

Our Commitment

QNB Group is committed to building a better future and being a responsible partner for all stakeholders. The Group does this by embedding a culture of sustainability and sustainable practices into business, to better manage environmental and social “E&S” factors today, and well into the future. As part of QNB Group, QNB ALAHLI follows the Group’s direction and recognizes the significant contribution that can be made to society by adopting business practices to address these, especially through the Bank financing activities. Furthermore, it is believed that a proactive approach to sustainability strengthens the bank’s business resilience and supports sustainable financial performance.

A key pillar in QNB ALAHLI’s sustainability framework is *sustainable finance*, which is the integration of ESG criteria into the financing activities to deliver profit with purpose. QNB ALAHLI’s ambition is to help clients manage E&S risks, and lend to businesses that contribute towards sustainable development goals and the transition to a green economy.

QNB ALAHLI’s commitment to sustainable lending practices recognizes that large infrastructure and industrial projects can have adverse impacts on people and on the environment. QNB ALAHLI is therefore committed to work with its clients to identify, assess and manage E&S risks. Such collaboration promotes sustainable performance and can lead to improved financial, environmental and social outcomes.

In this context, an **Environmental and Social Risk Policy Framework “ESR Policy Framework”** has been developed to set forth QNB ALAHLI’s approach to environmental & social matters thorough its sustainable financing and operations.

QNB ALAHLI’s ESR Policy framework comes in alignment with QNB Group’s Sustainability Policy, Strategy and ESG commitments that recognize United Nations Global Compact, United National Sustainable Development Goals “UNSDGs”, and Global Reporting Initiative “GRI”.

Main Principles of QNB ALAHLI’s ESR Policy Framework:

QNB ALAHLI will:

- Ensure that all applicable environmental and social laws and regulations are followed and complied with.
- Respect human rights, support diversity and inclusion, and ensure that our business activities, operations and financing decisions are not associated with any acts that can be deemed as infringement of such.
- Act with the awareness that our operations have direct and indirect impacts on environment and society, and look to put in place measures to address such impacts where feasible. This includes resource consumption and opportunities associated with climate change.

- Aim to support sustainable and responsible development through the Bank's products, services, financing activities, and through influence in our supply chain.
- Not knowingly finance projects or engage in business activities which are illegal, or likely to create adverse, irreversible and detrimental effects on environment and society.
- Guide, collaborate and/or encourage relevant clients and third parties, as appropriate and where feasible, to actively manage their sustainability and E&S related risks to support the transition to a green economy and sustainable business practices.
- Build internal capacity and capability to manage sustainability and E&S related agenda, risks, demands and inquiries, as well as establish E&S related projects and initiatives.
- Disclose our environmental, social and sustainability performance within the public reporting activities, and avail grievance communication channels for internal and external stakeholders.
- Include E&S and sustainability in employees training programs and ensure that key principles and any commitments are understood and adopted by employees.

Grievance Mechanism

QNB ALAHLI maintains internal communication channels to allow smooth handling of employees' grievance.

Externally, for individuals and communities who may be impacted negatively by the Bank's operations, QNB ALAHLI receives grievance through Contact Center (19700) or email address (customer.inquiry@qnbalahli.com).

Governance

QNB ALAHLI's ESR Policy Framework was approved by QNB ALAHLI's Board of Directors.

The implementation of the ESR Policy Framework is overseen by QNB ALAHLI's Chief Risk Officer and reported the Board Risk Committee periodically.