البنك الأهلي
ahlibank

ANNUAL
REPORT
2024

www.ahlibank.qa

His Highness
Sheikh Hamad bin Khalifa Al Thani
The Father Amir

His Highness
Sheikh Tamim bin Hamad Al Thani
Amir of the State of Qatar

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01 INTRODUCTION

KEY INFORMATION

Name of the Entity	Ahli Bank Q.P.S.C.
Legal Structure	Public Shareholding Company
Authorized Capital	QAR 2,551.1 million
Paid-Up Capital	QAR 2,551.1 million
Market Capitalization	QAR 8.75 billion (As Of 31 December 2024)
External Auditor 2024	Ernst & Young
Address	Ahlibank Building, Suhaim Bin Hamad Street, Al Sadd Area, Doha, Qatar
Website	www.ahlibank.com.qa

FINANCIAL SNAPSHOT

Indicator	2024
Net Profit	**QAR 891.6 million** Year-on-year growth of 6.6%
Capital Adequacy Ratio	**21.2%** Based on new Basel guidelines (effective Jan 2024)
NPL Ratio	**2.9%** Increased by 0.4%
NPL Coverage Ratio	**238.0%** Increased by 4.0%
Loan Book	**QAR 35.7 billion** Growth of 2.6%
Customer Deposits	**QAR 32.2 billion** Increased by 8.5%
EMTN (Third Tranche) Repayment	**US$ 500 million** Successfully repaid in September 2024
Earnings per Share	**QAR 0.3** Increase by 6.8%

AT A GLANCE

Established: Established in **1983** and listed on the Qatar Stock Exchange.

Branch Network:
12 branches, **96** ATMs

Product Offerings: Retail banking, Corporate Banking, Treasury and International banking, Private Banking and Advisory.

Internal Audit Department achieved a significant milestone by obtaining a **General Conformance Quality Assurance accreditation** from the Institute of Auditors Association (IAA).

In 2024 Incorporated a wholly owned QFC subsidiary: ABQ Innovate LLC, **offering consulting and advisory services.**

Shareholding Structure **52.29%**: Qatari firms and individuals **47.71%**: QIA and its wholly owned subsidiaries.

Honoured with the **Sustainability Excellence Award** from the **Arab Organization for Social Responsibility**, recognizing the bank's commitment to sustainable practices and responsible corporate citizenship.

CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Ahlibank's Integrated Annual Report for the financial year 2024.

In an increasingly complex and interconnected world, Ahlibank has continued to move forward with resilience, clarity, and purpose.

The Bank remains committed to the principles of good governance, consistently updating regulations, policies, and procedures to safeguard the rights of shareholders and stakeholders. Our focus is on achieving fairness, competitiveness, transparency, and optimal utilization of the Bank's resources.

Transforming for Tomorrow

The strength of our results is matched by the depth of our ambition. In 2024, Ahlibank made bold strides in advancing our transformation agenda, with initiatives that align directly with Qatar National Vision 2030. We accelerated digital modernization, across our retail and corporate divisions, reshaping customer journeys through mobile-first services, paperless onboarding, and intuitive user experiences.

We also launched a landmark Environmental, Social, and Governance (ESG) Strategy—grounded in global standards and tailored to national priorities. Our four-year ESG roadmap is now in motion, with initiatives in green finance, emissions tracking, climate risk management, and social impact. These efforts are supported by a newly established ESG Unit, cross-functional working group, and C-suite-level ESG Committee—ensuring leadership, integration, and accountability at every level.

Our transformation is not only digital and sustainable—it is deeply human. With Qatarization reaching 26.04%, we continue to invest in national talent and leadership. Through partnerships with the Ministry of Labor and the Qatar Finance & Business Academy, we are building a workforce that reflects the future of banking and the vision of our nation.

Governed by Trust, Guided by Vision

Governance is the cornerstone of our success. Ahlibank remains fully committed to upholding the highest standards of transparency, ethics, and regulatory compliance. In 2024, we enhanced our risk management framework, strengthened internal controls, and deepened Board-level engagement across strategic and operational matters. Our alignment with Qatar Central Bank directives, Qatar Stock Exchange requirements, and international best practices ensures the confidence of all stakeholders we serve.

We are equally proud of our growing international partnerships, which continue to broaden our financial network and attract foreign capital in support of Qatar's economic diversification goals. Through our Treasury and International Banking platform, we are helping clients access global markets and reinforcing Qatar's role as a regional hub for investment and innovation.

As we look to the future, Ahlibank is well-positioned to grow with purpose, adapt with agility, and lead with responsibility. Our strategy is clear: build a resilient, inclusive, and innovation-driven bank that serves Qatar today—and shapes its tomorrow.

On behalf of Ahlibank's Board of Directors, I would like to thank all stakeholders for their trust and support and in particular the Bank's management team and employees, whose efforts and dedication were instrumental in the success of the Bank. In conclusion, I ask God Almighty to help us along our journey as we move forward to achieve even greater prosperity and success, contributing to our community and the vision of our beloved country.

Together, we are building not only a stronger bank—but a stronger future for Qatar.

Sincerely,

Faisal bin Abdulaziz bin Jassim Al-Thani

Chairman of the Board

CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear Shareholders,

2024 was a year of purposeful progress, strategic clarity, and meaningful transformation. In a dynamic global landscape, Ahlibank remained resilient and agile delivering robust financial performance while advancing our long-term priorities across digital innovation, sustainability, and operational excellence.

Financial Performance

Ahlibank recorded strong operational results across all core business lines. Total assets grew to QAR 59.6 billion, and customer deposits increased by 8.5% to QAR 32.2 billion, reflecting client trust and relationship strength. Our loan portfolio expanded by 2.6% to QAR 35.7 billion, supported by stable credit demand and disciplined risk management. We maintained industry leading efficiency, with a cost-to-income ratio of 21.0%, and delivered a Return on Average Equity of 12.6% underscoring our commitment to sustainable profitability.

Strategic and Business Progress

Our diversified, integrated model continues to position Ahlibank as a trusted financial partner in Qatar. Retail Banking delivered inclusive, digitally empowered solutions, enriching client engagement and promoting long-term financial stability. We also expanded our physical footprint, opening a new branch at Doha Festival City bringing our branches to a total of 12—and extending our ATM network to 96 locations. Private Banking deepened client relationships and expanded investment offerings through alliances with market leaders. Treasury and International Banking enhanced global connectivity and optimized liquidity, contributing to both resilience and sustainability while Corporate Banking played a vital role in driving national development supporting infrastructure, SMEs, and cross border trade, with a clear focus on risk prudence and strategic transformation.

These advancements reflect our focus on delivering exceptional service while supporting the aspirations of Qatar National Vision 2030. particularly in advancing private sector development, financial inclusion and economic diversification

Digital and Sustainable Transformation

Our digital evolution advanced significantly in 2024, with a strong shift toward digital channels for retail transactions. We implemented the FAWRAN payment system, an initiative by QCB and RTGS (Real time Gross Settlement) payment systems —paving the way for an instant, seamless, secure, and inclusive customer experience. We also advanced IT governance and began integrating AI and data analytics to enhance both customer journeys and internal efficiencies.

On the sustainability front, we made substantial progress. With the Board's approval of our ESG Strategy, we launched a comprehensive four-year roadmap and began implementing governance frameworks to ensure disciplined execution. Our sustainability agenda is rooted in accountability and aligned with Qatar National Vision 2030 anchored in our belief in creating long-term, measurable impact for future generations.

People and Culture

At the heart of our success is our people. In 2024, we increased Qatarization to 26.04%, honored 57 long-serving employees, and deepened partnerships with educational institutions to cultivate national talent. Our commitment to a culture of continuous learning and high performance remains unwavering, and it continues to evolve as a core pillar of our long-term strategy.

Outlook for 2025

Looking ahead, our strategic direction is clear. We will:

- Drive operational efficiency through smarter, leaner, and more integrated processes
- Scale digital capabilities with emphasis on personalization, security, and speed
- Fortify resilience across risk, compliance, and infrastructure

Ahlibank enters 2025 with clarity of purpose, a strong foundation, and a forward-looking mindset. We remain deeply committed to creating enduring value, financially, technologically, and socially for our shareholders, customers, and the communities we serve.

On behalf of the Executive Management team, I extend my sincere gratitude to the Board of Directors for their trust and strategic guidance, to our shareholders and customers for their continued loyalty, and to our employees for their dedication, passion, and professionalism.

Sincerely,

Hassan Ahmed AlEfrangi

Chief Executive Officer

BOARD OF DIRECTORS:
A TRUSTED COMPASS GUIDING AHLIBANK FORWARD

At the heart of Ahlibank's enduring success is a diverse and distinguished Board of Directors, whose collective expertise, leadership, and strategic foresight continue to shape the bank's performance and vision for the future. Comprising individuals from esteemed public and private sectors, the Board upholds the highest standards of governance and accountability. Below is an overview of the current Board members as of 31 December, 2024.

SHEIKH FAISAL BIN ABDULAZIZ BIN JASSEM AL-THANI
CHAIRMAN OF THE BOARD

SHEIKH JASSIM BIN MOHAMMED BIN HAMAD AL-THANI
DEPUTY CHAIRMAN OF THE BOARD

SHEIKH FAHAD BIN FALAH BIN JASSIM AL-THANI
BOARD MEMBER

SHEIKH SALMAN BIN HASSAN AL-THANI
BOARD MEMBER

MR. NASSER ABDULLATIF AL-ABDULLA
BOARD MEMBER

MR. MOHAMMED FAHAD AL-KHULAIFI
BOARD MEMBER

MR. VICTOR NAZEEM REDA AGHA
BOARD MEMBER

MR. NAWAF IBRAHIM HAMAD AL-MANA
BOARD MEMBER

MR. JASSIM MOHAMMED AL-KAABI
BOARD MEMBER

MR. JASSIM MOHAMMED AL-ANSARI
BOARD MEMBER

MANAGEMENT TEAM

At the heart of Ahlibank's success lies a dedicated and forward-thinking leadership team that brings together decades of expertise across key areas of banking and finance. Guided by a shared commitment to excellence, innovation, and sustainable growth, our executive management team plays a pivotal role in shaping the Bank's strategic direction, driving digital transformation, and ensuring operational resilience. With deep knowledge of the local market and global best practices, they continue to lead Ahlibank toward new opportunities—strengthening our position as a trusted financial partner for our customers, shareholders, and the wider community.

HASSAN AHMED ALEFRANGI
CHIEF EXECUTIVE OFFICER

MAHALINGAM SHANKAR
CHIEF EXECUTIVE - FINANCE AND STRATEGY

MOHAMED MOUSA MOHAMED AL NAMLA
CHIEF EXECUTIVE - HUMAN RESOURCES, ADMINISTRATION AND SUPPORT SERVICES

ABDULAZIZ KHALID AL-KHATER
CHIEF RETAIL BANKING OFFICER

SAAD AL KAABI
HEAD OF HUMAN RESOURCES

JOHNNY AL-KHOURY
GENERAL COUNSEL AND BOARD SECRETARY

MAHER BARAKAT
CHIEF INTERNAL AUDIT OFFICER

DEREK KWOK
CHIEF TREASURY AND INTERNATIONAL BANKING OFFICER

KHALDOUN AL-KHATEEB
CHIEF COMPLIANCE OFFICER

MOHAMAD ALY SOBH
CHIEF RISK OFFICER

AHMED ZUHDI ABU KHALIL
CHIEF PRIVATE BANKING OFFICER

IZZIDIN RUSHDI ABUSALAMEH
CHIEF OPERATIONS & INFORMATION TECHNOLOGY OFFICER

OUR STORY, EVOLVING

OUR VISION

Our vision is simple and captures our goal: to be at the heart of the community.

OUR MISSION

We seek to achieve our mission by:

- Providing the right products for people in our community
- Being straightforward, approachable, and responsive
- Being actively involved with our community

OUR BRAND PROMISE

We strive to give our customers a memorable level of personal service and attention.

KEY MILESTONES

1983
Incorporated as Al-Ahli Bank of Qatar[1], part of Citibank operations.

1987
Began operations as a standalone entity.

2008
Ahli United Bank acquires 40% via new shares with a 10-year renewable management agreement.

2010
QIA announces 20% equity infusion; ABQ receives QAR 642 Million in 2010-2011.

2011
Launch of Ahli Brokerage Co. as a licensed brokerage on Qatar Exchange.

2012
20% rights issue raising QAR 448 million from Qatari shareholders.

2013
Qatar Foundation acquires 29.4% stake in ABQ from AU.

2014
New brand identity launched: "at the heart of the community"; Debut syndicated facility of US$ 200 million for 3 years.

2015
6 branches redesigned; additional medium-term funding of US$ 200 million.

2016
Moody's rating: A2/Prime-1; US$ 500 million 3.9% notes due 2021 issued; US$ 195 million 3-year club term loan facility closed.

2017
Second EMTN bond (US$ 500 million); US$ 250 million bilateral funding raised; Qatar Foundation transfers its 29.4% stake to QIA, raising QIA's share to 47.7%.

2018
Extended US$ 200 million of committed funding.

2019
Issued third EMTN bond (US$ 500 million); raised & extended US$ 250 million bilateral facility till June 2022.

2020
Reissued first EMTN tranche (US$ 500 million); new mobile & online banking platform launched.

2021
Issued US$ 300 million AT1 bonds; US$ 500 million EMTN in April; US$ 140 million Asian club loan; US$ 500 million EMTN listed in July.

2022
Repaid 2020 EMTN tranche (US$ 500 million); increased term loan to US$ 400 million, extended to April 2026.

2024
Launched QFC subsidiary "ABQ Innovate LLC"; issued 4th EMTN tranche (US$ 500 million).

[1] The reference to "Al-Ahli Bank of Qatar" reflects the Bank's original name at the time of its incorporation in 1983, prior to its rebranding as Ahlibank

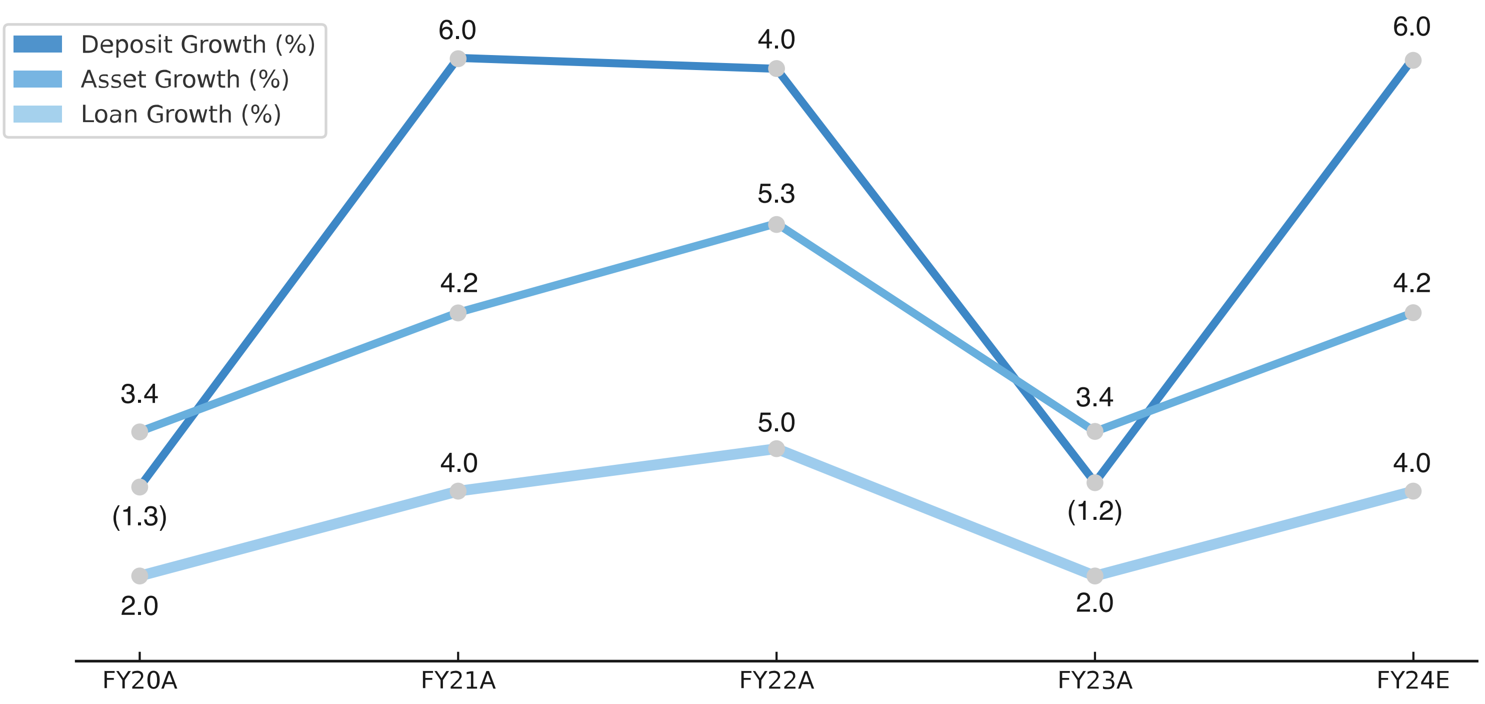
NAVIGATING THE OPERATING ENVIRONMENT: REGIONAL TRENDS AND STRATEGIC OUTLOOK

The banking sector in the MENA region continues to evolve rapidly, driven by advancements in technology, regulatory reforms, and shifting customer expectations. In 2024, banks focused on integrating digital solutions to enhance operational efficiency, improve customer experiences, and adapt to the changing dynamics of financial services. This trend reshaped the competitive landscape, and we have leveraged these innovations to offer tailored products and services. The adoption of artificial intelligence (AI), blockchain technologies, and data analytics is now becoming increasingly prevalent, enabling banks to streamline processes and deliver more personalized banking experiences.

QATAR BANKING SECTOR OUTLOOK

In Qatar, economic diversification under Qatar National Vision 2030 remains a cornerstone of growth strategies. According to the National Planning Council (NPC), Qatar›s real Gross Domestic Product (GDP) grew by 2.4% in 2024, reaching QAR713 billion at constant prices, up from QAR697 billion in 2023. As highlighted in the latest Fitch Ratings report, Qatar's banking sector is set to maintain its growth trajectory in 2025, with total assets projected to increase by 6.2% to reach QAR2.2 trillion. This growth is supported by the country's strong economic fundamentals, ongoing infrastructure investment, and government-led diversification initiatives. However, total financial assets as a percentage of GDP are expected to moderate to 211.9%, indicating that the sector is growing at a more sustainable pace in line with broader economic activity. Credit demand is forecast to rise by 7.2%, driven by both retail and corporate sectors, particularly in construction, real estate, and services. Deposit growth, although slower at 3.3%, continues to reflect client confidence, increased financial inclusion, and a steady repatriation of funds by expatriates. These trends are complemented by Qatar's accelerated digitalization agenda under National Vision 2030, where banks are actively embracing financial technology to enhance customer experience, improve operational efficiency, and reach underserved segments.

Loan, Asset, and Deposit Growth



Source: Fitch Solutions

MENA BANKING SECTOR OUTLOOK

Fitch Ratings projects a stable and resilient outlook for the MENA banking sector in 2025, supported by strong oil revenues and expanding non-oil economic activities. Regional credit growth is expected to remain robust, with Saudi Arabia leading the GCC in projected financing growth of around 12%, primarily fuelled by corporate lending linked to Vision 2030 projects. The UAE banking sector is also expected to perform strongly, with loan growth of approximately 9%, bolstered by favourable macroeconomic conditions and healthy government deposits. Meanwhile, Egypt's banking sector is anticipated to sustain solid performance despite a deceleration in credit growth to 26%, as earlier monetary adjustments begin to take effect. Across the region, banks are maintaining strong capital positions and solid profitability, with increasing emphasis on digital transformation and risk diversification. The stable outlook reflects the sector's resilience in navigating global headwinds, while leveraging technology and regulatory improvements to support sustainable growth.

INCREASED EMPHASIS ON ESG CONSIDERATIONS

Environmental, Social, and Governance (ESG) principles are increasingly shaping Qatar's economic policies as the nation addresses climate change challenges. The Qatar National Environment and Climate Change Strategy (QNE) underscores the government's commitment to sustainability through initiatives aimed at reducing carbon emissions and promoting green investments. Ahlibank recognizes the importance of aligning its operations with these priorities by enhancing its ESG framework. This includes adopting sustainable practices across its business operations and integrating ESG considerations into its lending policies.

Qatar's vulnerability to climate change has heightened the urgency for proactive measures in environmental sustainability. The government's efforts have positioned Qatar as a leader in advocating for climate-conscious practices across industries. For Ahlibank, these developments present opportunities to innovate within its product offerings while contributing to the nation's broader sustainability goals.

EMERGING DIGITAL BANKING TRENDS

Digital banking continues to gain momentum across Qatar and the MENA region as customers increasingly demand seamless online experiences:

- The widespread adoption of smartphones has accelerated demand for mobile banking applications.
- Enhanced cybersecurity measures are becoming a priority as digital channels expand.

Ahlibank remains committed to expanding its digital footprint by investing in cutting-edge technologies that enhance customer convenience while ensuring data security. In 2024, digital transformation remains central to Ahlibank's strategy as it seeks to cater to tech-savvy consumers while maintaining competitiveness within the evolving financial landscape.

OTHER FINANCIAL SECTOR DEVELOPMENTS

Insurance Sector

The introduction of mandatory health insurance for expatriates is anticipated to drive premium growth significantly—by an estimated 7.6%—reaching QAR19.9 billion (USD5.5 billion)

Asset Management

Qatar's asset management sector is poised for expansion as wealth management gains prominence post-pandemic. Initiatives such as family offices under common law jurisdiction are fostering long-term

Stock Exchange Performance

The Qatar Stock Exchange (QSE) continues its upward trajectory with strong investor sentiment driven by economic diversification efforts and liquefied natural gas production

OPPORTUNITIES FOR AHLIBANK

AHLIBANK IS WELL-POSITIONED TO

01 ESG INTEGRATION

02 INFRASTRUCTUE FINANCING

03 WEALTH MANAGEMENT EXPANSION

04 IMPLEMENTING DIGITAL BANKING

Qatar's operating environment in 2024 presents a blend of challenges and opportunities for Ahlibank as it navigates geopolitical uncertainties while capitalizing on economic diversification efforts and technological advancements.

By aligning with national priorities such as sustainability under Qatar National Vision 2030 and leveraging emerging digital trends, Ahlibank is well-positioned to drive growth while maintaining resilience within an evolving financial landscape.

02 BUSINESS REVIEW

Ahlibank's strength lies in its diversified yet integrated business model, driven by four key segments that work in tandem to deliver comprehensive financial services across Qatar.

Retail Banking forms the backbone of the bank's operations, offering a wide range of innovative, customer-focused products and services.

Building on this retail foundation, Corporate Banking plays a vital role in supporting Qatar's economic development by providing tailored financial solutions to small and medium-sized enterprises as well as large corporates. Through deep sector knowledge and long-term client partnerships, Ahlibank has established itself as a trusted advisor in areas such as infrastructure, construction, and trade finance.

Complementing these domestic operations, the Treasury & International Banking division manages the bank's liquidity, investments, and foreign exchange positions with precision. Its activities enhance Ahlibank's resilience and presence in both regional and international financial markets.

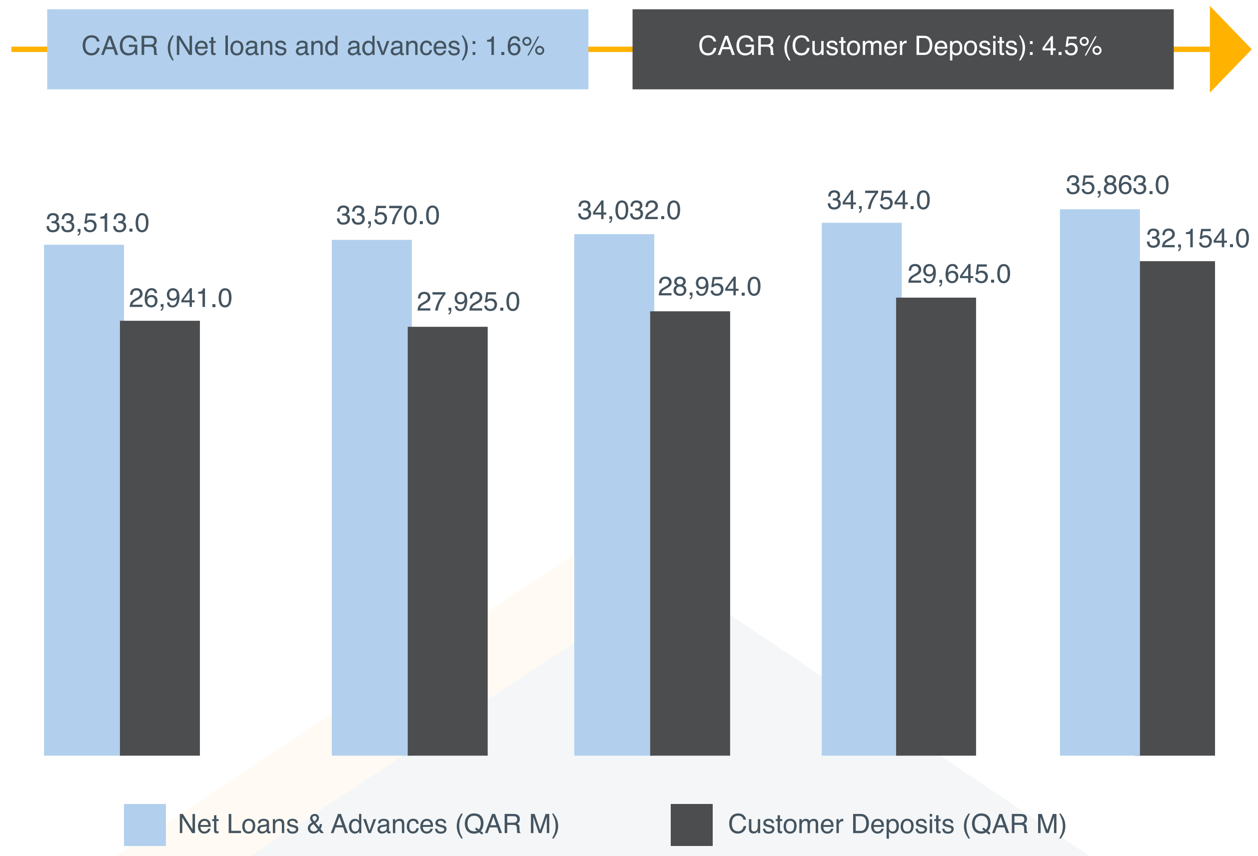
Rounding out the bank's core offerings is the Private Banking & Advisory segment, which delivers bespoke wealth management services to high-net-worth individuals. Combining discretion, insight, and relationship-based service, this segment underscores Ahlibank's commitment to personalized financial planning and long-term value creation.

Together, these four business lines reflect a unified strategy grounded in operational excellence, innovation, and client-centricity, positioning Ahlibank as a key enabler of sustainable growth and a committed partner in achieving Qatar's Vision 2030.

AHLIBANK BUSINESS SEGMENTS

Driving Qatar's Financial Future

NET LOANS AND ADVANCES 2020–2024



RETAIL BANKING

Ahlibank's Retail Banking division is steadfast in its mission to become the premier provider of retail financial services in Qatar, delivering exceptional, personalized banking experiences. This ambition is deeply aligned with the Qatar Central Bank's digital transformation strategy and is reflected in Ahlibank's commitment to trusted, innovative, and future-ready financial solutions.

Strategic Focus Areas

Product Innovation and Campaigns

Ahlibank continues to lead with product excellence and market-responsive campaigns designed to meet the evolving financial needs of its diverse customer base. Key initiatives include:

- Exclusive investment solutions in global and local markets through our strategic alliances.
- Innovative savings products, including Ultra Savings accounts and the enhanced The Winner Savings Account (formerly Al Rabeh), relaunched in 2024 with monthly cash prizes to encourage long-term savings habits.
- Premium Credit Cards tailored for VIP clientele.
- Contactless Debit and Credit Cards for secure, frictionless payments.
- Bancassurance offerings, including Critical Illness Care Plus plans to support holistic financial well-being.
- Targeted loan and card campaigns, including:
  - Consumer Loan promotions;
  - International card usage campaigns;
  - Loyalty points conversion in partnership with Qatar Airways.
- Launch of Himyan Debit Cards, offering secure, efficient local payment options in line with national payment standards.

Increased Profitability

Ahlibank's Retail Banking strategy is designed to drive sustainable revenue growth by enhancing customer value. The Bank continues to deepen relationships with individuals and families across Qatar, focusing on cross-selling and up-selling opportunities that generate mutual value.

Customer Lifecycle Management

Leveraging data-driven customer insights, the Bank is advancing lifecycle management strategies to unlock niche growth areas—most notably the youth segment. With enhanced digital touchpoints, Ahlibank is well-positioned to resonate with younger, digitally native

customers through:

- An enhanced mobile banking experience; and
- Strengthened engagement through social media platforms.

Operational Efficiency and Cost Optimization

Ahlibank remains focused on prudent cost management through digitalization and network optimization. By streamlining operations and refining distribution channels, the Bank ensures efficient service delivery without compromising customer experience.

Distribution Network and Digital Enablement

In response to shifting customer preferences and the growing demand for seamless digital banking, Ahlibank has accelerated its transformation across physical and digital channels. Milestones in 2024 include:

- **Opening of a full-banking services branch** at Doha Festival City, enhancing presence in high-traffic areas. The new branch underscores our commitment to providing enhanced banking convenience and personalised service for our valued clients
- **Digital account opening,** including the ability to open savings accounts entirely online.
- **Introduction of FAWRAN, a smart, secure,** and real-time local payment solution that enables 24/7 instant transfers via mobile numbers, nicknames, or IBANs through Online and Mobile Banking.
- **Deployment of automated cheque processing** on Cash Deposit Machines (CDM) to digitize in-branch services, providing customers with a faster and secure way to deposit cheques directly into their accounts.

Positioned for Everyday Excellence

With a holistic and customer-centric approach, Ahlibank's Retail Banking division is evolving into a future-ready institution—one that balances innovation with accessibility and delivers measurable value across all customer touchpoints. From premier offerings to digital ease, Ahlibank continues to be a trusted financial partner for daily life in Qatar.

MESSAGE FROM
THE CHIEF RETAIL BANKING OFFICER

"We continue to unlock value for our customers through tailored solutions, digital flexibility and smarter service delivery.
Our retail strategy is rooted in long-term relationships and sustainable growth."

Abdulaziz Al-Khater
Chief Retail Banking Officer

CORPORATE BANKING

A Strong Franchise with a Forward-Looking Vision

Ahlibank continues to reinforce its position as a leading financial institution in Qatar, driven by a resilient Corporate Banking franchise, strategic expansion, and a commitment to transformation. Despite global and regional economic fluctuations, our ability to navigate market challenges with agility and foresight has cemented our reputation as a trusted banking partner for corporate, institutional, and government-related clients.

With a deep understanding of Qatar's economic dynamics, Ahlibank remains at the forefront of financing infrastructure projects, supporting private sector growth, and facilitating cross-border business opportunities. Our market leadership is underpinned by a client-centric approach, ensuring tailored financial solutions that drive sustainable business success.

A Relationship-Driven Business Model with Global Best Practices

Ahlibank's Corporate Banking strategy is anchored in building long-term, value-driven relationships. Our approach mirrors international best practices, integrating personalized financial advisory with a comprehensive suite of banking services, including corporate lending, treasury management, trade finance, and structured solutions.

Our ability to provide seamless, end-to-end financial solutions has strengthened customer loyalty and diversified revenue streams. The Ain Khaled corporate branch, operational since 2023, continues to enhance accessibility, catering to the transactional needs of our corporate clients through bulk cash, cheque deposits, and teller services.

Driving Business Growth through Strategic Transformation

Recognizing the evolving needs of our clients and the regional economic transformation, Ahlibank remains committed to strategic growth. In 2024, we embarked on a new Corporate Banking roadmap that will guide our expansion from 2025 onwards, focusing on high-potential sectors such as:

- **LNG Expansion –** Supporting Qatar's ambitious plans to solidify its global leadership in LNG production, offering financing solutions for energy sector investments.
- **Economic Diversification under Qatar National Vision 2030 –** Facilitating growth in non-hydrocarbon sectors such as manufacturing, logistics, healthcare, and technology to support a diversified economy.
- **Cross-Border Business & Trade Finance –** Strengthening international banking partnerships to enable Qatari businesses to expand globally, particularly in key trade corridors across the GCC, Asia, and Europe.
- **SME & Mid-Corporate Segment –** Enhancing financial accessibility for mid-sized enterprises, recognizing their crucial role in economic development.

Resilient Risk Management & ESG Commitments

Ahlibank employs a proactive and sophisticated risk management framework that aligns with Basel III principles and international banking standards. Our risk diversification strategy ensures:

- Balanced industry exposure to mitigate sectoral concentration risks.
- Strengthened liquidity and capital management to sustain financial stability.
- Dynamic loan and deposit repricing to maintain robust net interest margins.

Moreover, Environmental, Social, and Governance (ESG) considerations have become integral to our Corporate Banking strategy. We actively finance sustainable projects, green initiatives, and responsible investments that align with Qatar's sustainability goals. Our commitment to ESG principles reflects our dedication to ethical banking, long-term value creation, and social responsibility.

Digital Innovation & the Future of Corporate Banking

Digital transformation remains at the core of our Corporate Banking evolution. In 2024, Ahlibank accelerated its digitization agenda, focusing on automation, process efficiency, and enhanced customer experience. Our upcoming next-generation online banking platform, set to launch in 2025, will redefine corporate banking convenience through:

- Comprehensive cash management solutions
- Seamless trade finance solutions
- Strengthened cybersecurity frameworks to ensure transaction security

We continue to invest in digital innovation, aligning with the global shift towards technology-driven banking while maintaining a strong regional focus on personalized service.

Overcoming Challenges & Embracing Opportunities

The Qatari market has faced evolving challenges in recent years, including global economic pressures, supply chain disruptions, and liquidity fluctuations. However, Ahlibank's proactive approach, underpinned by prudent financial management and strategic agility, has enabled us to turn challenges into opportunities.

Looking ahead, we remain optimistic about Qatar's financial sector, driven by economic diversification, infrastructure investments, and international trade expansion. Our strategic focus on Corporate Banking transformation ensures that we continue to provide innovative solutions, facilitate business growth, and support our clients in navigating the evolving economic landscape.

MESSAGE FROM

THE HEAD OF CORPORATE BANKING

“Ahlibank remains committed to empowering businesses with financial solutions that drive growth, resilience, and long-term success. Through strategic transformation, digital innovation, and sustainable banking practices, we are well-positioned to shape the future of Corporate Banking in Qatar. As we navigate the opportunities of tomorrow, our unwavering dedication to client relationships and market leadership will continue to define our journey.”

Shekhar Agarwal

Head of Corporate Banking

TREASURY & INTERNATIONAL BANKING

Aligned with Ahlibank's strategic vision, the Treasury and International Banking Department continues to play a pivotal role in expanding the Bank's global presence and delivering exceptional value to our stakeholders. As a bank centred exclusively on Qatar, our primary focus lies in fostering connections with international markets and partners, with the aim of assisting our clients in expanding their access to global markets and establishing investment pathways in alignment with Qatar's 2030 vision.

Crucial to this has been our focus on developing the Bank's global footprint by building robust relationships with financial institutions, non-bank financial institutions, investors, and credit rating agencies. By expanding correspondent banking relationships, we have created opportunities to support internal stakeholders and enhance our global reach. We have implemented standardized procedures and workflows to ensure efficient onboarding and monitoring of client relationships, all while maintaining strict alignment with compliance and risk management principles.

The increased geographical coverage has significantly broadened our client offering by opening up new opportunities in critical service areas such as trade finance, foreign exchange, and payment channels. Our coordinated approach to rating agencies and investor relations has further improved transparency and collaboration, strengthening Ahlibank's external image and reputation.

Enhancing Treasury Operations and Liquidity Management

Our operational scope encompasses balance sheet management and the providing of money market and treasury services to corporate and retail clients. These activities are complemented by our brokerage offerings through Ahli Brokerage Company L.L.C., thus ensuring a comprehensive financial service ecosystem.

The Treasury & International Banking division maintains a dynamic approach to cash flow and liquidity management, ensuring agile adaptation to market shifts while adhering to stringent regulatory standards. Our commitment to diversifying the liability base has been instrumental in mitigating concentration risks, thereby

enhancing overall performance. This strategic approach has enabled us to create an optimal liquidity environment, improving interest income efficiency and generating fees from non-interest-earning activities.

Strengthening Client Offerings and Financial Performance

Working closely with the Asset Liability Committee (ALCO) and executive management, we have continued to create and implement a comprehensive medium and long-term funding strategy that aligns with the Banks strategic objectives, future funding needs, and regulatory requirements.

Despite the challenges posed by evolving global market dynamics, our proactive portfolio management and careful liquidity utilization have consistently delivered sustainable results from our investment portfolio in marketable securities. This approach has maintained high liquidity availability and preserved asset quality, reinforcing our commitment to responsible financial management.

Through our wide range of financial products and services, we continue to drive growth and innovation with a goal to deliver outstanding financial performance that supports both the Bank and our clients in realizing their future ambitions.

Advancing ESG Integration and Stakeholder Confidence

The development and implementation of a comprehensive Environmental, Social, and Governance (ESG) strategy remains essential to our efforts. Under the guidance of the Qatar Central Bank, we continue to align our domestic financial system with international market standards. This strategic approach establishes Ahlibank as a credible, responsible, and sustainable financial institution, demonstrating the values that underlie our business and reinforcing external stakeholders' confidence in our commitment.

As we look forward to 2025, the Treasury and International Banking Department stands prepared to continue driving growth and innovation in the financial landscape. We remain dedicated to excellence, client satisfaction, and our strategic vision of propelling Ahlibank towards sustainable growth and value creation.

MESSAGE FROM

THE CHIEF TREASURY & INTERNATIONAL BANKING OFFICER

"As a bank centred exclusively on Qatar, our primary focus lies in fostering connections with international markets and partners. Our aim is to assist our clients in expanding their access to global markets, thereby establishing investment pathways in alignment with Qatar's 2030 vision."

Derek Kwok
Chief Treasury & International Banking Officer

PRIVATE BANKING & ADVISORY

Ahlibank has established itself as a premier financial institution, offering comprehensive private banking and wealth management services tailored to the needs of high-net-worth individuals (HNWIs). The Private banking division provides an extensive suite of investment products, credit facilities, funds, trusts, and alternative investments, ensuring that clients have access to diversified and sophisticated financial solutions. Ahlibank›s unwavering commitment to excellence has solidified its reputation as a trusted partner for affluent clients seeking long-term financial growth and security.

Relationship-Oriented Business Model

Ahlibank's Private banking division is built on a relationship-driven approach, prioritizing personalized financial solutions, client trust, and long-term partnerships. By deeply understanding the financial aspirations of its clients, the bank offers bespoke wealth management services that go beyond traditional banking. In 2024, Ahlibank took a strategic step by forming a partnership with a leading international investment bank, strengthening its ability to deliver world-class advisory and investment opportunities. This partnership underscores Ahlibank's dedication to providing its clients with exclusive access to global markets, premium investment products, and cutting-edge financial planning services.

Growth with High-Quality Assets

In 2024, Ahlibank's Private Banking division experienced promising growth, expanding its customer base and significantly improving its balance sheet. This was achieved through disciplined asset allocation, optimization of the cost of funds, and strategic expansion of the wealth management business. Looking ahead, Ahlibank will continue to drive growth in 2025 by further strengthening its asset and liability portfolio, targeting affluent client segments, and broadening its investment offerings to ensure long-term financial sustainability and value creation.

Risk Diversification

A fundamental pillar of Ahlibank's strategy is prudent risk management and portfolio diversification. The bank employs a structured approach to mitigating financial exposure by offering a well-balanced mix of investment products, ensuring a resilient and risk-adjusted portfolio for its clients. Additionally, Ahlibank continues to enhance its liquidity and funding management framework, maintaining a stable financial position while actively managing risk across its private banking operations. By diversifying its investment solutions, the bank ensures that clients have access to secure and high-performing financial instruments, reinforcing its position as a trusted wealth management partner.

Digitization

Digital transformation remains at the forefront of Ahlibank's private banking strategy, with a strong emphasis on innovation and customer-centric digital solutions. In 2024, the bank initiated the development of an advanced trading platform, set to launch in 2025. This state-of-the-art platform will empower clients with seamless, real-time access to financial markets through mobile and online banking, revolutionizing their investment experience. By automating wealth management solutions, Ahlibank is redefining digital banking, ensuring a secure, efficient, and data-driven financial ecosystem for its high-net-worth clientele.

MESSAGE FROM

HEAD OF PRIVATE BANKING

“In 2024, Ahlibank's Private Banking division reinforced its position as a premier wealth management partner by expanding its client base, enhancing investment solutions, and forming a strategic alliance with a leading global private banking and wealth management firm to offer world-class advisory services. As we move forward, we remain committed to delivering tailored financial strategies, leveraging digital innovation, and ensuring sustainable growth through a relationship-driven and risk-conscious approach.”

Ahmed Abu Khalil

Chief Private Banking Wealth Management Officer

03 VISION TO VALUE
STRATEGY, OVERSIGHT, AND ASSURANCE

Ahlibank's strategy is anchored in its vision—to be Qatar's most trusted financial partner, delivering sustainable value through disciplined execution, digital innovation, and a strong governance framework.

At the heart of our value creation strategy lies our brand identity, a modern interpretation of the oyster shell—an enduring symbol from Qatar's heritage. Just as the oyster shell protects and nurtures its pearl, Ahlibank is dedicated to safeguarding and growing our customers' assets with care, foresight, and responsibility.

Our brand is defined by three core attributes that shape how we operate and engage:

INSPIRED

We ask, we listen, and we act on what we learn. Our connection to our customers drives the development of meaningful products and services that respond to the evolving needs of the community. We are who we are because of those we serve—motivating us to go further for our customers and stakeholders.

CONSIDERED

We take a thoughtful, informed approach, staying actively engaged with the community we serve. Through knowledge, experience, and insight, we provide reliable, effective solutions that our customers can trust.

ENGAGED

We are open, responsive, and grounded. As part of the community, we understand that our customers are also our neighbours. This shapes our commitment to being accessible and accountable in everything we do.

Aligned with Qatar National Vision 2030 and guided by Qatar Central Bank directives, our strategy is built on six core pillars:

- Ensuring financial resilience through prudent capital and liquidity management
- Accelerating digital transformation to enhance customer experience and operational efficiency
- Embedding ESG principles into our core operations to support sustainable development
- Nurturing national talent and investing in workforce development
- Driving customer-centric growth with innovative, needs-based solutions
- Upholding strong risk and governance standards to ensure long-term integrity and trust

Together, these pillars form a strategic foundation that enables Ahlibank to adapt to changing market dynamics, contribute to national priorities, and deliver enduring value for all stakeholders.

Vision in Action: Strategy Aligned with National Goals

Ahlibank's strategic direction reflects a deep and consistent commitment to Qatar National Vision 2030 and the regulatory guidance of the Qatar Central Bank (QCB). This alignment is embedded in the Bank's operational pillars, particularly in its ESG strategy, digital transformation, and risk management frameworks. Ahlibank also adheres to Qatar Stock Exchange (QSE) ESG guidelines and leading global reporting standards such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Additionally, the Bank supports international frameworks like the United Nations Sustainable Development Goals (SDGs) and the UN Global Compact Principles.

ESG Integration and National Priorities

Ahlibank's ESG strategy is grounded in international best practices and closely aligned with the priorities of Qatar's National Vision. ESG principles form a cornerstone of the Bank's values and drive its contributions to sustainable development, environmental stewardship, and social responsibility.

Key areas of alignment:

Sustainable Development
Supports economic diversification through sustainable finance in non-traditional sectors.

Resource Efficiency
Advances sustainable consumption and conservation by reducing energy consumption and waste generation across operations.

Environmental Risk Management
Implements an ESG Risk Management Framework aligned with QCB's requirement and emerging regulatory expectations to identify and mitigate environmental risks.

GHG Emissions Reduction
Measures and lowers GHG emissions from lending and financing portfolios to support Qatar's environmental sustainability targets.

Community Engagement
Supports local initiatives including donations to the Qatar Society for Rehabilitation of Special Needs, healthcare awareness with Qatar Cancer Society, and empowerment of individuals with disabilities through the Shafallah Center.

Health and Wellbeing
Organizes health-focused CSR initiatives, including blood donation campaigns in partnership with Hamad Medical Corporation.

Cultural Preservation
Sponsors the Katara Arabian Horse Festival, contributing to the preservation of Qatar's national heritage and cultural identity.

Ethical Business Practices
Emphasizes ethical governance and transparency, supporting a fair and accountable society in line with national values.

Governance Structures
Established a dedicated ESG unit, ESG committee at the executive level, and working groups to ensure institutional accountability and cross-functional ESG integration.

Digital Transformation and National Digital Strategy

Ahlibank's digital initiatives are aligned with Qatar's National Digital Strategy and broader Vision 2030 goals, aiming to enhance operational efficiency, customer experience, and financial inclusivity through innovation.

Key areas of alignment:

Innovation & Technology
Implementation of the FAWRAN Payments system, an initiative by the QDB and adoption of the Real-Time Gross Settlement (RTGS) system show leadership in payment innovation and efficiency.

Customer-Centric Services
Develops digital services tailored to diverse customer needs, supporting the Vision's goal of high quality of life and access to financial services.

Financial Inclusion
Expands digital banking access to underbanked segments, contributing to a more inclusive and equitable financial ecosystem.

Scalable Digital Capabilities
Focuses on long-term structural resilience, ensuring digital platforms are future-ready and capable of supporting sustained innovation.

Risk Management and Regulatory Compliance

Ahlibank's comprehensive risk management framework plays a critical role in maintaining financial system stability and adheres closely to the regulatory expectations of the QCB, supporting the sustainability objectives of Qatar National Vision 2030.

Key areas of alignment:

Comprehensive Framework

Manages a full spectrum of risks—credit, market, liquidity, operational, fraud, reputational, and strategic—in line with QCB's prudential risk framework.

Regulatory Compliance

Enhances operational resilience through a unified compliance platform connecting all business units, reflecting QCB's mandate for integrated governance.

Ahlibank's strategic initiatives demonstrate a strong and comprehensive alignment with Qatar National Vision 2030 and the guidelines set forth by the Qatar Central Bank. Through its ESG integration, digital transformation, risk management practices, and international banking activities, the bank is actively contributing to Qatar's vision of becoming a sustainable, digitally advanced, and economically prosperous nation.

Business Segments aligned with National Vision

Ahlibank's core business segments play an active role in advancing Qatar National Vision 2030 by supporting economic diversification, financial inclusion, global connectivity, and long-term wealth sustainability. Through its integrated operating model, the Bank contributes to national priorities across both economic and social dimensions—reinforcing its role as a trusted financial partner in Qatar's transformation journey.

Key areas of alignment:

Treasury & International Banking

Global Connectivity & Resilience

Attracts foreign investment and deepens global partnerships, supporting diversification and financial sector resilience.

Retail Banking

Inclusion & Digitization

Promotes financial inclusion and digital access across communities, in line with social development and national digitization goals.

Corporate Banking

Private Sector Development

Enables infrastructure growth and SME financing—key to private sector development and economic diversification.

Private Banking & Advisory

Wealth Sustainability

Supports long-term financial security and wealth sustainability, reinforcing financial sector maturity and investor confidence.

Digital at Heart: The Future of Customer Experience

Driving Innovation through Digitization

In 2024, Ahlibank continued to demonstrate its leadership in the digital transformation of Qatar's banking sector, strategically leveraging technological advancements to enhance operational efficiency, elevate customer experiences, and modernize the delivery of financial services. This ambitious digital agenda reflects a holistic and forward-thinking approach—one that is firmly aligned with Qatar's Digital Agenda 2030 and the evolving expectations of a digitally empowered clientele.

Through proactive investment, agile execution, and an unwavering focus on customer-centricity, Ahlibank reaffirmed its position as a pioneering institution committed to reshaping the future of banking in Qatar.

Pioneering Digital Payment Solutions

Ahlibank played a pivotal role in advancing Qatar's financial technology infrastructure through its early leadership in the implementation of the FAWRAN Payments system—an innovative initiative spearheaded by the Qatar Central Bank to revolutionize instant payments. As the first bank in the country to deploy the platform, Ahlibank empowered customers with 7/24 instantaneous transaction capabilities, setting a new benchmark for convenience, speed, and accessibility in financial services.

In parallel, the Bank adopted the Real-Time Gross Settlement (RTGS) system to support high-value, time-sensitive interbank transactions. This critical infrastructure significantly mitigates settlement risk, enhances liquidity management, and reinforces the resilience of Qatar's broader financial ecosystem.

These innovations demonstrate Ahlibank's unwavering commitment to supporting systemic financial efficiency and strengthening the country's digital payment backbone.

Digital Transformation of Corporate Banking Processes

Ahlibank also reimagined its approach to corporate banking by deploying transformative digital solutions that elevated both customer engagement and operational execution. A major highlight of 2024 was the launch of a fully digital corporate customer onboarding process—an initiative that marked a decisive shift away from traditional, paper-heavy processes toward an automated, streamlined, and user-centric experience.

Strategic benefits included:

- Elimination of manual data entry
- Enhanced data accuracy via intelligent validation tools
- Improved compliance and risk mitigation
- Reduced operational complexity and error rates
- Significantly faster onboarding timelines

Moreover, the Corporate Availment System underwent a full digital transformation, involving close coordination among Trade Finance, Corporate Business, Risk Management, and Loans Management functions. With the adoption of a sophisticated Business Process Management (BPM) workflow, Ahlibank achieved:

- End-to-end process automation
- Increased transparency and process tracking
- Faster turnaround times
- Elevated data integrity and security
- Seamless integration across multiple business units

Together, these advancements position Ahlibank at the forefront of digital innovation in corporate banking—offering clients a more responsive, secure, and agile banking experience.

Enhancing the Customer Experience

Customer-centricity remains the cornerstone of Ahlibank's digital philosophy. In 2024, the Bank accelerated its transition from traditional, centralized service delivery to a more adaptive and multi-channel model. This included the rollout of Interactive Teller Machines (ITMs) and expanded automation across key service processes, enabling higher service availability and empowering frontline staff to focus more on complex, value-added interactions.

These digital tools not only enhance customer satisfaction but also support the Bank's broader vision of personalized and frictionless banking services—tailored to the unique needs of modern customers.

Strategic Outlook

Ahlibank's digital transformation journey is more than a suite of technological upgrades—it is a fundamental redefinition of how the Bank operates, engages with stakeholders, and delivers long-term value. By aligning its efforts with the Qatar Central Bank's Fintech Strategy and national digital priorities, Ahlibank continues to chart a course toward a more innovative, inclusive, and resilient financial future.

As the Bank deepens its investment in digital infrastructure and capabilities, it reinforces its role as a trusted, future-focused institution—committed to excellence, agility, and the sustained success of its customers and the Qatari economy.

> **“Our vision extends beyond fintech to embrace the broader digital ecosystem, creating connections with various service providers to enhance customer convenience and satisfaction. We are committed to leveraging technology not as an end in itself but as a means to deliver exceptional value to our customers and shareholders.”**
>
> **Izziudin Rushdi Abusalameh**
>
> Chief Operating Officer

Strategic Risk Management

Driving Innovation through Digitization

The following section highlights selected risk domains that are closely aligned with Ahlibank's strategic direction—serving as critical enablers of the Bank's long-term objectives. These areas reinforce our commitment to proactive, risk-aware decision-making and play an essential role in driving sustainable growth, ensuring regulatory compliance, and maintaining stakeholder confidence.

In particular, they underpin core strategic pillars such as digital transformation, sustainability, and operational resilience—enabling the Bank to navigate an increasingly complex and dynamic risk environment with agility and confidence.

A more detailed overview of the Bank's comprehensive risk management framework can be found in the section (6) Governance, Risk and Compliance (GRC) of this report.

Third-Party Risk Management

Third-party risk is managed as an integral part of the Bank's broader risk framework. Prior to onboarding any vendor, comprehensive due diligence is undertaken to evaluate key risk dimensions, including cybersecurity, operational stability, legal exposure, regulatory compliance, and reputational impact. This proactive approach ensures that partnerships support the Bank's operational integrity and strategic priorities while remaining fully compliant with internal and regulatory standards.

ESG Risk Management

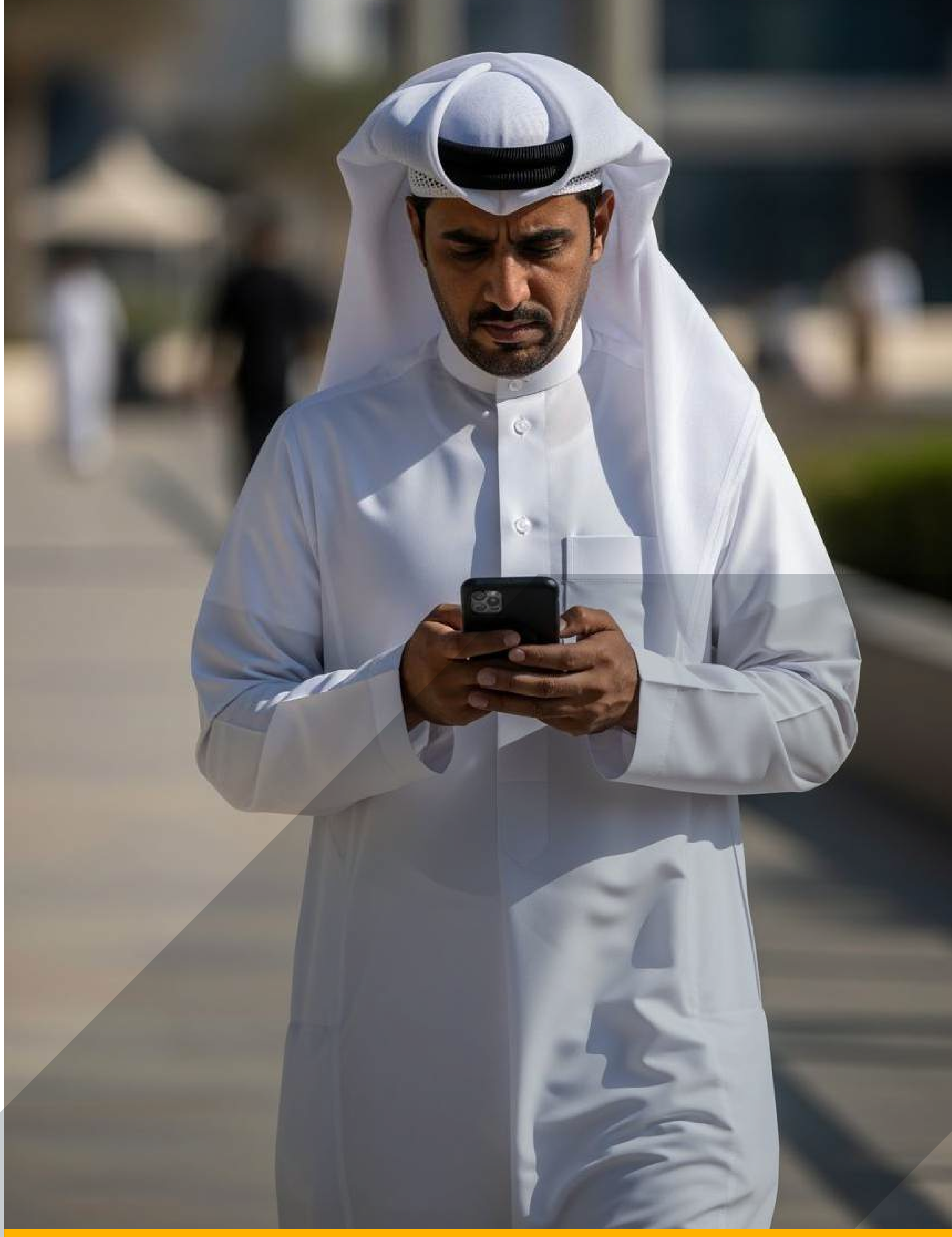
Environmental, Social, and Governance (ESG) risk is embedded within Ahlibank's Enterprise Risk Management Framework, ensuring a cohesive and structured approach. ESG considerations are integrated across existing risk domains—credit, market, operational, business continuity, climate, and cybersecurity—reinforcing alignment between the Bank's ESG strategic ambitions and its risk governance practices. This integration enables the Bank to proactively identify and mitigate ESG-related risks, enhancing long-term sustainability and compliance with evolving regulatory expectations.

Information, Communication & Technology (ICT) Risk Management

Ahlibank has established clear roles and responsibilities for managing ICT risk across all functions. The Bank leverages real-time IT incident reporting mechanisms to ensure timely escalation, impact assessment, and response. Regular monitoring and oversight by senior management support a resilient digital infrastructure, aligned with industry best practices and regulatory requirements.

Artificial Intelligence (AI) Risk Management

AI-driven solutions are governed through a formalized risk management protocol, which includes a comprehensive pre-deployment risk and criticality assessment. This ensures that any AI application introduced within the Bank's internal environment aligns with the overall risk appetite and complies with regulatory guidance. AI risks—whether related to data integrity, ethical use, or operational dependency—are systematically evaluated to support responsible innovation and sustained performance.



Internal Audit: Strategic Assurance and Future Focus

The Internal Audit Department as a third line of defence plays a critical role in ensuring transparency, efficiency, and risk management within the organization. Over the past year, the internal audit team has implemented strategic initiatives to strengthen governance, enhance compliance, improve operational effectiveness and enhance the reporting quality. This report highlights our key achievements and outlines our strategic plan for the upcoming year.

Key Achievements and Strategic Initiatives

1. Embedding a Dynamic, Risk-Based Audit Framework

- Conducted comprehensive risk assessments, aligning audit plans with evolving organizational priorities.
- Introduced a dynamic risk assessment model, enabling identification and mitigation of emerging risks.

2. Accelerating Digital Transformation and Data Analytics in Audit

- Rolled out automated audit tools, enhancing efficiency and reducing manual efforts.
- Integrated data analytics for enhanced detection of anomalies, fraud indicators, and inefficiencies in operations, across bank's units.

3. Strengthening Governance and Compliance Culture

- Reinforced monitoring mechanisms to ensure alignment with regulatory expectations and internal policies.
- Delivered advisory support to business units, promoting governance best practices and internal control enhancements.

4. Fostering Engagement and Risk Awareness

- Maintained continuous, value-driven engagement with senior management and the Audit Committee to inform strategic decisions.
- Facilitated awareness sessions across departments, enhancing understanding of internal controls and enterprise risk.

5. Process Improvement and Increase profitability optimization

- Identified opportunities to improve profitability by optimizing cost efficiency and revenue recognition frameworks.
- Recommended process redesigns that reduce operational risks and elevated efficiency across critical functions.

6. Obtained (General Conformance) accreditation from the IAA.

- In year 2024, the Internal Audit Department achieved a significant milestone by obtaining a General Conformance Quality Assurance accreditation from the Institute of Auditors Association (IAA). This milestone reflects the department›s commitment to upholding the highest professional standards, ensuring compliance with the International Standards for the Professional Practice of Internal Auditing (Standards), and continuously enhancing audit quality and effectiveness.
- The recognition reinforces the department's commitment to providing independent, objective assurance and advisory services that add value to the organization.

Strategic Priorities for 2025 and Beyond

1. Advance technology-enabled audit Integration

- Expand adoption of artificial intelligence (AI) and robotic process automation (RPA) in audit cycles.
- Enhance cybersecurity audits to safeguard digital assets.

2. Broadening Audit Coverage and Strategic Assurance

- Increase the scope of audits to include ESG-related risks, third-party dependencies, and emerging operational threats.
- Conduct cross-functional audits for holistic organizational improvements, risk interdependencies and business continuity.

3. Investing in Talent and Knowledge Capital

- Upskill internal audit professionals through globally recognized certifications and tailored training programs. Enhance the skills of internal audit staff through advanced certifications and training. Cultivate a knowledge-sharing environment that fosters agility, innovation, and a strong audit culture.

4. Enhancing Reporting and External Collaboration

- Upgrade reporting systems to support greater transparency, traceability, and insights-driven communication.
- Improve audit reporting systems for greater transparency and accountability.
- Deepen collaboration with external auditors and regulatory stakeholders to support integrated risk governance.

The Internal Audit Department remains deeply committed to delivering independent, objective assurance that drives strategic value and continuous improvement. By embracing innovation, expanding audit coverage, strengthening risk management, and fostering a culture of advancing professional capabilities, the department will continue to play a vital role in fortifying Ahlibank's governance ecosystem and supporting long-term resilience.

Environmental, Social, and Governance Initiatives

In alignment with the Bank's broader commitment to sustainability, the Operations division has incorporated Environmental, Social, and Governance (ESG) considerations into their processes and planning for 2024 and beyond. This integration ensures that our operational activities contribute positively to the Bank's sustainability objectives and support Qatar's National Vision 2030.

Building a Sustainable and Responsible Future

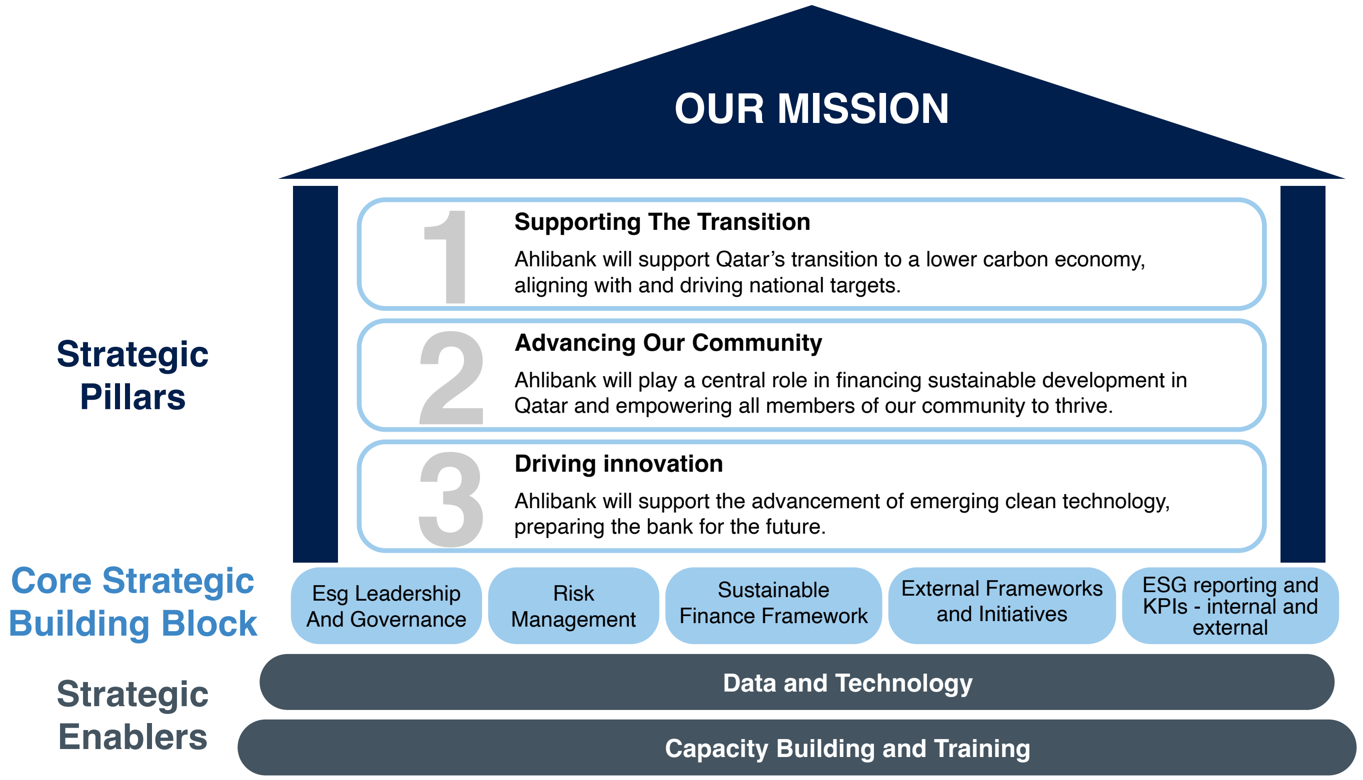
In 2024, we advanced our commitment to ESG principles as a core driver of our strategic transformation. Central to this progress was the appointment of an external consultant to develop our ESG strategy and its four-year implementation roadmap. Our ESG Strategy and Road map were approved by the Board at the end of Q3 2024.

This Strategy aims to systematically integrate ESG considerations across all aspects of our operations—from governance and risk management to product innovation and organizational culture. It sets out our long-term vision to integrate ESG principles into our core business model, culture, and stakeholder engagement. Grounded in international best practices and aligned with national priorities—including Qatar National Vision 2030 and the Qatar Central Bank's guidance—our ESG Strategy outlines our commitment to responsible banking and sustainable value creation.

At the heart of our ESG approach is a clear mission:

> OUR MISSION
>
> **To integrate sustainability into the heart of our organization in order to support members of our local community, protect the environment and our natural world, and drive innovation to support the sustainable development of Qatar.**

The strategy is structured around key strategic pillars, supported by foundational building blocks and operational enablers—creating a holistic framework that translates our ESG ambitions into tangible outcomes:



To drive the successful implementation of our ESG Strategy, we developed a comprehensive four-year ESG Roadmap (2028–2025), which was formally approved by the Board. This roadmap outlines a set of priority actions and milestones that will guide our progress in embedding ESG across the Bank. Further details on these initiatives can be found in our Forward-Looking Statement.

Our ESG Performance Disclosure

In alignment with the Qatar Stock Exchange (QSE) ESG disclosure requirements, we continue to report against the mandated ESG KPIs outlined in the QSE ESG Guidelines.

At the same time, we are actively preparing to align our disclosures with leading international reporting frameworks, including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Our approach also reflects our support for global initiatives such as the United Nations Sustainable Development Goals (SDGs) and the UN Global Compact Principles.

Looking ahead, we aim to gradually align with the evolving global reporting landscape, including IFRS S1 and S2, the UN Principles for Responsible Banking, and long-term net-zero objectives—ensuring our reporting is transparent, forward-looking, and globally relevant.

Below is our 2024 ESG KPIs as required by QSE:

QSE ESG Key Performance Indicators 2024

Environment

Published	Environmental Policy
41.1 (GJ/Employee)	Energy used Annual total direct energy consumption per employee
Electricity	Primary source of energy used
15,793.0 (GJ)	Total amount of energy used
1,726.0 (Tonnes)	Total greenhouse gas emissions
89,547.0 (KG)	Total waste produced
9,553.1 (m^3)	Total water use

Social

15 Hours	Average hours of training per employee
Published	Human Rights Policy
Prohibited	Child/Forced Labor
Not Published	Policy for occupational and global health issues
9.3%	Employee turnover rate
160.2 (Million QR)	Employee wages & benefits
26.0%	Nationalization rate
2.5%	Pre-tax profits invested in the community
0	Number of grievances about human rights issues filed, addressed and resolved
0	Total number of injuries and fatal accidents (contractors)
0	Total number of injuries and fatal accidents (employees and contractors)
0	Total number of injuries and fatal accidents (employees)
77.1%	Spending on locally based suppliers
384	Total workforce (FTE)
37.2%	Women in the workforce

Governance

11	CEO pay ratio
Published	AGM voting results
Published	Bribery/Anti-Corruption Code
Published	Ethics Code of Conduct
Completed	Executive compensation linked to performance indicators
0%	Female directors on the board
37%	Independent directors on board
1.7	Median male salary to median female salary
Completed	Role separation of Chairman and CEO
Published	Sustainability report

Forward-Looking Statements as part of the 2025-2028 ESG roadmap

As we move into 2025-2028, we are committed to accelerating the implementation of our ESG strategy by deepening integration, enhancing governance, and building institutional capacity. Our forward-looking agenda reflects our ambition to lead responsibly and deliver sustainable value.

1. Establishing an ESG-Dedicated Unit

We will establish a centralized ESG Unit within the Bank, reporting to the General Counsel. This unit will serve as the driving force behind ESG initiatives, coordinating implementation across departments, tracking progress, and ensuring alignment with regulatory and stakeholder expectations.

2. Formation of an ESG Working Group

We will launch an internal ESG Working Group composed of representatives from key business functions. This cross-functional team will ensure the seamless operationalization of ESG practices and promote collaboration across the organization.

3. ESG Committee at the C-Suite Level

To foster strategic leadership and accountability, we will constitute an ESG Committee at the senior management (C-suite) level. This committee will oversee the ESG agenda, monitor performance, and guide decision-making on ESG risks, opportunities, and investments.

4. Finalization of ESG Policies and Frameworks

We will finalize and implement all remaining ESG-related policies and procedures. These include sector-specific ESG risk policies, sustainable procurement guidelines, and updated compliance manuals integrating ESG principles across the business.

5. Development of an ESG Risk Management Framework and conduct ESG risk assessment

Recognizing the financial materiality of ESG risks, we will design and operationalize a comprehensive ESG Risk Management Framework. In alignment with the QCB's requirements and emerging regulatory expectations, we will conduct an internal assessment to identify material ESG and climate-related risks—particularly those linked to climate change, reputational impact, and regulatory shifts—and implement measures to mitigate them.

6. Sustainable Finance Framework

To advance green and socially inclusive financing, we will introduce a Sustainable Finance Framework aligned with global standards, including ICMA's Green Bond Principles and the UN Principles for Responsible Banking. This framework will define our approach to sustainable lending and investment as we support the transition to a low-carbon economy.

7. Enhance our ESG disclosures

We will continue improving our ESG disclosures by aligning with GRI and SASB reporting standards, as well as the United Nations Sustainable Development Goals. In parallel, we will initiate our transition toward compliance with IFRS S1 and S2. This includes updating our current ESG materiality assessment.

8. Launch our financed emissions calculations pilot

We will launch a pilot program to measure greenhouse gas emissions related to our lending and financing activities, starting with up to three carbon-intensive sectors. This initiative will follow globally recognized methodologies such as the Partnership for Carbon Accounting Financials (PCAF).

9. ESG training and upskilling

We will roll out an organization-wide ESG training schedule to raise awareness of our strategy and strengthen internal capabilities. This foundational upskill will ensure that employees at all levels are aligned with the Bank's sustainability objectives.

The year 2024 marked a transformative chapter in our ESG journey. With the ESG Strategy now in place we are well positioned to deliver on our long-term sustainability objectives.

Looking ahead, we remain steadfast in our commitment to embedding an ESG culture across the organization, delivering positive impact in our communities, and contributing meaningfully to both national and global sustainability goals. We recognize that ESG is not a destination, but a continuous journey—and we are proud to walk this path with purpose, ambition, and accountability.

Enabling Our Human Capital

Ahlibank continues to place high importance on its people, recognizing them as the foundation of the Bank's growth. The Human Resources strategy focuses on key priorities including workforce planning, Qatarization, training, talent retention, and diversity. The employees working together to support the Bank's ambitious goals. HR remains committed to developing human capital through ongoing investment in training, engagement, and upskilling initiatives that empower employees and align with the Qatar National Vision.

As part of the Bank's broader growth and modernization, HR is actively advancing digital transformation. Automation has become a key pillar in improving services and internal processes such as onboarding, attendance, and employee self-services. By aligning with the Bank's digital journey, HR is focused on increasing efficiency, transparency, and a seamless employee experience.

Saad Al-Kaabi
Head of Human Resources

Alignment with UN Sustainable Development Goals and QSE ESG KPIs

United Nations

SDGS IMPACTED	QSE ESG KPIS
SDG 3: GOOD HEALTH AND WELL-BEING **SDG 4: QUALITY EDUCATION** **SDG 5: GENDER EQUALITY** **SDG 8: DECENT WORK AND ECONOMIC GROWTH** **SDG 10: REDUCED INEQUALITY**	Full Time Employees Employee Benefits Employee Turnover Rate Employee Training Hours Health Injury Rate Human Rights Policy Human Rights Violations Child & Forced Labor Women in the Workforce

Strategic Priorities

Ahlibank's Human Capital strategy is deeply aligned with the Bank's overall growth agenda and transformation initiatives. The key pillars include Strategic Workforce Planning, Sustainable Qatarization, Learning and Development, Talent Retention, Workplace Diversity, and Change Management. These priorities are rooted in the Bank's belief that empowered employees are instrumental in delivering long-term success and resilience.

Workforce Profile

As of 31 December 2024, Ahlibank's workforce totalled 384 employees, comprising 143 female and 241 male professionals. This composition reflects the Bank's emphasis on building a diverse, inclusive, and performance-oriented culture.

Employee Engagement and Inclusion

Recognizing that engaged employees are central to sustained business success, Ahlibank has placed employee engagement at the forefront of its HR strategy. The Bank fosters an environment where individuals feel valued and empowered to grow. It invests in continuous feedback, inclusive culture initiatives, and employee-centric programs that promote a thriving workplace.

Talent Development and Capacity Building

Ahlibank continues to make strategic investments in training and development. In 2024, it launched diverse learning opportunities via online platforms, in-house workshops, and localized training. Topics covered included core banking, counterfeit detection, AML protocols, ESG training, and leadership development. The e-learning platform remains a cornerstone of skill development, offering courses on cybersecurity, financial crime, and fraud prevention.

Qatarization

Ahlibank's Qatarization strategy is a core driver of its national alignment. The Bank maintains a policy to ensure that 30% of its workforce are Qatari nationals or their children. In 2024, it surpassed 26% Qatarization, reflecting continuous efforts to attract, retain, and empower national talent.

The Bank strengthened its partnerships with the Ministry of Labor to provide internship and training opportunities to Qatari nationals. Ahlibank also sponsored the "Kawader Malia" program in collaboration with Qatar Finance & Business Academy (QFBA), equipping university graduates with the skills needed for successful careers in financial services.

Digital Transformation of the HR Department

Ahlibank has accelerated the digitalization of its HR functions to improve efficiency and user experience. In 2024, it introduced a user-friendly platform for tracking tardiness and absences, featuring advanced analytics. Looking ahead, the Bank will continue digitizing key areas such as the staff education allowance, lending management, and the onboarding process, in line with its long-term transformation roadmap.

Governance, Audit, and Compliance

Ahlibank's HR systems and processes underwent comprehensive external audits to assess compliance with Labor Law, QCB regulations, and best practices in financial reporting. Areas audited included payroll functions, internal controls, and system integrity. These reviews affirmed the robustness and transparency of the Bank's HR governance.

Performance Metrics and Workforce Trends

Ahlibank's consistent focus on cultivating a high-performing and inclusive workplace is reflected in the key performance indicators tracked over the past six years. The Bank continues to make measurable strides in workforce development, employee wellbeing, and nationalization.

In 2024, the average training hours per employee increased to 15, continuing an upward trend and highlighting Ahlibank's investment in continuous professional development. This is aligned with our

broader strategy to foster a learning-oriented culture and ensure employees are equipped with skills to meet evolving market demands.

The employee turnover rate stood at 9.25%, reflecting improved retention strategies and a strengthened engagement framework. This figure is one of the lowest recorded in recent years, indicating growing employee satisfaction and the effectiveness of our talent management initiatives.

Ahlibank remains steadfast in supporting Qatar National Vision 2030, as evidenced by a nationalization rate of 26.04% in 2024. While this marks a slight dip from 2023, it is accompanied by renewed initiatives and programs to attract, develop, and retain Qatari talent, ensuring long-term impact.

The Bank also saw a positive rise in the percentage of women in the workforce, which reached 37.23%, reinforcing our commitment to gender diversity and inclusion. This continues a consistent year-over-year increase and reflects targeted recruitment and support mechanisms for women in the workplace.

Furthermore, the zero incident rates across categories such as human rights grievances and workplace injuries, both for employees and contractors, signal robust internal controls, a strong safety culture, and comprehensive HR compliance protocols. In line with our governance commitments, Ahlibank continues to fully adhere to a formal human rights policy, with consistent disclosures reported since 2019.

Overall, these metrics demonstrate tangible progress in building a resilient, diverse, and future-ready workforce. Through ongoing investment in training, retention, diversity, and wellbeing, Ahlibank remains dedicated to nurturing human capital as a key pillar of sustainable growth.

Key Performance Indicators	2024	2023	2022	2021	2020	2019
Average hours of training per employee	15	12	10	6	3	7
Employee turnover rate (%)	9.25	12	7.85	9.48	17	7
Employee wages & benefits	160	159	151	150	153	154
Nationalization rate (%)	26.04	27.37	26.4	26.54	26.6	22.7
Number of grievances about human rights issues filed, addressed and resolved	0	0	0	0	0	0
Total number of injuries and fatal accidents (contractors)	0	0	0	0	0	0
Total number of injuries and fatal accidents (employees and contractors)	0	0	0	0.1	0	0
Total number of injuries and fatal accidents (employees)	0	0	0	0.1	0	0
Total workforce (fte)	384	380	382	380	375	418
Women in the workforce (%)	37.23	35.79	35.66	35.26	35	33
Disclosure and adherence to a human rights policy: yes/no	YES	YES	YES	YES	YES	YES

Employee Recognition

Ahlibank celebrates its employees' commitment through initiatives like the Long Service Awards, held annually. In 2024, CEO Mr. Hassan AlEfrangi honoured 57 long-serving employees—some of whom have been with the Bank for 5 to 35 years—highlighting the culture of loyalty and excellence that defines Ahlibank's work environment.

Ahlibank's unwavering commitment to its people underscores the Bank's belief that human capital is its most valuable asset. Through strategic workforce planning, robust Qatarization efforts, targeted development programs, and digital innovation, the Bank continues to foster a culture that champions excellence, inclusion, and growth.

As the financial landscape evolves, Ahlibank remains dedicated to building a resilient, future-ready workforce—one that is equipped to drive innovation, adapt to change, and contribute meaningfully to the Bank's long-term vision. By aligning its HR initiatives with both national priorities and global best practices, Ahlibank affirms its position as an employer of choice and a catalyst for sustainable development in Qatar.

CSR: Our Community Commitment

At Ahlibank, our commitment to being at the "heart of the community" is integral to our identity as a wholly owned Qatari bank. In 2024, we continued to uphold this commitment by implementing a range of CSR initiatives aimed at supporting the wellbeing of our community, promoting sustainability, and fostering inclusive growth.

Community Engagement and Support

In alignment with our CSR strategy, Ahlibank actively participated in various initiatives to support and uplift the local community:

- **Ramadan Initiatives:** We donated to the Qatar Society for Rehabilitation of Special Needs, supporting their Ramadan-related programs aimed at assisting individuals with special needs.
- **Healthcare Awareness:** Collaborating with the Qatar Cancer Society, we participated in Breast Cancer Awareness Month to educate the public on prevention, diagnosis, and treatment of the disease.
- **Support for Individuals with Disabilities:** Our donation to Shafallah Center facilitated the provision of health, social, educational, and rehabilitation services, promoting the integration of persons with disabilities into society.
- **Blood Donation Campaign:** In partnership with Hamad Medical Corporation, we organized a blood donation drive to support Qatar's Blood Bank and raise awareness about the importance of blood donation.
- **Cultural Heritage Support:** As the Exclusive Banking Sponsor of the Katara International Arabian Horse Festival, we celebrated and preserved Qatar's rich equestrian heritage.

Environmental Sustainability and ESG Commitment

Recognizing the importance of sustainable development, Ahlibank has integrated Environmental, Social, and Governance (ESG) principles into our core strategy. In 2024, we introduced a comprehensive ESG roadmap to guide our sustainability initiatives and enhance long-term value creation.

Our efforts were acknowledged when we received the Sustainability Excellence Award at Expo 2023 Doha, under the patronage of the Ministry of Municipality. This award, presented on 10th of March, 2024, recognized our significant contributions to environmental stewardship and sustainability in Qatar.

Governance and Cybersecurity

In our pursuit of excellence in governance, we participated in the 2023 National Cyber Drill organized by the National Cyber Security Agency. Our exceptional readiness and response mechanisms during the drill earned us the Silver Category Award, reflecting our commitment to cybersecurity and protecting our customers information. The award was presented on 6th of May, 2024, during a ceremony hosted by the Agency in Doha.

Commitment to Qatar National Vision 2030

Our CSR initiatives align with Qatar National Vision 2030, focusing on human development, social development, economic development, and environmental development. We remain dedicated to contributing positively to Qatar's sustainable future through our ongoing CSR efforts.

Our Brand Identity

Is a modern interpretation of the oyster shell—an enduring symbol from Qatar's heritage. Just as the oyster shell protects and nurtures its pearl, Ahlibank is dedicated to safeguarding and growing our customers' assets with care, foresight, and responsibility.

INSPIRED

We ask, we listen, and we act on what we learn. Our connection to our customers drives the development of meaningful products and services that respond to the evolving needs of the community. We are who we are because of those we serve—motivating us to go further for our customers and stakeholders.

CONSIDERED

We take a thoughtful, informed approach, staying actively engaged with the community we serve. Through knowledge, experience, and insight, we provide reliable, effective solutions that our customers can trust.

البنك الأهلي
ahlibank

ENGAGED

We are open, responsive, and grounded. As part of the community, we understand that our customers are also our neighbours. This shapes our commitment to being accessible and accountable in everything we do.

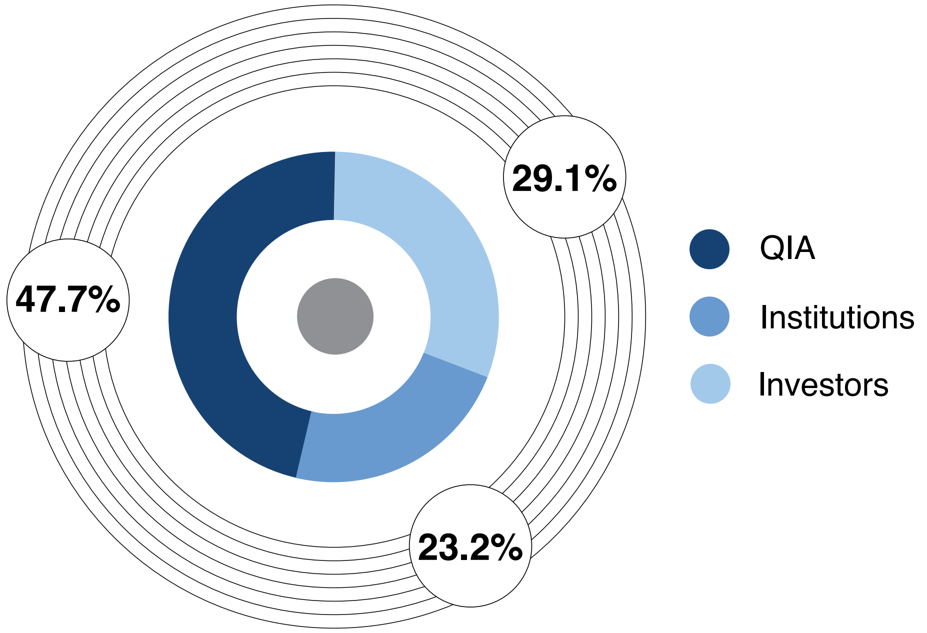
Corporate Social Responsibility

04 INVESTOR RELATIONS AND MARKET ANALYSIS

Ahlibank continues to demonstrate its commitment to transparency, shareholder engagement, and robust financial performance. The bank's investor relations strategy is designed to foster trust and ensure alignment with shareholder expectations. This section provides an analysis of Ahlibank's shareholder structure, capital position and market performance.

Shareholding Structure

Ahlibank's shareholder base remains predominantly local, reflecting the bank's deep integration into Qatar's economy. The Qatar Investment Authority (QIA) and its wholly owned subsidiaries hold 47.7% of the bank's shares, making them the largest stakeholder. The remaining 52.3% is owned by Qatari firms and individuals. Ahlibank's shareholder structure is characterized by a strong base of long-term, committed investors, reflecting confidence in the Bank's strategy and stability.



Capital Structure

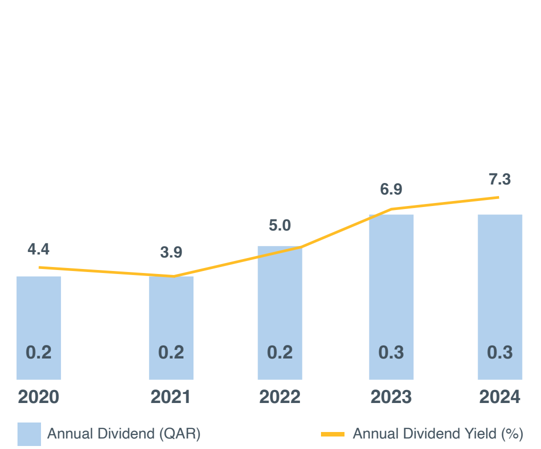
Ahlibank maintains a strong and well-managed capital structure, reflecting its disciplined approach to regulatory compliance. As of 31 December 2024, the Bank reported a Basel III Capital Adequacy Ratio (CAR) of 21.2, significantly above the regulatory minimum, highlighting the Bank's strong financial resilience. The Bank has continued to diversify its funding sources, with medium- and long-term debt representing 8.2% of the total funding portfolio as of year-end 2024. This diversification strategy enhances balance sheet stability, reduces reliance on short-term funding, and positions the Bank to support sustained growth in a dynamic operating environment.

Market Performance

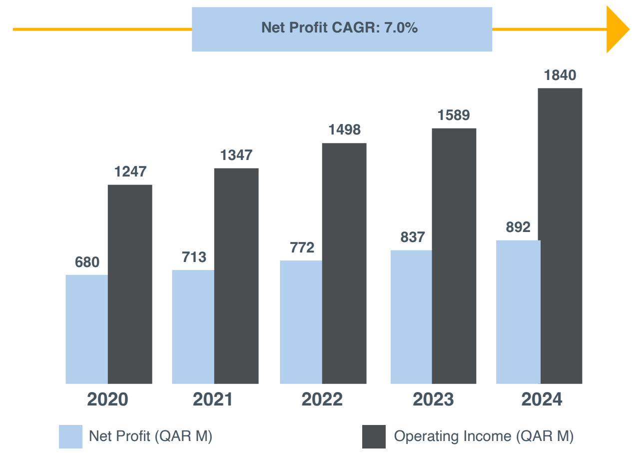
Ahlibank remains firmly committed to delivering long-term value to its shareholders through consistent profitability and stable dividend distributions.

In 2024, the Bank achieved a net profit of QAR 891.6 million, representing a 6.6% increase compared to QAR 836.5 million in 2023. Earnings Per Share (EPS) rose to QAR 0.332, up from QAR 0.311 the previous year, reflecting solid operational performance and effective cost management. As of 31 December 2024, Ahlibank's market capitalization stood at QAR 8.75 billion . Amid broader market fluctuations, the Bank continued to demonstrate its ability to generate long-term shareholder value, achieving a three-year total return of 4.66%.The Bank maintained its dividend per share at QAR 0.25, offering shareholders a dividend yield of 7.25. This consistency underscores Ahlibank's focus on sustainable value creation for shareholders.

Annual Dividend and Dividend Yield



Net Profit and Operating Income



Key Indicators	2022 QAR M	2022 USD M	2023 QAR M	2023 USD M	2024 QAR M	2024 USD M
Total Assets	48,575	13,345	60,464	16,611	59,591	16,371
Total Net Loans	34,032	9,349	34,754	9,548	35,663	9,798
Total Customer Deposits	28,954	7,954	29,645	8,144	32,154	8,834
Total Equity	7,975	2,191	8,245	2,265	8,453	2,322
CAR (Basel III)	20.5%		21.0%		21.2%	
C / I Ratio	22.4%		22.8%		21.0%	
RoAE	11.7%		12.2%		12.6%	

METRIC	VALUE
OPENING PRICE (JAN 1, 2024)	QAR 3.6
CLOSING PRICE (DEC 31, 2024)	QAR 3.5
52-WEEK HIGH	QAR 4.2
52-WEEK LOW	QAR 3.3
PRICE CHANGE (YTD)	-5%
DIVIDEND PER SHARE	QAR 0.25
DIVIDEND YIELD	7.3%

Credit Ratings

Ahlibank continues to maintain strong credit ratings from major international rating agencies, reflecting its financial strength, sound risk management practices, and stable outlook. The following updates were recorded in 2024:

Rating Agency	Long-Term Issuer Rating	Short-Term Rating	Outlook	Additional Notes
Moody's	A2	PRIME-1	Stable	Baseline Credit Assessment (BCA): baa3
Fitch Ratings	A	F1	Stable	Viability Rating: bbb-

Overall, Ahlibank's performance metrics position the Bank as a resilient and efficiently managed institution, delivering value across multiple dimensions. While the competitive landscape remains dynamic, Ahlibank's consistent outperformance on key efficiency and profitability indicators highlights its solid fundamentals and continued progress in aligning with its long-term strategic ambitions.

Investor Engagement Activities

AhliBank prioritizes active engagement with its investors through various initiatives aimed at fostering transparency and trust:

QUARTERLY INVESTOR CALLS
Detailed discussions on financial results and strategic updates

ANNUAL GENERAL MEETINGS (AGMS)
Platforms for shareholders to engage with management on key issues

EXTRAORDINARY GENERAL MEETINGS
Organized as required for significant developments

Ahlibank's interactive investor relations platform is designed to provide shareholders and analysts with comprehensive tools and resources to stay informed about the bank's performance and strategic developments. The platform includes corporate news updates on financial disclosures, annual general meetings (AGMs), and conference calls, ensuring stakeholders have access to timely information. Additionally, the platform offers investment calculators that simulate returns over selected periods, helping users make informed decisions. For convenience, subscription options are available for real-time updates, ensuring stakeholders remain connected to the latest developments. These initiatives ensure that investors remain informed about Ahli Bank's performance while fostering a culture of transparency.

AhliBank's investor relations strategy reflects its commitment to delivering long-term value to shareholders through sound financial performance, proactive risk management, and consistent engagement activities.

05 BOARD OF DIRECTORS REPORT

Dear Shareholders,

I am honored, on my own behalf and on behalf of the Board of Directors, to present Ahlibank's Annual Report for the financial year 2024, which reflects all the continuous efforts undertaken by the Bank to update the governance framework.

The Bank remains committed to the principles of good governance, consistently updating regulations, policies, and procedures to safeguard the rights of shareholders and stakeholders. Our focus is on achieving fairness, competitiveness, transparency, and optimal utilization of the Bank's resources. Ahlibank also continues to take the necessary measures to ensure compliance with applicable governance regulations, as well as disclosure and financial reporting requirements set by the Qatar Stock Exchange and other regulatory bodies, where applicable.

In line with its commitment to environmental and social governance and sustainability, the Bank has collaborated with a specialized consulting firm to develop its strategy and establish an action plan for implementation in accordance with regulatory instructions. Consequently, Ahlibank has introduced environmental and social initiatives, reinforcing its commitment to sustainable development in the years to come.

The Bank has successfully implemented its strategy, resulting in stable financial performance evident in the fiscal year 2024 results, reaffirming its balanced growth strategy.

The Board is pleased to announce positive results for our Bank in 2024. Net profits reached QAR 891.6 million, compared to QAR 836.5 million in 2023, an increase of 6.6% compared to same period last year. Loans and advances grew by 2.6%, reaching QAR 35,663 million. Customer deposits increased by 8.5% to QAR 32,154 million, while the Total Capital Adequacy Ratio in December 2024 stood at 21.24%, reflecting the Bank's strong financial position.

In line with our commitment to deliver value to customers and shareholders, considering the preservation of shareholders' rights, financial stability, liquidity expectations, and the balance sheet, the Board of Directors proposed a cash dividend of 25% for the year 2024.

Ahlibank's credit ratings with Moody's remain at A2/P1 with a stable outlook, and Fitch maintains Ahlibank's ratings at 'A' and 'F1', with a stable outlook.

Qatarization continues to be a top priority for the Bank, with ongoing efforts to increase the percentage of Qatari employees and attract Qatari talent, in line with Qatar National Vision 2030. The Banks' success is derived from the competence and dedication of its people, the loyalty and trust of its customers, and the unwavering support of its shareholders. Together, they form the foundation of the Bank's success.

Ahlibank is an integral part of Qatari society and is deeply committed to its social responsibility towards the community. The Bank has been actively contributing to the well-being of society and individuals, as well as preserving natural resources and the environment, including efforts to enhance financial services for people with special needs and senior citizens.

As we move forward, the Bank will continue to grow and advance, leveraging modern technology to provide premium services to customers and maximize shareholder profits.

On behalf of Ahlibank's Board of Directors, I would like to thank all stakeholders for their trust and support and in particular the Bank's management team and employees, whose efforts and dedication were instrumental in the success of the Bank.

I would like to extend my sincere thanks and gratitude to H.H. The Emir, Sheikh Tamim Bin Hamad Al-Thani, H.E. The Prime Minister, Sheikh Khaled Bin Khalifa Al-Thani, and H.E. The QCB Governor, Sheikh Bandar Bin Mohammed Bin Saud Al-Thani, and to all officials of Qatar Central Bank, the Ministry of Commerce and Industry, Qatar Financial Markets Authority and Qatar Exchange for their continued cooperation and support.

Faisal Bin AbdulAziz Bin Jassem Al-Thani
Chairman of the Board

06

GOVERNANCE, RISK AND COMPLIANCE REPORT

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6.1 Corporate Governance Framework

This report is based on (i) the Commercial Companies Law No. 11 of 2015 and its amendments by Law No. 8/2021, (ii) the Corporate Governance Instructions issued by Qatar Central Bank in circular no. (25/2022) dated 30/08/2022 (**"Governance Instructions"**), and (iii) the Corporate Governance Code for Companies and Legal Entities listed on the Main Market issued by Qatar Financial Markets Authority Board Resolution No. (5) of 2016 ("**Governance Code**"), collectively referred to as ("**Governance Regulations**").

The Bank's Governance Framework recognized the main principles of the Governance Regulations, including, but not limited to, equality among shareholders and protection of minority rights, disclosure and transparency, corporate social responsibility, and stakeholders' protection. The Bank's principle of equality among shareholders has been clearly reflected in the Articles of Association of Ahlibank Q.P.S.C. (the "Bank" or the "Company"), the Board Charter, and other governance-related policies.

The Bank's Governance Framework is based on a set of interrelated policies, procedures, and charters, including but not limited to the Board Charter, the terms of reference of its committees, the Bank's governance guidelines, and other internal controls, all of which aim to adopt the Governance Regulations which govern the way the Bank is managed, andinternal controls, in addition to fostering effective management and to achieve greater transparency.

The Bank's Board of Directors is committed to applying and enhancing the Bank's Governance Regulations in the interest of the Bank and its stakeholders by ensuring that the main principles and purposes of the Governance Regulations are in place. Such principles include, but are not limited to, (i) protecting shareholders, (ii) increasing awareness and responsibility at the level of the Board, (iii) ensuring equal treatment amongst shareholders, (iv) compliance with the rules of applicable laws and regulations, (v) enhancing transparency and disclosure, (vi) segregation between the roles and responsibilities of the Board and Executive Management and (vii) Environmental, Social and Governance.

To achieve the proper application of Governance Regulations, the Board has adopted policies and regulations, that ensure the continuous application of ethical standards to protect the rights of shareholders and stakeholders, protecting the interests of minority shareholders, focusing on disclosure of information and ensuring its transparency, as well as setting the roles and responsibilities of the Board of Directors and its committees, and Senior and Executive Management.

The Bank's AoA guarantees all shareholders the following rights:

(a). Equality among them, whereby each share grants its owner equal rights to all shares of the Bank without discrimination in the ownership of the Bank's assets and profits;

(b). Obtaining the Bank's information;

(c). The Bank's commitment not to harm the rights of shareholders in general and the minority in particular in the event of concluding major deals that may harm their interests or affect the company's capital, provided that the company's commitment to disclose its capital structure and agreement which it enters into in this regard;

(d). Each shareholder shall have the same rights as shares of the same class;

(e). Attending general assemblies, discuss matters presented to them, vote, abstain and object to resolutions of the General Assembly;

(f). Shareholders owning ten percent (10%) or more of the capital are entitled, from time to time, to request in writing from the BOD to call for an Ordinary General Assembly. Additionally,

shareholders owning twenty-five percent (25%) or more of the capital may, from time to time, request in writing the convening of an Extraordinary General Assembly from the Board of Directors;

(g). Shareholders representing at least (5%)[1] of the company's capital are entitled to request that certain matters be included in the agenda of the General Assembly, which the BOD shall include. Otherwise, the Assembly shall be entitled to decide that such matter be discussed in the meeting;

(h). Shareholders have the right to review the shareholders' register, the company's AoA, and General Assembly minutes;

(I). The Bank is committed to publishing its AoA, Board Charter, Board Committees' terms of reference, governance guidelines, and other corporate matters as may be required by QCB and/or QFMA on the Bank's website. The Bank has a Disclosure and Transparency Policy to ensure that all matters considered of interest to shareholders, investors, stakeholders, and the public are generally publicized on Qatar Stock Exchange. The Bank is also committed to providing information to the public through its website www.ahlibank.com.qa.

Throughout the year ended 31 December 2024, and to ensure that proper Corporate Governance is applied, the Board exercised effective oversight in promoting transparency, disclosure, and accountability, applying a clear segregation of roles and responsibilities between the Board of Directors and Executive Management.

In compliance with the Governance rules, the Board of Directors has reviewed and/or approved various policies required by the Governance rules, such as the policy on internal control over financial statements, the policy on minority rights protection, and other related policies.

Believing in the importance of transparency, and in accordance with Article (4) of the Corporate Governance Code issued by Qatar Financial Markets Authority, the Board of Directors and Executive Management have established an effective control system. This annual Governance report, which is submitted to Qatar Central Bank and Qatar Financial Markets Authority and which is displayed on the Bank's website, reflects the Bank's values and other internal policies that all departments of Ahlibank are required to adhere to.

The Bank is committed to an Environmental, Social, and Governance (ESG) strategy that outlines actions and practices aimed at achieving balance and managing risks related to environmental, social, and corporate aspects. This is accomplished by making sustainable and responsible decisions that adhere to social responsibility. Transitioning to more sustainable and energy-efficient banking has become increasingly critical due to resource scarcity and the intense competition faced by banks. The concept of sustainable banking is a strategic approach where financial institutions consider environmental, social, and governance impacts in their operations and business activities.

This report was prepared to reflect the Bank's application of the Governance Regulations as of 31 December 2024 and includes certain disclosures required by the Governance Regulations.

6.2 The Board of Directors

Composition of the Board

According to article 26 of the Bank's Articles of Association, the Board shall consist of 11 members, including five non-independent members of the shareholders holding 1% of the shares and three independent members who are elected for a period of three years. Qatar Investment Authority ("QIA") appoints three members to represent it on the Board.

The current Board consists of 10 members, and approval has been obtained from Qatar Central Bank for the Board to continue with its current number of members until the end of the current term.

A. The positions of the Chairman of the Board and the Chief Executive Officer of the Bank are completely segregated and shall not be held by the same person, and the Chairman does not in any capacity have any executive authority. According to the new Governance Regulations issued by Qatar Central Bank (circular 25/2022), the Chairman shall not be a member of the Bank's Board committees.

B. Members of the Board possess integrity and good reputation and hold the proper educational qualifications, experience, and professional skills that enable them to professionally and effectively carry out responsibilities and assigned roles and provide leadership and oversight in the best interest of the Bank and its shareholders and stakeholders generally.

Roles and Responsibilities of the Board

A. The Board shall carry out its duties and responsibilities according to the Board Charter and in light of the provisions of the Law, Governance Rules, and relevant policies. A summary of the leading roles and responsibilities of the Board is set out below:

   I. Approve, evaluate, and develop the Bank's organizational structure, and determine the functions, competencies, duties, and responsibilities of the Executive Management roles.

   II. Form committees, set up their work programs and determine their powers, duties, and responsibilities, and delegate the powers of decision-making and define the powers of signature on behalf of the Bank.

   III. Evaluate the current and future risks the Bank may be exposed to, adopt risk policies, and ensure compliance with their procedures.

   IV. Supervise the implementation of and evaluate and develop the programs and procedures of work, ensuring their adequacy and suitability.

   V. Appoint and supervise the internal control department to ensure its impartiality and independence.

   VI. Nominate the External Auditor for the General Assembly to approve its appointment and fees.

   VII. Review the reports of Executive Management, Internal Audit, and External Audit, and approve the interim and final accounts of the Bank as well as ICFR reports and the Governance report.

   VIII. Verify the validity and credibility of the Financial Statements, final accounts of the Bank, and the results of the Bank's business and uphold the rights of depositors and shareholders.

   IX. Ensure transparency in disclosing all significant matters that affect the performance of the Bank, the results of the Bank's business, the obligations and transactions of related parties, and all interrelated interests.

   X. Support and clarify the Corporate Governance values and rules of professional conduct by adopting the policies and rules of Corporate Governance.

   XI. Organize the nomination process of Board members transparently and disclose information on the nomination procedures to the shareholders.

   XII. Carry out any duties or responsibilities the Board sees necessary to achieve the Bank's objectives.

   XIII. Approve the plan of training in the Bank, which includes programs introducing the Bank's activities and governance-related matters as may be presented from time to time.

B. In addition to the preceding, the Board members shall pay special attention to the following duties:

   I. Be actively involved in Board meetings and provide input to Board activities.

   II. Ensure compliance with prioritizing the Bank's and its shareholders' interests in matters that may lead to a conflict of interest between the Bank and relevant parties.

   III. Assist and provide opinions on the Bank's strategic operations and constructively challenging proposals on strategy.

   IV. Express independent opinions concerning the Bank's strategies and policies, evaluate the Bank's performance, and assess the adequacy and quality of human resources in the Bank and the approved employment standards.

   V. Observe the Bank's performance in achieving its objectives and goals, review the periodical performance reports and provide skills, experiences, specializations, and qualifications to serve the Bank's and its shareholders' best interests.

The Board of Directors' roles and responsibilities shall include any other matters which are required by the Governance Regulations and applicable laws, as may be amended from time to time.

C. The Board shall be mainly responsible towards the shareholders, other parties, Qatar Central Bank, Qatar Financial Markets Authority, Qatar Stock Exchange, and other official authorities in the State of Qatar.

D. The Board shall hold a minimum of six meetings annually in line with Article 34 of the Bank's Articles of Association. According to Article 35, all Board meetings shall be held upon a notice issued by the Chairman or by his deputy in case of the absence of the Chairman. The Board shall be convened upon a request of two Board members, at least fifteen (15) days prior to the date of the planned meeting[2]. The request shall set out the date, time, and place of the meeting, while the notice shall provide a brief description of the planned agenda during the meeting. In this respect, the Board convened seven (7) times in 2024.

E. The Board represents all shareholders and is committed to achieving what is in the best interest of the Bank and performing its duties with responsibility, good faith, diligence, and care.

F. The Board members shall have immediate and full access to information, documents, and Bank-related records.

G. The General Assembly must be attended by the Board members, including the Chairman of the Board, and the invitation is sent to Companies Control Department at the Ministry of Commerce and Industry, Qatar Central Bank, External Auditor, Qatar Financial Markets Authority, Qatar Stock Exchange, and key employees in the Bank, such as the Chief Executive Officer, heads of departments, and others.

H. The Board of Directors Charter is distributed annually to new and existing Board members with a view to ensuring that they are fully and appropriately aware of the functioning and the operations of the Bank, and of their responsibilities.

I. The Board Charter is based on the requirements of the Governance Regulations, and it is binding to the Board.

J. The Board Charter includes, in general, in addition to the requirements stated in the Nominations Policy, that the Board members shall have qualifications and adequate knowledge and expertise that enable them to perform their supervisory functions while having the ability to provide professional contributions with regard to strategies, operational activities, risk assessment and management, compliance with laws, executive regulation, accountability, financial reports and communications.

[2] A proposal will be submitted to the General Assembly to amend the period to 10 days instead of 15 days.

K. The Board members shall devote enough time to perform their responsibilities towards the Bank.

L. The Board members have unrestricted access to the Board Manual, which includes the Bank's Articles of Association, Governance Instructions, Governance Code, and relevant policies and rules.

M. Every Board member shall perform duties with due diligence and loyalty and shall comply with institutional authority as defined in the relevant laws and regulations, including the Corporate Governance Code issued by Qatar Financial Markets Authority and the Board of Directors' Manual.

N. All Board members shall always work on the basis of clear information and with good faith and the diligence required for serving the best interests of the Bank and all its shareholders.

O. Working effectively to comply with their responsibilities towards the Bank.

P. The Bank's Articles of Association include clear measures to dismiss the Board members in case of absence from the Board meetings. Article 33 of the Bank's Articles of Association stipulates that "If a Board member is absent from three consecutive meetings of the Board or four non-consecutive meetings without an excuse accepted by the Board, such a Board member shall be deemed resigned".

Board Members

A. The current Board consists of the following members:

Sheikh Faisal Bin AbdulAziz Bin Jassem Al-Thani

He has served on the Board of Ahlibank since 2005 and as Chairman of the Board since 2011. He currently holds the position of Chairman - Museum of Islamic Art, Qatar. He holds a Bachelor of Finance degree from Suffolk University, Boston, United States of America.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Chairman of the Board, and he owned (27,012,132) shares.
Election/Appointment: 2023
End of tenure: 2026
Status: Non-Independent - Non-Executive

Sheikh Jassim Bin Mohammed Bin Hamad Al-Thani
Representative of Trans Orient Establishments

He has been serving as a member of the Board of Directors of Ahlibank since 2014. He has been Deputy Chairman of the Board since 26/08/2020 and Chairman of the Board of Directors of the Mohammed Bin Hamad Holding Company (Qatar). He holds a Bachelor's degree in Business Administration from the University of Plymouth, London, United Kingdom.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Deputy Chairman of the Board of Directors. He represents Trans Orient Establishments which owned (27,012,065) shares. He held (27,218,109) shares.
Election/Appointment: 2023
End of tenure: 2026
Status: Non-Independent - Non-Executive

Sheikh Fahad Bin Falah Bin Jassim Al-Thani
Member of the Board of Directors of Ahlibank since 2015, and an international researcher at the General Secretariat of the Council of Ministers. He holds a Bachelor's degree in Business Administration – Finance from George Washington University in the United States of America and a Master's degree in International Politics from City University of London in the UK.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board Member and he did not personally own any shares.
Election/Appointment: 2023
End of tenure: 2026
Status: Independent - Non-Executive

Sheikh Salman Bin Hassan Al-Thani
Representative of Qatar Investment Authority

Member of the Board of Directors of Ahlibank since May 2017. He holds a Bachelor's degree in Finance and Banking Studies from Qatar University and he currently holds the position of Chief Financial Officer at Qatar Foundation, overseeing the Finance and Business Planning functions.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member and he does not personally own any shares. He represents Qatar Investment Authority, which owns directly and indirectly (1,217,047,575) shares.
Election/Appointment: He was appointed by Qatar Investment Authority in March 2017.
End of tenure: Tenure ends upon written notification from Qatar Investment Authority.
Status: Non-Independent - Executive

Mr. Nasser Abdullatif Al-Abdulla
Representative of Qatar Investment Authority

He has been serving on the Board of Ahlibank since 03/05/2020. He currently holds the position of manager in the division of Liquid Assets, Fixed Income, Qatar Investment Authority.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member and he does not personally own any shares. He represents Qatar Investment Authority, which owns directly and indirectly (1,217,047,575) shares.
Election/Appointment: He was appointed by Qatar Investment Authority in March 2020.
End of tenure: Tenure ends upon written notification from Qatar Investment Authority.
Status: Non-Independent - Non-Executive

Mr. Mohammed Fahad Al-Khulaifi
Representative of Qatar Investment Authority

He has been serving on the Board of Ahlibank since October 23, 2023. He holds a Bachelor's degree in Law from Qatar University (College of Law) and a Master's degree in Law, specializing in Banking and Financial Law, from Boston University, School of Law in the United States of America. Mr. Mohammed is responsible for overseeing the implementation of best governance practices, policy development, and supporting institutional excellence at Qatar Investment Authority.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member and he does not personally own any shares. He represents Qatar Investment Authority, which directly or indirectly owns (1,217,047,575) shares.

Election/Appointment: He was appointed by Qatar Investment Authority in October 2023.
End of tenure: Tenure ends upon written notification from Qatar Investment Authority.
Status: Non-Independent - Non-Executive

Mr. Victor Nazeem Reda Agha
Representative of Al-Majida Real Estate Investment Company

He has been serving on the Board of Ahlibank since 2005. He currently holds the position of General Director of Al-Sadd Travel Agency (Qatar) and Al-Sadd Exchange Company. He is also a Board member of Doha Insurance Company and Al-Majida Real Estate Investment Company.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member, and he does not personally own any shares. He represents Al-Majida Real Estate Investment Company, which owns (28,078,193) shares.
Election/Appointment: 2023
End of tenure: 2026
Status: Non-Independent - Executive

Mr. Nawaf Al-Mana

He has been serving on the Board of Ahlibank since February 28, 2023. He holds a Master's degree in Management and Engineering from Sheffield Hallam University, in the United Kingdom, and a Bachelor's degree in Chemical Engineering from Qatar University. He currently holds the position of President of the Gulf Standardization Organization (GSO).

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member, and he does not personally own any shares.
Election/Appointment: 2023
End of tenure: 2026
Status: Independent - Non-Executive

Mr. Jassim Mohammed Al-Kaabi

Representative of Halul Real Estate Investment Company

Member of the Board of Directors of Ahlibank since 27/02/2024.. He is currently managing the affairs of the Private Office. Mr. Jassim comes from a military family and worked as a pilot in Qatar Armed Forces.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member, and he does not personally own any shares.
Represents Halul Real Estate Investment Company, which owns (47,307,205) shares.
Election/Appointment: 2024.
End of tenure: 2026.
Status: Non-Independent - Executive

Mr. Jassim Mohammed Al-Ansari

Member of the Board of Directors of Ahlibank since 27/02/2024. He holds a Bachelor of Science- Business Administration with a triple major in Finance, Management, and Marketing. He currently holds the position of Director of the Office of His Excellency the Minister of Commerce and Industry.

POSITION AND OWNERSHIP OF SHARES
AS OF DECEMBER 31, 2024
Board member, and he does not personally own any shares.
Election/Appointment: 2024.
End of tenure: 2026.
Status: Independent - Non-Executive

Board meetings and attendance

The table below clarifies the attendance of Board members in the seven (7) Board meetings held in 2024. Noting that the absence of a member was for personal reasons, which the committee accepted, and the absent member appointed one of the serving members of the Board as their proxy to act on their behalf.

Name	Position	Attendance
Sheikh Faisal Bin AbdulAziz Bin Jassem Al-Thani	Chairman of the Board	7/7
Sheikh Jassim Bin Mohammed Bin Hamad Al-Thani	Deputy Chairman	7/7
Sheikh Fahad Bin Falah Bin Jassim Al-Thani	Board Member	7/7
Sheikh Salman Bin Hassan Al-Thani	Board Member	7/7
Mr. Victor Nazeem Reda Agha	Board Member	7/7
Mr Nasser Abdullatif Al-Abdulla	Board Member	7/7
Mr. Nawaf Al-Mana	Board Member	7/7
Mr. Mohammed Fahad Al-Khulaifi	Board Member	7/7
Mr. Jassim Mohammed Al-Kaabi[3]	Board Member	4/6
Mr. Jassim Mohammed Al-Ansari[4]	Board Member	6/6

Members were given the opportunity to attend Board meetings by using secure electronic platforms, allowing them to effectively contribute to these meetings.

[3] After his appointment on 27/02/2024, the Board convened (6) times during the fiscal year ending 31/12/2024.
[4] After his appointment on 27/02/2024, the Board convened (6) times during the fiscal year ending 31/12/2024.

Main issues reviewed by the Board during the year 2024

A. Approval of the Interim and annual financial statements, ICFR reports, and governance reports.

B. Review and approval of risk policies, including ICAAP, as well as the Governance Manual.

C. Review and approval of the Bank's organization chart.

D. Several resolutions which relate to the Bank's operations, policies, and strategies.

E. Approval of financials for the year ended 31.12.2024.

F. Approval of the appointment of Deloitte as external auditor for the year 2025 for final approval by the General Assembly.

G. Approval on extending facilities to number of Bank's clients in the normal course of business.

H. Approval on number of projects related to IT, compliance, and audit to enhance governance, information security, and technological development for the Bank.

I. Approval of the estimated budget for the fiscal year 2025.

J. Approval on updating the medium-term bond program.

K. Approval on establishing and developing the Bank's headquarters in Lusail.

L. Review of all matters related to the Bank's operations and objectives, and review and approval of decisions issued by committees emanating from the Board.

M. Approval of an amendment to the Articles of Association to allow for interim dividend distribution.

Annual assessment of the independence of Board members and conflicts of interest for 2024

Ahlibank conducted its annual assessment of the independence of Board members and potential conflicts of interest for the year 2024. This evaluation aims to assess the independence of the Board members and ensure there are no potential conflicts of interest that could impact their neutrality and independence. Board members are also required to sign the necessary forms annually.

Annual assessment of the Board of Directors' performance for 2024

Ahlibank carried out its annual assessment of the Board of Directors' performance to evaluate the performance of its members and the effectiveness of Board committees during 2024. These assessments provide Board members with a valuable opportunity to share any considerations or ideas they may have regarding the overall performance of the Board, its members, and its committees. They may also highlight areas for improvement to enhance the efficiency and effectiveness of the Board.

The Governance, Nominations, and Remunerations Committee evaluates each Board member individually, as well as the Board and its committees by all Board members. Performance assessment forms are collected, and a review of all submitted feedback is conducted to implement improvements based on the findings.

Board of Directors' remuneration

The Board of Directors adheres to the guidelines issued by regulatory authorities regarding remuneration. Through the Governance, Nominations, and Remunerations Committee, the Board is responsible for overseeing the implementation of the remuneration framework across the entire Bank.

The Board approves a remuneration policy for its members in compliance with Qatar Central Bank's directives and the Corporate Governance Code issued by Qatar Financial Markets Authority. The policy outlines a mechanism for determining Board members' remuneration, which is presented annually to the General Assembly for approval.

The Board of Directors Remuneration Policy aims to adhere to sound corporate governance practices when determining the remuneration and allowances of Board members, comply with Corporate Governance requirements, and balance the interests of the Board, shareholders, and other stakeholders.

The policy also contributes to enhancing the Bank's overall performance in the long term, both financially and non-financially, in addition to achieving the purpose of granting such remuneration.

It should be noted that the remuneration of Ahlibank's Board members aligns with the limits set by Qatar Central Bank and is subject to its approval. The Governance, Nominations and Remuneration Committee is tasked with presenting the remuneration proposal to the Executive Management before presenting it to the Board for approval, ensuring full compliance with the bank's remuneration policy and relevant regulatory guidelines.

Total remuneration paid to the Board members:

In line with QCB instructions, the total remuneration paid to the Board members is as follows:

i. An amount of QAR 14,260,000 as Board fees for the year 2023, paid during 2024 after obtaining the General Assembly approval.

ii. An amount of QAR 4,620,000 as attendance allowance and membership of the committees during the year 2024.

Board of Directors Secretary

The Board of Directors Secretary has over 24 years of extensive experience in legal affairs, legal consulting, and Corporate Governance, in addition to administrative and organizational skills and qualifications. He has been serving as the General Counsel of the Bank for over a decade. Before joining Ahlibank, he held prominent positions at prestigious law firms, companies, and financial institutions. He holds a Bachelor's degree in Law and is a member of the Beirut Bar Association.

The Board Secretary provides administrative support and legal advice to Board members and committees to facilitate the execution of their duties. He is responsible for ensuring the Board's compliance with proper procedures in all matters related to Corporate Governance and for coordinating communication between Board members and stakeholders of the Bank, including shareholders, Executive Management, and others. Additionally, the Secretary is responsible for:

a. Recording, documenting, and drafting minutes of Board and General Assembly meetings, as well as preparing meeting agendas and invitations in coordination with the Chairman.

b. Implementing Corporate Governance rules concerning matters related to the Board of Directors and its committees, while reviewing compliance with regulations and instructions.

c. Providing advice and counsel to the Board of Directors, its committees, or members on topics related to Board Governance and/or Corporate Governance.

Board Committees

Under the Governance Rules, and to increase the efficiency of the Board in supervising the various activities and tasks of the Bank, the Board has formed several committees and delegated to such committees specific responsibilities and authorities to act on behalf of the Board. During the year 2024, Board committees, each by its relevant tasks and responsibilities, reviewed different matters and passed resolutions or recommendations to the Board, covering the Bank's various activities and departments, including lending, approval of policies, review and approval of remunerations and bonuses, and other matters, which are in the normal course of business.

A full-year report was submitted to the Board about the Board Committees meetings and recommendations.

The absence of any Committee member from any meeting was for a personal excuse acceptable to the relevant Committee, where one of the Committee members (if any) had been authorized to represent him in attendance and voting.

The Board Committees are:

A. Audit Committee

i. The Audit Committee is composed of three members:

Name	Position	Attendance
Sheikh Fahad Bin Falah Bin Jassim Al-Thani	Chairman	6/6
Mr. Nasser Abdullatif Al-Abdulla	Member	6/6
Mr. Jassim Mohammed Al-Ansari [5]	Member	6/6

ii. Roles and Responsibilities of the Audit Committee:

a. Consider recommendations and make necessary recommendations to the Board about appointing the external auditors, determine audit fees, evaluate the external auditor in terms of qualifications, experience, resources, independence, objectivity, and effectiveness, and respond to any questions to terminate a contract of the external auditors or dismiss them.

b. Review the Financial Statements before submitting them to the Board, with a focus on the following:

- Any changes in accounting policies and procedures.
- Substantial amendments resulting from the audit.
- Compliance with accounting standards.
- Compliance with the instructions of Qatar Central Bank and Qatar Financial Markets Authority.
- Compliance with legal and regulatory requirements applicable in the State of Qatar.

c. Discuss concerns and reservations arising from the interim and final audits and any other matters the Committee needs to discuss with the external auditors.

[5] The committees were restructured during the second Board of Directors meeting in 2024, with Mr. Jassim Mohammed Al-Ansari replacing Mr. Nawaf Al-Mana.

d. Review the contents of regular reports required or prepared by regulatory authorities and respond to these reports by the Bank.

e. Review the adequacy and completion of the plan and scope of the Internal Audit annually, ensure coordination between the internal and external auditors, and ensure the Internal Audit process has sufficient and effective resources to carry out its responsibilities.

f. Review the adequacy and completion of the Internal Audit Plan annually and provide adequate resources to meet its annual plan on an annual basis.

g. Consider the results of Internal Audit reports, along with any special reports, particularly regarding high-risk observations, and Executive Management's responses, and follow up on the implementation of the scheduled points within the prescribed deadline.

h. The Committee shall submit to the Board any issues related to its scope of work or matters which it deems necessary to inform the Board or take the appropriate decision by the Board.

i. The Audit Committee submits a comprehensive report to the Board about its activities during the year.

j. The Audit Committee meets with the Chief Internal Audit Officer without any requirement for the CEO to be present and who may attend the audit committee meetings based on an invitation by the Committee. The majority of the Audit Committee meetings during the year 2024 were held without the presence of the CEO.

B. Risk and Compliance Committee

i. The Risk and Compliance Committee is composed of three members:

Name	Position	Attendance
Sheikh Jassim bin Mohammed Al-Thani	Chairman	4/4
Sheikh Salman bin Hassan Al-Thani	Member	4/4
Mr. Mohammed Fahad Al-Khulaifi	Member	4/4

ii. Roles and Responsibilities of the Committee:

a. Review the scope of Risk and Compliance functions, authorities, and duties of the Directors of these departments.

b. Ensure that there are policies in place to manage all types of risks faced by the Bank and ensure the compatibility of these policies with applicable legal and regulatory requirements and the effectiveness of the Internal Control System and Risk Management.

c. Review the reports submitted by the Risk Management and review steps taken to assess, monitor and control credit, operational and market risks.

d. Review the reports submitted by the Compliance Department and assess the adequacy and completion of the Compliance Plan, including training on compliance, monitoring and reporting, and provide adequate resources for the Compliance function to meet its annual plan on an annual basis.

e. Consider any matters referred by the Board to the Committee.

f. Make recommendations to the Board and present such recommendations to the Board for obtaining approval over the resignation or dismissal of the Chief Risk Officer and Chief Compliance Officer and their employees, where such matters are filed before the committee.

g. Evaluate the performance of the Chief Compliance Officer and the Chief Risk Officer, in coordination with the Executive Management, and approve their salaries and allowances and other matters about the salaries and remuneration of employees working in these departments, subject to the applicable directives of the Bank in its relevant and applicable policies of salaries and remuneration.

h. Review arrangements that enable employees, with confidence, to report concerns about possible violations in the financial reports or other important issues, along with ensuring that the necessary arrangements are in place to manage an independent and appropriate investigation into such matters.

i. The Committee shall submit to the Board any issue related to its scope of work or matters the Committee deems necessary, to inform the Board or to request certain decisions to be taken by the Board (as appropriate).

C. Governance, Nominations and Remuneration Committee ("GNR")

i. The Governance, Nominations and Remuneration Committee is composed of three members.

Name	Position	Attendance
Sheikh Salman bin Hassan Al-Thani	Chairman	4/4
Sheikh Jassim bin Mohammed Al-Thani [6]	Member	4/4
Mr. Nawaf Ibrahim Al-Mana [7]	Member	3/4

ii. Roles and Responsibilities of the Committee:

a. The Committee shall meet four (4) times in a year. The Chairman of the Committee or his representative may invite the Committee to convene whenever the necessity arises. The Committee held four (4) meetings in 2024.

b. Study, prepare and develop policies, human resources plans and such matters which require Committee approval based on the Board's directives.

c. Approve the general remuneration structure, incentives, and advantages in accordance with the Bank's Articles of Association, Central Bank instructions, Governance Regulations, and Remuneration Policy.

d. Approve systems, procedures, and controls for granting remuneration and allowances and update them where necessary.

e. Make recommendations to the Board about the total bonuses and remuneration based on the annual performance evaluation.

f. Make recommendations to the Board about remuneration and allowances of the Board members and the Board's committees.

g. Determine the bonuses and remuneration paid to the Chief Executive Officer and Chief Officers of Departments in accordance with the annual performance evaluation system, and those paid to the Chief Audit Officer, Chief Compliance Officer, and Chief Risk Officer, based on the overall evaluation of the Chief Officers, Risk and Compliance Departments as performed by their relevant committees.

h. Carry out any other responsibilities delegated to the Committee by the Board to achieve the goals of the Bank.

[6] The committees were restructured during the fourth Board of Directors meeting in 2024, and the Board committees' modifications were approved by appointing Sheikh Jassim bin Mohammed Al-Thani to replace Mr. Victor Agha.
[7] The committees were restructured during the second Board of Directors meeting in 2024, with Mr. Nawaf Al-Mana to replace Mr. Ahmed Abdulrahman Fakhroo (May God rest his soul).

i. The Committee also approved the Bank's succession policy as per the governance-related instructions, as well as many other policies in the Bank.

ii. Other responsibilities of the Committee include:

a. Approve the opening and closing dates for nomination for Board membership.

b. Receive nomination requests for Board membership.

c. Evaluate nominees for Board members based on fitness, suitability, and qualification principles.

d. When the evaluation is completed, the Committee shall submit the results of the evaluation and its recommendation to the Board, which in turn will notify the Central Bank along with a list of nominees and the personal questionnaire of the nominee, and the remaining documents and papers required before the convocation of the General Assembly meeting. This process is carried out in accordance with the nomination policy.

e. Review the membership of the Board Committees, where required, unless the Board itself has done so from time to time.

D. Executive Committee

i. The Executive Committee is composed of three members:

Name	Position	Attendance
Mr. Victor Nazeem Agha	Chairman	Executive
Mr. Jassim Mohammed Al-Kaabi	Member	Executive
Sheikh Salman Bin Hassan Al-Thani	Member	Executive

ii. Responsibilities and Powers of the Committee:

a. Approve any credits or loans that exceed Executive Management limits.

b. Manage and operate the Bank's affairs according to the Annual Budget, Business Plan, and instructions related to the financial, administrative, operational, and credit policies approved by the Board from time to time.

c. Exercise authority delegated to the Committee by the Board regarding granting and renewing credit and investing and employing the funds, wherein the value exceeds the powers of the Executive Management.

d. Approve various systems and banking products, plans, and budgets within the policies approved by the Board.

e. Assume any other responsibilities entrusted to the Committee by the Board to achieve the objectives of the Bank.

The Committee meets at the request of its Chairman, the Chief Executive Officer, or the Board whenever necessary. The Committee issues its written resolutions by circulation without a meeting.

The Committee held no meetings in 2024 and passed all its resolutions by circulation, without convening a meeting.

External Advisors

A. The Board and its Committees may retain counsels or consultants concerning any issue relating to the Bank's affairs. Costs and expenses incurred pursuant to the appointment of independent advisors or consultants shall be borne by the Bank. Throughout the year 2024, several consulting firms and

expertise houses were engaged to provide advisory services to the Bank in various aspects, with the aim of developing and improving the Bank's operations, systems, and services, in addition to developing policies and procedures, and other matters that require the assistance of external expertise.

Board Training and Self-Assessment

A. To ensure that it is kept abreast of developments with respect to Governance, Anti-Money Laundering, and Counter-Terrorism Financing , the Board had its annual training. Board members also received awareness training about information security and cybersecurity.

B. In order to ensure the effectiveness of the Board of Directors and maintain a professional relationship between its members, and in compliance with Governance Regulations, the Board members conducted their self-assessment, and the Board assessed the performance of the Board committees for the year 2024 based on the performance report presented to the Board. Based on these assessments, the Board works on the feedback received and develops the mentioned points in line with the Bank's best interests.

C. In accordance with Article (98) of the CCL and Article (7) of the Governance Code, each Board member annually submits an annual written acknowledgement that they are not combining positions as Board members of the Bank with other prohibited positions, in addition to other acknowledgements required by the governance system in general.

The Board members confirmed their compliance with QCB circular No. 25 of 2020, dated 06.07.2020, which relates to transactions between the Board and Executive Management with the Bank. Each of them signed a declaration to confirm compliance with the said circular.

Board Declarations

During the financial year 2024, and with the exception of the facilities availed by some of the Board members from the Bank, in the normal course of business, on arm's length and within the QCB limits, restrictions and conditions, the Board members did not have any financial or commercial transactions with the Bank which may negatively and adversely impact their ability to conduct their duties and obligations as Board members.

All facilities extended by the Bank to the Board, their first-degree relatives, and their legal entities are presented to the Board during each meeting to ensure they comply with applicable regulatory requirements and limits. Additionally, these facilities are subject to the requirements of Qatar Central Bank.

6.3 Management

The Board of Directors appoints the Bank's CEO and approves the appointment of senior executives from top management to oversee the Bank's daily operations in accordance with the strategy approved by the Board. The Bank's top management consists of a group of senior executives with high qualifications and competence, led by the CEO.

Top management is responsible for overseeing the Bank's daily operations and activities while securing the proper, effective, and secure implementation of the Governance framework in compliance with applicable laws, regulations, and policies, ensuring the Bank's sustainable growth.

The Management of the Bank is currently composed of the following:

Hassan Ahmed Al-Efrangi
Chief Executive Officer

He holds a Bachelor's degree in Financial Sciences and has extensive experience in the banking and financial industry, with a career spanning over two decades, including 25 years in leadership positions at Ahlibank, where he has made significant contributions to the development of many areas such as retail banking, risk management, and digital transformation. His vast experience has enabled him to lead and guide Ahlibank with a holistic approach, enhancing operational excellence and sustainable development. Before joining Ahlibank as CEO, he served as the CEO of Qatar General Insurance and Reassurance Group.

He did not own shares in the Bank as at 31/12/2024.

Mahalingam Shankar
Chief Executive - Finance and Strategy

He joined Ahlibank Qatar since July 2006 and was appointed Deputy CEO for Finance, Operations, Services, and Information Technology in March 2013. He takes on the task of overseeing support functions such as corporate finance, operations, information technology, and services, with approximately 26 years of experience in the financial services sector. He previously served as the Operations Manager at GE Capital, Head of Financial Management at Dresdner Bank, and Senior Analyst at Gulf Bank (Kuwait).

He holds a Bachelor's degree in Commerce from the University of Delhi in New Delhi, India. He also has a postgraduate degree in Finance from the Institute of Cost Accountants of India (ICMAI), an Executive Education Diploma - 90 from Harvard Business School, USA, and Wharton School of the University of Pennsylvania, USA; as well as a certificate in FinTech from the Massachusetts Institute of Technology (MIT), USA.

He did not own shares in the Bank as at 31/12/2024.

Mohamed Mousa Mohamed Al Namla
Chief Executive - Human Resources, Administrative Affairs, and Support Services Sector

He holds a bachelor's degree in Business Administration and has over 25 years of experience in the financial and banking sector. As the CEO of the Human Resources, Administrative Affairs, and Support Services sector at Ahlibank, he provides leadership to these departments by formulating diverse strategies to achieve indirect profitability objectives for the Bank. He drives key factors to support business requirements and accomplish significant achievements in cost reduction, service delivery, and the improvement of internal operations in alignment with the Bank's overall strategy.

He worked at Qatar National Bank (QNB) from 1996 to 2016 before joining Ahlibank, where he served as Assistant General Manager for Financial and Regulatory Reporting for QNB Group. He also held several key positions at the Bank, ensuring smooth operations and providing support and supervision to the relevant departments. He has a strong track record in guiding operational efficiency, enhancing departmental collaboration, and enabling business growth in various areas such as operations and finance.

He did not own shares in the Bank as at 31/12/2024.

Abdulaziz Khalid Al-Khater
Chief Retail Banking Officer

He is a manager with a remarkable experience in the fields of banking services, strategy, execution, project management, banking operations, and technology. He is skilled in developing projects and startups across all stages of their establishment, growth, operation, and management. He possesses extensive knowledge and expertise in digital systems and an administrative vision that drives organizations toward achievement and success.

He has a strong track record and practical experience in the banking and financial sector spanning over 20 years. During this time, he held managerial positions in various fields, including program and strategic operations management, IT system modernization, and organizational development and performance in many esteemed financial institutions such as HSBC Bank, International Bank of Qatar, and Al-Khalij Commercial Bank.

He did not own shares in the Bank as at 31/12/2024.

Saad Al-Kaabi
Head of Human Resources

He holds a Bachelor of Science degree and a Master's degree in Banking and Financial Studies. He has over 25 years of professional experience in human resources and retail banking. He provides strategic leadership for the Bank's Human Resources Department in all aspects, including staffing, employee relations, organizational effectiveness, performance management, training, and development.

During his tenure as Head of Human Resources, he has demonstrated his ability to provide effective guidance to HR units and oversee the development of objectives through his leadership.

He did not own shares in the Bank as at 31/12/2024.

Johnny Al-Khoury
General Counsel and Board Secretary

He has been with Ahlibank since 2014, serving as the General Counsel and Board Secretary. He holds a degree in law and has over 24 years of legal experience, during which he has held various legal and board secretary positions.

He handles the tasks and responsibilities of the Bank's Governance and the coordination between the Board of Directors and the Executive Management in compliance with the Corporate Governance rules and principles issued by Qatar Central Bank, Qatar Financial Markets Authority, and the law and directives of Qatar Central Bank. He also handles the executive responsibility of the Bank's Legal Department, providing support and counsel on the legal aspects of the Bank's strategic initiatives and general affairs.

He did not own shares in the Bank as at 31/12/2024.

Maher Barakat
Chief Internal Audit Officer

He holds a Master's degree in Business Administration and Accounting from Canisius University in the USA, in addition to a Bachelor's degree in Accounting. He also holds several professional certifications including

Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and Certified Information Systems Auditor (CISA). He has over 25 years of extensive experience in internal auditing and financial analysis.

He has a vast practical experience in auditing, especially in financial institutions such as banks, investment firms, and insurance companies. He began his professional career working with the Big Four auditing firms in the Middle East and the USA. His experience includes restructuring the Internal Audit departments at major banks and developing and training internal audit teams to implement risk-based and value-added internal audit methodologies, in addition to utilizing the latest tools for risk management and applying sound governance practices.

Throughout his career, he achieved numerous accomplishments and received awards for his commitment to international audit standards and best practices.

He did not own shares in the Bank as at 31/12/2024.

Derek Kwok
Chief Treasury and International Banking Officer

He handles the responsibility of overseeing the Bank's international engagements, including developing strategic relationships with financial institutions and non-banking financial entities, as well as coordinating with international rating agencies.

He also heads the Treasury and Investments Department, where he is tasked with optimizing the Bank's asset allocation, liquidity management, and investment strategies to ensure strong balance sheet stability.

Before joining Ahlibank, he led the Global Markets Sales and Trading Division at First Gulf Bank (now First Abu Dhabi Bank) in Abu Dhabi and served as Head of G10 FX Trading for the Asia-Pacific region at BNP Paribas (Singapore). His career also includes a series of leadership roles at several international banks in Tokyo, Singapore, and Sydney.

He did not own shares in the Bank as at 31/12/2024.

Khaldoun Al-Khateeb
Chief Compliance Officer

He has accumulated a vast experience of over 20 years in financial institutions, where he was committed to applying the principles of compliance, professionalism, and independence to ensure adherence to compliance laws, regulations, and requirements, and to the related policies, procedures, and standards in the Bank.

He has developed and implemented the compliance strategy and annual plans to ensure the continued compliance of the Bank in all its relevant functions in line with QCB & QFMA instructions.

He did not own shares in the Bank as at 31/12/2024.

Mohamad Aly Sobh
Chief Risk Officer

He has an extensive and diverse experience in finance and risk management spanning over 30 years, including more than 25 years in leadership positions in the banking sector across Egypt, Bahrain, Qatar, and Kuwait. From 1992 to 2004, he primarily worked in corporate financing, and from 2005 to 2007 and 2017 to 2019, he was involved in private assets. He served as Risk Manager at Ahlibank from 2007 to 2010 and held various leadership roles from 2010 to 2017 in the banking and corporate sectors.

Before rejoining Ahlibank in 2022, he worked with Ahli United Group - Kuwait from 2017 to 2022, where his most recent position was Deputy General Manager for Risk Management.

He did not own shares in the Bank as at 31/12/2024.

Ahmed Zuhdi Abu Khalil
Chief Private Banking Officer

He has an extensive experience since 1999 in providing proven wealth management solutions and exceptional capabilities in building investment relationships, as well as delivering exclusive banking products and solutions tailored to the financial needs of the Bank's elite clientele. His expertise also spans treasury management, financial derivatives, and private equity, allowing him to offer specialized and professional advisory services to premium clients, adhering to the highest professional standards.

He did not own shares in the Bank as at 31/12/2024.

Izzidin Rushdi Abusalameh
Chief Operations & Information Technology Officer

He holds a Bachelor's of Arts from Yarmouk University and an MBA from Birzeit University. He has nearly 30 years of experience in the banking sector, during which he has held several leadership positions in prestigious financial institutions in the Middle East. His most recent role was with Capital Bank Group in Jordan as Group Chief Operating Officer, where he achieved significant milestones in driving and executing digital transformation plans and strategies, developing infrastructure, and enhancing operational efficiency in banking operations and business processes.

He previously held the positions of CEO of Tiresias FZ CO., COO of United Bank, CEO of Arab Company for Shared Services and Arab Gulf Tech, Group COO of Cairo Amman Bank, and COO of ANZ Grindlays Bank.

He did not own shares in the Bank as at 31/12/2024.

Total Bonus Paid to Senior Management:

The total Bonus paid to the Senior Management for 2023, which was paid during 2024, amounted to QAR 11,200,000.

The Board of Directors has approved that the compensation for Senior Management at the Bank for the fiscal year 2024 be an amount totaling QAR 12,225,000, which is subject to the approval of Qatar Central Bank.

6.4 Conflict of Interests and Insider Trading

The Bank has in place a Code of Conduct and Business Ethics, which applies to the Board, Executive Management, and employees, and which sets the controls concerning conflict of interest and mandates avoiding situations that may create an actual or perceived conflict of interest in accordance with articles (108) and (109) of the CCL.

The Code of Conduct and Business Ethics requires the signature of the Bank's Board of Directors, Executive Management, and employees on a document acknowledging their compliance with the Code of Conduct.

The Compliance function, in coordination with the Human Resources department, regularly distribute awareness emails about conflicts of interest to create a culture of compliance with the Code of Conduct and Business Ethics.

Conflict of interest is also reflected in different policies and procedures within the Bank, including the purchasing and procurement policy.

In accordance with the exacts of QCB Circular 25 of 2020, Board members and Senior Management are prohibited from engaging in any activities that may result in a conflict of interest.

The Bank has in place internal instructions that prohibit insider trading and trading within restricted periods in accordance with Qatar Stock Exchange ("QSE") regulations and article (111) of the CCL.

6.5 Internal Controls Over Financial Reporting (ICFR)

Management Report on ICFR

A. The Board is responsible for establishing and maintaining adequate Internal Control over Financial Reporting (ICFR). The Bank's ICFR has been designed and implemented pursuant to the Governance Regulations to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Bank's financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS). ICFR includes disclosure of the controls and procedures designed to prevent misstatements.

B. The Board, in its meeting on 6/2018, adopted the resolution of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to evaluate internal controls, and an evaluation of the Bank's internal control design over financial reporting was conducted as of 31 December 2024 based on COSO requirements.

C. Design and implementation of ICFR were assessed by the Company's external auditors, Ernst and Young, an independent accounting firm, which issued a reasonable assurance report on the Bank's assessment of ICFR.

Risks of Financial Reporting

A. The main risks in financial reporting are that either financial statements do not present an accurate and fair view due to inadvertent or unintentional errors or the publication of financial statements not being done on a timely basis. A lack of fair presentation arises when one or more financial statement amounts or disclosures contain misstatements (or omissions) that are material. Misstatements are deemed material if they could, individually or collectively, influence economic decisions made based on such financial statements.

B. The Bank established ICFR to provide reasonable but not absolute assurance against material misstatements to confine those risks of financial reporting. It assessed the effectiveness of the Bank's ICFR based on the framework established by COSO, which recommends the establishment of specific objectives to facilitate the design and evaluate the adequacy of a control system.

C. The COSO framework includes 17 fundamental principles and the 5 components listed below:

   i. Control environment

   ii. Risk assessment

   iii. Control activities

   iv. Information and communication

   v. Monitoring

D. Controls covering the 17 principles and 5 components have been identified and documented.

E. As a result of establishing ICFR, management has adopted the following financial statement objectives:

   i. Existence/Occurrence: assets and liabilities exist, and transactions have occurred.

   ii. Completeness: all transactions are recorded, and account balances are included in the financial statements.

   iii. Valuation/Measurement: assets, liabilities, and transactions are recorded in the financial reports at the appropriate amounts.

iv. Rights and Obligations and Ownership: rights and obligations are appropriately recorded as assets and liabilities.

v. Presentation and Disclosures: classification, disclosure, and presentation of financial reporting are appropriate.

F. However, any internal control system, including ICFR, no matter how well designed and operated, can provide only reasonable but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICFR may not prevent all errors and fraud.

G. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

6.6 Organization of the Internal Control System

Functions Involved in the System of ICFR

Controls within the system of ICFR are performed by all the Bank's supervisory functions, reviewing the validity of the books and records that underlie the consolidated financial statements. As a result, the operation of ICFR involves staff based in various functions across the organization.

Controls to Minimize the Risk of Financial Reporting Misstatement

The system of ICFR consists of many internal controls and procedures aimed at minimizing the risk of misstatement of the consolidated financial statements. Such controls are integrated into the operating process and include those which:

i. are ongoing or permanent in nature, such as supervision within written policies and procedures or segregation of duties;

ii. operate periodically, such as those which are performed as part of the annual consolidated financial statement preparation process;

iii. are preventative or detective in nature;

iv. have a direct or indirect impact on the consolidated financial statements. Controls that have an indirect effect on the consolidated financial statements include entity-level controls and Information Technology general controls such as system access and deployment controls, whereas a control with a direct impact could be, for example, a reconciliation that directly supports a balance sheet line item;

v. feature automated and/or manual components. Automated controls are control functions embedded within system processes, such as application-enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals, such as the authorization of transactions.

Measuring Design, Implementation, and Operating Effectiveness of Internal Control

A. For the financial year 2024, the Bank has undertaken a formal evaluation of the adequacy of the design, implementation, and operating effectiveness of the system of ICFR considering:

i. The risk of misstatement of the consolidated financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to misstatement; and

ii. The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, risk of management override, the competence of personnel, and the level of judgment required.

B. These factors, in aggregate, determine the nature, timing, and extent of evidence that management requires to assess whether the design, implementation, and operating effectiveness of the system of ICFR is effective. The evidence is generated from procedures integrated within the staff's daily responsibilities or procedures implemented specifically for purposes of the ICFR evaluation. Information from other sources also forms an important evaluation component since such evidence may bring additional control issues to management's attention or corroborate findings.

C. The evaluation has included assessing the design, implementation, and operating effectiveness of controls within various processes, including Loans and Advances to customers, Customer Deposits, Treasury, Commission income, Investment, Financial reporting, and disclosures. The evaluation also assessed the design, implementation, and operating effectiveness of entity-level controls, information technology general controls, and disclosure controls.

As a result of the assessment of the design, implementation, and operating effectiveness of ICFR, management did not identify any material weaknesses. It concluded that ICFR is appropriately designed, implemented, and operated effectively as of 31 December 2024.

6.7 Shareholding Structure

Shareholding distribution according to nationality

A. The shareholding of major shareholders in the Bank is distributed as follows:

Main Shareholders	Classification	Nationality	Number of Shares	Share of the Capital
(5% and more)	Governmental	Qatari	1,217,047,575	47.71%

Shareholding distribution according to number of shareholders

Number of Shares	Number of Shareholders	Governmental	Private	Share of the capital
More than 1 million	122	3	119	97.00%
500,000 to 1 million	44	0	44	1.23%
250,000 to 500,000	42	0	42	0.59%
100,000 to 250,000	98	0	98	0.60%
Less than 100,000	712	0	712	0.58%

6.8 Compliance

Disclosures

A. In compliance with the Governance rules, necessary actions have been taken, inter alia, concerning the following:

i. The Board members regularly attended or were represented in the Board of Directors and Board Committees to achieve the best interest of the company and all shareholders without discrimination while elevating the interest of the Bank, shareholders, and all stakeholders.

ii. During the year 2024, in compliance with the Governance regulations and practices, the Board of Directors performed assessment and independence review based on the attendance and participation of the Board members at the Board of Directors' and committees' meetings. At the Board level, an annual assessment of the performance of the Board and its committees is conducted by the GNR and reported to the Board for review and recommendations.

iii. The Chairman and members of the Board of Directors were notified of the obligations in Article 98 of the CCL and Article 7 of the Governance Code. Members of the Board have signed an undertaking to refrain from combining holding positions where it is prohibited to do so, in accordance with the provisions thereof.

iv. The Bank's AoA is constantly reviewed to ensure compliance with Governance Regulations.

v. The Bank complied with the requirements of transparency and disclosure of Qatar Stock Exchange, disclosing its quarterly and year-end results and other general disclosures.

vi. The Bank has established mechanisms and policies to protect stakeholders' rights, to receive their complaints, proposals, and notifications while handling them confidentially. The whistleblowing policy allows confidential disclosure of any complaints or unethical acts, disclosure & transparency policy & the Bank's Corporate Governance guide, and a stakeholders protection policy, which details the procedure of protecting stakeholders and the way of handling their claims and complaints.

B. As for non-compliance:

i. The Bank's bylaws stipulate that the Board consists of (11) members (including 3 independent members), while the Board currently consists of ten members[8].

Additional Disclosures

A. Regulatory Penalties

i. During the year ended 31/12/2024, no penalties which have been imposed on the Bank which fall within the ambit of clause 2 of Article 4 of the Governance Code were material in value or had any adverse impact on the Bank's activities, nor resulted out of any fraudulent or illegal activities of the Bank.

B. Legal Cases

i. In 2024, the Bank filed several cases for recovery of debts, and where necessary, provisions have been taken in accordance with the QCB and IFRS rules and regulations.

ii. None of the cases filed against the Bank was material in nature or value or with any adverse impact on the Bank's financial status, operations, and activities. Further, the judgments issued against the Bank in 2024 were not of material value that may affect its business.

[8] QCB approval was obtained for the existing Board to continue with 10 members until the end of the current term.

iii. Where the Bank believes that a case filed against it is baseless, arbitrary or aims to recover what is not due, the Bank will take the necessary actions for defense. Additionally, during the fiscal year 2024, no judgments were issued against the Bank in any lawsuits that could impact its operations.

iv. The Bank consistently ensures the proper allocation of loans subject to litigation in accordance with regulatory guidelines and accounting standards.

C. Compliance with Listing and Disclosure Rules

In 2024, the Bank fully complied with all listing and disclosure requirements under the relevant laws and regulations.

6.9 Legal Structure of the Bank

Name	Legal Form
Ahlibank (Q.P.S.C.)	Qatari Public Shareholding Company. The Bank was established under the decree No. (40) of the year 1983 dated on 16/6/1983. The Bank started activity on 4/8/1984. The Bank is licensed to practice banking business by Qatar Central Bank under license No.: SL/13/1984.
Ahli Brokerage Company LLC	A wholly owned subsidiary of Ahlibank QSC. Ahli Brokerage Company was established with a capital of (50) million Qatari Riyals. The company is approved by Qatar Central Bank, licensed from Qatar Financial Markets Authority (QFMA) and a member of Qatar Stock Exchange. The company started operations on 24/7/2011 in the trading of Financial Securities.
ABQ Finance Limited	A wholly owned subsidiary of Ahlibank QSC. ABQ Finance Limited is a company registered in the Cayman Islands and its purpose is to issue the European Medium-Term Notes.
ABQ Innovate LLC	A wholly owned subsidiary of Ahlibank QSC and registered with Qatar Financial Centre.

6.10 Governance of the Bank

The Bank seeks to comply with the Governance Instructions issued by Qatar Central Bank and all requirements of Corporate Governance, taking into account the best international standards and practices followed in the field of Corporate Governance. The Bank has particularly been committed to the requirements and rules of disclosure of Qatar Stock Exchange and Qatar Financial Markets Authority. At the time of this report, the Bank has not committed any material violation of the legal and regulatory requirements, which may affect its financial positioning.

The Bank has a robust Corporate Governance structure which has been documented and communicated through internal policies and compliance with laws and regulations, and which include, without limitation:

S/N	Subject
1	The Bank's Memorandum and Articles of Association
2	Qatar Central Bank Law
3	Governance Guidelines (Qatar Central Bank)
4	Governance Code (Qatar Financial Markets Authority)
5	The Board Charter
6	Terms of Reference of the Board Committees
7	Code of Professional Ethics and Practices
8	Whistleblowing Policy and Procedures
9	Policy of Dealing with Personal Account
10	Conflict of Interest Policy
11	Governance Framework
12	Remuneration Policy
13	Dividend Policy
14	Related Party Transactions Policy
15	Stakeholder Protection Policy
16	Minority Protection Policy
17	Induction and Training Policy for the Board of Directors
18	Nomination and Election Policy for Board Members of Ahlibank
19	Board of Directors Code of Conduct Approval
20	Corporate Social Responsibility Policy
21	Transparency and Disclosure Policy
22	Environmental, Social and Corporate Governance Practices Policy
23	External Auditor Appointment Policy
24	Internal Control Policy
25	Human Resources Policy
26	Communication Policy

The Bank's policies are updated frequently or whenever needed, and such amendments are approved by the GNR Committee. The Bank's policies include the following:

1. Code of Ethics and Professional Conduct

This Code obligates all employees not to use any internal information for personal interest to avoid conflict of interest. The signature of all employees on this Charter means their knowledge and compliance in addition to that.

2. Whistleblowing Policy and Procedures

This policy adopts the principle of "Whistleblowing" in the event of any prohibited, illegal, or non-professional practices. It also provides full protection for the employee who raised any allegations. Based on this policy, the Bank has an Independent Committee to study the cases of prohibited practices and take disciplinary action in that regard, which may lead to dismissal from work. The policy also includes standards of compliance with good corporate governance, ethics, integrity, and credibility that should be followed in practicing the banking business. It also involves the prohibited, non-legal, non-professional practices that lead to misconduct and misbehavior. These practices include conflict of interest practices between the employee and the Bank or the customer or any other parties.

3. Personal Account Dealing Policy

This policy explains the concept of disclosure and undertaking when engaging in investment activities (through a form prepared for this purpose). It also details the rules and procedures for engaging in such activities and the available and named practices and periods of banning trading for the Board, Executive Management, and the Bank's employees. The policy also includes records of those with internal access.

4. Conflict of Interest Policy

The Bank's conflict of interest policy aims to take all reasonable steps to maintain and implement effective organizational and administrative arrangements to identify and manage such conflicts.

5. Governance Guidelines

The Governance Guide/Framework is designed to serve as a guide for effective governance principles at Ahlibank Q.P.S.C. and its subsidiaries, where applicable. The Board of Directors is responsible for ensuring adherence to governance requirements.

6. Remuneration Policy

The Remuneration Policy establishes an effective rewards environment aimed at achieving sustainable value for Ahlibank. It applies to all employees of the Bank and its subsidiaries. The policy ensures good governance in remuneration and benefits, safeguards shareholders' rights, and forms part of the overall Human Resources policies.

7. Dividend Policy

This policy aims to establish standardized procedures/guidelines for the Board of Directors to follow when deciding/recommending the amount of dividends (interim or final) per share. It defines the dividend distribution ratio and retained earnings, in addition to maximizing the rewards for the Bank's shareholders while retaining a portion of the profits for the Bank's future prospects.

8. Related Party Transactions Policy

This policy aims to establish the rules governing the relationship between the Bank and related parties to ensure that transactions with related parties, to the extent permitted by applicable laws and regulations, are conducted purely on a commercial basis, are subject to appropriate oversight, and adhere to prescribed limits, whether domestically or internationally.

9. Stakeholder Protection Policy

The Stakeholder Protection Policy aims to ensure that the Bank protects the rights of all stakeholders, including shareholders, regulatory bodies, customers, employees, external parties, and suppliers. It emphasizes dealing with them transparently, fairly, and honestly, adhering to the Bank's commitments, fulfilling them, and handling their matters with care and confidentiality. This policy also implements a process for addressing and resolving complaints with transparency and due diligence.

10. Minority Protection Policy

The purpose of the Minority Protection Policy is to protect the rights of shareholders generally and minority shareholders in particular, such that no major transactions that would affect the Bank, modify its capital, or liquidate it, or any other major transactions shall be conducted except by following the procedures defined by laws and regulations.

11. Induction and Training Policy for the Board of Directors

This policy sets protocols for induction and training programs for the Board of Directors, aligning with best practices and Corporate Governance requirements as outlined by Qatar Financial Markets Authority and Qatar Central Bank.

12. Nomination and Election Policy for Board Members

In adherence to the Governance instructions issued by Qatar Central Bank under Circular No. (25/2022) and the Corporate Governance Code for Companies and Legal Entities listed on the Main Market, issued by the Board of Directors of Qatar Financial Markets Authority under Resolution No. (5) of 2016, published in the Official Gazette on May 15, 2017, this policy has been prepared to define the standards and procedures required for Board membership.

This policy is based on the legal framework for Board membership as stipulated in the Commercial Companies Law No. (11) of 2015, as amended by Law No. (8) of 2021, the Bank's Articles of Association, and Governance instructions. The legal and regulatory framework constitutes an integral part of this policy. Where no specific provisions are outlined in this policy, the provisions of the law, Governance instructions, Qatar Central Bank law, and Qatar Financial Markets Authority regulations shall apply.

13. Code of Conduct for the Board of Directors

This system serves as a guideline for expected behavior that promotes integrity, ethics, and transparency in the management of Ahlibank, thereby strengthening the trust placed in the Bank's management by shareholders and other stakeholders.

14. Corporate Social Responsibility Policy

Corporate Social Responsibility (CSR) is a concept through which Ahlibank considers the interests of society by taking responsibility for the impact of its activities on customers, suppliers, employees, shareholders, communities, other stkeholders, and the environment. The purpose of this policy is to establish the guidelines and standards that promote the Bank's corporate social responsibility.

15. Transparency and Disclosure Policy

This policy outlines the disclosure and transparency requirements under the Governance system or any relevant regulations and standards.

16. Environmental, Social and Corporate Governance Practices Policy

This policy aims to provide a comprehensive framework to enhance the Bank's approach to integrating environmental, social, and governance (ESG) factors into its activities and strategies, and to implement the relevant guidelines. Furthermore, the policy seeks to define the Bank's approach to adopting and adhering to ESG practices and to provide guidance to all relevant parties to follow these practices, with the goal of supporting the Bank's activities and the community. A roadmap has been established to be implemented in the short and medium term.

The Bank is also committed to the following:

A. Commercial Companies Law

The Bank is committed to applying the provisions of the CCL, which describe matters that should be followed in case of the presence of any interests, whether directly or indirectly, of the Chairman or any Board member or one of the Directors in contracts, projects, and arrangements, which are concluded with the Bank.

B. Guidelines of Qatar Central Bank

All facilities granted to the Chairman and the Board members, and their families and relatives shall be presented to the Board of Directors at each meeting to ensure that these transactions were conducted as per the limits and controls set by Qatar Central Bank.

6.11 External Auditors

The Board shall novminate the External Auditor of the Bank during the General Assembly meeting, after obtaining the approval of Qatar Central Bank to appoint the Auditor for a maximum period of five years, as per Qatar Central Bank regulations. The re-appointment of the External Auditor shall be considered only after two years of the last appointment.

The Bank's Articles of Association determine the mechanism of appointing the Auditor along with their duties and rights to review, at any time, the books, records, and documents of the Bank, and to attend the meetings of the General Assembly and express their opinion regarding the Audit. The Auditor of the Bank for the financial year ending 31 December 2024 is Ernst & Young, and their fees for the year 2024 amounted to QAR 1,495,000 for audit services and to QAR 1,255,900 for services unrelated to auditing. The Audit Committee is responsible for discussing the Auditor's report and making its recommendations to the Board.

The Auditor shall be fully independent.

As instructed by Qatar Central Bank, the Bank shall not proceed with any financial transactions or provide facilities to the Auditor, its employees, or their families to avoid any conflict of interest.

6.12 Internal Control

The Bank follows an Internal Control System approved by the Board. The Board and Senior Management shall approve all policies and methods to address general risks and ensure compliance with the laws and regulations.

The Bank adopts the principle of a three-level defense model for enterprise risk management as follows:

A. The First Line of Defense
This level is represented in various departments that define the risks and submit reports thereon; it includes departmental policies and procedures, employee roles, responsibilities and training, and management oversight of activities in line with agreed policies and procedures and the Bank's Corporate Governance framework.

B. The Second Line of Defense
This level includes the Risk Management Department, Compliance Department, and Legal Affairs Department, according to their authorities and duties, to mitigate the risks which fall within their powers. These departments ensure that the Bank carries out its activities within the appropriate risk limits and ensure compliance with the applicable legal and regulatory requirements. The Risk and Compliance Departments issue periodical reports to the Risk and Compliance Committee of the Board.

C. The Third Line of Defense
This level includes the Internal Audit Department, which shall carry out periodic reviews and evaluations to ensure internal controls' efficiency and ensure that the first and second lines of defense achieve control objectives. This department submits periodic reports about its activities to the Audit Committee.

As of 31 December 2024, there were no failures in the Bank's controls that had any material adverse impact on the financial position of the Bank or its operations in general.

Risk Department

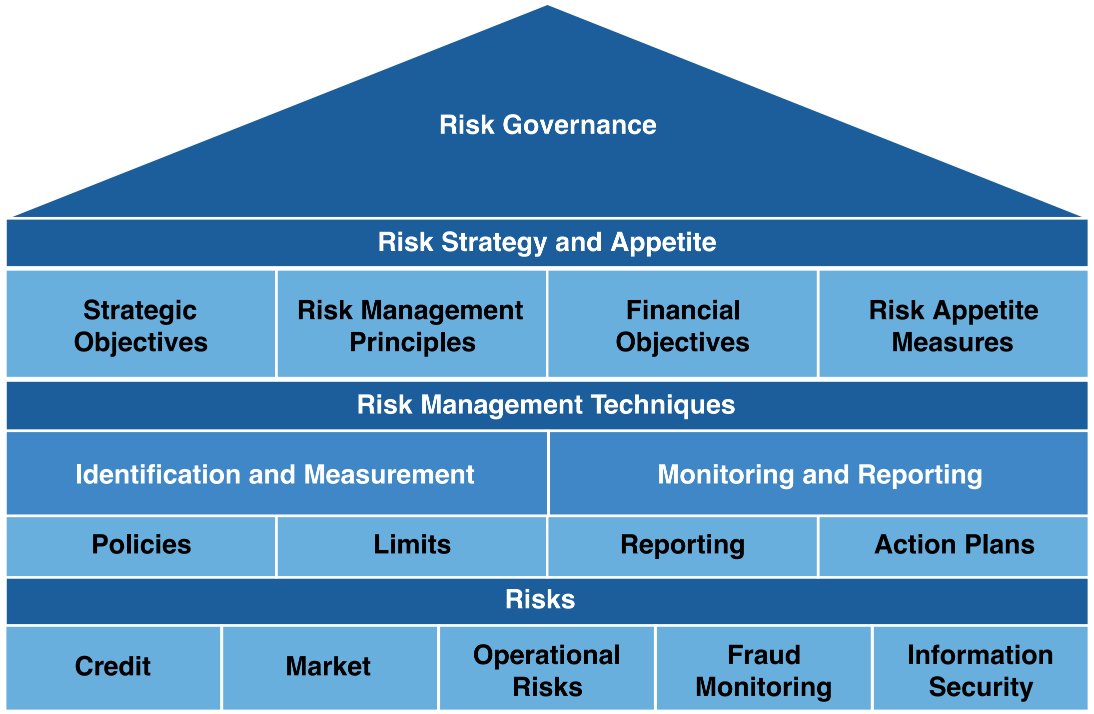
Risk Management Framework

The Risk Management Framework at Ahlibank is comprehensive, covering all major risk categories, including credit risk, market risk, liquidity risk, operational risk, fraud risk, reputational risk, and strategic risk. The framework aims to ensure a consistent approach to identifying, measuring, and mitigating risks across all business units.

Risk Appetite: The Board of Directors determines the Bank's risk appetite and sets limits for activities that involve risk. The risk appetite is reviewed and adjusted regularly to reflect changes in the economic environment, regulatory landscape, and strategic objectives.

Risk Policies: The Bank has a set of risk policies that define the principles and processes for managing each type of risk. These policies are reviewed annually to ensure their relevance and effective implementation across various departments.

Risk Monitoring: Continuous monitoring and evaluation of risk exposure levels are prioritized across the Bank. Adequate monitoring mechanisms allow the Bank to enhance decision-making processes, improve risk mitigation strategies, protect its assets, and ensure that operations remain within safe and acceptable risk levels.



Risk Categories and Management Approach

Credit Risk

Credit Risk refers to the potential financial loss arising from a borrower's inability to meet financial obligations on time or due to bankruptcy. While banking inherently involves accepting risks associated with lending, Ahlibank manages these risks through a set of policies and procedures addressing different types of risks.

Credit Risk policies include corporate lending policies and individual lending policies, both derived from regulatory standards such as Qatar Central Bank directives, Basel II principles, and International Financial Reporting Standard No. 9 (IFRS 9). These policies outline lending procedures and risk acceptance consistent with the Bank's risk appetite.

Credit Risk policies also emphasize approval matrices and authorizations for approvals, with Ahlibank adopting a dual-signature concept requiring approvals from both the Business and Risk departments to approve lending proposals.

Ahlibank manages Credit Risk by diversifying lending activities to avoid concentration risks. Diversification is done at the industry level by setting the maximum lending ratio relative to the total portfolio and at the regional level by determining the maximum exposure limit for each country.

Ahlibank manages the credit quality of financial assets using a risk rating system that was developed by an independent specialized company. The system classifies risks for each credit group through a set of

financial rules and credit opinions in order to assess the risks associated with the credit group. Ahlibank follows a borrowing risk classification mechanism to classify relationships across the credit portfolio through a credit rating system consisting of ten grades, where ratings from 1 to 7 are linked to regular facilities, while ratings from 8 to 10 indicate irregularity.

For regular exposure, the borrower's risk rating from 1 to 4 represents an investment-grade rating, while a risk rating of 5 to 6 indicates a sub-investment grade. A risk rating of 7 is classified as a watchlist, whereas borrower risk ratings of 8, 9, and 10 represent substandard exposure, doubtful collectability, and losses, respectively.

Bank lending follows a high-level analysis and best practices to determine the borrower's creditworthiness and assess their ability to repay the debt on time. Additionally, the Bank obtains collateral as a risk mitigation measure. The collateral is regularly evaluated to ensure continued monitoring of value deterioration risks.

Key types of collateral obtained include:

- Mortgages on real estate
- Charges on movable assets
- Pledge of securities and cash

Market Risk

Market Risk is defined as the potential loss resulting from changes in the value of the Bank's portfolios due to fluctuations in interest rates, foreign exchange rates, stock prices, and commodity prices.

The Bank's Market Risk management strategy aims to maximize the economic return on assets, taking into account the Bank's risk tolerance and applying local regulatory constraints.

The Bank manages Market Risk within the regulatory framework set by Qatar Central Bank. The Assets and Liabilities Committee (ALCO) provides the necessary guidance for liquidity management in the Bank in general and for managing interest rate risks in the Bank's balance sheet within the general standards set by the Board of Directors/Compliance and Risk Committee of the Board of Directors.

The Market Risk Management unit operates as part of the Bank's Risk Management Department, in line with the Governance structure approved by the Bank's Board of Directors.

Liquidity, interest rate gaps, and foreign exchange rate volatility are managed within the limits set by the Board of Directors. All risk exposure levels are monitored and reported regularly to Management.

The Bank follows the Standard Measurement Method (SMM) to calculate capital requirements for market risks. The Market Risk Management Unit is responsible for identifying, assessing, monitoring, and reporting the market risks associated with the Bank's treasury functions.

Liquidity Risk

This refers to the process of managing liquidity risks at the Bank, which is carried out and monitored by an independent team in the Risk Management Department in collaboration with the Treasury Department. It includes:

- Maintaining a portfolio of liquid, easily tradable assets as protection against any unexpected disruption in cash flow.
- Monitoring expected cash flows to ensure the ability to meet requirements. This includes renewing funds when due or funding them from customers.

- Monitoring liquidity ratios for the financial position against internal and regulatory requirements.
- Managing the concentration and characterization of the Bank's investment portfolio and its maturities.
- Monitoring critical liquidity ratios.

Interest Rate Risk

Interest Rate Risk arises from the potential impact of changes in interest rates on future profitability or the fair value of financial instruments. The Bank is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets, liabilities, and off-balance sheet instruments that mature or are repriced within a given period. The Bank manages these risks through risk management strategies. The effective interest rate (effective yield) of a financial instrument refers to the rate that, when used in calculating the present value, results in the carrying amount of the instrument, where the "rate" is the historical rate for a fixed-rate instrument carried at amortized cost and the current rate for a floating rate instrument or instrument carried at fair value.

Equity Price Risk

Equity Price Risk refers to the potential impact of changes in stock index levels or individual stock values on the fair value of equity investments. Non-trading equity price risk arises from the Bank's investment portfolio.

Currency Risk

Currency Risk refers to the potential impact of foreign exchange rate changes on the value of financial instruments. The Bank has established various limits on the Net Open Currency Position (NOCP) and manages it within the limits set by the Board of Directors.

Fraud Risk

Due to the nature of their operations and business environment, banks are constantly exposed to fraud risks. If fraud is not managed effectively, it can result in significant financial losses, as well as legal and regulatory scrutiny, penalties, and negative impacts on the Bank's reputation.

The Board of Directors recognizes the importance of protecting the Bank, its employees, and assets from fraud risks. Ahlibank places significant emphasis on a strong internal control environment to mitigate fraud risks. In addition to that, the Anti-Fraud Unit (AFU), within the governance of the Risk Management function, supports the Bank's Management in fostering a work environment that encourages vigilance and investigation into fraud-related incidents and enhances internal controls to prevent and detect fraud.

The Board of Directors has approved the Bank's anti-fraud policy, which emphasizes a "zero-tolerance" approach to fraud and, through the Bank's Code of Ethics and Business Conduct, underscores the importance of consistent ethical behavior and business practices.

Fraud trends evolve due to various factors such as technological advancements, developments in legal/ regulatory frameworks, increasing customer demands, business growth, etc. It is therefore essential that fraud management strategies remain dynamic. The AFU employs fraud prevention, fraud detection, and fraud investigation strategies together to mitigate potential fraud risks.

Fraud Prevention - Fraud prevention strategies aim to reduce the likelihood of fraud occurring. Business units implement well-defined documented policies and procedures with embedded anti-fraud controls that cover potential and anticipated risks in addition to obtaining review and feedback from the Anti-Fraud Unit before launching new products and procedures. Moreover, the Bank uses available communication means to spread awareness among customers and employees about fraud trends and the most prominent methods used for prevention.

Fraud Detection - Fraud detection strategies assist in detecting fraud as it occurs or identifying when it has occurred. These strategies are designed in accordance with evolving fraud trends and regulatory requirements. The Bank has secure reporting mechanisms through which Bank employees, customers, and other stakeholders can report suspicions and fraud incidents. A combination of manual and automated transaction monitoring and verification is used to identify suspicious fraudulent activity in customer accounts.

Fraud Investigation and Reporting - Any suspected or actual fraud incident identified by or referred to the AFU is thoroughly investigated, and corrective actions are taken in coordination with Business and Support functions. Upon completion of investigations, investigation reports are issued to relevant parties. These reports highlight the facts of the case, conclusions, and recommendations to mitigate the occurrence of similar incidents in the future. Investigations are recorded in an internal database while ensuring compliance with local reporting requirements to regulatory and competent authorities in the country.

Information Security

In light of the current digital landscape, Ahlibank recognizes that robust cybersecurity is essential to protect the data of customers, stakeholders, and partners. The Bank is committed to fostering a secure banking environment through a multifaceted approach that encompasses the following fundamental principles:

Information Security Governance and Related Strategy

A dedicated information security team is responsible for developing and overseeing the implementation of Ahlibank's security strategy. This ensures that information security is integrated into the Bank's overall business objectives and decision-making processes. This structure also guarantees the alignment of information security strategies with broader business goals by fostering a security culture across all Bank departments.

Information security policies are regularly reviewed and updated to meet the evolving requirements and threats as per the directives of Qatar Central Bank. Key policies include:

- Data protection
- Access control
- Network and infrastructure security
- Security monitoring and threat analysis
- Third-party management

Information Security Risk Assessment

Within the risk management framework, Ahlibank employs a comprehensive information security framework to identify, assess, and mitigate cybersecurity risks. Regular audits and assessments contribute to staying informed of any potential vulnerabilities.

The existing methodology includes:

- Asset identification
- Threat discovery
- Vulnerability assessment
- Risk analysis
- Risk mitigation
- Continuous monitoring and review
- Documentation and reporting

Continuous Improvement

Ahlibank's Risk Management Department is committed to continuously enhancing information security measures to keep pace with rapidly evolving cyber threats. The Bank regularly updates its protocols in response to the latest international best practices and local regulatory requirements. Furthermore, the Bank deploys advanced security tools, the latest versions of protection programs, and breach detection and prevention systems to help monitor and respond to threats in real-time.

Training and Awareness

The Risk Management Department is committed to providing regular training and awareness programs to equip Bank employees with the knowledge and skills necessary to identify and effectively respond to cyber threats. Awareness campaigns aim to increase employees' awareness of phishing and fraud prevention, leading to a significant increase in reporting of phishing attempts.

Cooperation and Partnership

Ahlibank holds ISO 27001 certification and maintains active cooperation with its peers in the banking sector, Qatar Central Bank, and other local regulatory authorities to share information and best practices to ensure compliance with national and international security standards such as ISO 27001, NIST, and PCI-DSS.

Ahlibank remains committed to maintaining strict cybersecurity measures to ensure the trust of customers and stakeholders as the digital world becomes increasingly complex.

Operational Risk

The Operational Risk Department is overseen by the Operational Risk Committee, which is in turn supervised by the Board Risk and Compliance Committee (BRCC), where all risks are analyzed, monitored, followed up and reported on an ongoing basis.

We are committed to using a structured operational risk management framework that includes self-assessments of operational risks by concerned departments (ORSA), key risk indicators (KRIs), new product assessment process (NPAP), reporting of loss events, and a database to enhance controls.

Incident Database Management:

A mechanism for immediate reporting of operational risk incidents has been established. A comprehensive analysis of root causes is conducted to identify the underlying factors that led to the incidents, which helps in taking corrective actions. Additionally, the Basel classification has been adopted within the Incident Database Management.

Operational Risk Self-Assessment (ORSA):

Each business unit is required to conduct a regular Operational Risk Self-Assessment to identify and assess risks in its operations. The results are used to enhance controls and manage potential weaknesses.

Key Risk Indicators (KRIs):

KRIs are used to monitor exposure levels and identify emerging threats in real-time. These indicators are reviewed by the Operational Risk Committee and reported to the Board Risk and Compliance Committee.

New Product Assessment Process (NPAP):

Every new product is assessed to proactively identify risks or major changes to existing services or those related to new lines of business or new markets.

Operational Resilience and Business Continuity

Business Continuity and Operational Resilience are fundamental elements of the Risk Management framework at Ahlibank. We are committed to ensuring the effective continuation of critical operations in the face of disasters to protect the interests of our customers, stakeholders, and the financial system. Business continuity and disaster recovery plans are regularly reviewed to maintain the Bank's resilience.

The Emergency Response Committee, overseen by the Board Risk and Compliance Committee, is responsible for reviewing and approving the Bank's business continuity strategy. This strategy is designed to withstand a wide range of potential disasters, including system failures, cyberattacks, natural disasters, and pandemics. The focus in Business Continuity Management is on operational resilience, emergency planning, continuous stress testing, and periodic reviews of business continuity and disaster recovery plans to ensure the uninterrupted delivery of critical services.

Risk Culture and Training

We strive to foster a strong risk culture throughout all departments of the Bank. Employees at all levels are encouraged to take responsibility for risks within their areas of work. Additionally, risk awareness is reinforced through ongoing training programs that cover risk identification, reporting, and mitigation practices. Senior management leads by example and promotes an open and transparent approach to Risk Management. The Risk Management team consists of highly trained specialists with extensive experience in their respective fields.

Compliance Department

The Compliance Function

The Compliance function is a key element of the Corporate Governance structure and plays a vital role in fulfilling Ahlibank's responsibility to inform employees of business units about Compliance policies and procedures, and to raise their awareness of Compliance requirements. It also aims to meet regulatory requirements regarding adherence to applicable laws, rules, and standards, and ensures that corrective actions for any deviations are taken as soon as possible. The Compliance function aims to maintain the Bank's reputation and integrity by ensuring that members of the Bank's Board of Directors, Executive

Management, employees, customers, and other parties dealing with the Bank comply with the applicable laws, regulations, rules, and standards, which include anti-money laundering, combating the financing of terrorism, business continuity, and avoiding or mitigating conflicts of interest. The Compliance function is independent and reports directly to the Board Risk and Compliance Committee. In addition, it communicates with the CEO and Executive Management regarding risks of non-compliance with applicable laws and standards in order to take corrective actions, as the Compliance function prepares periodic reports on these risks and the corrective actions taken to the Risk and Compliance Committee.

Compliance Risks - Definition and Measurement Tools

The Compliance function relies on effective methods to identify and measure Compliance risks that threaten the Bank's ability to achieve its objectives. Given the close relationship between compliance risks and operational risks, the Compliance function works in continuous coordination with Operational Risk Management, in particular, to identify risks and put controls in place to mitigate them.

Resources

The Compliance function in the Bank has the resources necessary to carry out its responsibilities effectively. Employees of the Compliance function possess the qualifications, experience, and professional and personal qualities necessary to enable them to perform their assigned duties, in addition to a sound understanding of compliance laws, rules, and standards and their practical impact on the Bank's operations. The professional skills of Compliance function employees are maintained, particularly in terms of keeping pace with developments in compliance laws, rules, and standards, through regular and systematic training and education.

Relationship with Internal Audit

The Compliance function is separate from the Internal Audit function to ensure that the activities of the Compliance function are subject to independent review by Internal Audit. Internal Audit also provides the Compliance management with observations related to violations of regulations or irregularities to be taken into consideration when measuring the risks faced by the Bank.

Relationship with Regulatory Authorities and External Auditors

The Compliance function, in cooperation with other members of the Executive Management, is responsible for managing the Bank's relationships with regulatory authorities. This is achieved through:

a. Cooperation, coordination, and interaction with regulatory authorities and external auditors, and providing and exchanging information. It also follows up on corrective actions taken regarding any violations or irregularities identified within the Bank with the concerned departments.

b. Facilitating reviews/inquiries by Qatar Central Bank and other parties by coordinating with the concerned departments within the Bank.

c. Identifying any material matters that should be reported to regulatory authorities and other supervisory bodies (for example, any suspicions of money laundering or terrorist financing), ensuring that these matters are reported and providing any assistance or data to the relevant authorities and regulatory bodies.

Responsibilities of the Board of Directors towards the Compliance Function

The Compliance function starts at the top, to support a general compliance culture in the Bank that emphasizes commitment to the standards of honesty and integrity, where the Board of Directors and Executive Management are role models for Bank employees. The Bank should adopt high standards when conducting business and always strive to maintain professional conduct.

The Board of Directors has delegated these responsibilities to the Risk and Compliance Committee, where special attention has been paid to the Compliance function by defining its duties, organizational structure, and relationship with other departments and functions in a way that enables it to perform its assigned duties independently and effectively. The Board of Directors has provided this function with the necessary resources and systems to carry out its work and report directly to the Board of Directors through the Risk and Compliance Committee and Executive Management. The required authorities have also been granted to access information through a clear policy that is reviewed annually.

Responsibilities of Executive Management towards the Compliance Function

The most important responsibilities of Executive Management are:

a. Taking the necessary measures to comply with the instructions of regulatory authorities and adhering to the compliance policy adopted by the Board of Directors.

b. Cooperating transparently with Compliance management and putting in place effective procedures and controls to ensure compliance with regulatory instructions and laws.

c. Ensuring that adequate corrective actions are taken for any violations discovered by Compliance management.

d. Obtaining recommendations and guidance issued by Compliance management and involving them in projects related to any products expected to be launched or reviewed.

e. Increasing employee awareness and culture regarding compliance.

f. Ensuring the implementation of appropriate disciplinary and corrective actions in cases of non-compliance and directly reporting to the Compliance department, especially in cases that may expose the Bank to financial losses or reputational risks.

g. Establishing a permanent and effective Compliance management in the Bank as part of its compliance policy, whose main task is to identify and assess non-compliance risks.

h. Not assigning the Compliance management any tasks that may cause a conflict of interest and affect the objectivity of the Compliance function.

i. Submitting policies, procedures, and announcements related to the Bank's business and operations to Compliance management for review and approval.

Compliance Management Functions

1. Communications and Consultations

The Compliance Department provides support to Senior Management by:

a. Providing advice on new legislation or regulations and reflecting them in policies and procedures.

b. Responding to inquiries from various departments within the Bank.

c. Coordinating with the Training Department in Human Resources to provide annual training on anti-money laundering, combating the financing of terrorism, Know Your Customer procedures, and instructions issued by regulatory authorities and other related matters.

d. Coordinating with relevant departments on important matters that require sharing information with regulatory authorities.

2. Key Responsibilities

a. Monitoring Responsibility:

The Compliance function works with business units to develop processes to identify and detect risks, as well as with Internal Audit, Risk, Finance, and Legal departments to identify high-risk activities and events to assist in designing appropriate internal controls to address those risks.

b. New Products and New Locations:

The Compliance function participates in the new product issuance process to identify any violations that may arise from the launch of new products and to assist in designing products where necessary. Risks related to non-compliance will also be reviewed and assessed in the event of establishing new businesses abroad to identify the specific legal and regulatory requirements of those regions, and to assist Executive Management in obtaining the necessary regulatory approvals before commencing operations.

c. Compliance Assessment Techniques and Tools:

The Compliance function provides each department in the Bank with a self-assessment document to provide the relevant actual controls for the related instructions that pertain to the work of these departments. Thus, compliance assessment is an essential part of providing evidence to support the results of the compliance monitoring program. The compliance assessment process is implemented through an automated system to avoid paperwork and ensure compliance with environmental, social, and governance (ESG) standards and alignment with the Bank's digital transformation strategies as well as with Qatar Central Bank.

d. Anti-Money Laundering and Combating the Financing of Terrorism:

Ahlibank adheres to the instructions and regulations on anti-money laundering and combating the financing of terrorism under Law No. 20/2019 on combating money laundering and terrorist financing, in addition to the guidelines of Qatar Central Bank in this regard. These requirements are also specified in the Bank's anti-money laundering and combating the financing of terrorism policy and procedures and are approved annually by the Board of Directors. This policy and procedures are also available to all employees on the Bank's internal network to ensure accessibility.

e. Conflict of Interest:

The Bank relies on four main methods to manage conflicts of interest:

i. Disclosure and reporting of any conflict of interest.

ii. Independence - adherence to internal policies to ensure the independence of supervisory departments in the Bank.

iii. Inclusion of disciplinary measures in the Human Resources policy to prevent actions that may create conflicts of interest.

iv. Implementation of internal control systems to prevent employees from engaging in conflicts of interest, as there is a clear separation of duties and lines of communication between departments to ensure that conflicts of interest do not arise.

f. Reporting Violations Through the Whistleblowing Policy:

All employees are encouraged to report any genuine concerns about potential violations within the Bank, whether in matters related to financial reporting or other improper practices. A whistleblowing policy is available on the Bank's internal network, and confidential reporting channels have been established to ensure that employees can report without fear of retaliation and to ensure transparency.

g. Compliance Awareness and Training:

In line with best practices and recommendations of the Basel Committee, the Compliance function promotes awareness among employees and provides them with training as a daily practice (through meetings, discussions, written advice, and participation in the training provided by the Human Resources Department for new employees), or in coordination with the Human Resources Department or specialized training centers regarding important topics such as anti-money laundering and combating the financing of terrorism, which significantly contributes to enhancing the compliance culture within the Bank and mitigating compliance risks as well.

Internal Audit Department

A. The Internal Audit Department plays a critical role in enhancing the Bank's control environment and ensuring the effectiveness of its operations through independent and objective assessments, as well as providing value-added consulting. Internal Audit contributes to helping the Bank achieve its strategic objectives by following a structured and disciplined approach to evaluating the effectiveness of risk management, the adequacy of controls, and the soundness of governance practices.

B. Internal Audit represents the Bank's third line of defense. Its authority is derived from a charter approved by the Bank's Audit Committee. Functionally, it reports to the Audit Committee, enhancing its independence, and administratively, it reports to the Chief Executive Officer to ensure operational flexibility and alignment with the Bank's strategic direction.

C. Internal Audit activities are based on a comprehensive framework that combines the instructions of Qatar Central Bank and Qatar Financial Markets Authority with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). This provides a strong foundation to ensure the Bank's adherence to international and local best practices in internal auditing.

D. The Internal Audit Department continually invests in developing its methodologies by integrating the latest technologies into audit processes, including information technology and information security. This ensures that the department keeps pace with technological advancements and mitigates associated risks. The department has received the highest quality assessment for its Internal Audit function from the Institute of Internal Auditors, reflecting its commitment to developing and improving performance and efficiency in audit areas and adhering to best practices and international standards for the professional practice of internal auditing, issued by the International Institute of Internal Auditors.

E. Continuous learning and professional development are integral to the Internal Audit culture at AhliBank. The department is committed to providing a supportive learning environment to enhance the skills, knowledge, and competencies of internal audit team members. This positively impacts the quality and efficiency of audit processes and enhances the value of the outputs provided to Senior Management and the Board of Directors.

6.13 Management Committees

The Bank has a number of internal committees which manage the day-to-day operations and activities of the Bank. Amongst the Bank's Management Committees are:

Asset-Liability Committee

The Committee regularly holds its meetings over the year. It shall be responsible for managing the assets and liabilities of the Bank and complying with and following up on the approved liquidity policy.

Special Assets Committee

A. Responsible for special assets, being assets of the Bank, which require monitoring and control to prevent the loss and ensure recovery, restructuring, collection, and the declaration of commencement of the legal actions.

B. Responsible for ensuring that recovery actions are taken with respect to all special assets and that the applicable regulatory requirements for provisioning on special assets are implemented in accordance with regulatory requirements and internal policies.

Credit Committee

A. The Committee holds monthly meetings to review the Corporate Banking, Retail Banking, and Private Banking exposures and discuss the Corporate Banking pipeline. Approvals on facilities take place by circulation, while any exceptions or elevations are discussed during the Committee meetings.

B. The Committee exerts all possible efforts to ensure the quality of the Bank's assets and mitigate the risks inherited in the lending business.

Investment Committee

The Committee regularly holds its meetings over the year. It is responsible for reviewing the Bank's investment strategy to maximize the assets' return while maintaining the boundaries within the regulatory requirements.

Operations Risk Committee

The Committee holds quarterly meetings to review the Operational Risk incidents and the required action plan to rectify them. The Committee is also responsible for the Disaster Recovery Plan and follow-up for the required procedures to keep it ready for any unanticipated risks.

6.14 Related Party Transactions

During the year 2024, and in accordance with the instructions of Qatar Central Bank, all transactions related to the Board members and the facilities granted to them and their families, relatives, and subsidiaries, were presented during each Board meeting after ensuring that such transactions have been conducted in accordance with the permitted limits set by Qatar Central Bank, and after obtaining the necessary approvals. Related party transactions have been stated within the consolidated financial statement in the year ended 31/12/2024.

As of 31 December 2024, no major party-related transactions were documented in the Bank's records that may require shareholder approval.

The Bank has a Related Party Transactions Policy, which governs related party transactions and the related procedures and establishes a related party transactions register.

Under the Related Party Transactions Policy, the Bank's Risk Department shall hold a special register of all Related Party Transactions within the Bank, including details of all Related Party Transactions.

The Register of Related Party Transactions shall be made available for inspection by the Bank's shareholders and authorized persons, with updates made periodically to reflect the factual situation of the Related Party Transactions.

The Risk Management Department shall be obliged to frequently update the Register to reflect the names and details of the Related Parties and Related Party Transaction at all times.

6.15 Shareholders' Rights

The shareholder shall have the right to examine the Register of Shareholders in the Bank (received from Edaa) during the official working hours of the Bank, free of any charge. The shareholder is also entitled to obtain a copy of the Bank's Articles of Association available on the website, along with a large number of the Bank's policies and official documents.

Chapter Five of the Bank's Articles of Association describes the shareholders' rights regarding the General Assembly of the Bank, the fair treatment of the shareholders, and the exercise of voting rights. Chapter Seven includes the rights of shareholders related to dividend distribution. The Board proposes dividends distributed to shareholders in the General Assembly meeting and discusses and approves this distribution by the shareholders.

Further, the Bank's Articles of Association was amended to protect the right of shareholders and to ensure that they are equal and shall have all the rights in relation to their shareholding in accordance with the provisions of the law and the relevant resolutions and regulations. This is reflected expressly in Article 8 of the Bank's Articles of Association. Further, Article 31 of the Bank's Articles of Association states that the Board represents all the shareholders and shall protect their rights. Moreover, Article 53 gave every shareholder the right to attend the General Assembly and approve or object to matters presented for voting.

Accordingly, the shareholders enjoy all the rights granted to them under the relevant laws and regulations, including Governance Regulations.

6.16 Corporate Social Responsibility

At the heart of the community

Ahlibank is a key component of Qatari society and is committed to social responsibility towards this community. Pursuant to this approach, the Bank has been active in contributing to the well-being and welfare of society and people in preserving natural resources and the environment.

At Ahlibank, we believe that being a responsible corporate citizen is essential to our business. That's why we have implemented a range of CSR programs and initiatives that aim to positively impact our employees, customers, shareholders, and community.

During 2024, the Bank continued its mission to support key areas contributing to raising public awareness while offering personal and financial support.

True to its commitment to sustainability, Ahlibank has been keen on delivering the best initiatives as it holds environmental, social, and governance compliance at the heart of its strategy. To this end, it has introduced a roadmap for ESG initiatives that will consolidate its commitment to sustainable development in the coming years.

In reaffirmation of its commitment to corporate social responsibility, Ahlibank partnered with Qatar Society for Rehabilitation of Special Needs in a successful Eid clothing distribution event for the society's members. This event aligns with society's ongoing efforts to assist and empower individuals and communities in need, regardless of their location or origin.

In recognition of its commitment to sustainability, Ahlibank was awarded the Sustainability Excellence Award for its effective efforts in achieving sustainability in Qatar during the distinguished ceremony held to launch the book "Environmental Sustainability in the State of Qatar."

The Bank also participated as a platinum sponsor of the 2024 Arab Banking Conference, titled "Sustainable Development Requirements and the Role of Banks," reflecting our ongoing commitment to sustainability and creating a better future.

Ahlibank conducted an awareness campaign for its employees titled "Breast Cancer Awareness Month" as part of its efforts to raise awareness about the disease, its causes, prevention, diagnosis, and treatment.

The Bank once again organized a blood donation campaign in partnership with Hamad Medical Corporation, aiming to support the Blood Bank in Qatar and raise awareness about the importance of blood donation.

In appreciation of our employees' efforts until December 31, 2024, the Bank honored 57 employees in recognition of their years of service. A special ceremony was held to honor long-serving employees for their dedication and personal contributions to the success of Ahlibank.

Recognizing our national responsibility to preserve Qatar's cultural heritage and traditions, Ahlibank celebrated Qatar National Day 2024 with the attendance of the Executive Management, Bank employees, and many valued customers. This celebration contributes to the continuity and preservation of Qatar's passion for celebrating its historical heritage. Preserving these customs and traditions is one of the most important goals of Ahlibank's corporate social responsibility.

In reaffirmation of its role in corporate social responsibility, the Bank allocated 2.5% of its net profit for the fiscal year ending December 31, 2024, amounting to QAR 22,291,000 to support sports activities. In addition, the Bank provides ongoing financial support for sports, social, and humanitarian activities.

6.17 Environmental, Social and Governance (ESG)

Overview

Affirming its commitment to environmental responsibility, Ahlibank appointed an external consultant to develop the Environmental, Social, and Governance (ESG) strategy and a roadmap for its implementation and commitment in the medium term. The Bank continues to adopt measures aimed at improving the efficiency of its natural resources use and reducing its environmental footprint. Since 2019, the Bank has achieved a 100% rating according to the criteria set by Qatar Stock Exchange, reflecting the Bank's ongoing efforts to implement innovative and sustainable environmental practices that contribute to Qatar National Vision 2030 and the United Nations Sustainable Development Goals.

Ahlibank's Environmental Performance (2017-2023)

Environmental Performance Indicators:

	2023	2022	2021	2020	2019	2018	2017
Environment							
Does the company publish and follow an environmental policy? Yes/No	Yes	Yes	No	No	No	No	No
Energy used (GJ/employee)	41.92	41.51	30.91	50.92	45.04	41.53	0
Specify the primary source of energy used by the company	Electricity	Electricity	Electricity	Electricity	Electricity	Electricity	Electricity
Total amount of energy used (GJ)	15930.10	15860.09	11839.04	21081.03	19164.647	17727.108	0
Total greenhouse gas emissions (tons)	1,914	1,906	1,423	4,575	4,159	3,847	0
Total waste produced (kg)	95533.075	94344.5	111405	48336	70034	75012	0
Total water use (m3)	16519.77	6971.62	8361	17789.38	15845.93	14359.78	0

Bank Initiatives to Achieve Sustainability:

1. Implementing Environmental Governance Standards:

- Applying the highest standards of transparency and accountability in all operations.
- Issuing periodic reports according to GRI standards and global environmental disclosure standards.

2. Increasing Green Spaces:

- Expanding the planting of sustainable vegetation in areas surrounding buildings and facilities.
- Reducing water consumption through modern and smart irrigation systems.

3. Improving Energy Consumption:

- Upgrading air conditioning systems to adjust temperatures according to global ASHRAE standards and continuously monitoring their performance.
- Investing in energy-efficient lighting and using modern technologies to reduce waste.

4. Collaborating with Partners:

- Strengthening partnerships with environmental organizations to implement innovative solutions for energy and water management.
- Supporting innovation in the fields of circular economy and clean energy.

5. Environmental Awareness:

- Organizing awareness programs for employees and customers on waste management and source separation.
- Encouraging sustainable practices within Bank premises to ensure everyone adheres to environmental standards.

Ahlibank continues its pursuit of sustainability excellence through:

- Increasing reliance on renewable energy and reducing the consumption of natural resources.
- Continuously expanding green spaces to improve indoor and outdoor environmental quality.
- Promoting innovation in energy, water, and waste management.
- Achieving the goals of Qatar National Vision 2030 and supporting the United Nations Sustainable Development Goals.

The Bank will also continue to implement its future vision in accordance with the defined strategy and roadmap. It will work on developing its operational mechanisms, systems, and products to align with the established strategy.

The Bank is continuously working to implement its strategy, which adheres to the guidelines and instructions issued by Qatar Central Bank and other regulatory authorities regarding sustainability and environmental and social governance.

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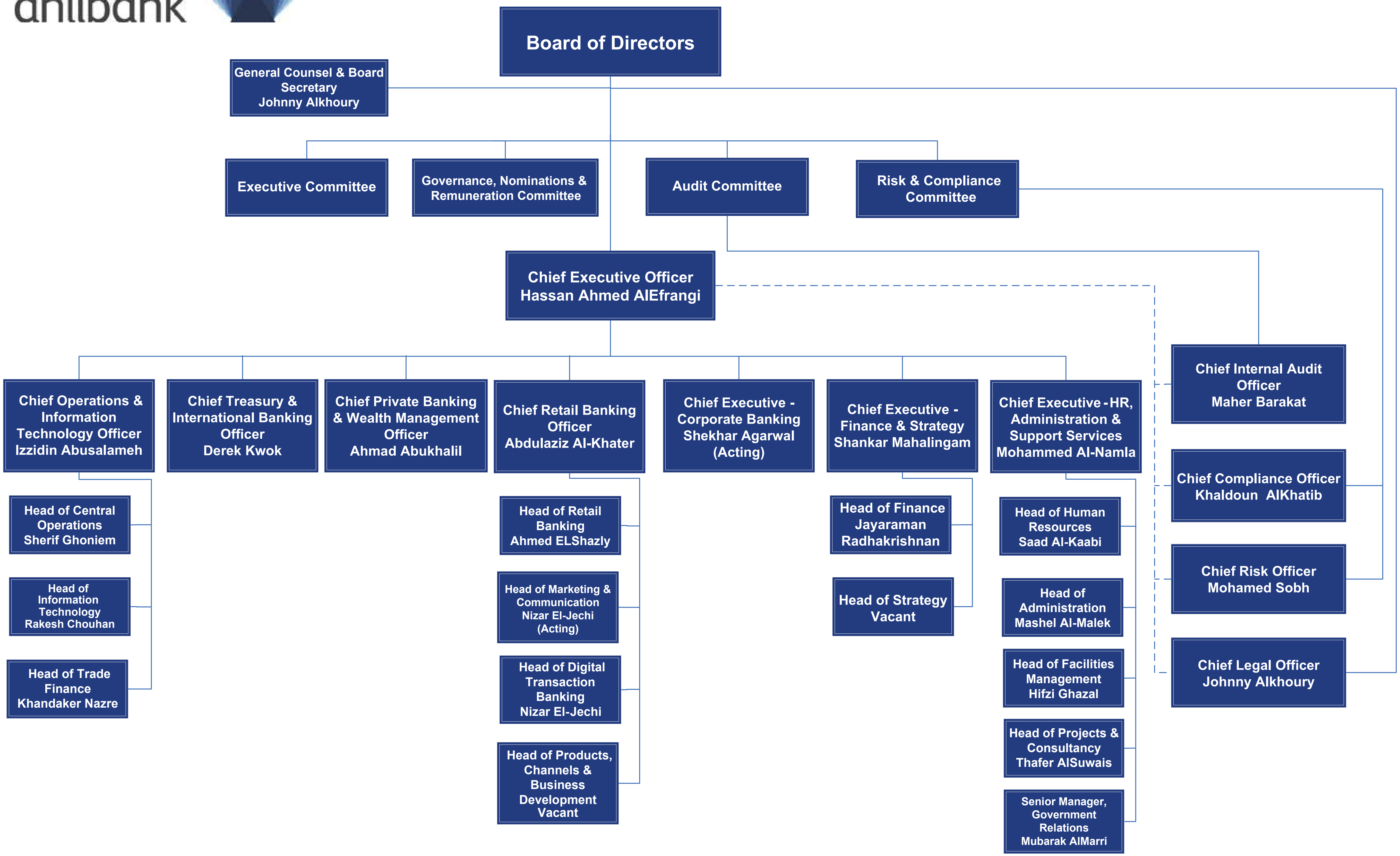
6.18 Ahli Bank Organizational Structure



07 CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2024

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AHLI BANK Q.P.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Ahli Bank Q.P.S.C. (the "Bank"), and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in *the Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	*How our audit addressed the key audit matter*
Impairment of loans and advances to customers	
At 31 December 2024, the Group reported total gross loans and advances of QR 37,804,309 thousands (2023: QR 36,429,104 thousands) and QR 2,616,443 thousands of expected credit loss provisions (ECL) (2023: QR 2,134,857 thousands), comprising QR 1,761,748 thousands of ECL against Stage 1 and 2 exposures (2023: QR 1,347,827 thousands) and QR 854,695 thousands against exposures classified under Stage 3 (2023: QR 787,030 thousands). Due to the inherently judgmental nature of the computation of expected credit losses ("ECL") for loans and advances, there is a risk that the amount of ECL may be misstated. The key areas of judgement include: 1. The identification of exposure with a significant deterioration in credit quality; 2. Assumptions used in the ECL model such as financial condition of counterparty, expected future cash flows, forward looking macroeconomic variables etc; and 3. The need to apply additional overlays to reflect current or future external factors that might not be captured by the expected credit loss model. Determining the adequacy of impairment allowance on loans and advances to customers is a key area of judgement for the management. Notes 10 & 4 (b) (vi) to the consolidated financial statements provide details relating to the impairment of loans and advances. Due to the significance of loans and advances to customers, subjectivity in identifying impairment indicators and estimation uncertainty in measuring impairment allowances, this is considered a key audit matter.	Our audit procedures included, among others, the following: ● Read the Group's impairment policy and assessed compliance with the requirements of IFRS 9. ● In addressing this key area, we have assessed and tested relevant controls over credit initiation, monitoring and settlement, and those relating to the calculation of impairment allowances. ● Involved our internal specialist to assess the reasonableness of the ECL methodology including model risk parameters and challenged the significant assumptions / judgements relating to credit risk grading, significant increase in credit risk, definition of default, probability of default, macro-economic variables, and recovery rates including any impact of the economic uncertainties. ● Assesed the completeness of the data used as input for the ECL model and the mathematical accuracy through the modelling processes. ● For probability of default ("PD") used in the ECL calculation: ▸ Evaluated the through-the-cycle ("TTC") PDs by selecting a sample of exposures and comparing against supporting evidence and IFRS 9 methodology. ▸ Selected a sample of exposures and tested the conversion of TTC PDs to point in time ("PIT") PDs. ● Tested the calculation of the Loss Given Default ("LGD") used by the Group in the ECL calculations. ● Assessed the modelled calculation by re-performing ECL calculations on a sample basis. ● Assessed the impairment allowance for individually impaired loans and advances (Stage 3) in accordance with IFRS. ● Assessed the disclosures included in the consolidated financial statements and assessed their compliance with the requirements of IFRS.

Other information included in the Group's 2024 annual report

Other information consists of the information included in the Group's Annual Report (the "Annual Report'), other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of management and the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on legal and other regulatory requirements

We have obtained all the information and explanations, which we considered necessary for the purpose of our audit. We confirm that we are not aware of any contraventions by the Bank of its Articles of Association or of the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No.8 of 2021, during the financial year that would have had a material adverse effect on its financial position or performance.

Ziad Nader
of Ernst & Young
Qatar Auditor's Register Number: 258
Date: 5 February 2025
State of Qatar

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 QR'000	2023 QR'000
ASSETS			
Cash and balances with central bank	8	**2,179,749**	1,855,428
Due from banks	9	**11,730,677**	14,760,032
Loans and advances to customers	10	**35,663,319**	34,753,943
Investment securities	11	**9,444,936**	8,381,744
Property and equipment	12	**333,483**	222,997
Other assets	13	**238,858**	490,025
TOTAL ASSETS		**59,591,022**	60,464,169
LIABILITIES			
Due to banks and central bank	14	**12,829,154**	15,001,235
Customer deposits	15	**32,153,643**	29,644,983
Debt securities	16 (a)	**3,661,583**	5,489,434
Other borrowings	16 (b)	**1,460,814**	1,461,745
Other liabilities	17	**1,032,568**	621,992
TOTAL LIABILITIES		**51,137,762**	52,219,389
EQUITY			
Share capital	18 (a)	**2,551,146**	2,551,146
Legal reserve	18 (b)	**2,113,192**	2,024,030
Risk reserve	18 (c)	**757,471**	753,108
Fair value reserve	18 (d)	**(16,680)**	(37,294)
Retained earnings		**1,956,131**	1,861,790
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK		**7,361,260**	7,152,780
Instruments eligible for additional capital	19	**1,092,000**	1,092,000
TOTAL EQUITY		**8,453,260**	8,244,780
TOTAL LIABILITIES AND EQUITY		**59,591,022**	60,464,169

These consolidated financial statements were approved by the Board of Directors on 19 January 2025 and were signed on its behalf by:

Sh. Faisal Bin Abdul-Aziz Bin Jassem Al Thani
Chairman

Hassan Ahmed Alefrangi
Chief Executive Officer

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2024

	Notes	2024 QR'000	2023 QR'000
Interest income	20	**3,536,797**	3,210,394
Interest expense	21	**(1,892,715)**	(1,809,463)
NET INTEREST INCOME		**1,644,082**	1,400,931
Fee and commission income	22	**140,488**	152,555
Fee and commission expense		**(5,352)**	(5,224)
NET FEE AND COMMISSION INCOME		**135,136**	147,331
Foreign exchange gain - net	23	**48,136**	33,542
Net gain on investment securities	24	**9,833**	4,047
Other operating income	25	**2,856**	3,139
TOTAL OPERATING INCOME		**1,840,043**	1,588,990
Staff costs	26	**(189,809)**	(185,764)
Depreciation	12	**(26,360)**	(26,892)
Net impairment on investment securities		**(9,805)**	(1,453)
Net impairment on loans and advances to customers		**(541,713)**	(360,076)
Net impairment on other financial assets		**(1,179)**	(4,302)
Impairment on repossessed collateral		**(9,000)**	(25,000)
Other expenses	27	**(170,553)**	(148,998)
		(948,419)	(752,485)
PROFIT FOR THE YEAR		**891,624**	836,505
Earnings per share (QR)	28	**0.332**	0.311

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	**2024 QR'000**	2023 QR'000
Profit for the year		**891,624**	836,505
Other comprehensive income for the year:			
Items that will be reclassified subsequently to income statement:			
Net change in fair value of debt instruments classified as FVOCI	18 (d)	**20,614**	8,239
Other comprehensive income for the year		**20,614**	8,239
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**912,238**	844,744

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Notes	Share capital QR'000	Legal reserve QR'000	Risk reserve QR'000	Fair value reserve QR'000	Retained earnings QR'000	Total equity attributable to equity holders of the Bank QR'000	Instruments eligible for additional capital QR'000	Total equity QR'000
Balance as at 1 January 2024		2,551,146	2,024,030	753,108	(37,294)	1,861,790	7,152,780	1,092,000	8,244,780
Total comprehensive income for the year:									
Profit for the year		-	-	-	-	891,624	891,624	-	891,624
Other comprehensive income		-	-	-	20,614	-	20,614	-	20,614
Total comprehensive income for the year		-	-	-	20,614	891,624	912,238	-	912,238
Transfer to legal reserve	18 (b)	-	89,162	-	-	(89,162)	-	-	-
Transfer to risk reserve	18 (c)	-	-	4,363	-	(4,363)	-	-	-
Transfer to social and sports fund	33	-	-	-	-	(22,291)	(22,291)	-	(22,291)
Contributions by and distributions to equity holders of the Bank:									
Dividends paid	18 (e)	-	-	-	-	(637,787)	(637,787)	-	(637,787)
Total contributions and distributions to equity holders of the Bank		-	-	-	-	(637,787)	(637,787)	-	(637,787)
Dividend paid for Tier 1 capital instruments		-	-	-	-	(43,680)	(43,680)	-	(43,680)
Balance at 31 December 2024		**2,551,146**	**2,113,192**	**757,471**	**(16,680)**	**1,956,131**	**7,361,260**	**1,092,000**	**8,453,260**

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2024

	Notes	Share capital QR'000	Legal reserve QR'000	Risk reserve QR'000	Fair value reserve QR'000	Retained earnings QR'000	Total equity attributable to equity holders of the Bank QR'000	Instruments eligible for additional capital QR'000	Total equity QR'000
Balance as at 1 January 2023		2,551,146	1,940,379	753,108	(45,533)	1,683,758	6,882,858	1,092,000	7,974,858
Total comprehensive income for the year:									
Profit for the year		-	-	-	-	836,505	836,505	-	836,505
Other comprehensive loss		-	-	-	8,239	-	8,239	-	8,239
Total comprehensive income for the year		-	-	-	8,239	836,505	844,744	-	844,744
Transfer to legal reserve	18 (b)	-	83,651	-	-	(83,651)	-	-	-
Transfer to social and sports fund	33	-	-	-	-	(20,913)	(20,913)	-	(20,913)
Contributions by and distributions to equity holders of the Bank:									
Dividends paid	18 (e)	-	-	-	-	(510,229)	(510,229)	-	(510,229)
Total contributions and distributions to equity holders of the Bank		-	-	-	-	(510,229)	(510,229)		(637,787)
-		(510,229)							
Dividend paid for Tier 1 capital instruments		-	-	-	-	(43,680)	(43,680)	-	(43,680)
Balance at 31 December 2023		2,551,146	2,024,030	753,108	(37,294)	1,861,790	7,152,780	1,092,000	8,244,780

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 QR'000	2023 QR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**891,624**	836,505
Adjustments for:			
Net impairment on loans and advances to customers		**541,713**	360,076
Net impairment on investment securities		**9,805**	1,453
Net impairment on other financial assets		**1,179**	4,302
Depreciation	12	**26,360**	26,892
Net loss/(gain) on disposal of property and equipment		**1,360**	(857)
Net loss on investment securities	24	**427**	3,243
Impairment on repossessed collateral		**9,000**	25,000
Profit before changes in operating assets and liabilities		**1,481,468**	1,256,614
Change in due from central bank		**(280,740)**	12,091
Change in due from banks		**(3,345,159)**	(6,175,250)
Change in loans and advances to customers		**(1,451,089)**	(1,081,786)
Change in other assets		**143,486**	(116,858)
Change in due to banks and central bank		**(2,172,080)**	11,012,919
Change in customer deposits		**2,508,660**	691,300
Change in other liabilities		**385,503**	(118,074)
Net cash used in/ from operating activities		**(2,729,951)**	5,480,956
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchase of investment securities		**(3,000,285)**	(903,278)
Proceeds from sale or maturity of investment securities		**1,947,475**	864,481
Purchase of property and equipment	12	**(39,525)**	(18,846)
Net cash used in investing activities		**(1,092,335)**	(57,643)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Net (repayments)/proceeds of other borrowings and debt securities		**(1,828,782)**	10,511
Dividends paid		**(637,787)**	(510,229)
Dividend paid for Tier 1 capital instruments		**(43,680)**	(43,680)
Net cash used in financing activities		**(2,510,249)**	(543,398)

The attached notes 1 to 34 form an integral part of these consolidated financial statements.

	Notes	2024 QR'000	2023 QR'000
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(6,332,535)**	4,879,915
Cash and cash equivalents as at 1 January		**8,866,106**	3,986,191
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	30	**2,533,571**	8,866,106
Operational cash flows from interest and dividend			
Interest received		**3,464,459**	2,913,655
Interest paid		**1,684,206**	1,531,996
Dividends received		**10,260**	7,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2024

1. REPORTING ENTITY

Ahli Bank Q.P.S.C. ("the Bank" or "the Parent") is an entity domiciled in the State of Qatar and was incorporated in 1983 as a public shareholding company under Emiri Decree no. 40 of 1983. The commercial registration of the Bank is 8989. The address of the Bank's registered office is Suhaim Bin Hamad Street, Al Sadd Area in Doha (P.O. Box 2309, Doha, State of Qatar). The consolidated financial statements of the Bank for the year ended 31 December 2024 comprise the Bank and its subsidiaries (together referred to as "the Group" and individually as "Group entities"). The Group is primarily involved in corporate and retail banking and brokerage activities and has 12 branches in State of Qatar.

The subsidiaries of the Bank are as follows:

Company's Name	Country of incorporation	Company's capital	Company's activities	Percentage of ownership 31 December 2024	Percentage of ownership 31 December 2023
Ahli Brokerage Company L.L.C.	Qatar	QR 50 million	Brokerage	100	100
ABQ Finance Limited	Cayman Islands	US $ 1	Debt issuance	100	100
ABQ Innovative L.L.C.	Qatar	QR 1 million	Consultancy services	100	-

2. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS accounting standards issued by the International Accounting Standards Board ("IASB").

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items on the consolidated statement of financial position, which are measured at fair value:

- Derivatives;
- Investments measured at fair value through profit or loss ('FVTPL');
- Financial investment measured at fair value through other comprehensive income ('FVOCI').

Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyals ("QR"), which is the Parent's functional currency. Except as otherwise indicated, financial information presented in QR has been rounded to the nearest thousand.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in note 5.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

(i) Subsidiary

The consolidated financial statements include the financial statements of Ahli Bank Q.P.S.C. and its subsidiaries. Subsidiary is an investee controlled by the Group. The financial statements of subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group 'controls' an investee if it is exposed to, or has right to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The accounting policies of subsidiaries are consistent with the accounting policies adopted by the Group.

(ii) Transactions eliminated on consolidation

Intra-group balances, and income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Foreign currency transactions and balances

Foreign currency transactions that are transactions denominated, or that require settlement in a foreign currency are translated into the respective functional currencies of the operations at the spot exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences resulting from the settlement of foreign currency transactions and arising on translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

On consolidation, the assets and liabilities in foreign operations are translated into reporting currency at the spot rate of exchange prevailing at the reporting date and their income statements are translated at spot exchange rates prevailing at the dates of the transactions.

(c) Financial assets and financial liabilities

(i) Recognition and initial measurement

The Group initially recognises loans and advances to customers, due from and due to banks, certificate of deposits and commercial papers, customer deposits, debt securities and other borrowings on the date at which they are originated. All other financial assets and liabilities are initially recognised on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

A debt financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and

- The frequency, volume, and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest ("the SPPI test"), the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers contingent events that would change the amount and timing of cash flows, prepayment and extension terms, terms that limit the Group's claim to cash flows from specified assets and features that modify consideration of the time value of money. Instruments failing SPPI will be measured at FVTPL.

Reclassification of financial assets and liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. The reclassification takes place from the start of the first reporting period following the change. The financial liabilities are never reclassified.

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in the consolidated income statement on derecognition of such securities.

A financial asset (in whole or in part) is derecognised where:

- the rights to receive cash flows from the asset have expired;

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of ownership or (b) when it has neither transferred or retained substantially all the risks and rewards and when it no longer has control over the financial asset, but has transferred control of the asset.

The Group enters into transactions whereby it transfers assets recognised but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(iv) Modification of financial assets and liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purpose, including for the purpose of determining whether a significant increase in credit risk has occurred.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset based on the revised cash flows of the financial assets and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the consolidated income statement. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Group derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the consolidated income statement.

(v) Offsetting

Financial assets and liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS accounting standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

(vi) Measurement principles

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment loss. The calculation of effective interest rate includes all fees paid or received that are an integral part of the effective interest rate.

The effective interest rate method

Under IFRS 9, interest income is recorded using the EIR method for all financial assets measured at amortised cost. Interest income on interest bearing financial assets measured at FVOCI under IFRS 9 is also recorded using the EIR method. Interest expense is also calculated using the EIR method for all financial liabilities held at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or liability or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of the EIR. The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, the EIR calculation also takes into account the effect of potentially different interest rates that may be charged at various stages of the financial asset's expected life, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price. An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 5 (b) (i).

(vii) Impairment

The Group recognises loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments; and
- Loan commitments and financial guarantee contracts.

No impairment loss is recognised on equity investments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on financial instruments that are possible within the 12 months after the reporting date.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank groups its loans into Stage 1, Stage 2, and Stage 3, as described below:

- Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12-month ECL. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the lifetime ECL. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit impaired. The Bank records an allowance for the lifetime ECL.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;

- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- Financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the consolidated financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

(d) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central bank and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value.

Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

(e) Loans and advances to customers

Loans and advances to customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Group does not intend to sell immediately or in the near term.

Loans and advances to customers are initially measured at the transaction price which is the fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method except for the financial assets which are classified to be measured at FVTPL, which are measured at fair value with changes recognised immediately in the consolidated income statement.

(f) Investment securities

The 'investment securities' includes:

- Debt investment securities measured at amortised cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- Debt and equity investment securities mandatorily measured at FVTPL or designated as at FVTPL; these are at fair value with changes recognised immediately in profit or loss;
- Debt securities measured at FVOCI; and the transaction cost added to the investment;
- Equity investment securities designated as at FVOCI, and the transaction cost added to the investment.

For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- Interest income using the effective interest method;
- Expected credit losses and reversals; and
- Foreign exchange gains and losses.

When a debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated income statement.

The Group elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition due to changes in the Group's own credit risk and the election is irrevocable. Gains and losses on such equity instruments are never subsequently reclassified to consolidated income statement, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in consolidated income statement, unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

(g) Derivatives

(i) Derivatives held for risk management purposes and hedge accounting

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices.

These include financial options, futures and forwards, interest rate swaps and currency swaps, which create rights and obligations that, have the effect of transferring between the parties of the instrument one or more of the financial risks inherent in an underlying primary financial instrument. On inception, a derivative financial instrument gives one party a contractual right to exchange financial assets or financial liabilities with another party under conditions that are potentially favourable, or a contractual obligation to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable. However, they generally do not result in a transfer of the underlying primary financial instrument on inception of the contract, nor does such a transfer necessarily take place on maturity of the contract. Some instruments embody both a right and an obligation to make an exchange. Because the terms of the exchange are determined on inception of the derivative instruments, as prices in financial markets change, those terms may become either favourable or unfavourable.

Fair value hedges

In relation to fair value hedges which meet the conditions for hedge accounting, any gain or loss from re-measuring the hedging instrument to fair value is recognized immediately in the consolidated income statement. The related aspect of the hedged item is adjusted against the carrying amount of the hedged item and recognized in the consolidated income statement.

As at 31 December 2024 and 2023, there was no fair value hedge.

Cash flow hedges

In relation to cash flow hedges which meet the conditions for hedge accounting, any gain or loss on the hedging instrument that is determined to be an effective hedge is recognized initially as cash flow hedge reserve in other comprehensive income. The gains or losses on cash flow hedges initially recognized in the consolidated statement of comprehensive income are transferred to the consolidated income statement in the period in which the hedged transaction impacts the consolidated income statement. Where the hedged transaction results in the recognition of an asset or a liability, the associated gains or losses that had initially been recognized in the consolidated statement of comprehensive income, are included in the initial measurement of the cost of the related asset or liability.

For hedges which do not qualify for hedge accounting, any gains or losses arising in the fair value of the hedging instrument are taken directly to the consolidated income statement for the period.

Hedge accounting is discontinued when the hedging instrument expires, is terminated, or exercised, or no longer qualifies for hedge accounting. For effective fair value hedges of financial instruments with fixed maturities, any adjustment arising from hedge accounting is amortised over the remaining term to maturity. For effective cash flow hedges, any cumulative gain or loss on the hedging instrument recognized as cash flow hedge reserve in other comprehensive income is held therein until the forecasted transaction occurs. If the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized as cash flow hedge reserve in other comprehensive income is transferred to the consolidated income statement.

As at 31 December 2024 and 2023, there was no cash flow hedge.

(ii) Derivatives held for trading purposes

The Group's derivative trading instruments includes forward exchange contracts and interest rate and foreign currency swaps. After initial recognition at transaction prices, being the best evidence of fair value upon initial recognition, derivatives are subsequently measured at fair value. Fair value represents quoted market price or internal pricing models as appropriate. The resulting gains or losses are included in the consolidated statement of income.

(h) Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and is recognised in other income / other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciable amount is the cost of property and equipment, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset and is based on cost of the asset less its estimated residual value. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Buildings	20 years
Leasehold improvements	5 years
Furniture and equipment	3 – 7 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted prospectively, if appropriate.

Right-of-use assets and lease liabilities

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term lease. The Group recognizes lease liability to make lease payments and right-of-use asset representing the right to use the underlying asset.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use assets includes the amount of leased liabilities recognised. The estimated useful life of the right of use asset is 2 to 8 years. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The carrying amounts of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. If any such indication exists and where the carrying amount exceed the estimated recoverable amount, the asset is written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(i) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses are recognised in profit or loss. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(k) Financial guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable.

(l) Employee termination benefits and pension funds

End of service gratuity plans (Defined benefits plan)

The Group provides for end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. The provision of employees' end of service benefits is included in the other provisions within other liabilities.

Pension and provident fund plan (Defined contribution plan)

Under Law No. 24 of 2002 on Retirement and Pension, the Group is required to make contributions to a Government fund scheme for Qatari employees calculated as a percentage of the Qatari employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

(m) Share capital and reserves

Incremental cost directly attributable to the issue of an equity instrument is deducted from the initial measurement of the equity instruments.

(n) Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders. Dividends for the year that are declared after the date of the consolidated statement of financial position are dealt with in a separate note.

(o) Interest income and expense

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

For the financial assets that have become credit-impaired (Stage 3) subsequent to initial recognition, interest income is calculated by applying the effective interest rate to their amortised cost (i.e., net of the expected credit loss provision). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

The calculation of the effective interest rate includes all transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest income and expense presented in the consolidated statement of comprehensive income include:

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis;

Interest income on investment (debt) securities measured at FVOCI and measured at amortised cost is calculated using effective interest rate method and is also included in interest income.

(p) Fees and commission income and expense

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Other fee and commission income, including account servicing fees, investment management fees, sales commission, placement fees and syndication fees, are recognised over time as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, the related loan commitment fees are recognised over time on a straight-line basis over the commitment period. In case of these services, the control is considered to be transferred over time as the customer is benefited from these services over the tenure of the service period. Other fee and commission expense relate mainly to transaction the services are received. When the Group provides a service to its customers, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

(q) Income from investment securities

Gains or losses on the disposal of investment securities are recognised in profit or loss as the difference between fair value of the consideration received and carrying amount of the investment securities.

Unrealised gains or losses on fair value changes from remeasurement of investment securities classified as held for trading or designated as fair value through profit or loss are recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in the consolidated income statement on derecognition of such securities but may be reclassified to another class of equity.

(r) Dividend income

Dividend income is recognised when the right to receive income is established.

(s) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group, further adjusted for the dividend appropriation for instruments eligible for additional Tier 1 capital by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief executive officer. The chief executive officer is the person that allocates resources to and assesses the performance of the operating segments of an entity. Income and expenses directly associated with each segment are included in determining operating segment performance.

(u) Fiduciary activities

Assets held in a fiduciary capacity are not treated as assets of the Group in the consolidated statement of financial position.

(v) Repossessed collateral

Repossessed collaterals in settlement of customers' debts are stated under "other assets" at carrying value of debts or fair value if lower. In its normal course of business, the Group engages to recover funds from the repossessed assets.

(w) Write-offs

Financial assets are written-off either partially or in their entirety only when the Bank has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. If the amount to be written-off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

(x) Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

(y) Parent bank financial information

Statement of financial position and income statement of the Parent bank, disclosed as supplementary information, is prepared following the same accounting policies as mentioned above except for; investment in subsidiaries which are not consolidated and is carried at cost.

(z) Application of new and revised IFRS accounting standards

New and amended standards

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended standards and interpretations issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) effective as of 1 January 2024 as noted below:

New standards, interpretations and amendments adopted by the Group

Description	Effective from
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	1 January 2024
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	1 January 2024
Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024

These amendments had no impact on the consolidated financial statements of the Group.

Amendments issued but not yet effective

Description	Effective from
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Presentation and Disclosure in Financial Statements - IFRS 18	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	Deferred indefinitely

The Group is currently evaluating the impact of this amendment. The Group will adopt it when the amendment becomes effective.

Climate-related matters

The Group considers climate-related matters in accounting judgements, estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Most climate-related risks are expected to impact over a term that is generally longer than the contractual maturity of most exposures, nonetheless climate-related matters increase the uncertainty in estimates and assumptions underpinning certain items in the financial statements. Currently, climate-related risks do not have a significant impact on measurement, though the Group is closely monitoring relevant changes and developments. The items and considerations that are most directly impacted by climate-related matters include useful life of property and equipment, impairment of non-financial assets, expected credit losses and fair value measurement, among others.

4. FINANCIAL RISK MANAGEMENT

(a) Introduction and overview

Risk management

The Group's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions, and determine capital allocations. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products, and best market practice.

The Group's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance. The Group defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

Risk is inherent in the Group's activities, but it is managed through a process of ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit, liquidity, market, including trading and non-trading, and operational risks.

The independent risk control process does not include business risks such as changes in the environment, technology, and industry. They are monitored through the Group's strategic planning process.

- **Risk management structure**

  The Board of Directors are ultimately responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks.

- **Executive committee**

  The Executive Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies, and limits. It is responsible for the fundamental risk issues and managing and monitoring relevant risk decisions.

- **Risk management department**

  The Risk Management Department is responsible for implementing and maintaining risk related procedures to ensure an independent control process. It is also responsible for monitoring compliance with risk principles, policies, and limits, across the Group. Each business group has a decentralised department which is responsible for the independent control of risks, including monitoring the risk of exposures against limits and the assessment of risks of new products and structured transactions. This function also ensures the complete capture of the risks in risk measurement and reporting systems.

- **Treasury**

  Treasury is responsible for managing the Group's assets and liabilities and the overall financial structure, as laid down by the Asset Liability Committee (ALCO) from time to time.

- **Internal audit**

  Risk management processes throughout the Group are audited annually by the Internal Audit function that examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with management and reports its findings and recommendations to the Audit Committee.

Risk measurement and reporting systems

The Group's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks are primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept, with additional emphasis on selected industries. In addition, the Group monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the business departments is examined and processed in order to analyse, control, and identify early risks. This information is presented and explained to the Board of Directors and the Executive Committee.

The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, value-at-risk ("VaR"), liquidity ratios and risk profile changes. On a monthly basis, detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for impairment on a quarterly basis.

For all levels throughout the Group, specifically tailored risk reports are prepared and distributed in order to ensure that all business departments have access to necessary and up-to-date information.

Frequent briefing is given to the senior management and all other relevant members of the Group on the utilization of market limits, analysis of VaR, proprietary investments and liquidity, plus any other risk developments.

Risk mitigation

As part of its overall risk management strategy, the Group uses derivatives and other instruments to manage exposures resulting from changes in interest rates, foreign currencies, equity risks, credit risks, and exposures arising from forecast transactions.

The risk profile is assessed before entering into any hedging transactions, which are authorised by the appropriate approval authority mechanism within the Group.

The Group actively uses collaterals to reduce its credit risks (see note 4 (b) credit risk below for more detail).

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political, or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio, with limits set on geographic and industry sector exposures. Identified concentrations of credit risks are controlled and managed accordingly.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge a financial obligation and cause the other party to incur a financial loss. In the case of derivatives this is limited to positive fair values. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political, or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments, affecting a particular industry or geographic location.

The Group seeks to manage its credit risk exposure through diversification of lending activities to avoid undue concentrations of risks with individuals or group of customers in specific locations or businesses. It also obtains collaterals, when appropriate. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- For commercial lending, mortgages over real estate properties, inventory, trade receivables, cash, and securities.
- For retail lending, mortgages over residential properties, cash, or securities.

Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the provision for credit losses.

The Group also obtains corporate guarantees from parent companies for loans and advances to their subsidiaries.

(i) Maximum exposure to credit risk before collateral held or other credit enhancements

	Notes	2024 QR'000	2023 QR'000
Credit risk exposures relating to assets recorded on the consolidated statement of financial position are as follows:			
Balances with central bank		**1,723,173**	1,373,076
Due from banks		**11,730,677**	14,760,032
Loans and advances to customers		**35,663,319**	34,753,943
Investment securities - debt		**9,143,460**	8,152,039
Other assets		**153,794**	349,768
Total as at 31 December	12	**58,414,423**	59,388,858
Other credit risk exposures are as follows:	24		
Guarantees and letter of credit		**6,262,015**	7,062,677
Unutilized facilities		**11,316,666**	11,381,045
Total as at 31 December		**17,578,681**	18,443,722
Total credit risk exposure as at 31 December		**75,993,104**	77,832,580

The above table represents a worse-case scenario of credit risk exposure to the Group, without taking account of any collateral held or other credit enhancements attached. For assets recorded on the consolidated statement of financial position, the exposures set out above are based on net carrying amounts as reported in the consolidated statement of financial position.

Geographical sectors

The following table breaks down the Group's credit exposure at their carrying amounts (without taking into account any collateral held or other credit support), as categorized by geographical region.

At 31 December 2024	Qatar QR'000	Other GCC QR'000	Europe QR'000	Rest of the world QR'000	Total QR'000
Balances with central bank	**1,723,173**	**-**	**-**	**-**	**1,723,173**
Due from banks	**6,464,586**	**902,115**	**2,976,064**	**1,387,912**	**11,730,677**
Loans and advances to customers	**35,632,943**	**30,376**	**-**	**-**	**35,663,319**
Investment securities – debt	**8,238,339**	**440,478**	**176,418**	**288,225**	**9,143,460**
Other assets	**153,794**	**-**	**-**	**-**	**153,794**
Total	**52,212,835**	**1,372,969**	**3,152,482**	**1,676,137**	**58,414,423**
Other credit risk exposure are as follows:					
Guarantees and letters of credit	**6,115,216**	**1,090**	**16,974**	**128,735**	**6,262,015**
Unutilized facilities	**11,316,666**	**-**	**-**	**-**	**11,316,666**
Total	**17,431,882**	**1,090**	**16,974**	**128,735**	**17,578,681**

At 31 December 2023	Qatar QR'000	Other GCC QR'000	Europe QR'000	Rest of the world QR'000	Total QR'000
Balances with central bank	1,373,076	-	-	-	1,373,076
Due from banks	9,143,690	635,514	3,025,004	1,955,824	14,760,032
Loans and advances to customers	34,717,045	36,898	-	-	34,753,943
Investment securities – debt	7,416,151	440,785	175,524	119,579	8,152,039
Other assets	349,769	-	-	-	349,769
Total	52,999,731	1,113,197	3,200,528	2,075,403	59,388,859
Other credit risk exposure are as follows:					
Guarantees and letters of credit	6,922,054	1,091	17,437	122,095	7,062,677
Unutilized facilities	11,381,045	-	-	-	11,381,045
Total	18,303,099	1,091	17,437	122,095	18,443,722

(ii) Concentration of risks of financial assets with credit risk exposure

Industry sectors

The following table breaks down the Group's credit exposure at carrying amounts before taking into account collateral held or other credit enhancements, as categorized by the industry sectors of the Group's counterparties.

	Gross maximum exposure 2024 QR'000	Net maximum exposure 2024 QR'000	Gross maximum exposure 2023 QR'000	Net maximum exposure 2023 QR'000
Funded				
Government	**11,441,116**	**11,429,265**	11,139,374	11,128,107
Government agencies	**329,894**	**329,794**	75,178	75,086
Industry	**857,878**	**852,237**	1,106,988	1,097,020
Commercial	**10,275,632**	**9,716,566**	9,937,787	9,549,437
Services	**22,665,102**	**22,302,919**	25,191,475	24,885,866
Contracting	**5,019,349**	**4,123,916**	4,987,322	4,101,204
Real estate	**6,957,613**	**6,396,097**	5,683,624	5,509,930
Personal	**2,763,339**	**2,517,569**	2,745,160	2,368,486
Interest receivables	**746,060**	**746,060**	673,723	673,723
Total funded	**61,055,983**	**58,414,423**	61,540,631	59,388,859
Unfunded				
Government institutions & semi government agencies	**4,757,744**	**4,757,712**	4,228,052	4,227,978
Services	**1,373,469**	**1,371,857**	1,516,619	1,515,043
Commercial and others	**11,463,676**	**11,449,112**	12,712,477	12,700,701
Total unfunded	**17,594,889**	**17,578,681**	18,457,148	18,443,722
Total	**78,650,872**	**75,993,104**	79,997,779	77,832,581

Total maximum exposure net of tangible collateral is QR 29.9 billion (2023: QR 30.6 billion). The types of collateral obtained include cash, mortgages over real estate properties and pledges of shares.

(iii) Credit quality

The credit quality of financial assets is managed by the Group using internal and external credit risk ratings. The Group follows an internal obligor risk rating (ORR) mechanism for grading relationships across its credit portfolio. The Group utilises a ten-scale credit rating system of which rating 1-7 relate to performing and 8-10 relate to non-performing. Within performing, ORR 1 to 4 represents investment grade, ORR 5 to 6 represents sub-investment grade and ORR 7 represent watchlist. ORR 8 to 10 represents sub-standard, doubtful and loss respectively. All credits are assigned a rating in accordance with the defined criteria. The Group endeavours continuously to improve upon the internal credit risk rating methodologies and credit risk management policies and practices to reflect the true underlying credit risk of the portfolio and the credit culture in the Group. All lending relationships are reviewed at least once in a year and more frequently in the case of non-performing assets.

The following table sets out information about the credit quality of financial assets, commitments, and financial guarantees.

	2024				2023			
	Stage 1 QR'000	**Stage 2 QR'000**	**Stage 3 QR'000**	**Total QR'000**	Stage 1 QR'000	Stage 2 QR'000	Stage 3 QR'000	Total QR'000
Due from banks								
Investment grade - ORR 1 to 4	**11,565,261**	**-**	**-**	**11,565,261**	14,581,886	-	-	14,581,886
Sub-investment grade - ORR 5 to 7	**-**	**167,847**	**-**	**167,847**	-	182,179	-	182,179
Substandard - ORR 8	**-**	**-**	**-**	**-**	-	-	-	-
Doubtful ORR 9	**-**	**-**	**-**	**-**	-	-	-	-
Loss - ORR 10	**-**	**-**	**-**	**-**	-	-	-	-
	11,565,261	**167,847**	**-**	**11,733,108**	14,581,886	182,179	-	14,764,065
Loss allowance	**(956)**	**(1,475)**	**-**	**(2,431)**	(3,777)	(256)	-	(4,033)
Carrying amount	**11,564,305**	**166,372**	**-**	**11,730,677**	14,578,109	181,923	-	14,760,032

	2024				2023			
	Stage 1 QR'000	**Stage 2 QR'000**	**Stage 3 QR'000**	**Total QR'000**	Stage 1 QR'000	Stage 2 QR'000	Stage 3 QR'000	Total QR'000
Loans and advances to customers								
Investment grade - ORR 1 to 4	**20,728,277**	**885,312**	**-**	**21,613,589**	19,855,351	1,160,197	-	21,015,548
Sub-investment grade - ORR 5 to 7	**8,223,299**	**7,342,953**	**-**	**15,566,252**	9,544,478	5,414,690	-	14,959,168
Substandard - ORR 8	**-**	**-**	**12,357**	**12,357**	-	-	7,531	7,531
Doubtful ORR 9	**-**	**-**	**174,445**	**174,445**	-	-	7,491	7,491
Loss - ORR 10	**-**	**-**	**913,119**	**913,119**	-	-	899,062	899,062
	28,951,576	**8,228,265**	**1,099,921**	**38,279,762**	29,399,829	6,574,887	914,084	36,888,800
Loss allowance	**(228,263)**	**(1,533,485)**	**(854,695)**	**(2,616,443)**	(314,183)	(1,033,644)	(787,030)	(2,134,857)
Carrying amount	**28,723,313**	**6,694,780**	**245,226**	**35,663,319**	29,085,646	5,541,243	127,054	34,753,943

	2024				2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
	QR'000	**QR'000**	**QR'000**	**QR'000**	QR'000	QR'000	QR'000	QR'000
Investment securities - debt								
Investment grade - ORR 1 to 4	**8,598,927**	**-**	**-**	**8,598,927**	7,777,182	-	-	7,777,182
Sub-investment grade - ORR 5 to 7	**567,219**	**-**	**-**	**567,219**	387,738	-	-	387,738
Substandard - ORR 8	**-**	**-**	**-**	**-**	-	-	-	-
Doubtful ORR 9	**-**	**-**	**-**	**-**	-	-	-	-
Loss - ORR 10	**-**	**-**	**-**	**-**	-	-	-	-
	9,166,146	**-**	**-**	**9,166,146**	8,164,920	-	-	8,164,920
Loss allowance	**(22,686)**	**-**	**-**	**(22,686)**	(12,881)	-	-	(12,881)
Carrying amount	**9,143,460**	**-**	**-**	**9,143,460**	8,152,039	-	-	8,152,039

	2024				2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
	QR'000	**QR'000**	**QR'000**	**QR'000**	QR'000	QR'000	QR'000	QR'000
Loan commitments and financial guarantees								
Investment grade - ORR 1 to 4	**1,202,453**	**10,055**	**-**	**1,212,508**	920,211	27,370	-	947,581
Sub-investment grade - ORR 5 to 7	**933,408**	**100,787**	**-**	**1,034,195**	978,695	195,629	-	1,174,324
Substandard - ORR 8	**-**	**-**	**-**	**-**	-	-	-	-
Doubtful ORR 9	**-**	**-**	**-**	**-**	-	-	-	-
Loss - ORR 10	**-**	**-**	**-**	**-**	-	-	-	-
	2,135,861	**110,842**	**-**	**2,246,703**	1,898,906	222,999	-	2,121,905
Loss allowance	**(5,109)**	**(11,099)**	**-**	**(16,208)**	(9,041)	(4,386)	-	(13,427)
Carrying amount	**2,130,752**	**99,743**	**-**	**2,230,495**	1,889,865	218,613	-	2,108,478

(iv) Collateral

The Group obtains collateral and other credit enhancements in ordinary course of business from counterparties. On an overall basis, during the year there was no discernible deterioration in the quality of collateral held by the Group. In addition, there were no changes in collateral policies of the Group. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are, as follows:

- For corporate and small business lending: charges over real estate properties, inventory, and trade receivables and, in special circumstances, government guarantees
- For retail lending: mortgages over residential properties

The Group also obtains guarantees from parent companies for loans to their subsidiaries and obtains personal and corporate guarantees for other business loans.

The fair value of the collateral held against credit-impaired loans and advances as at 31 December 2024 is QR 968,668 thousands (2023: QR 676,890 thousands).

(v) Write-off policy

The Group writes off a loan or an investment debt security balance, and any related allowances for impairment losses, when the Group determines that the loan or security is uncollectible and after QCB's approval.

This determination is made after considering information such as the occurrence of significant changes in the borrower's / issuer's financial position such that the borrower / issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardised loans, write-off decisions generally are based on a product-specific past due status. During the year QR 230 thousands was written off (2023: QR 121,672 thousands).

(vi) Inputs, assumptions, and techniques used for estimating impairment

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis including internal credit risk grading system, external risk ratings, where available, delinquency status of accounts, credit judgement and, where possible, relevant historical experience. The Group may also determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

In determining whether credit risk has increased significantly since initial recognition following criteria are considered:

i. Two grades downgrade for ratings from AAA to BAA or one notch downgrade for ratings from BA to CAA

ii. Facilities overdue by 45 days as applicable as at reporting date

Internal credit risk ratings

In order to minimise credit risk, the Group has tasked its credit management committee to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The Group's credit risk grading framework comprises ten categories. The credit rating information is based on a range of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The nature of the exposure and type of borrower are taken into account in the analysis. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default.

Credit risk grades

Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Exposures are subject to on-going monitoring, which may result in an exposure being moved to a different credit risk grade.

Generating the term structure of Probability of Default (PD)

The Group employs statistical models to analyse the data collected and generate estimates of PD of exposures and how these are expected to change as a result of the passage of time. This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors, across various geographies in which the Group has exposures.

Definition of default

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The borrower is past due more than 90 days on any material credit obligation to the Group; or
- The borrower is internally rated 8, 9 or 10.

In assessing whether a borrower is in default, the Group also considers indicators that are:

- Quantitative – e.g., overdue status and non-payment on another obligation of the same issuer to the Group; and
- Based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Group for regulatory capital purposes.

Incorporating forward looking information increases the level of judgement as to how changes in these macroeconomic factors will affect the Expected Credit Loss (ECL) applicable to the Stage 1 and Stage 2 exposures which are considered as performing. The methodologies and assumptions involved, including any forecasts of future economic conditions, are reviewed periodically.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD);
- Exposure at default (EAD).

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD estimates are estimates at a certain date, which are calculated based on statistical rating models. These statistical models are primarily based on internally compiled data comprising both quantitative and qualitative factors and are supplemented by external credit assessment data where available.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. Also, the regulatory required minimum haircuts are applied on the eligible collaterals to arrive at the LGD. For unsecured portfolio, due to low default rates the Bank has currently decided to conservatively assume a LGD of 60%.

Forward looking information incorporated in ECL models

Incorporating forward looking information increases the level of judgement as to how changes in these macroeconomic factors will affect the Expected Credit Loss (ECL) applicable to the Stage 1 and Stage 2 exposures which are considered as performing. The methodologies and assumptions involved, including any forecasts of future economic conditions, are reviewed periodically as per the IFRS 9 policy of the Group.

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Bank has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

The Group employs statistical models to incorporate macro-economic factors on historical default rates. In the case that none of the macro–economic parameters are statistically significant, or the results of forecasted PD are too deviated from the present forecast of the economic conditions, qualitative PD overlay is used by management based on portfolio analysis.

The Group calculated the PD based on the process described below:

1. Obtain the observed defaults rates (ODRs)

   ODRs are computed for wholesale portfolio and each of the retail segment for which ECL is separately computed.

2. Obtain the value of the expected relevant economic variables

   The various expected relevant economic indicators such as Nominal GDP, Oil & Gas product, good and service exports are sourced from IMF, World Economic Organization or any other data source as considered appropriate.

3. Transform the macroeconomic data from yearly to monthly data point

   Historical and forecasted values of macroeconomic indicators considered for regression analysis purposes are generally provided at a yearly level. However, ODRs are computed at a monthly frequency. Accordingly, the Group interpolates the macroeconomics data. The Group has adopted the cubic spline interpolation technique for interpolation of economic variable data.

4. Perform regression analysis

   Perform the ordinary least square (OLS) regression analysis of ODRs for the each of the portfolio on the historical observed value of the economic indicators.

5. Test the statistical significance of the model

   Significance of the overall model as well as each of individual parameters are assessed based on various statistical tests such as adjusted R2, F test and T test.

6. Forecast the Point in Time (PiT) default rate

   Based on the projected value of the economic variables under different scenario and their coefficient value as determined based on the related regression analysis, Point in Time (PiT) average default rate is estimated for each of ECL computation segment for each of the projected years.

Approach for scenario analysis

QCB advises banks to arrive at the final ECL as the scenario weighted ECL under different macroeconomic scenarios. Considering the same, the Group has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upturn, and downturn condition.

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

Based on the observed default rates, historical performance, and other internal statistical studies the Group calculates the ECL at a pool level for the below categories.

1. Mortgage loan
2. Personal loan to residents
3. Personal loan to expats
4. Auto loans
5. Retail overdrafts
6. Credit cards

Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments.

	31 December 2024			
	Stage 1 QR' 000	Stage 2 QR' 000	Stage 3 QR' 000	Total QR' 000
Exposure subject to ECL				
- Loans and advances to customers	28,951,576	8,228,265	1,099,921	38,279,762
- Investment securities (Debt)	9,166,146	-	-	9,166,146
- Loan commitments and financial guarantees	2,135,861	110,842	-	2,246,703
- Due from banks	11,565,261	167,847	-	11,733,108
ECL opening balance as at 1 January 2024				
- Loans and advances to customers	314,183	1,033,644	787,030	2,134,857
- Investment securities (Debt)	12,881	-	-	12,881
- Loan commitments and financial guarantees	9,041	4,386	-	13,427
- Due from banks	3,777	256	-	4,033
	339,882	1,038,286	787,030	2,165,198
Net transfer between stages				
- Loans and advances to customers	(43,487)	33,223	10,264	-
- Investment securities (Debt)	-	-	-	-
- Loan commitments and financial guarantees	-	-	-	-
- Due from banks	-	-	-	-
	(43,487)	33,223	10,264	-
Charge (reversal) for the year (net)				
- Loans and advances to customers	(42,433)	466,618	57,631	481,816
- Investment securities (Debt)	9,805	-	-	9,805
- Loan commitments and financial guarantees	(3,932)	6,713	-	2,781
- Due from banks	(2,821)	1,219	-	(1,602)
	(39,381)	474,550	57,631	492,800

	Stage 1 QR' 000	Stage 2 QR' 000	Stage 3 QR' 000	Total QR' 000
Written-off				
- Loans and advances to customers	-	-	(230)	(230)
- Investment securities (Debt)	-	-	-	-
- Loan commitments and financial guarantees	-	-	-	-
- Due from banks	-	-	-	-
	-	-	(230)	(230)
Closing balance as at 31 December 2024				
- Loans and advances to customers	228,263	1,533,485	854,695	2,616,443
- Investment securities (Debt)	22,686	-	-	22,686
- Loan commitments and financial guarantees	5,109	11,099	-	16,208
- Due from banks	956	1,475	-	2,431
	257,014	1,546,059	854,695	2,657,768

	31 December 2023			
	Stage 1 QR' 000	Stage 2 QR' 000	Stage 3 QR' 000	Total QR' 000
Exposure subject to ECL				
- Loans and advances to customers	29,399,829	6,574,887	914,084	36,888,800
- Investment securities (Debt)	8,164,920	-	-	8,164,920
- Loan commitments and financial guarantees	1,898,906	222,999	-	2,121,905
- Due from banks	14,581,886	182,179	-	14,764,065
ECL opening balance as at 1 January 2023				
- Loans and advances to customers	239,347	789,688	793,161	1,822,196
- Investment securities (Debt)	11,428	-	-	11,428
- Loan commitments and financial guarantees	10,947	1,200	-	12,147
- Due from banks	506	505	-	1,011
	262,228	791,393	793,161	1,846,782
Net transfer between stages				
- Loans and advances to customers	(3,836)	(34,322)	38,158	-
- Investment securities (Debt)	-	-	-	-
- Loan commitments and financial guarantees	-	-	-	-
- Due from banks	-	-	-	-
	(3,836)	(34,322)	38,158	-
Charge (reversal) for the year (net)				
- Loans and advances to customers	78,672	278,278	77,383	434,333
- Investment securities (Debt)	1,453	-	-	1,453
- Loan commitments and financial guarantees	(1,906)	3,186	-	1,280
- Due from banks	3,271	(249)	-	3,022
	81,490	281,215	77,383	440,088
Written-off				
- Loans and advances to customers	-	-	(121,672)	(121,672)
- Investment securities (Debt)	-	-	-	-
- Loan commitments and financial guarantees	-	-	-	-
- Due from banks	-	-	-	-
	-	-	(121,672)	(121,672)
Closing balance as at 31 December 2023				
- Loans and advances to customers	314,183	1,033,644	787,030	2,134,857
- Investment securities (Debt)	12,881	-	-	12,881
- Loan commitments and financial guarantees	9,041	4,386	-	13,427
- Due from banks	3,777	256	-	4,033
	339,882	1,038,286	787,030	2,165,198

(c) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its obligations when they fall due as a result of e.g., customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, such as debt maturities or margin calls for derivatives etc. Such outflows would deplete available cash resources for client lending, trading activities and investments. In extreme circumstances, lack of liquidity could result in reductions in the consolidated statement of financial position and sales of assets, or potentially an inability to fulfil lending commitments. The risk that the Group will be unable to do so is inherent in all banking operations and can be affected by a range of institution-specific and market-wide events including, but not limited to, credit events, merger, and acquisition activity, systemic shocks, and natural disasters.

(i) Management of liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its funding requirements. Liquidity risk can be caused by market disruptions or a credit downgrade which may cause certain sources of funding to dry up immediately. To guard against this risk, the management has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash, cash equivalents and readily marketable securities.

The Group's Asset and Liability Committee (ALCO) monitors the maturity profile on an overall basis with ongoing liquidity monitoring by the Treasury.

(ii) Maturity analysis (including all assets and liabilities)

31 December 2024	Carrying amount QR' 000	Less than 1 month QR' 000	1-3 months QR' 000	3 months – 1 year QR' 000	1-5 years QR' 000	More than 5 years QR' 000
Cash and balances with central bank	**2,179,749**	**1,162,330**	**324,764**	**489,153**	**203,502**	**-**
Due from banks	**11,730,677**	**3,285,127**	**5,313,123**	**3,132,427**	**-**	**-**
Loans and advances to customers	**35,663,319**	**1,076,247**	**2,710,596**	**6,793,673**	**3,844,576**	**21,238,227**
Investment securities	**9,444,936**	**940,231**	**434,826**	**590,744**	**6,452,001**	**1,027,134**
Property and equipment	**333,483**	**-**	**-**	**-**	**-**	**333,483**
Others assets	**238,858**	**36,747**	**200,957**	**1,154**	**-**	**-**
Total	**59,591,022**	**6,500,682**	**8,984,266**	**11,007,151**	**10,500,079**	**22,598,844**
Due to banks and central bank	**12,829,154**	**11,914,954**	**869,200**	**45,000**	**-**	**-**
Customer deposits	**32,153,643**	**8,479,808**	**8,080,143**	**10,307,998**	**5,285,694**	**-**
Debt securities	**3,661,583**	**-**	**28,305**	**1,818,804**	**1,814,474**	**-**
Other borrowings	**1,460,814**	**-**	**4,814**	**-**	**1,456,000**	**-**
Other liabilities	**1,032,568**	**275,339**	**502,050**	**176,350**	**78,829**	**-**
Total equity	**8,453,260**	**-**	**-**	**-**	**-**	**8,453,260**
Total	**59,591,022**	**20,670,101**	**9,484,512**	**12,348,152**	**8,634,997**	**8,453,260**
Difference	**-**	**(14,169,419)**	**(500,246)**	**(1,341,001)**	**1,865,082**	**14,145,584**

31 December 2023	Carrying amount QR' 000	Less than 1 month QR' 000	1-3 months QR' 000	3 months – 1 year QR' 000	1-5 years QR' 000	More than 5 years QR' 000
Cash and balances with central bank	1,855,428	916,212	283,137	287,565	368,514	-
Due from banks	14,760,032	8,074,799	4,839,379	1,845,854	-	-
Loans and advances to customers	34,753,943	1,330,092	1,548,591	6,751,041	6,443,902	18,680,317
Investment securities	8,381,744	744,524	341,059	1,064,562	5,750,070	481,529
Property and equipment	222,997	-	-	-	-	222,997
Other assets	490,025	28,310	352,909	108,806	-	-
Total	60,464,169	11,093,937	7,365,075	10,057,828	12,562,486	19,384,843
Due to banks and central bank	15,001,235	14,751,235	-	250,000	-	-
Customer deposits	29,644,983	8,012,957	4,378,933	8,132,263	9,120,830	-
Debt securities	5,489,434	17,694	26,036	1,817,009	3,628,695	-
Other borrowings	1,461,745	-	5,745	-	1,456,000	-
Other liabilities	621,992	114,130	261,118	170,958	75,786	-
Total equity	8,244,780	-	-	-	-	8,244,780
Total	60,464,169	22,896,016	4,671,832	10,370,230	14,281,311	8,244,780
Difference	-	(11,802,079)	2,693,243	(312,402)	(1,718,825)	11,140,063

31 December 2024	Carrying amount QR' 000	Gross undiscounted cash flows QR' 000	Less than 1 month QR' 000	1-3 months QR' 000	3 months – 1 year QR' 000	1-5 years QR' 000	More than 5 years QR' 000
Non-derivative financial liabilities							
Due to banks and central bank	**12,829,154**	**12,829,744**	**11,908,873**	**875,026**	**45,845**	**-**	**-**
Customer deposits	**32,153,643**	**32,235,071**	**7,906,621**	**8,214,018**	**10,582,728**	**5,531,704**	**-**
Debt securities	**3,661,583**	**3,741,623**	**-**	**28,924**	**1,842,581**	**1,870,118**	**-**
Other borrowings	**1,460,814**	**1,578,852**	**7,424**	**21,553**	**65,856**	**1,484,019**	**-**
Total	**50,105,194**	**50,385,290**	**19,822,918**	**9,139,521**	**12,537,010**	**8,885,841**	**-**
Derivative financial instruments							
Risk Management:							
Outflow		**9,026,517**	**2,963,626**	**3,166,168**	**2,896,722**	**-**	**-**
Inflow		**(8,857,232)**	**(2,888,994)**	**(3,108,108)**	**(2,860,130)**	**-**	**-**
		50,554,575	**19,897,550**	**9,197,581**	**12,573,602**	**8,885,841**	**-**

31 December 2023	Carrying amount QR' 000	Gross undiscounted cash flows QR' 000	Less than 1 month QR' 000	1-3 months QR' 000	3 months – 1 year QR' 000	1-5 years QR' 000	More than 5 years QR' 000
Non-derivative financial liabilities							
Due to banks and central bank	15,001,235	15,002,210	14,743,922	-	258,288	-	-
Customer deposits	29,644,983	30,253,970	7,591,638	4,422,278	8,381,043	9,859,011	-
Debt securities	5,489,434	5,639,351	18,178	26,747	1,866,632	3,727,794	-
Other borrowings	1,461,745	1,676,035	5,427	10,330	48,147	1,612,131	-
Total	51,597,397	52,571,566	22,359,165	4,459,355	10,554,110	15,198,936	-
Derivative financial instruments							
Risk Management:							
Outflow		9,026,517	2,963,627	3,166,168	2,896,722	-	-
Inflow		(8,857,232)	(2,888,994)	(3,108,108)	(2,860,130)	-	-
		52,740,851	22,433,798	4,517,415	10,590,702	15,198,936	-

(d) Market risks

Market risk is the risk that the Group's earnings or capital, or its ability to meet business objectives, will be adversely affected by changes in the level of volatility of market rates or prices such as interest rates commodities prices, foreign exchange rates and equity prices.

(i) Management of market risks

The Group manages its market risks within the regulatory framework of limits defined by the Qatar Central Bank. Setting the internal framework for the management of market risks and ensuring compliance with this methodology is the responsibility of the Asset and Liability Committee (ALCO) which consists of senior management including members of the Risk management function. The Group is exposed to interest rate risk created as a result of assets and liabilities mismatch or off-balance sheet instruments that mature or reprice over a given period.

Both interest rate gaps and foreign exchange rate fluctuations are managed within the prescribed board limits. All risk exposures are monitored and reported on a daily basis to senior management and any breaches are escalated immediately. In addition, all trading activity is continuously being monitored at ALCO level.

(ii) Exposure to interest rate risk – non-trading portfolios

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands. ALCO is the monitoring body for compliance with these limits and is assisted by Group central Treasury in its day-to-day monitoring activities.

A summary of the Group's interest rate gap position on non-trading portfolios is as follows:

		Repricing in:					
	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Non-interest sensitive	Effective interest rate
31 December 2024	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	
Cash and balances with central bank	2,179,749	175,461	-	-	-	2,004,288	3.85%
Due from banks	11,730,677	8,516,294	3,200,186	-	-	14,197	5.50%
Loans and advances to customers	35,663,319	8,298,202	24,208,193	2,500,863	453,293	202,768	6.99%
Investment securities	9,444,936	688,724	952,999	6,474,289	1,027,451	301,473	3.83%
Property and equipment	333,483	-	-	-	-	333,483	
Other assets	238,858	-	-	-	-	238,858	
	59,591,022	17,678,681	28,361,378	8,975,152	1,480,744	3,095,067	
Due to banks and central bank	12,829,154	1,222,182	45,000	-	-	11,561,972	4.30%
Customer deposits	32,153,643	13,259,503	10,428,225	6,076,840	-	2,389,075	5.16%
Debt securities	3,661,583	28,305	1,818,804	1,814,474	-	-	2.41%
Other borrowings	1,460,814	1,460,814	-	-	-	-	6.38%
Other liabilities	1,032,568	-	-	-	-	1,032,568	
Total equity	8,453,260	-	-	-	-	8,453,260	
	59,591,022	15,970,804	12,292,029	7,891,314	-	23,436,875	
Interest rate sensitivity gap		1,707,877	16,069,349	1,083,838	1,480,744	(20,341,808)	
Cumulative interest rate sensitivity gap		1,707,877	17,777,227	18,861,065	20,341,808	-	

31 December 2023	Carrying amount QR' 000	Repricing in: Less than 3 months QR' 000	3-12 months QR' 000	1-5 years QR' 000	More than 5 years QR' 000	Non-interest sensitive QR' 000	Effective interest rate
Cash and balances with central bank	1,855,428	99,000	-	-	-	1,756,428	3.85%
Due from banks	14,760,032	12,895,963	1,845,854	-	-	18,215	5.50%
Loans and advances to customers	34,753,943	8,219,651	23,879,529	2,392,178	160,646	101,939	6.99%
Investment securities	8,381,744	855,878	1,064,562	5,750,070	481,529	229,705	3.83%
Property and equipment	222,997	-	-	-	-	222,997	
Other assets	490,025	-	-	-	-	490,025	
	60,464,169	22,070,492	26,789,945	8,142,248	642,175	2,819,309	
Due to banks and central bank	15,001,235	2,819,270	250,000	-	-	11,931,965	3.06%
Customer deposits	29,644,983	10,559,278	8,001,302	8,487,666	-	2,596,737	4.62%
Debt securities	5,489,434	43,731	1,817,009	3,628,694	-	-	2.49%
Other borrowings	1,461,745	1,461,745	-	-	-	-	6.23%
Other liabilities	621,992	-	-	-	-	621,992	
Total equity	8,244,780	-	-	-	-	8,244,780	
	60,464,169	14,884,024	10,068,311	12,116,360	-	23,395,474	
Interest rate sensitivity gap		7,186,468	16,721,634	(3,974,112)	642,175	(20,576,165)	
Cumulative interest rate sensitivity gap		7,186,468	23,908,102	19,933,990	20,576,165	-	

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's consolidated income statement and equity.

The sensitivity of the consolidated statement of income is the effect of the assumed changes in interest rates on the net interest income for one year, based on the interest sensitive of non-trading financial assets and financial liabilities held at 31 December 2024, including the effect of hedging instruments. The sensitivity of equity is calculated by revaluing fixed rate for fair value through other comprehensive income financial assets at 31 December 2024 for the effects of the assumed changes in interest rates and based on the assumption that there are parallel shifts in the yield curve. The effect of decreases in interest rates is expected to have an equal and opposite effect of the increases shown.

Currency	Change in basis points	Sensitivity of net interest income 2024 QR '000	2023 QR '000
Qatari Riyal	25	**23,794**	23,250
Foreign currencies	25	**26,974**	26,392

Interest rate movements affect reported equity in the following ways:

- Retained earnings arising from increases or decreases in net interest income and the fair value changes reported in consolidated statement of income; and
- Fair value reserves arising from increases or decreases in fair values of debt securities which are reported directly in other comprehensive income.

Overall non-trading interest rate risk positions are managed by Group Treasury, which uses investment securities, advances to banks, deposits from banks and derivative instruments to manage the overall position arising from the Group's non-trading activities.

(iii) Exposure to currency risk – non-trading portfolios

Foreign currency transactions

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group takes an exposure to the effect of fluctuation in prevailing foreign currency exchange rates on its consolidated financial position. The Board of Directors has set limits on the level of currency exposure, which are monitored daily.

The Group had the following net open positions at the year-end:

	2024 QR '000	2023 QR '000
Net foreign currency exposure:		
Pounds Sterling	**(689)**	(38)
Euro	**24,723**	14,227
USD	**1,007,034**	776,258
Other currencies	**14,007**	21,168
Total	**1,045,075**	811,615

The Group manages its currency exposures within limits laid down by the Board of Directors. Intra-day and overnight limits are laid down for each currency individually and in total. The Qatar Riyal is pegged to the US Dollar. Although the Group is not exposed to any currency risk due to the peg, limits are set for US Dollar exposures.

Other currency exposures are limited, hence, the Group is not significantly exposed to the other currencies.

	Sensitivity analysis			
	Increase / (decrease) in profit or loss		Increase / (decrease) in other comprehensive income	
1% change in currency exchange rate	**2024**	2023	**2024**	2023
	QR '000	QR '000	**QR '000**	QR '000
Pound Sterling	**(7)**	-	**-**	-
Euro	**247**	142	**-**	-
Other currencies	**140**	212	**-**	-

(iv) Exposure to equity price risks – non-trading portfolios

Equity price risk

Equity price risk arises from fluctuations in equity indices and prices. The Board has set limits on the amount and type of investments that may be accepted. This is monitored on an ongoing basis by the Group's ALCO. The non-trading equity price risk exposure arises from the Group's investment portfolio.

The effect on equity, as a result of a change in the fair value of equity instruments held as fair value through profit and loss at the year-end, due to change in equity indices, with all other variables held constant, is as follows:

	Change in equity price %	Effect on equity 2024	Effect on equity 2023
		QR' 000	QR' 000
Market index			
Qatar Exchange	10%	**24,666**	16,898

(e) Operational risks

Operational Risk is the loss resulting from inadequate or failed internal processes, people, and systems or from external events. The Bank manages its Operational Risk primarily through the Board approved Operational Risk Framework (ORF) consisting of the Operational Risk Policy (ORP) and the Operational Risk Committee (ORC), which has representation across all departments. The Bank utilizes a Basel III compliant approach known as 'Operational Risk Self-Assessment' (ORSA) process to assess, document and report the operational risks encountered in the course of normal business activity.

The ORC approves the ORSA every two years and reviews operational risks faced by various functions in the Bank on a regular basis throughout the year to track the status of open risks and pursuing appropriate controls wherever necessary. Furthermore, both compliance and internal audit perform independent periodic reviews to assess adequacy of check and controls at any given point in time.

The Bank has a robustly documented Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP). These documents outline the procedures to be followed in a disaster scenario. The BCP aims to establish the level of impact upon the Bank's business activity of having to operate from a different site in the event of an emergency or natural disaster. This includes access to critical computer systems, connectivity to local area network, database servers, internet, intranet,

and e-mails etc. This is a well-established process and takes place periodically throughout the year. The last Disaster Recovery (DR) test and Business Continuity (BC) was performed on 03 December 2024 and 17 October 2024 respectively. The completion of DR & BCP is signed off by all concerned departments to confirm tests were successfully carried out by them as well as a report circulated to all ORC members for their comments and reference. Both the BCP & DR processes were independently audited by one of the Big 4 auditors as per QCB requirements and were found to be thorough and well implemented.

Basic firefighting training is provided to staff fire wardens periodically with the assistance of Civil Defence Authority. An evacuation drill is normally conducted annually as part of safety and security procedures across the branches network.

(f) Capital management

Regulatory capital

The Group's policy is to maintain a strong capital base so as to ensure investor, creditor, and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year.

The capital adequacy ratio of the Group is calculated in accordance with the Basel III Committee guidelines as adopted by the QCB.

The Group's regulatory capital position under Basel III and QCB regulations at 31 December was as follows:

	2024	2023
	Basel III	Basel III
	QR' 000	QR' 000
Common Equity Tier 1 (CET 1) Capital	**6,723,474**	6,493,153
Tier 1 capital	**1,092,000**	1,092,000
Tier 2 capital	**457,673**	453,455
Total regulatory capital	**8,273,147**	8,038,608

Risk weighted assets

	2024	2023
	Basel III	Basel III
	QR' 000	QR' 000
Risk weighted assets for credit risk	**35,268,419**	35,351,696
Risk weighted assets for market risk	**46,476**	35,395
Risk weighted assets for operational risk	**3,639,928**	2,814,881
Total risk weighted assets	**38,954,823**	38,201,972

	CET 1 ratio without capital conservation buffer	**CET 1 ratio** including capital conservation buffer	**Tier 1 capital ratio** including capital conservation buffer	**Tier 2 capital ratio** including capital conservation buffer	**Total capital** including capital conservation buffer and domestic systematic important bank buffer	**Total capital** including conservation buffer, domestic systematic important bank buffer and ICAAP Pillar II capital charge
Minimum limit as per QCB	6.0%	8.50%	10.50%	12.50%	12.50%	14.24%
Actual						
2024	**17.26%**	**17.26%**	**20.06%**	**21.24%**	**21.24%**	**21.24%**
2023	17.00%	17.00%	19.86%	21.04%	21.04%	21.04%

5. USE OF ESTIMATES AND JUDGMENTS

(a) Key sources of estimation uncertainty

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

(ii) Allowances for expected credit losses

Assessment of whether credit risk on the financial assets has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL. Refer to note 4 (b)(vi) inputs, assumptions and techniques used for estimating impairment of financial assets for more information.

Investments in debt securities are evaluated for impairment on the basis described in the Material Accounting Policies section.

(iii) Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs, such as volatility, discount rates etc.

(iv) Right to use assets

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of lease.

(b) Critical accounting judgements in applying the Group's accounting policies

(i) Valuation of financial instruments

The Group's accounting policy on fair value measurements is discussed in the Material Accounting Policies section.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Financial instruments measured at fair value – Fair value hierarchy

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2024	Level 1 QR' 000	Level 2 QR' 000	Level 3 QR' 000	Total QR' 000
Derivative assets held for risk management	-	7,131	-	7,131
Investment securities (FVTPL/FVOCI)	778,006	53,806	-	831,812
	778,006	60,937	-	838,943
Derivative liabilities held for risk management	-	257,843	-	257,843
	-	257,843	-	257,843

31 December 2023	Level 1 QR' 000	Level 2 QR' 000	Level 3 QR' 000	Total QR' 000
Derivative assets held for risk management	-	178,791	-	178,791
Investment securities (FVTPL/FVOCI)	934,696	59,770	-	994,466
	934,696	238,561	-	1,173,257
Derivative liabilities held for risk management	-	101	-	101
	-	101	-	101

During the year ending 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Financial instruments not measured at fair value

Fair value of investment securities measured at amortised cost amounting to QR 8,464,863 thousand as at 31 December 2024 (31 December 2023: QR 7,245,538 thousand), which is derived using level 1 fair value hierarchy.

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to call accounts, demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates offered for similar financial instruments. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money market interest rates for debts with similar credit risk and maturity. For quoted debt issued, the fair values are calculated based on quoted market prices. For those notes issued where quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity.

Valuation techniques

Government debt securities

Government debt securities are financial instruments issued by sovereign governments and include both long-term bonds and short-term bills with fixed or floating rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Bank uses discounted cash flow models with observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Bank classifies those securities as Level 2. The Bank does not have Level 3 government securities where valuation inputs would be unobservable.

Equity instruments

The majority of equity instruments are actively traded on public stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2.

Foreign exchange contracts

Foreign exchange contracts include open spot contracts, foreign exchange forward contracts and over the counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Group classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation, or the unobservable inputs used are not significant to the measurement (as a whole).

(ii) Financial asset and liability classification

Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding. Refer to note 4 (b) for further information.

Details of the Group's classification of financial assets and liabilities are given in note 7.

(iii) Impairment of investments in debt securities

Assessment of whether credit risk on the financial assets has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL. Refer to note 4 (b) (vi) inputs, assumptions and techniques used for estimating impairment of financial assets for more information.

(iv) Useful lives of property and equipment

The Group's management determines the estimated useful life of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset, physical wear, and tear, technical or commercial obsolescence.

6. OPERATING SEGMENTS

For management purposes, the Group is organised into two major operating segments:

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

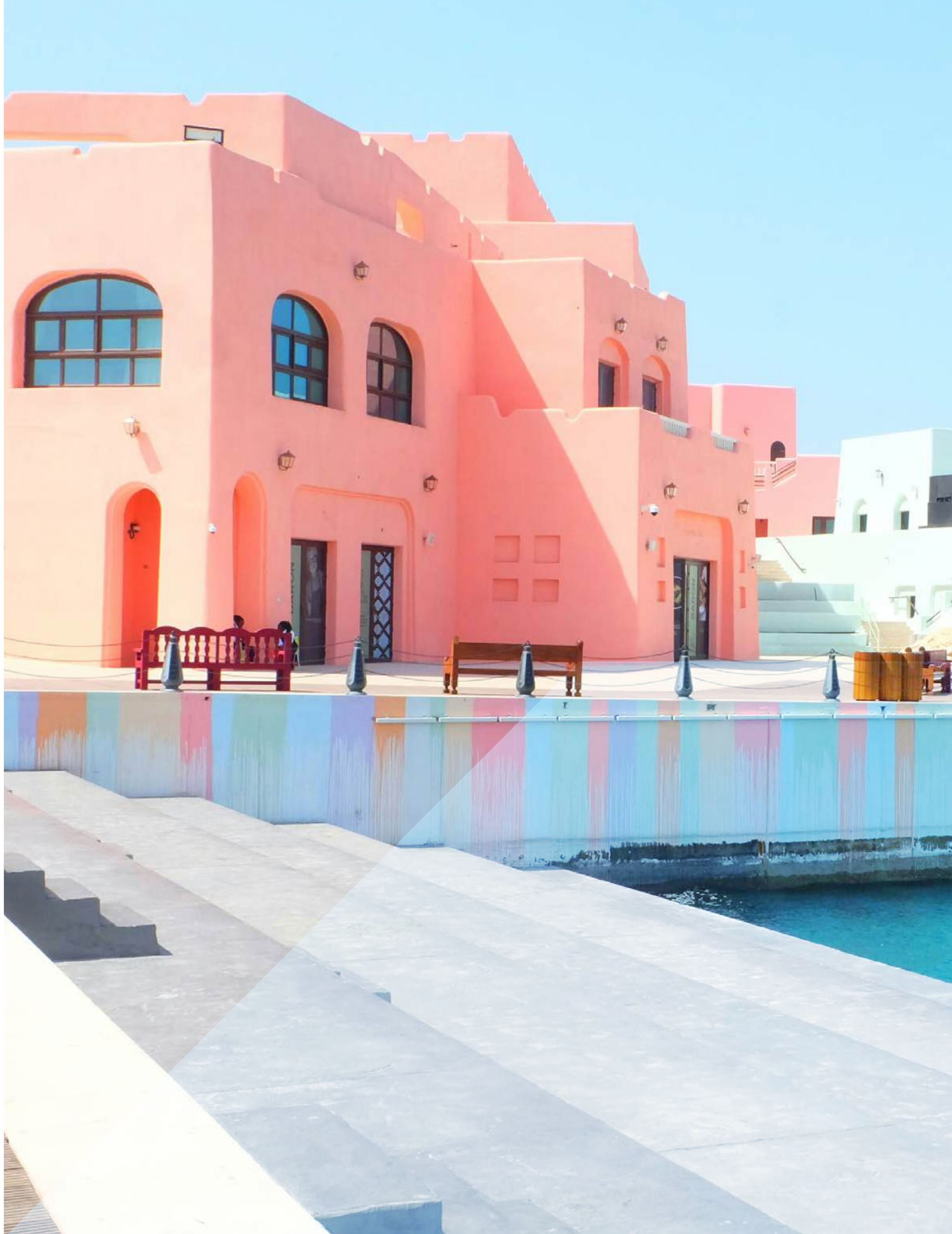
Retail and private banking and wealth management	Principally handling individual customers' deposit and current accounts, providing consumer loans, residential mortgages, overdrafts, credit cards and fund transfer facilities. Private banking and wealth management represents servicing high net worth individuals through a range of investment products, funds, credit facilities, trusts, and alternative investments.
Corporate banking, treasury, investments, and brokerage subsidiary	Principally handling loans and other credit facilities, and deposit and current accounts for corporate and institutional customers and providing money market, trading, and treasury services, as well as management of the Group's funding. The brokerage services are offered through the wholly owned subsidiary, Ahli Brokerage Company L.L.C.

(i) Information about operating segments

2024	Retail & private banking and wealth management QR'000	Corporate banking, treasury, investments and brokerage subsidiary QR'000	Total QR'000
Net interest income	**168,846**	**1,475,236**	**1,644,082**
Net fee, commission and other income	**78,786**	**117,175**	**195,961**
Total segment operating income	**247,632**	**1,592,411**	**1,840,043**
Other material non-cash items:			
Net impairment losses	**(93,182)**	**(468,515)**	**(561,697)**
Reportable segment (loss) / profit	**(13,165)**	**904,789**	**891,624**
Reportable segment assets	**7,929,414**	**51,661,608**	**59,591,022**
Reportable segment liabilities	**17,071,482**	**34,066,280**	**51,137,762**

2023	Retail & private banking and wealth management QR'000	Corporate banking, treasury, investments and brokerage subsidiary QR'000	Total QR'000
Net interest income	223,444	1,177,487	1,400,931
Net fee, commission and other income	87,472	100,587	188,059
Total segment operating income	310,916	1,278,074	1,588,990
Other material non-cash items:			
Net impairment losses	(68,802)	(322,029)	(390,831)
Reportable segment profit	77,688	758,817	836,505
Reportable segment assets	7,521,250	52,942,919	60,464,169
Reportable segment liabilities	16,805,142	35,414,247	52,219,389

* There is no inter group transactions in the above segmental information.
* The Group operates only within the State of Qatar.



7. FINANCIAL ASSETS AND LIABILITIES

(a) Accounting classifications and fair values

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	Fair value through profit or loss			Fair value through other comprehensive income				
	Debt instruments	Equity instruments	Derivative instruments	Debt instruments	Equity instruments	Amortised cost	Total carrying amount	Fair value
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
31 December 2024								
Cash and balances with central bank	-	-	-	-	-	2,179,749	2,179,749	2,179,749
Due from banks	-	-	-	-	-	11,730,677	11,730,677	11,730,677
Derivative assets	-	-	7,131	-	-	-	7,131	7,131
Loans and advances to customers	-	-	-	-	-	35,663,319	35,663,319	35,663,319
Investment securities:								
Measured at fair value	-	290,074	-	530,336	11,402	-	831,812	831,812
At amortised cost	-	-	-	-	-	8,547,055	8,547,055	8,464,863
	-	290,074	7,131	530,336	11,402	58,120,800	58,959,743	58,877,551
Derivative liabilities	-	-	257,843	-	-	-	257,843	257,843
Due to banks and central bank	-	-	-	-	-	12,829,154	12,829,154	12,829,154
Customer deposits	-	-	-	-	-	32,153,643	32,153,643	32,153,643
Debt securities	-	-	-	-	-	3,661,583	3,661,583	3,661,583
Other borrowings	-	-	-	-	-	1,460,814	1,460,814	1,460,814
	-	-	257,843	-	-	50,105,194	50,363,037	50,363,037

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities

	Fair value through profit or loss			Fair value through other comprehensive income				
	Debt instruments	Equity instruments	Derivative instruments	Debt instruments	Equity instruments	Amortised cost	Total carrying amount	Fair value
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
31 December 2023								
Cash and balances with central bank	-	-	-	-	-	1,855,428	1,855,428	1,855,428
Due from banks	-	-	-	-	-	14,760,032	14,760,032	14,760,032
Derivative assets	-	-	178,791	-	-	-	178,791	178,791
Loans and advances to customers	-	-	-	-	-	34,753,943	34,753,943	34,753,943
Investment securities:								
Measured at fair value	-	218,303	-	764,761	11,402	-	994,466	994,466
At amortised cost	-	-	-	-	-	7,322,460	7,322,460	7,245,538
	-	218,303	178,791	764,761	11,402	58,691,863	59,865,120	59,788,198
Derivative liabilities	-	-	101	-	-	-	101	101
Due to banks and central bank	-	-	-	-	-	15,001,235	15,001,235	15,001,235
Customer deposits	-	-	-	-	-	29,644,983	29,644,983	29,644,983
Debt securities	-	-	-	-	-	5,489,434	5,489,434	5,489,434
Other borrowings	-	-	-	-	-	1,461,745	1,461,745	1,461,745
	-	-	101	-	-	51,597,397	51,597,498	51,597,498

8. CASH AND BALANCES WITH CENTRAL BANK

	2024 QR' 000	2023 QR' 000
Cash	**456,576**	482,352
Cash reserve with QCB*	**1,548,467**	1,267,727
Other balances with QCB	**174,706**	105,349
Total	**2,179,749**	1,855,428

*The cash reserve with QCB is a mandatory reserve not available for use in the Group's day to day operations.

9. DUE FROM BANKS

	2024 QR' 000	2023 QR' 000
Current accounts	**14,196**	18,221
Placements	**11,537,060**	14,609,516
	11,551,256	14,627,737
Interest receivables	**181,852**	136,328
Allowance for impairment – IFRS 9	**(2,431)**	(4,033)
Total	**11,730,677**	14,760,032

10. LOANS AND ADVANCES TO CUSTOMERS

a) By type

	2024 QR' 000	2023 QR' 000
Loans	**36,114,820**	34,678,719
Overdrafts	**1,349,191**	1,462,175
Bills discounted	**65,665**	112,399
Acceptances	**202,609**	96,159
Other loans	**72,024**	79,652
	37,804,309	36,429,104
Interest receivables	**475,453**	459,696
Allowance for impairment of loans and advances to customers – Performing (Stage 1 and 2)	**(1,761,748)**	(1,347,827)
Allowance for impairment of loans and advances to customers – Non-performing (Stage 3)	**(854,695)**	(787,030)
Net loans and advances to customers (Note 10 (a) (i))	**35,663,319**	34,753,943

The aggregate amount of non-performing loans and advances to customers amounted to QR 1,099,921 thousand, which represents 2.91% of total loans and advances to customers as at 31 December 2024 (2023: QR 914,084 thousand, 2.51% of total loans and advances to customers).

Allowance for impairment of loans and advances to customers includes QR 171,059 thousand of interest in suspense as at 31 December 2024 (2023: QR 240,145 thousand).

Note i: By operating segments

	2024 QR' 000	2023 QR' 000
Government and related agencies	**2,768,186**	2,797,062
Corporate	**25,928,400**	25,398,361
Retail	**6,491,280**	6,098,824
Gross loans less impairment	**35,187,866**	34,294,247
Interest receivables	**475,453**	459,696
	35,663,319	34,753,943

b) By industry

At 31 December 2024:	Loans QR' 000	Overdrafts QR' 000	Bills discounted QR' 000	Acceptances QR' 000	Other loans QR' 000	Total QR' 000
Government and related agencies	2,767,403	863	-	-	-	2,768,266
Industry	799,448	55,402	-	2,964	63	857,877
Commercial	8,555,403	447,411	4,710	174,829	5,782	9,188,135
Services	9,968,801	339,644	15,552	3,941	825	10,328,763
Contracting	4,492,657	478,333	45,403	20,875	548	5,037,816
Real estate	6,945,231	12,359	-	-	24	6,957,614
Personal	2,585,877	15,179	-	-	64,782	2,665,838
	36,114,820	1,349,191	65,665	202,609	72,024	37,804,309
Interest receivables						475,453
Allowance for impairment of loans and advances to customers						(2,616,443)
						35,663,319

At 31 December 2023:	Loans QR' 000	Overdrafts QR' 000	Bills discounted QR' 000	Acceptances QR' 000	Other loans QR' 000	Total QR' 000
Government and related agencies	2,519,371	277,710	-	-	-	2,797,081
Industry	1,047,119	57,614	175	1,948	133	1,106,989
Commercial	8,845,475	455,849	12,113	37,038	543	9,351,018
Services	9,418,513	323,262	12,041	3,205	890	9,757,911
Contracting	4,529,940	314,763	88,070	53,968	581	4,987,322
Real estate	5,678,204	4,937	-	-	483	5,683,624
Personal	2,640,097	28,040	-	-	77,022	2,745,159
	34,678,719	1,462,175	112,399	96,159	79,652	36,429,104
Interest receivables						459,696
Allowance for impairment of loans and advances to customers						(2,134,857)
						34,753,943

c) Movement in impairment provisions on loans and advances to customers

	2024 QR' 000	2023 QR' 000
Balance as at 1 January	**2,134,857**	1,822,196
Provisions made during the year	**977,368**	621,903
Recoveries during the year	**(495,552)**	(187,570)
	481,816	434,333
Written-off during the year	**(230)**	(121,672)
Balance at 31 December	**2,616,443**	2,134,857

By internal business segment

2024		**Corporates**			**Retail**			**Total**	
	Stage 1	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**
	QR' 000	**QR' 000**	**QR' 000**	**QR' 000**	**QR' 000**	**QR' 000**	**QR' 000**	**QR' 000**	**QR' 000**
Balance as at 1 January 2024	**287,484**	**934,163**	**628,738**	**26,699**	**99,481**	**158,292**	**314,183**	**1,033,644**	**787,030**
Charge for the year	**3,632**	**601,066**	**199,307**	**1,786**	**110,558**	**61,019**	**5,418**	**711,624**	**260,326**
Recoveries during the year	**(80,806)**	**(203,608)**	**(173,608)**	**(10,532)**	**(8,175)**	**(18,823)**	**(91,338)**	**(211,783)**	**(192,431)**
Written-off during the year	**-**	**-**	**-**	**-**	**-**	**(230)**	**-**	**-**	**(230)**
Balance at 31 December 2024	**210,310**	**1,331,621**	**654,437**	**17,953**	**201,864**	**200,258**	**228,263**	**1,533,485**	**854,695**

2023		Corporates			Retail			Total	
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
Balance as at 1 January 2023	237,875	709,017	671,659	1,472	80,671	121,502	239,347	789,688	793,161
Charge for the year	121,614	284,937	56,044	27,332	37,206	94,770	148,946	322,143	150,814
Recoveries during the year	(72,005)	(59,791)	(14,304)	(2,105)	(18,396)	(20,969)	(74,110)	(78,187)	(35,273)
Written-off during the year	-	-	(84,661)	-	-	(37,011)	-	-	(121,672)
Balance at 31 December 2023	287,484	934,163	628,738	26,699	99,481	158,292	314,183	1,033,644	787,030

The movement includes the effect of interest suspended on loans and advances to customers as per QCB regulations.

11. INVESTMENT SECURITIES

The analysis of investment securities is detailed below:

	2024 QR' 000	2023 QR' 000
Investments measured at fair value through profit or loss (FVTPL)	**290,074**	218,303
Investments measured at fair value through other comprehensive income (FVOCI)	**541,738**	776,163
Investments measured at amortised cost (AC)	**8,547,055**	7,322,460
	9,378,867	8,316,926
Interest receivables	**88,755**	77,699
Allowance for impairment on debt securities	**(22,686)**	(12,881)
	9,444,936	8,381,744

a) Fair value through profit or loss (FVTPL)

	2024		2023	
	Quoted QR' 000	Unquoted QR' 000	Quoted QR' 000	Unquoted QR' 000
Mutual funds and equities	**247,670**	**42,404**	169,935	48,368

During the year, the Group recorded dividend of QR 10,260 thousand (2023: QR 7,290 thousand) on these securities.

b) Fair value through other comprehensive income (FVOCI)

	2024		2023	
	Quoted QR' 000	Unquoted QR' 000	Quoted QR' 000	Unquoted QR' 000
State of Qatar debt securities	**-**	**-**	200,000	-
Other debt securities	**530,336**	**-**	564,761	-
Equities	**-**	**11,402**	-	11,402
	530,336	**11,402**	764,761	11,402

c) Amortised Cost

	2024		2023	
	Quoted QR' 000	Unquoted QR' 000	Quoted QR' 000	Unquoted QR' 000
State of Qatar debt securities	**6,647,738**	**-**	6,216,957	-
Other debt securities	**1,899,317**	**-**	1,105,503	-
	8,547,055	**-**	7,322,460	-

12. PROPERTY AND EQUIPMENT

	Land and building QR' 000	Leasehold improvements QR' 000	Furniture and equipment QR' 000	Motor vehicles QR' 000	Rights of use of assets QR' 000	Capital work in progress QR' 000	Total QR' 000
Cost:							
As at 1 January 2024	**217,091**	**117,847**	**228,560**	**78**	**20,606**	**51,593**	**635,775**
Acquisitions	**49**	**11,214**	**17,248**	**-**	**11,014**	**-**	**39,525**
Transfer	**98,681**	**-**	**-**	**-**	**-**	**-**	**98,681**
Disposals	**-**	**-**	**-**	**-**	**(11,476)**	**-**	**(11,476)**
At 31 December 2024	**315,821**	**129,061**	**245,808**	**78**	**20,144**	**51,593**	**762,505**
Accumulated depreciation							
As at 1 January 2024	**86,387**	**101,495**	**209,737**	**78**	**15,081**	**-**	**412,778**
Disposals	**-**	**-**	**-**	**-**	**(10,116)**	**-**	**(10,116)**
Depreciation for the year	**6,404**	**5,676**	**11,034**	**-**	**3,246**	**-**	**26,360**
At 31 December 2024	**92,791**	**107,171**	**220,771**	**78**	**8,211**	**-**	**429,022**
Net carrying amounts:							
At 31 December 2024	**223,030**	**21,890**	**25,037**	**-**	**11,933**	**51,593**	**333,483**

	Land and building QR' 000	Leasehold improvements QR' 000	Furniture and equipment QR' 000	Motor vehicles QR' 000	Rights of use of assets QR' 000	Capital work in progress QR' 000	Total QR' 000
Cost:							
As at 1 January 2023	217,091	121,519	219,648	78	30,039	51,593	639,968
Acquisitions	-	6,817	12,029	-	-	-	18,846
Disposals	-	(10,489)	(3,117)	-	-	-	(13,606)
Write-off	-	-	-	-	(9,433)	-	(9,433)
At 31 December 2023	217,091	117,847	228,560	78	20,606	51,593	635,775
Accumulated depreciation							
As at 1 January 2023	79,901	106,192	202,163	78	21,448	-	409,782
Disposal	-	(10,328)	(3,066)	-	-	-	(13,394)
Write-off	-	-	-	-	(10,502)	-	(10,502)
Depreciation for the year	6,486	5,631	10,640	-	4,135	-	26,892
At 31 December 2023	86,387	101,495	209,737	78	15,081	-	412,778
Net carrying amounts:							
At 31 December 2023	130,704	16,352	18,823	-	5,525	51,593	222,997

13. OTHER ASSETS

	2024 QR' 000	2023 QR' 000
Profit receivable (Islamic)	**3,940**	4,025
Prepaid expenses	**85,064**	32,576
Positive fair value of derivatives (Note 31)	**7,131**	178,791
Sundry debtors	**104,669**	155,825
Advances and deposits	**1,116**	1,115
Repossessed collateral*	**-**	107,681
Others	**36,938**	10,012
	238,858	490,025

* During the year ended 31 December 2024, repossessed collateral amounting to QR 98,681 thousands has been transferred to Property and Equipment.

14. DUE TO BANKS AND CENTRAL BANK

	2024 QR' 000	2023 QR' 000
Current accounts	**11,234,372**	11,931,965
Deposits	**1,588,244**	3,060,058
	12,822,616	14,992,023
Interest payables	**6,538**	9,212
	12,829,154	15,001,235

15. CUSTOMER DEPOSITS

a) By type	2024 QR' 000	2023 QR' 000
Current and call deposits	**3,212,442**	2,937,017
Saving deposits	**1,096,640**	1,037,874
Time deposits	**27,170,346**	25,223,417
	31,479,428	29,198,308
Interest payables	**674,215**	446,675
	32,153,643	29,644,983

b) By sector	2024 QR' 000	2023 QR' 000
Government	**11,594,432**	9,630,343
Government and semi government agencies	**401,987**	933,695
Corporate	**7,632,730**	8,686,576
Retail	**11,850,279**	9,947,694
	31,479,428	29,198,308
Interest payables	**674,215**	446,675
	32,153,643	29,644,983

16. (a) DEBT SECURITIES

	2024 QR' 000	2023 QR' 000
3.125% Euro Medium Term Note – Matured in September 2024	**-**	1,817,903
1.875% Euro Medium Term Note – Maturing in September 2025	**1,818,804**	1,817,009
2.00% Euro Medium Term Note – Maturing in July 2026	**1,814,474**	1,810,791
	3,633,278	5,445,703
Interest payables	**28,305**	43,731
	3,661,583	5,489,434

16. (b) OTHER BORROWINGS

	2024 QR' 000	2023 QR' 000
Term loan facilities	**1,460,814**	1,461,745

The table below shows the other borrowings of the Bank as at 31 December 2024 and 2023:

Currency	Coupon rate	2024 Maturity	2024 Amount QR '000	2023 Maturity	2023 Amount QR '000
USD	3 MONTH SOFR +110 Bps	**April 2026**	**1,456,000**	April 2026	1,456,000
	Interest payables		**4,814**		5,745
			1,460,814		1,461,745

17. OTHER LIABILITIES

	2024 QR' 000	2023 QR' 000
Accrued expense payable	**156,501**	143,250
Other provisions (Refer (i) below)	**48,720**	46,533
Bills payable	**7,369**	16,420
Negative fair value of derivatives (Note 31)	**257,843**	101
Unearned income (Commission received in advance)	**70,745**	75,072
Cash margins	**126,558**	135,672
Dividend payables	**6,999**	8,656
Social and sports fund	**22,291**	20,913
Staff pension fund	**1,374**	1,998
Due in relation to acceptances	**202,609**	96,158
Allowance for impairment for loan commitments and financial guarantees	**16,208**	13,427
Others	**115,351**	63,792
	1,032,568	621,992

(i) Other provisions

	2024		
	Staff indemnity QR' 000	Legal provision QR' 000	Total QR' 000
Balance as at 1 January	**46,506**	**27**	**46,533**
Provisions made	**4,994**	**-**	**4,994**
	51,500	**27**	**51,527**
Provisions utilised	**(2,807)**	**-**	**(2,807)**
Balance at 31 December	**48,693**	**27**	**48,720**

	2023		
	Staff indemnity QR' 000	Legal provision QR' 000	Total QR' 000
Balance as at 1 January	47,422	27	47,449
Provisions made	7,080	-	7,080
	54,502	27	54,529
Provisions utilised	(7,996)	-	(7,996)
Balance at 31 December	46,506	27	46,533

18. CAPITAL AND RESERVES

(a) Share capital

	Ordinary shares	
	2024 QR' 000	2023 QR' 000
On issue as at 1 January	**2,551,146**	2,551,146
New shares issued	**-**	-
On issue at 31 December	**2,551,146**	2,551,146

At 31 December 2024, the authorised share capital comprised 2,551,146 thousand ordinary shares (2023: 2,551,146 thousand). These instruments have a par value of QR 1. All issued shares are fully paid.

Qatar Investment Authority holds 47.71% of the ordinary shares of the Bank with the remaining shares held by members of the public and institutions (52.29%).

(b) Legal reserve

In accordance with Qatar Central Bank's Law No. 13 of 2012 as amended, 10% of the net profit for the year is required to be transferred to legal reserve until the legal reserve equals 100% of the paid-up capital. This reserve is not available for distribution except in circumstances specified in the Qatar Commercial Companies' Law and is subject to the approval of QCB. At 31 December 2024, the Group has transferred QR 89,162 thousand being 10% of the net profits (2023: QR 83,651 thousand).

(c) Risk reserve

In accordance with Qatar Central Bank, 2.5% of the net loans and advances to customers is required to be maintained, except for facilities granted to government and facilities against cash collateral. The total amount of the transfer made to the risk reserve was QR 4,363 thousands for the year ended 31 December 2024 (2023: Nil).

(d) Fair value reserve

This reserve comprises the fair value changes recognised on financial assets measured at FVOCI.

	2024 QR' 000	2023 QR' 000
January 1 As at	**(37,294)**	(45,533)
Net change in fair value of debt instruments classified as FVOCI	**20,614**	8,239
December 31 At	**(16,680)**	(37,294)

(e) Proposed dividend

A cash dividend of QR 0.25 per share amounting to QR 637,787 thousand has been proposed by the Board of Directors for the year ended 31 December 2024 (2023: QR 0.25 per share amounting to QR 637,787 thousand).

The above proposed cash dividend is subject to the approval of the shareholders in their Annual General Meeting.

19. INSTRUMENTS ELIGIBLE FOR ADDITIONAL CAPITAL

	2024 QR' 000	2023 QR' 000
Issued on 17 February 2021	**1,092,000**	1,092,000

The Group had issued regulatory Tier I capital notes totalling to QR 1.092 billion. These notes are perpetual, subordinated, unsecured and have been priced at a fixed rate for the first five years and shall be re-priced thereafter. The notes carry no maturity date and have been classified as additional Tier 1 capital. The dividend is discretionary and is non-cumulative.

20. INTEREST INCOME

	2024 QR' 000	2023 QR' 000
Balances with Qatar Central Bank	**6,260**	14,086
Due from banks	**625,756**	338,110
Debt securities	**291,274**	295,023
Loans and advances to customers	**2,613,507**	2,563,175
	3,536,797	3,210,394

The amounts reported above include interest income, calculated using the effective interest method, that relate to the following items:

	2024 QR' 000	2023 QR' 000
Financial assets measured at amortised cost	**3,509,554**	3,173,967
Financial assets measured at fair value-	**27,243**	36,427
Total	**3,536,797**	3,210,394

21. INTEREST EXPENSE

	2024 QR' 000	2023 QR' 000
Due to banks	**89,890**	317,685
Customer deposits	**1,590,341**	1,356,105
Others	**212,484**	135,673
	1,892,715	1,809,463

The amounts reported above include interest expense, calculated using the effective interest method, on financial liabilities at amortised cost.

22. FEE AND COMMISSION INCOME

	2024 QR' 000	2023 QR' 000
Credit related fees	**77,794**	86,975
Brokerage fees	**2,192**	2,862
Banking services	**15,405**	12,612
Commission on unfunded facilities	**39,642**	46,461
Others	**5,455**	3,645
	140,488	152,555

23. FOREIGN EXCHANGE GAIN - NET

	2024 QR' 000	2023 QR' 000
Dealing in foreign currencies	**47,222**	34,185
Revaluation of assets and liabilities, including derivatives	**914**	(643)
	48,136	33,542

24. NET GAIN ON INVESTMENT SECURITIES

	2024 QR' 000	2023 QR' 000
Net loss on investments including fair value loss on FVTPL	**(427)**	(3,243)
Dividend income	**10,260**	7,290
	9,833	4,047

25. OTHER OPERATING INCOME

	2024 QR' 000	2023 QR' 000
Rental income	**2,760**	3,097
Others	**96**	42
	2,856	3,139

26. STAFF COSTS

	2024 QR' 000	2023 QR' 000
Basic salaries	**80,562**	80,171
Staff pension fund costs	**3,612**	3,748
Staff indemnity costs	**9,786**	9,742
Training	**1,373**	820
Others	**94,476**	91,283
	189,809	185,764

27. OTHER EXPENSES

	2024 QR' 000	2023 QR' 000
Professional fees	**17,677**	13,343
Communication and insurance	**18,565**	19,903
Board of Directors' remuneration	**17,380**	12,875
Occupancy and maintenance	**13,185**	11,935
Computer and IT costs	**37,224**	30,272
Marketing expenses	**11,505**	9,460
Printing and stationery	**2,314**	2,173
Others	**52,703**	49,037
	170,553	148,998

28. BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share of the Bank is calculated by dividing profit for the year attributable to the equity holders of the Bank by the weighted average number of ordinary shares in issue during the year:

	2024	2023
Profit for the year attributable to the equity holders of the Bank - QR '000	**891,624**	836,505
Less: Dividend paid for Tier 1 capital instruments QR '000	**(43,680)**	(43,680)
	847,944	792,825
Weighted average number of shares	**2,551,146,170**	2,551,146,170
Basic and diluted earnings per share (QR)	**0.332**	0.311

There were no potentially dilutive shares outstanding at any time during the year, therefore, the diluted earnings per share is equal to the basic earnings per share.

The weighted average number of shares have been calculated as follows:

	2024	2023
January 1 Qualifying weighted average shares as at	**2,551,146,170**	2,551,146,170
Bonus shares issued	**-**	-
December 31 Qualifying weighted average shares at	**2,551,146,170**	2,551,146,170

29. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

a) Contingent liabilities

	2024 QR' 000	2023 QR' 000
Unutilized facilities - cancellable and non-cancellable	**11,330,210**	11,390,830
Guarantees	**5,939,319**	6,649,651
Letters of credit	**325,360**	416,667
	17,594,889	18,457,148

b) Other commitments

	2024 QR' 000	2023 QR' 000
Forward foreign exchange contracts	**6,771,731**	7,985,062

Unutilized facilities

Commitments to extend credit represent contractual commitments to make loans and revolving credits. Since commitments may expire without being drawn upon, the total contractual amounts do not necessarily represent future cash requirements.

Guarantees and letters of credit

Letters of credit and guarantees commit the Group to make payments on behalf of customers contingent upon their failure to perform under the terms of the contract. Guarantees and standby letters of credit carry the same risk as loans. Credit guarantees can be in the form of irrevocable letters of credits, advance payment guarantees and endorsements liabilities from bills rediscounted.

30. CASH AND CASH EQUIVALENTS

	2024 QR' 000	2023 QR' 000
Cash and balances with Qatar Central Bank	**631,282**	587,701
Money market placements with original maturity of less than 3 months	**1,902,289**	8,278,405
	2,533,571	8,866,106

* Cash and balances with Qatar Central Bank do not include the mandatory cash reserve.

31. DERIVATIVES

			Notional / expected amount by term to maturity				
At 31 December 2024:	**Positive fair value QR' 000**	**Negative fair value QR' 000**	**Notional amount QR' 000**	**Within 3 months QR' 000**	**3 - 12 months QR' 000**	**1-5 years QR' 000**	**More than 5 years QR' 000**
Derivatives held for trading / fair value hedges:							
Forward foreign exchange contracts	**7,131**	**257,843**	**6,771,731**	**3,411,448**	**3,360,283**	**-**	**-**
Total	**7,131**	**257,843**	**6,771,731**	**3,411,448**	**3,360,283**	**-**	**-**

			Notional / expected amount by term to maturity				
At 31 December 2023:	Positive fair value QR' 000	Negative fair value QR' 000	Notional amount QR' 000	Within 3 months QR' 000	3 - 12 months QR' 000	1-5 years QR' 000	More than 5 years QR' 000
Derivatives held for trading / fair value hedges:							
Forward foreign exchange contracts	178,791	101	7,985,062	6,060,942	1,924,120	-	-
Total	178,791	101	7,985,062	6,060,942	1,924,120	-	-

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices.

These include financial options, futures and forwards, interest rate swaps and currency swaps, which create rights and obligations that have the effect of transferring between the parties of the instrument one or more of the financial risks inherent in an underlying primary financial instrument. On inception, a derivative financial instrument gives one party a contractual right to exchange financial assets or financial liabilities with another party under conditions that are potentially favourable, or a contractual obligation to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable. However, they generally do not result in a transfer of the underlying primary financial instrument on inception of the contract, nor does such a transfer necessarily take place on maturity of the contract. Some instruments embody both a right and an obligation to make an exchange. Because the terms of the exchange are determined on inception of the derivative instruments, as prices in financial markets change, those terms may become either favourable or unfavourable.

Derivative product types

Forwards exchange contracts are contractual agreements to either buy or sell a specified currency at a specific price and date in the future. Forwards exchange contracts are customised contracts transacted in the over-the-counter market.

Swaps are contractual agreements between two parties to exchange interest or foreign currency differentials based on a specific notional amount. For interest rate swaps, counterparties generally exchange fixed and floating rate interest payments based on a notional value in a single currency.

Derivatives held for trading purposes

Most of the Group's derivative trading activities relate to customer driven transactions as well as positioning and arbitrage. Positioning involves managing positions with the expectation of profiting from favourable movements in prices, rates, or indices. Arbitrage involves identifying and profiting from price differentials between markets or products.

Derivatives held for hedging purposes

The Group has adopted a comprehensive system for the measurement and management of risk.

As part of its asset and liability management, the Group uses derivatives for hedging purposes in order to reduce its exposure to currency and interest rate movements. This is achieved by hedging specific financial instruments and forecasted transactions, as well as strategic hedging against overall consolidated statement of financial position exposures.

The Group uses forward foreign exchange contracts to hedge against specifically identified currency risks. Hedging of interest rate risk is also carried out by monitoring the duration of assets and liabilities and entering into interest rate swaps to hedge net interest rate exposures. Since hedging of net positions does not qualify for special hedge accounting, related derivatives are accounted for the same way as trading instruments.

32. FIDUCIARY ACTIVITIES

The Group provides investment brokerage and custody services to customers. Those assets that are held in a fiduciary capacity are excluded from these consolidated financial statements and amount to QR 81,992 thousands as at 31 December 2024 (2023: QR 84,468 thousand).

33. SOCIAL AND SPORTS FUND

During the year, the Group made an appropriation of QR 22,291 thousand (31 December 2023: QR 20,913 thousand) representing 2.5% of the profit for the year ended 31 December 2024, pursuant to the Law No. 13 of 2008 and further clarifications for the Law issued in 2010 and 2023.

34. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors, and key management personnel of the Group.

The Group enters into transactions with major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled, or significantly influenced by such parties. All the loans, advances, and financing activities to related parties are given at market rates and these are performing and free of any allowance for possible credit losses.

The balances of related parties included in the consolidated financial statements are as follows:

	2024		2023	
	Board of Directors	**Shareholders**	Board of Directors	Shareholders
	QR' 000	**QR' 000**	QR' 000	QR' 000
Assets:				
Loans and advances to customers	**40,912**	**-**	34,668	-
Liabilities:				
Customer deposits	**5,092,173**	**1,110,924**	3,585,668	1,582,737
Unfunded items:				
Letters of guarantee, letters of credit, commitments, and indirect credit facilities	**16,502**	**-**	16,842	-
Income statement items:				
Interest and fee and commission income	**1,718**	**-**	3,549	-
Interest and fee and commission expense	**276,331**	**71,856**	195,506	88,097
Board of Directors' remuneration	**17,380**	**-**	12,875	-

a) Transactions with key management personnel

Key management personnel (other than Board of Directors) and their immediate relatives have transacted with the Group during the year as follows:

	2024	2023
	QR' 000	QR' 000
Other loans	**6,389**	4,983

Key management personnel compensation for the year ended comprised:

	2024 QR' 000	2023 QR' 000
Salaries and short-term employee benefits	**29,122**	30,651
Post-employment benefits	**4,305**	4,927
	33,427	35,578

FINANCIAL STATEMENTS OF THE PARENT BANK

a) Statement of Financial Position – Parent Bank

	December 31 2024 QR' 000	December 31 2023 QR' 000
ASSETS		
Cash and balances with central bank	**2,179,748**	1,855,428
Due from banks	**11,730,677**	14,760,032
Loans and advances to customers	**35,663,319**	34,753,943
Investment securities	**9,444,936**	8,381,744
Investment in subsidiaries	**50,000**	50,000
Property and equipment	**333,086**	222,324
Other assets	**238,569**	489,689
TOTAL ASSETS	**59,640,335**	60,513,160
LIABILITIES		
Due to banks and central bank	**12,829,154**	15,001,235
Customer deposits	**32,193,737**	29,684,502
Borrowings from a subsidiary	**3,661,583**	5,489,434
Other borrowings	**1,460,814**	1,461,745
Other liabilities	**1,029,787**	622,789
TOTAL LIABILITIES	**51,175,075**	52,259,705
EQUITY		
Share capital	**2,551,146**	2,551,146
Legal reserve	**2,112,299**	2,016,664
Risk reserve	**757,471**	753,108
Fair value reserve	**(16,680)**	(37,294)
Retained earnings	**1,969,024**	1,877,831

TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK	**7,373,260**	7,161,455
Instruments eligible for additional capital	**1,092,000**	1,092,000
TOTAL EQUITY	**8,465,260**	8,253,455
TOTAL LIABILITIES AND EQUITY	**59,640,335**	60,513,160

b) Income Statement – Parent Bank

For the year ended 31 December	2024 QR' 000	2023 QR' 000
Interest income	**3,536,797**	3,210,394
Interest expense	**(1,894,458)**	(1,811,294)
Net interest income	**1,642,339**	1,399,100
Net fee and commission income	**131,641**	144,511
Foreign exchange gain - net	**49,483**	33,542
Net gain on investment securities	**9,833**	4,047
Other operating income	**2,858**	3,139
Net operating income	**1,836,154**	1,584,339
Staff costs	**(185,678)**	(182,170)
Depreciation	**(26,085)**	(26,613)
Impairment loss on financial assets	**(552,697)**	(365,831)
Other expenses	**(176,746)**	(170,497)
Profit for the year	**894,948**	839,228

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