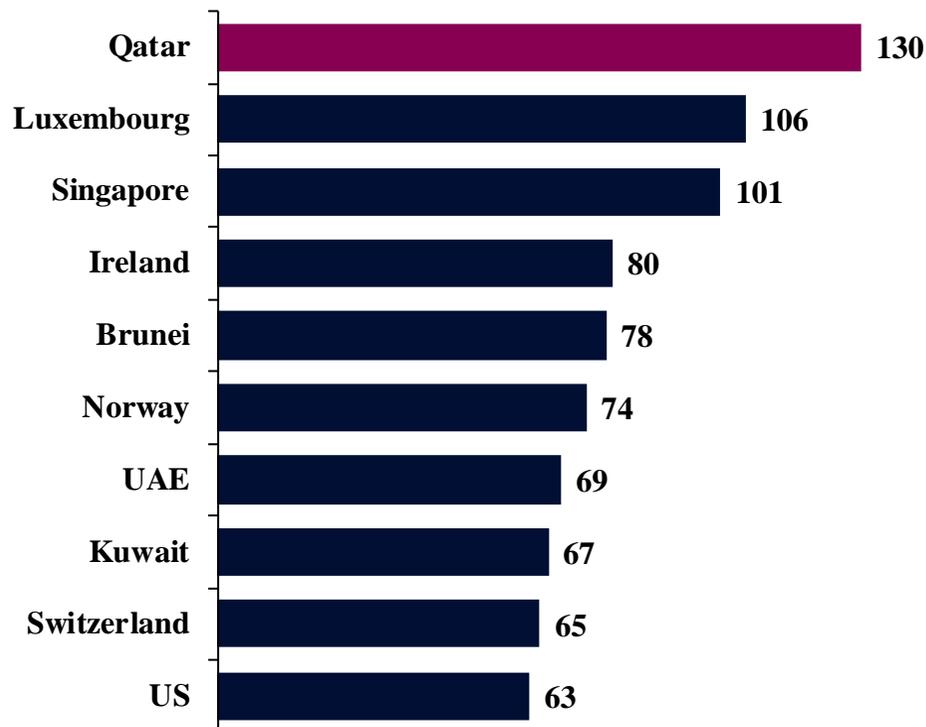
Oil and gas reserves per capita (2019)

k barrels of oil equivalent (boe)



GDP per capita (2018)

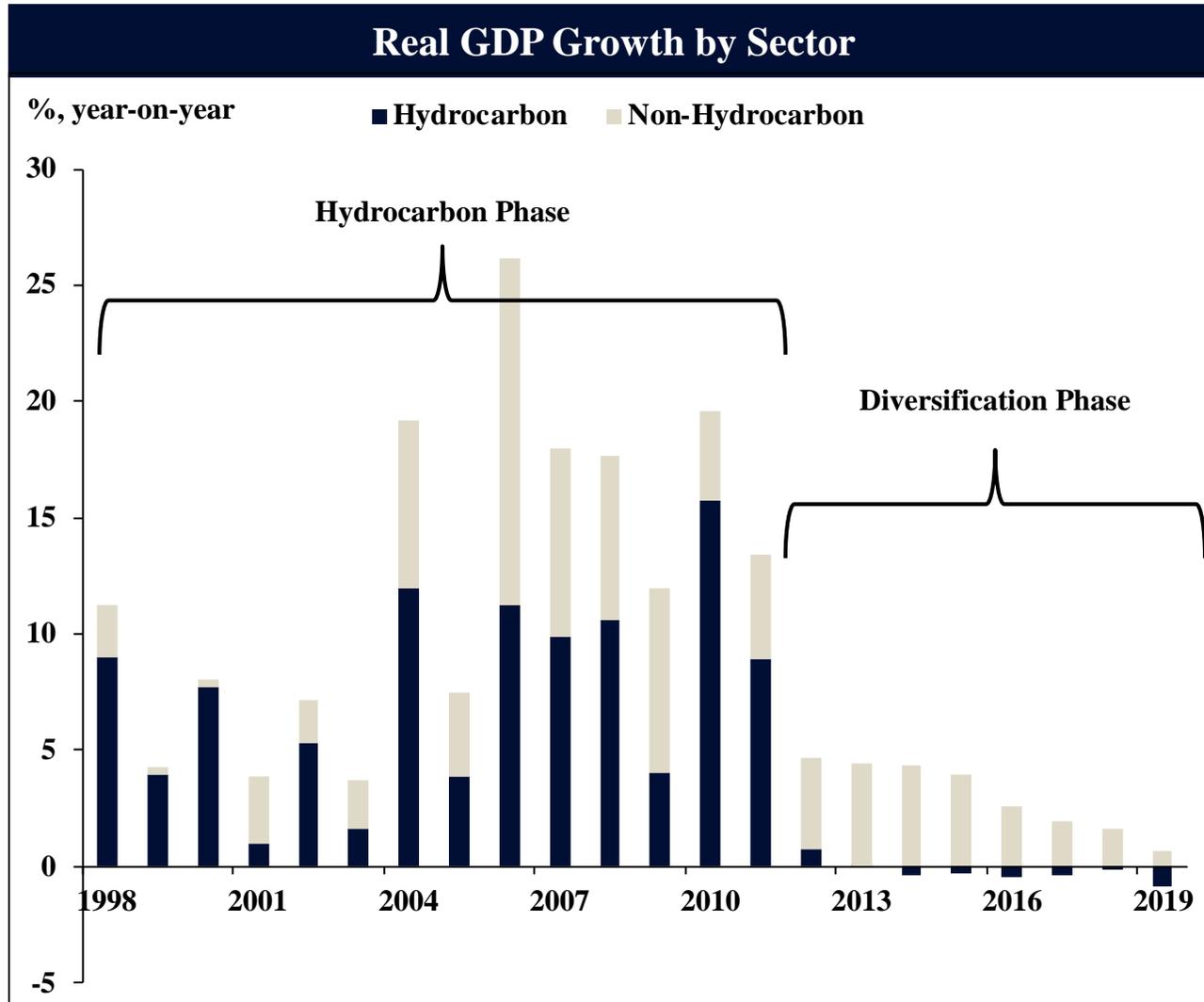
k USD PPP



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

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

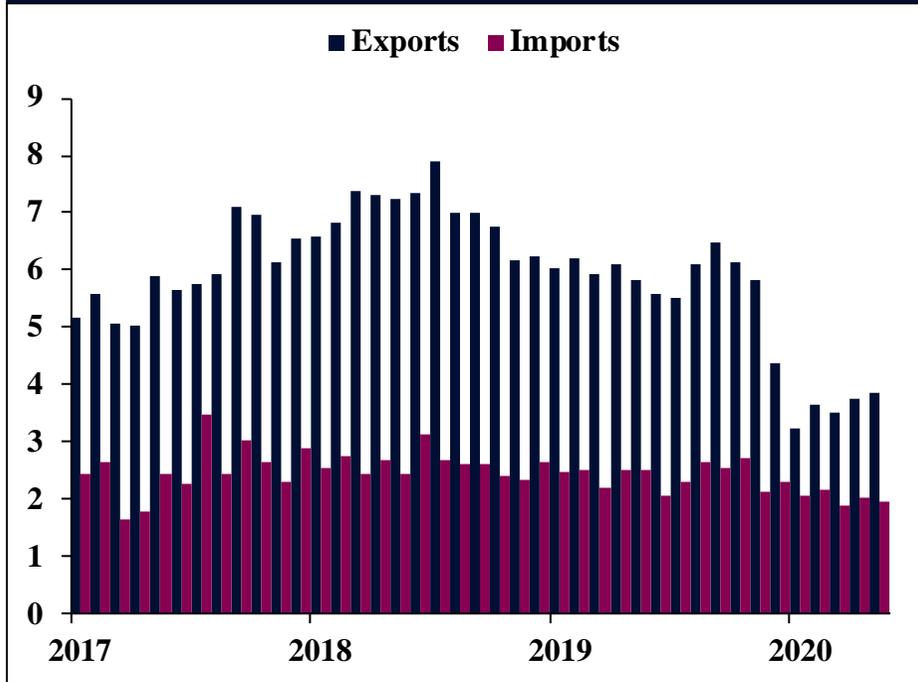
Qatar accumulated large reserves during its hydrocarbon expansion and is now using these reserves to diversify the economy through major investments



Qatar's National Vision 2030 aims to create a knowledge based and diversified economy

Qatar's fundamentals resilient

Qatar Trade (USD Bn)



- New trade routes have been established
- Imports and exports have been stabilised

Financial Soundness Indicators (2017-2019, %)

	2017	2018	2019
Capital Adequacy			
Tier 1 capital/risk-weighted assets	16.5	17	17.5
Regulatory capital/risk-weighted assets	16.8	18	18.5
Asset Quality			
Non-performing loans/total loans	1.6	1.9	1.8
Liquidity			
Liquid assets/total assets	28.2	29.1	30.2
Total loans/total deposits	108.8	114.1	120.1
Total loans/total assets	67.1	66.6	67.3
Profitability			
Return on assets	1.5	1.6	1.6
Return on equity	13.9	15.3	15.8

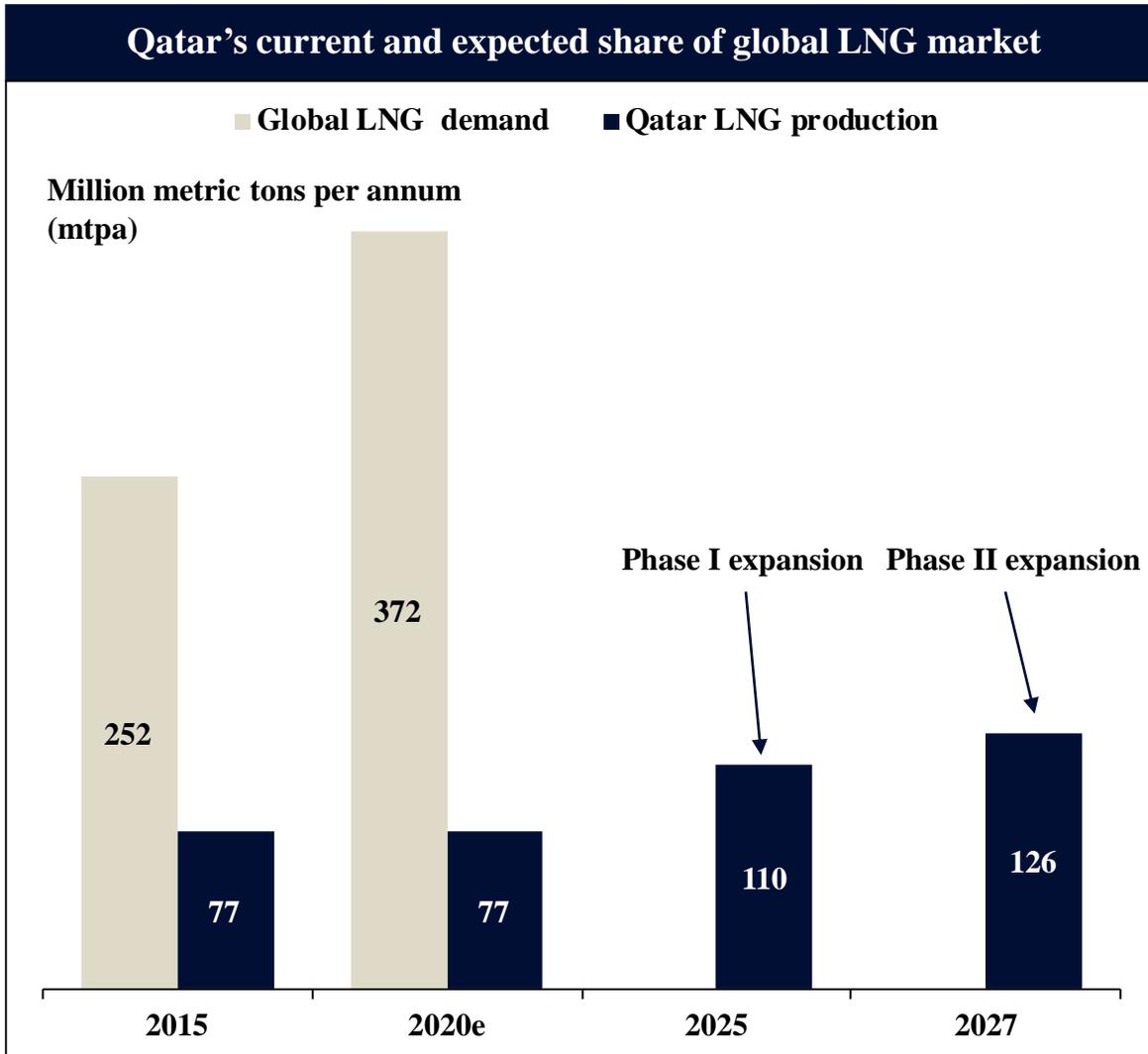
- Financial system remains resilient and healthy
- Capital adequacy and asset quality improved in 2019

Qatar's National Vision 2030 is supported by a large infrastructure investment programme

Major Projects Pipeline as of September 2020		
	Project	End
Construction	Lusail Mixed-Use Development	2022
	Economic Free Zones	2025
	FIFA World Cup Stadiums	2022
	Sharq Crossing	2024
Transport	Qatar Integrated Rail	2026
	Ashghal Expressway Programme	2022
	Ashghal Local Roads & Drainage	2023
	Hamad International Airport	2023
	Hamad Port	2023

Comments
<ul style="list-style-type: none"> • New investment sectors are opening up to support self sufficiency and long-term growth • Focus areas for investment are the transport, construction, logistics and manufacturing sectors • In parallel to the diversification phase, new investment opportunities are expected to arise from the increase in LNG production over the medium-term

Qatar is set to significantly increase its LNG production, boosting domestic growth while maintaining its position as the world's largest exporter



- 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**
- Qatar is set to **increase LNG capacity by 64% from the current 77 mtpa to 126 mtpa** by Phase II completion¹, maintaining its position as the world's leading LNG exporter
- The LNG expansion will also unleash further **downstream growth**, as abundant feedstock favors the petrochemical and manufacturing sector

Qatar is one of the highest rated sovereigns in the world, ranking above a number of advanced economies

Moody's Sovereign Ratings ¹											
Investment Grade	AAA	US, Germany, Canada, Australia, N Zealand, Switz'nd, Norway, Sweden, Denmark, Neth'lands, Lux'bourg, Singapore									
	Aa1	Austria, Finland									
	Aa2	UK, France, South Korea, Isle of Man, Faroe Islands									
	Aa3	Qatar, Belgium, Czech, Hong Kong, Taiwan, Macau, Cayman Islands									
	A1	Chile, China, Japan, Saudi Arabia, Estonia									
	A2	Bermuda, Iceland, Slovakia, Poland, Botswana, Ireland, Malta									
	A3	Latvia, Lithuania, Malaysia, Peru									
	Baa1	Mexico, Spain, Thailand, Slovenia, Mauritius, Panama									
	Baa2	Indonesia, Uruguay, Philippines, Bulgaria, Colombia									
	Baa3	India, Italy, Portugal, Hungary, Kazakhstan, Romania, Russia									
Non-Investment Grade											
Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2	Caa3	Ca	C	

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